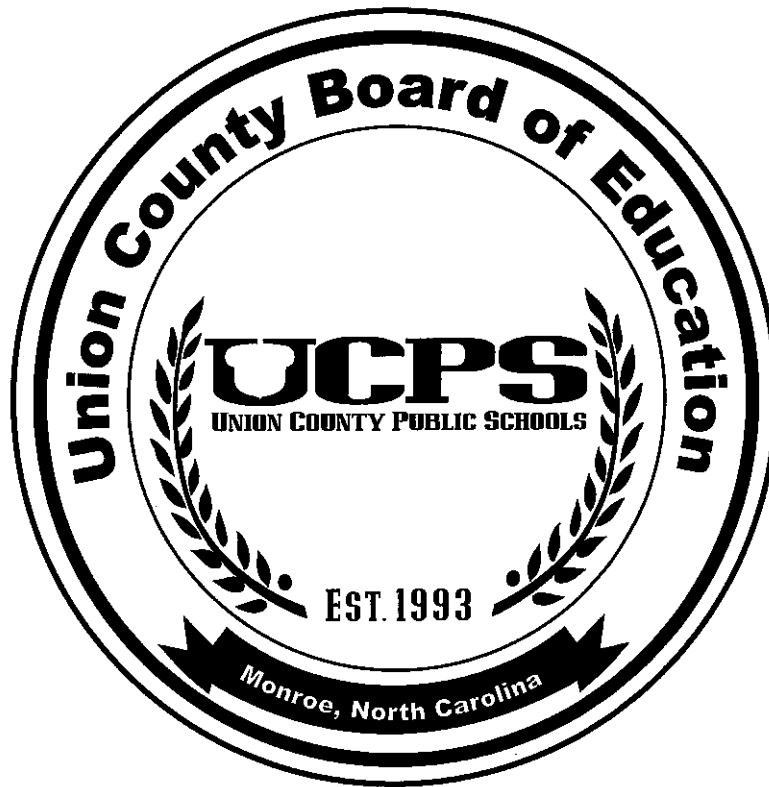


UNION COUNTY PUBLIC SCHOOLS



Stem Concepts
248-295000048-A
The Stem Academy

THE UNION COUNTY BOARD OF EDUCATION
Stem Concepts

This Contract for Services (this "Contract") is made and entered into this 24th day of May, 2012 between The Union County Board of Education, located in Monroe, North Carolina (the "UCBOE") and The Stem Academy located at 8322 W. Cantera, Peoria, AZ 85383 (the "Contractor").

Supplier agrees to provide Union County Public Schools with Student Laptops. The Contractor agrees to follow all federal regulations associated with the bid and contract.

For and in consideration of the mutual promises set forth in this Contract, the parties do mutually agree as follows:

1. Obligations of Contractor. The Contractor agrees to provide services and/or goods as follows:
 - Provide Curriculum, Learning Management System, Software and Student Activity Kits.
 - Delivery date will be established with UCPS Project Coordinator listed in item 3 of this document.
 - Agrees to all provision listed on Attachment B.

2. Obligations of UCBOE. The UCBOE agrees:
 - a. To pay: approximately \$162,000.00 for Curriculum, Learning Management System, Software and Kits.
 - b. Provide specific delivery dates.
 - c. Provide project schedule, escalation procedures and project management guidelines.

3. Project Coordinator. Robert Filter, Interim Director - CTE, 407 N Main Street, Monroe, NC 28112, is designated as the Project Coordinator for the UCBOE. The Project Coordinator shall be the UCBOE's representative in connection with the Contractor's performance under this Contract. The UCBOE has complete discretion in replacing the Project Coordinator with another person of its choosing.

4. Contractor Supervisor. Russell Mickelson (704.296.6365), The Stem Academy, is designated as their Supervisor for this Contractor. The Contractor Supervisor is fully authorized to act on behalf of the Contractor in connection with this Contract.

5. Terms and Methods of Payment. The UCBOE will make payment after invoices are approved on a net 30-day basis. The UCBOE will not pay for services or materials in advance without the prior approval of the Finance Officer.

The Contractor will submit invoices according to the following payment criteria:

School Name and Address, Period Covered, Items Delivered and Installed, PO Number and the Total Amount. Invoices shall be paid after acceptance of equipment.

6. Additional Provisions. Contractor agrees to the Standard Terms and Conditions set forth as Attachment A attached hereto and incorporated herein by reference.

IN WITNESS WHEREOF, the UCBOE and the Contractor have executed this Contract on the day and year first written above.

The Stem Academy

Supplier Name

Signature of Authorized Representative


Date

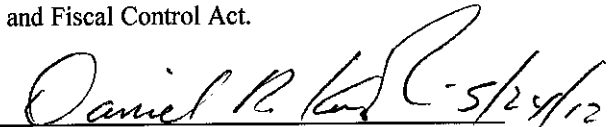
Contractor's Federal Identification #
[if Contract is with Organization]
27-2390050
or Social Security Number
[if Contract is with individual]

Originator/Fund Owner Date

This instrument has been pre-audited
in the manner required by the School Budget
and Fiscal Control Act.

APPROVED AS TO FORM:

 5/24/12
School Board Attorney Date

 5/24/12
Finance Officer Date

REVIEWED BY:

Division of Insurance & Risk Management Date

General Counsel Date

THE UNION COUNTY BOARD OF EDUCATION

 6/5/12
Superintendent or Authorized Designee Date

Print name and Title of Authorized Designee, if any:

ATTACHMENT A
STANDARD TERMS AND CONDITIONS

1. **Acceptance.** Seller's 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 Seller'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 Seller and the 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 Seller 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 Seller's quotation, acknowledgment, invoice or in any other communication from Seller 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 Seller'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, Seller agrees to give UCBOE the benefit of such lower price on any such Goods or Services. In no event shall Seller'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 Seller 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 Seller's reasonable control and without Seller's fault or negligence.
11. **Risk of Loss.** Seller 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 Seller's expense or may be accepted at an appropriate reduction in price. UCBOE may require Seller to promptly replace or correct any rejected Goods or Services and, if Seller 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 Seller the additional cost.
13. **Compliance with All Laws.** Seller warrants that all performance hereunder shall be in accordance with all applicable federal, state and local laws, regulations and orders.
14. **Warranties.** Seller 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 Seller'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.** Seller 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 Seller's failure to comply with any applicable law, ordinance, regulation, or industry standard or (b) arising directly or indirectly out of Seller'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, Seller 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 Seller, 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, Seller 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 Seller 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: **Automobile** - Seller 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** - Seller shall maintain commercial general liability insurance that shall protect Seller 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 Seller, Seller shall meet the statutory requirements of the State of North Carolina for worker's compensation coverage and employers' liability insurance. Seller 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 Seller to UCBOE and shall contain the provision that UCBOE be given 30 days' written notice of any intent to amend or terminate by either Seller 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 Seller. If the Contract is terminated by UCBOE in accordance with this paragraph, Seller 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 Seller 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 Seller. 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 Seller 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 Seller 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 Seller 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 Seller for damages of any kind (general, special, consequential or exemplary) as a result of such termination.
20. **Accounting Procedures.** Seller shall comply with any accounting and fiscal management procedures prescribed by UCBOE to apply to the Contract. Seller 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.** Seller shall assume all risks attendant to any improper expenditure of funds under the Contract. Seller 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. Seller shall make such refunds within 30 days after UCBOE notifies Seller in writing that a payment has been determined to be improper.
22. **Contract Transfer.** Seller shall not assign, subcontract or otherwise transfer any interest in the Contract without the prior written approval of UCBOE.
23. **Contract Personnel.** Seller 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.** Seller 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 Seller. "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 Seller. 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 Seller's performance; (b) do not increase Seller'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 Seller, 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.** Seller is an independent contractor and not an employee of UCBOE. The conduct and control of the work will lie solely with Seller. The Contract shall not be construed as establishing a joint venture, partnership or any principal-agent relationship for any purpose between Seller and UCBOE. Employees of Seller shall remain subject to the exclusive control and supervision of Seller, which is solely responsible for their compensation.
27. **Advertisement.** The Contract will not be used in connection with any advertising by Seller without prior written approval by UCBOE.
28. **Nondiscrimination.** During the performance of the Contract, Seller 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.** Seller 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. Seller 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. Seller 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 Seller to proceed may be terminated by written notice if UCBOE determines that Seller, 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 Seller.** Seller 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 Seller has grounds to believe that a violation of this clause may have occurred, Seller shall promptly report to UCBOE in writing the possible violation.
32. **Monitoring and Evaluation.** Seller 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. Seller shall permit UCBOE to evaluate all activities conducted under the Contract. UCBOE has the right at its sole discretion to require that Seller remove any employee of Seller from UCBOE property and from performing services under the Contract following provision of notice to Seller of the reasons for UCBOE's dissatisfaction with the services of Seller's employee.
33. **Financial Responsibility.** Seller is financially solvent and able to perform under the Contract. If requested by UCBOE, Seller 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 Seller, the inability of Seller to meet its debts as they become due or in the event of the appointment, with or without Seller'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 Seller 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 Seller'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 Seller's performance of the Contract, Seller should obtain any information pertaining to the students' official records, Seller 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 Seller's performance of the Contract, Seller should obtain any information pertaining to employees of UCBOE's personnel records, Seller 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) Seller 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 Seller in connection herewith or procured, developed, produced, manufactured or fabricated by Seller in connection herewith or procured, developed, produced, manufactured or fabricated by Seller in connection with Seller's performance hereunder (collectively, "Information"). Seller 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. Seller 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 Seller hereunder. (b) Any technical knowledge or information of Seller which Seller 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.** Seller 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 Seller for breach of contract in connection with the Contract, any amount awarded shall not bear interest either before or after any judgment, and Seller specifically waives any claim for interest.
39. **Background Checks.** At the request of UCBOE's Project Coordinator, Seller (if an individual) or any individual employees of Seller 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 Seller to create any benefits on behalf of any third party. Seller 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 Seller pursuant to the Contract shall, at the request of UCBOE, be turned over to UCBOE. Any technical knowledge or information of Seller which Seller 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 Seller hereunder, UCBOE shall be entitled to recover costs and reasonable attorney's fees. Seller may not assign, pledge, or in any manner encumber Seller'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

