



Board Meeting Handout 4.18.19

Location:Memphis Rise Academy

5221 Raleigh Lagrange Rd.

Memphis, TN 38122

Time: 5:30pm

Table of Contents

Reference	Page Number	Notes
3.19.19 Meeting Minutes	Addendum	Separate Handout
March Financials	Pp.5-8	Provided from Edtec -Back Office Provider
HFCU Resolution	Pp. 9-11	Resolution to close on HFCU loan agreement
Monthly Calendar	P.12	Calendar based on the rubric provided by state of TN
Academic Calendar Summary	Pp. 13-15	Calendar summary of days as required by state of TN
Contracts Pending Board Approval		Contracts over 10K must be approved by the Board of Directors
Wired!	Pp. 16-23	E-rate \$17,129.83 for infrastructure; MMA will be reimbursed for up to \$19,000.00
Wired!	Pp. 24-29	Technology equipment with delegation provided to HOS for final changes to contract, \$53,381.29
Wired!	Pp. 30-40	Network monitoring and support \$17,388 (\$1449/month)
UChicago (STEP Assessment)	Pp. 42-51	STEP assessment materials, Training support, online support and training; Literacy Assessment
EM3 Networks	Pp. 52-64	Internet; E-rate reimbursible for 90% of \$31,248.
Dex Imaging	Pp. 66-72	Copier Lease; 5 -year term; Quote for 3 copiers in building; Delegation to HOS for final negotiations



Memphis Merit Academy

AGENDA

Board Meeting

Date and Time

Thursday, April 18, 2019 at 5:30 PM

Location

Memphis Rise Academy High School
5221 Raleigh Lagrange Rd.

PUBLIC COMMENT AT MEMPHIS MERIT ACADEMY BOARD MEETINGS - An opportunity for the public to address the Board will be provided at the conclusion of the agenda. Members of the public who wish to speak on any item are requested to identify themselves and indicate on which agenda item they wish to speak. The Board will provide an opportunity for the public to speak for a maximum of three (3) minutes, unless granted additional time at the discretion of the Board. Testimony shall be limited in content to matters pertaining to Memphis Merit Academy. The Board may not take any action on matters discussed during the public testimony period that are not listed on the agenda.

	Purpose	Presenter	Time
I. Opening Items			5:30PM
A. Record Attendance and Guests		B. Schmiedicke	
B. Call the Meeting to Order		B. Schmiedicke	
II. Public Comment			
A. Public Comment			
B. Welcome			
III. Agenda			
A. Approval of Agenda	VOTE	B. Schmiedicke	
B. Approval of Minutes	VOTE	B. Schmiedicke	
<i>Approval of Minutes from 3.19.19</i>			
C. Approval/acceptance of March Financials	VOTE	B. Schmiedicke	
a. Edtec - Guest Presentation and PD on financials			
D. Approval of CIPA Policy	VOTE	B. Schmiedicke	
E. Approval of Closing on HFCU/Resolution			
<i>*Finance Committee recommendation based on terms sheets received from LIIF, HFCU, and CSDC</i>			
F. Approval of School Calendar	VOTE	B. Schmiedicke	
G. Approval of Contracts	VOTE	B. Schmiedicke	



- a. Wired! (Infrastructure, Technology, and Network Monitoring)
- b. UChicago (STEP Literacy Assessment)
- c. EM3 (Internet Service Provider)

**Executive Session pursuant to TCA 8-44-101 and 8-44-102 b 9 (ii)*

IV. Other Business

A. Explanation of Finances and PD	PRESENTATION	N. Rab (EDTEC)
a. During March Financials Acceptance		
B. Finance Committee Updates	DISCUSS	A. Allen
a. Review of 2019-2020 Drafted Budget		
C. Facilities Task Force Updates (Executive Session)	DISCUSS	B. Schmiedicke
D. Academic Achievement Committee	DISCUSS	K. Gibbs
a. Enrollment Tracker		
b. Licensure Tracker		
E. Development Committee	DISCUSS	M. Welch
a. Upcoming Events - July 20, 2019		

V. Founder Updates

A. HOS Updates- Scope of Work Adjustments	DISCUSS	L. Booker
a. Finance		
b. Hiring		
c. Enrollment		

VI. Closing Items

A. Adjourn Meeting

* 8-44-102. Open meetings -- "Governing body" defined -- "Meeting" defined. (a)All meetings of any governing body are declared to be public meetings open to the public at all times, except as provided by the Constitution of Tennessee...(ii) The provisions of this subdivision (b)(1)(E) shall not be construed to require the disclosure of a trade secret or proprietary information held or used by an association or nonprofit corporation to which this chapter applies. In the event a trade secret or proprietary information is required to be discussed in an open meeting, the association or nonprofit corporation may conduct an executive session to discuss such trade secret or proprietary information; provided, that a notice of the executive session is included in the agenda for such meeting. (iii)As used in this subdivision (b) (1) (E): (a)"Proprietary information" means rating information, plans, or proposals; actuarial information; specifications for specific services provided; and any other similar commercial or financial information used in making or deliberating toward a decision by employees, agents or the board of directors of such association or corporation; and which if known to a person or entity outside the association or corporation would give such person or entity an advantage or an opportunity to gain an advantage over the association or corporation when providing or bidding to provide the same or similar services to local governments; and (b)"Trade secret" means the whole or any portion or phrase



of any scientific or technical information, design, process, procedure, formula or improvement which is secret and of value. The trier of fact may infer a trade secret to be secret when the owner thereof takes measures to prevent it from becoming available to persons other than those selected by the owner to have access thereto for limited purposes.

Memphis Merit Academy
Income Statement
As of Mar FY2019

	Actual			YTD	Budget						
	Jan	Feb	Mar	Actual YTD	Approved Budget	Previous Forecast	Current Forecast	Previous vs. Current Forecast	Budget vs. Forecast	Forecast Remaining	% Forecast Spent
SUMMARY											
Revenue											
Charges for Current Services	-	-	-	-	-	-	-	-	-	-	-
Other Local Revenues	1,991	69	190	335,530	335,000	401,861	401,861	-	66,861	66,330	83%
State of Tennessee	-	-	-	-	-	-	-	-	-	-	-
Federal Government	-	-	-	-	300,000	200,000	200,000	-	(100,000)	200,000	0%
Total Revenue	1,991	69	190	335,530	635,000	601,861	601,861	-	(33,139)	266,330	56%
Expenses											
Personnel	14,167	14,167	14,167	82,917	116,667	121,944	121,944	-	(5,278)	39,028	68%
Employer Taxes & Employee Benefits	964	5,698	2,884	14,700	31,328	36,967	36,967	-	(5,639)	22,266	40%
Contracted Services	1,260	8,825	24,339	48,678	94,450	102,935	103,605	(670)	(9,155)	54,927	47%
Supplies & Materials	3,554	1,067	4,459	14,757	20,500	44,858	44,858	-	(24,358)	30,100	33%
Other Charges	70	-	1,309	4,379	6,200	5,204	5,204	-	996	825	84%
Debt Service	-	-	-	-	-	10,575	10,575	-	(10,575)	10,575	0%
Capital Expenses	-	-	8,500	13,769	59,650	19,919	28,419	(8,500)	31,231	14,650	48%
Total Expenses	20,015	29,756	55,657	179,200	328,794	342,402	351,572	(9,170)	(22,777)	172,372	51%
Operating Income	(18,025)	(29,686)	(55,468)	156,330	306,206	259,459	250,289	(9,170)	(55,917)	93,959	
Fund Balance											
Operating Income					306,206	259,459	250,289				
Ending Fund Balance					306,206	259,459	250,289				
Fund Balance as a % of Expenses						93.1%	75.8%	71.2%			

Memphis Merit Academy
Income Statement
As of Mar FY2019

	Actual			YTD	Budget						
	Jan	Feb	Mar	Actual YTD	Approved Budget	Previous Forecast	Current Forecast	Previous vs. Current Forecast	Budget vs. Forecast	Forecast Remaining	% Forecast Spent
KEY ASSUMPTIONS											
Enrollment Summary											
Total Enrolled					-	-	-	-	-		
ADM %											
Total ADM					-	-	-	-	-		

Memphis Merit Academy
Income Statement
As of Mar FY2019

		Actual			YTD	Budget						
		Jan	Feb	Mar		Actual YTD	Approved Budget	Previous Forecast	Current Forecast	Previous vs. Current Forecast	Budget vs. Forecast	Forecast Remaining
REVENUE												
Charges for Current Services												
SUBTOTAL - Charges for Current Services		-	-	-	-	-	-	-	-	-	-	-
Other Local Revenues												
44570.1	Board Contributions	1,890	50	-	8,480	10,000	10,000	10,000	-	-	1,520	85%
44570.2	Contributions and Gifts 2	100	19	-	1,861	-	66,861	66,861	-	66,861	65,000	3%
44570.3	Walton Family Foundation	-	-	-	325,000	325,000	325,000	325,000	-	-	-	100%
44999	Other Local Revenue - Uncategorized	-	-	190	190	-	-	-	-	-	(190)	
SUBTOTAL - Other Local Revenues		1,991	69	190	335,530	335,000	401,861	401,861	-	66,861	66,330	83%
State of Tennessee												
SUBTOTAL - State of Tennessee		-	-	-	-	-	-	-	-	-	-	-
Federal Government												
47100.1	Charter School Program Startup Grant	-	-	-	-	300,000	200,000	200,000	-	(100,000)	200,000	0%
SUBTOTAL - Federal Government		-	-	-	-	300,000	200,000	200,000	-	(100,000)	200,000	0%
TOTAL REVENUE		1,991	69	190	335,530	635,000	601,861	601,861	-	(33,139)	266,330	56%

Memphis Merit Academy
Income Statement
As of Mar FY2019

		Actual			YTD	Budget						
		Jan	Feb	Mar	Actual YTD	Approved Budget	Previous Forecast	Current Forecast	Previous vs. Current Forecast	Budget vs. Forecast	Forecast Remaining	% Forecast Spent
EXPENSES												
Personnel												
104	Principal	8,750	8,750	8,750	61,250	78,750	78,750	78,750	-	-	17,500	78%
105	Supervisor-Director	5,417	5,417	5,417	21,667	37,917	37,917	37,917	-	-	16,250	57%
167	Maintenance Personnel	-	-	-	-	-	5,278	5,278	-	(5,278)	5,278	0%
SUBTOTAL - Personnel		14,167	14,167	14,167	82,917	116,667	121,944	121,944	-	(5,278)	39,028	68%
Employer Taxes & Employee Benefits												
201	Social Security	767	767	767	4,391	7,233	7,561	7,561	-	(327)	3,170	58%
204	State Retirement	1,482	1,482	1,482	6,843	12,203	12,203	12,203	-	-	5,361	56%
207	Medical Insurance	(1,799)	3,227	456	1,884	9,600	14,400	14,400	-	(4,800)	12,516	13%
210	Unemployment Compensation	335	43	-	713	599	1,035	1,035	-	(435)	321	69%
212	Employer Medicare	179	179	179	870	1,692	1,768	1,768	-	(77)	898	49%
SUBTOTAL - Employer Taxes & Employee Benefits		964	5,698	2,884	14,700	31,328	36,967	36,967	-	(5,639)	22,266	40%
Contracted Services												
302	Advertising	-	-	162	1,122	5,000	5,000	5,000	-	-	3,878	22%
306	Bank Charges	35	-	-	207	200	240	240	-	(40)	33	86%
322	Evaluation & Testing	-	-	-	-	9,150	3,150	3,150	-	6,000	3,150	0%
324	Financial Services	-	4,000	2,000	10,032	22,000	22,000	22,000	-	-	11,968	46%
330	Operating Lease Payments	-	-	22,000	22,000	13,200	37,000	37,000	-	(23,800)	15,000	59%
331	Legal Services	-	-	-	-	5,000	5,000	5,000	-	-	5,000	0%
348	Postal Charges	-	(7)	-	43	200	200	200	-	-	157	22%
375	SchoolMint	-	-	-	7,000	-	7,000	7,000	-	(7,000)	-	100%
378	Fundraising Expenses	-	-	-	-	-	500	500	-	(500)	500	0%
383	Payroll Services	130	78	93	676	1,200	345	1,015	(670)	185	339	67%
387	Staff Recruiting	-	-	-	-	6,000	6,000	6,000	-	-	6,000	0%
388.1	Student Recruitment	1,095	4,754	84	7,598	15,000	15,000	15,000	-	-	7,402	51%
388.3	Parent Meetings	-	-	-	-	1,500	1,500	1,500	-	-	1,500	0%
391	Technology Services	-	-	-	-	16,000	-	-	-	16,000	-	-
SUBTOTAL - Contracted Services		1,260	8,825	24,339	48,678	94,450	102,935	103,605	(670)	(9,155)	54,927	47%
Supplies & Materials												
410	Custodial Supplies	-	-	-	-	-	7,400	7,400	-	(7,400)	7,400	0%
435	Office Supplies	235	57	639	932	300	3,000	3,000	-	(2,700)	2,068	31%
451	Uniforms	-	-	-	243	-	8,843	8,843	-	(8,843)	8,600	3%
452	Utilities	-	-	-	-	3,000	6,750	6,750	-	(3,750)	6,750	0%
452.3	Waste	-	-	-	-	-	600	600	-	(600)	600	0%
452.5	Cell Phone Service	-	-	-	-	400	-	-	-	400	-	-
492	Professional Development Supplies	3,319	1,009	3,820	11,318	15,000	16,000	16,000	-	(1,000)	4,682	71%
494	Equipment - Computers	-	-	-	2,265	1,800	2,265	2,265	-	(465)	-	100%
SUBTOTAL - Supplies & Materials		3,554	1,067	4,459	14,757	20,500	44,858	44,858	-	(24,358)	30,100	33%
Other Charges												
506	Liability Insurance	-	-	-	3,000	4,000	4,000	4,000	-	-	1,000	75%
513	Worker's Compensation Insurance	-	-	922	922	2,100	1,104	1,104	-	996	182	84%
533	Criminal Investigation of Applicants	70	-	-	70	100	100	100	-	-	30	70%
599	All Other Charges	-	-	387	387	-	-	-	-	-	(387)	-
SUBTOTAL - Other Charges		70	-	1,309	4,379	6,200	5,204	5,204	-	996	825	84%
Debt Service												
604	Interest on Notes	-	-	-	-	-	10,575	10,575	-	(10,575)	10,575	0%
SUBTOTAL - Debt Service		-	-	-	-	-	10,575	10,575	-	(10,575)	10,575	0%
Capital Expenses												
711	Furniture & Fixtures	-	-	-	-	9,650	14,650	14,650	-	(5,000)	14,650	0%
715	Land	-	-	-	-	50,000	-	-	-	50,000	-	-
724	Site Development	-	-	8,500	13,769	-	5,269	13,769	(8,500)	(13,769)	-	100%
SUBTOTAL - Capital Expenses		-	-	8,500	13,769	59,650	19,919	28,419	(8,500)	31,231	14,650	48%

Memphis Merit Academy
 Income Statement
 As of Mar FY2019

	Actual			YTD	Budget						
	Jan	Feb	Mar	Actual YTD	Approved Budget	Previous Forecast	Current Forecast	Previous vs. Current Forecast	Budget vs. Forecast	Forecast Remaining	% Forecast Spent
TOTAL EXPENSES	20,015	29,756	55,657	179,200	328,794	342,402	351,572	(9,170)	(22,777)	172,372	51%

The undersigned Mary Kaye Welch, R.D.N., the duly qualified and acting Secretary of Memphis Merit Academy, Inc., a Tennessee nonprofit corporation (the "Corporation"), does hereby certify that the following resolutions were duly adopted by the Board of Directors of the Corporation at a properly called meeting of the Directors of the Corporation at which a quorum was at all times present and participating or were adopted by written consent in lieu of a meeting, and that the following resolutions remain in full force and effect and have not been amended, modified, repealed or revoked, in whole or in part, since the date of adoption thereof.

**RESOLUTIONS OF THE BOARD OF DIRECTORS OF MEMPHIS
MERIT ACADEMY, INC. AUTHORIZING A LOAN
TRANSACTION WITH HOPE FEDERAL CREDIT
UNION PURSUANT TO WHICH THE
CORPORATION WILL BORROW AN AMOUNT
NOT TO EXCEED \$564,000.00 AND TO TAKE ALL
ACTIONS NECESSARY TO SECURE CREDIT
ENHANCEMENT FOR THE LOAN FROM HOPE
ENTERPRISE CORPORATION**

WHEREAS, Memphis Merit Academy, Inc., a Tennessee nonprofit corporation (the "Corporation") has been authorized by the Shelby County Board of Education to operate Memphis Merit Academy Charter School, a charter school (as such term is defined in Title V, Part B, Subpart 1, Section 5210 of The Elementary and Secondary Education Act as reauthorized by the No Child Left Behind Act of 2001 and the Every Student Succeeds Act of 2015) in the City of Memphis, Tennessee ("Ambition Prep") in certain facilities located at 4775 American Way, Memphis, Tennessee 38118-2412 (the "School Facilities") leased from Gregory realty, a Tennessee general partnership pursuant to that certain Lease Agreement effective as of April 1, 2019 (the "Lease"); and

WHEREAS, the Corporation desires for Hope Federal Credit Union ("Lender") to make the Corporation a construction/permanent loan (the "Loan") in the maximum principal amount of \$564,000.00 to Borrower to provide a portion of the funds for the renovation, improvement and equipping of the School Facilities; and

WHEREAS, the Corporation acknowledges that the Corporation's ability to obtain the Loan from Lender will be enhanced by securing credit enhancement for the Loan ("Credit Enhancement") from Hope Enterprise Corporation, a Mississippi nonprofit corporation ("HEC") which has received an award from the United States Department of Education to provide credit enhancement for loans to charter schools; and

WHEREAS, Lender is agreeable to making the Loan to the Corporation on the terms and conditions set forth in the commitment letter from Lender dated March 4, 2019 (the "HFCU Commitment Letter") and the form of loan documents provided to and reviewed by the Corporation, and HEC is agreeable to making Credit Enhancement for the Loan available to the Corporation on the terms and conditions set forth in the form of credit enhancement documents provided to and reviewed by the Corporation;

NOW, THEREFORE, BE IT RESOLVED BY THE CORPORATION AS FOLLOWS:

1. The Corporation shall be, and hereby is, authorized to make and accept the Loan substantially on the terms and conditions set forth in the HFCU Commitment Letter and in the form of documents for the Loan previously provided to and reviewed by the Corporation, each with such additions, deletions and modifications thereto as the Chair of the Board of Directors, Vice Chair of the Board of Directors, the President, any Vice President, the Secretary, the Treasurer or any other officer of the Corporation (each, an "Authorized Person") shall deem necessary or advisable. Each Authorized Person has the authority to act individually.
2. The Corporation shall be, and hereby is, authorized to obtain Credit Enhancement for the Loan substantially on the terms and conditions set forth in the form of credit enhancement documents previously provided to and reviewed by the Corporation in connection with the Credit Enhancement, each with such additions, deletions and modifications thereto as any Authorized Person shall deem necessary or advisable. Such documents may contain waivers of notice, limit cure rights and contain other provisions deemed acceptable by any Authorized Person, in his or her sole discretion.
3. Each Authorized Person shall be, and hereby is, authorized and directed to execute any documents for and on behalf of the Corporation requested or required by Lender in connection with the Loan or by HEC in connection with the Credit Enhancement, the execution of each such document by any Authorized Person to be conclusive evidence of approval thereof by the Corporation.
4. Without in any way limiting the foregoing, the Corporation shall be, and hereby is, authorized and directed to encumber the Lease in favor of Lender and, in furtherance thereof, each Authorized Person shall be, and hereby is,

2019-2020 Memphis Merit Academy Academic Calendar

March 2019							April 2019						
Sun	Mon	Tues	Wed	Thurs	Fri	Sat	Sun	Mon	Tues	Wed	Thurs	Fri	Sat
	3	4	5	6	7	8	9	1	2	3	4	5	6
10	11	12	13	14	15	16	14	15	16	17	18	19	20
17	18	19	20	21	22	23	21	22	23	24	25	26	27
24	25	26	27	28	29	30	28	29	30				
31													

Key:

- Home Visits/STEP Window
- Parent Conferences
- First Day of Classes/Grading Periods Begin
- NWEA Testing Window
- STEP Assessment Window
- Observed Holiday/Teacher Vacation Days
- Professional Development/Administrative Days
- Parent Conferences (Scheduled by Homeroom Teachers)
- Math Interim Assessments
- University Night

May 2019							June 2019							
Sun	Mon	Tues	Wed	Thurs	Fri	Sat	Sun	Mon	Tues	Wed	Thurs	Fri	Sat	
	5	6	7	8	9	10	11	2	3	4	5	6	7	8
12	13	14	15	16	17	18	9	10	11	12	13	14	15	
19	20	21	22	23	24	25	16	17	18	19	20	21	22	
26	27	28	29	30	31		23	24	25	26	27	28	29	
							30							

July 2019							August 2019							
Sun	Mon	Tues	Wed	Thurs	Fri	Sat	Sun	Mon	Tues	Wed	Thurs	Fri	Sat	
	7	8	9	10	11	12	13	4	5	6	7	8	9	10
14	15	16	17	18	19	20	11	12	13	14	15	16	17	
21	22	23	24	25	26	27	18	19	20	21	22	23	24	
28	29	30					25	26	27	28	29	30	31	

September 2019							October 2019						
Sun	Mon	Tues	Wed	Thurs	Fri	Sat	Sun	Mon	Tues	Wed	Thurs	Fri	Sat
	1	2	3	4	5	6	6	7	8	9	10	11	12
8	9	10	11	12	13	14	13	14	15	16	17	18	19
15	16	17	18	19	20	21	20	21	22	23	24	25	26
22	23	24	25	26	27	28	27	28	29	30	31		

November 2019							December 2019							
Sun	Mon	Tues	Wed	Thurs	Fri	Sat	Sun	Mon	Tues	Wed	Thurs	Fri	Sat	
	3	4	5	6	7	8	9	8	9	10	11	12	13	14
10	11	12	13	14	15	16	15	16	17	18	19	20	21	
17	18	19	20	21	22	23	22	23	24	25	26	27	28	
24	25	26	27	28	29	30	29	30	31					

January 2020							February 2020							
Sun	Mon	Tues	Wed	Thurs	Fri	Sat	Sun	Mon	Tues	Wed	Thurs	Fri	Sat	
	5	6	7	8	9	10	11	2	3	4	5	6	7	8
12	13	14	15	16	17	18	9	10	11	12	13	14	15	
19	20	21	22	23	24	25	16	17	18	19	20	21	22	
26	27	28	29	30	31		23	24	25	26	27	28	29	

March 2020							April 2020							
Sun	Mon	Tues	Wed	Thurs	Fri	Sat	Sun	Mon	Tues	Wed	Thurs	Fri	Sat	
	1	2	3	4	5	6	7	5	6	7	8	9	10	11
8	9	10	11	12	13	14	12	13	14	15	16	17	18	
15	16	17	18	19	20	21	19	20	21	22	23	24	25	
22	23	24	25	26	27	28	26	27	28	29	30			

May 2020							June 2020							
Sun	Mon	Tues	Wed	Thurs	Fri	Sat	Sun	Mon	Tues	Wed	Thurs	Fri	Sat	
	3	4	5	6	7	8	9	7	8	9	10	11	12	13
10	11	12	13	14	15	16	14	15	16	17	18	19	20	
17	18	19	20	21	22	23	21	22	23	24	25	26	27	
24	25	26	27	28	29	30	28	29	30					
31														

Calendar Totals

Grading Periods	Students Out/ Staff In Days	Parent Teacher Conferences (PTC) & Report Card Pick Up
First Nine Weeks Aug.5-Oct. 4th (43 Instructional Days)	Total (Summer + School Year) PD Days = 28 Days	First Nine Weeks Oct. 22nd- Oct. 25th
Second Nine Weeks Oct. 7- Dec. 20th (43 Instructional Days)	Throughout School Year PD= 8 Days	Second Nine Weeks Jan. 13th- Jan. 17th
Third Nine Weeks Jan. 6- Mar. 13th (40 Instructional Days)	MRST Institute: Summer PD - July 8-Aug. 22	Third Nine Weeks March 24th- March 27th
Fourth Nine Weeks Mar. 24- May 27th (46 Instructional Days)	Aug. 30th- Administrative Day/Staff PD	Report Cards Mailed on June 1st- June 12th
Semester I Aug. 5- Dec. 20th = 86 Instructional Days	Oct. 21st- Data Day/Staff PD	
Semester II Jan. 6- May 29th= 94 Instructional Days	Nov. 1st- Data Day/Staff PD	Progress Reports
	Dec. 20th- Administrative Day/Staff PD	First Nine Weeks September 4th
	Jan. 3rd- Administrative Day/Staff PD	Second Nine Weeks November 6th
	Feb. 17th Data Day/Staff PD	Third Nine Weeks February 5th
	Mar. 23rd Administrative Day/Staff PD	Fourth Nine Weeks April 22nd
	April 9th Data Day/Staff PD	
		Promotion In Doubt (PID) Meeting
		1st Semester- December 13th (AM Meeting Time)
		2nd Semester- April 24th (AM Meeting Time)

180 Instructional Days

Total (Summer + School Year) PD Days = 28 Days
Throughout School Year PD= 8 Days

Indemnent Weather Policy: Memphis Merit Academy Charter School will follow the same indemnent weather schedule as Shelby County Schools.

Date	Day(s)	Event	Students Out	Teachers Out
Before School Begins				
July 8, 2019- August 2, 2019	18	MERIT Summer Professional Development		
July 12, 2019 & July 26, 2019	2	Parent Orientation		
FIRST SEMESTER				
Total Instructional Days: 86/ Professional Development Days: 5				
August 5 th		First Day of School for Students/ First Day of 1 st Nine Weeks		
August 12 th - 16 th		NWEA Fall Testing Window		
August 19 th -29 th		STEP Testing Window #1		
August 29 th		University Night (Title I)		
August 30 th		Administrative Day/ Staff PD	X	
September 2 nd		Labor Day	X	X
September 4 th		Progress Reports Issued		
September 27 th		Math Interim Assessments		
October 4 th		Last Day of 1 st Nine Weeks		
October 7 th		First Day of 2 nd Nine Weeks		
October 14 th -18 th		Fall Break	X	X
October 21 st		Staff PD/ Data Days	X	
October 22 nd - 25 th		Parent Teacher Conference & 1 st Nine Weeks Report Card Issued		
October 22 nd -31 st		STEP Testing Window #2		
November 1 st		Staff PD/ Data Days	X	
November 6 th		Progress Reports Issued		
November 11 th		Veteran's Day	X	X
November 27 th -29 th		Thanksgiving Holiday	X	X
December 12 th		Math Interim Assessments		
December 13 th		Promotion in Doubt Meeting (AM Meeting)		
December 13 th -20 th		STEP Testing Window # 3		
December 20 th		Last Day of 2 nd Nine Weeks/ Staff PD	X	

December 23th - January 6 th		Winter Break	X	X
January 3 rd		Administrative Day/ Staff PD	X	
SECOND SEMESTER				
Total Instructional Days: 94/ Professional Development Days: 3				
January 6 th		First Day of School after Winter Break		
January 13 th -17 th		Parent Teacher Conference & 2 nd Nine Weeks Report Cards Issued		
January 14 th -17 th		NWEA Winter Testing Window		
January 20 th		Observed MLK Holiday	X	X
January 27 th		University Night (Title I)		
February 5 th		Progress Reports Issued		
February 4 th -14 th		STEP Testing Window #4		
February 17 th		Staff PD/ Data Days	X	
March 13 th		Last Day of 3 rd Nine Weeks		
March 16 th -20 th		Spring Break	X	X
March 23 rd		Administrative Day/Staff PD	X	
March 24 th		First Day of 4 th Nine Weeks		
March 24 th -27 th		Parent Teacher Conference & 3 rd Nine Weeks Report Cards Issued		
March 24 th - April 3 rd		STEP Testing Window #5		
March 25 th		Math Interim Assessments		
April 9 th -10 th		Spring Break II/ Good Friday	X	X
April 9 th		Staff PD/ Data Days	X	
April 22 nd		Progress Reports Issued		
April 24 th		University Night/ Promotion in Doubt Meeting (AM Meeting)		
May 4 th – 8 th		NWEA Spring Testing Window		
May 11 th – 26 th		STEP Testing Window #6		
May 22 nd		Math Interim Assessments		
May 25 th		Memorial Day Holiday	X	X
May 27 th		KK Promotional Ceremony/ Last Day of 4 th Nine Weeks		

May 29 th		Last Day of School for Students		
May 29 th		Last Day for staff		
TOTAL NUMBER OF INSTRUCTIONAL DAYS: 180				
Grading Periods	Report Cards Issued			
August 5, 2019- October 4, 2019	Oct. 22-25	43		
October 7, 2019- December 20, 2019	Jan. 13-17	43		
January 6, 2019- March 13, 2019	March 24 th -27 th	48		
March 24, 2019- May 29, 2019	June 1 st – 12 th (Mailed)	46		



SPIN : 143032937

Company Name : WIRED! Technology Partners

11221 Richardson Dr

North Little Rock, AR 72113

p: 877.957.0780 www.wiredtech.com f: 501.325.3539

Proposal

For

MEMPHIS MERIT ACADEMY CHARTER SCHOOL

E-RATE FUNDING YEAR 2019-2020

Form 470 Application Number: 190025795



I. Executive Summary - Including the total project cost per location:

This is a proposal for the necessary equipment, installation, and configuration services to provide LAN and WLAN connectivity to the following location:

Memphis Merit Academy, Inc.

8460 Kamin Lane
Memphis, TN 38125

-Internal Connections: \$17,129.83

II. Company Information - Including statements and indications of:

a. Company Ownership

- i. Everett Ellis, President and CEO
- ii. Karla Larson Davis, Vice President and CFO

b. Financial Performance

WIRED! has enjoyed serving and supporting customers in Arkansas, for over 25 years. More recently, operations have been expanded to Oklahoma, Tennessee, Indiana, New York, and Florida. This rapid growth has introduced many new opportunities for financial expansion and, with it, a means of funding our continual development of services and practices that will benefit and support our clients best.

c. Staff Technical and Project Management Competence

The staff at WIRED! has a diverse set of skills – both technical and managerial. In order to best serve our customers, we have built teams around these skill sets – all while maintaining a culture of open communication and collaboration. Because of this, our teams are highly specialized and highly fluid.

d. Other relevant indicators of company stability:

Since WIRED!'s founding in 1991, our teams, skills, and areas of expertise have grown immensely. However, the core values and culture have remained solid. We are here to Support our clients and provide them with everything that they need to focus on the growth and success of their business, without worrying about the complex needs of their Information Technology systems. Our clients have proven that they value our Support based culture, by continuously giving glowing referrals to those in their business circles. Because of this, we have seen explosive organic growth – even crossing business types and industries. This diversified client base has given us more opportunities to grow while increasing

our stability by decreasing our dependence on a single industry.

e. Company Service Provider Identification and Service Provider Annual Certification

SPIN: 143032937

Company Name: WIRED! Technology Partners

Date Approved: 12/12/2008

III. **Statement of Compliance with USAC Rules**

WIRED! Technology Partners has reviewed all of the Universal Service (E-Rate) Requirements. WIRED! hereby agrees to all terms, processes, requirements, and procedures listed.

IV. **Proposal Eligibility**

Scope of Work	Eligible Cost	Ineligible Cost	Total Cost
Internal Connections	\$ 17,129.83	\$ -	\$ 17,129.83
<i>Subtotal</i>	\$ 17,129.83	\$ -	\$ 17,129.83
Taxes	\$ 0.00	\$ -	\$ 0.00
<i>Total</i>	\$ 17,129.83	\$ -	\$ 17,129.83

V. **Project Timeline**

- a. **10 Days to process order & receive equipment**
- b. **3 Days to complete pre-configuration of equipment**
- c. **5 Days to complete onsite installation (with unrestricted access)**
- d. **1 Day testing and training**

VI. References

- a. Leadership Prep Charter School**
4190 Elliston Road
Memphis, TN 38111
(901) 512-4495
- b. KIPP Delta Public Schools**
415 Ohio Street
Helena-West Helena, AR 72342
(870) 753-9035
- c. Lighthouse Academies**
OK, AR, IN, NY, FL
(770) 807-2488
- d. St. Joseph School System**
1116 College Avenue
Conway, AR 72032
(501) 327-1204
- e. Central Arkansas Christian Schools**
#1 Windsong Drive
North Little Rock, AR 72206
(501) 247-4960
- f. Tulsa Legacy Charter School**
105 E. 63rd Street N
Tulsa OK 74126
(918) 794-1442
- g. Little Rock Preparatory Academy**
1205 S Schiller St
Little Rock, AR 72202
(501) 683-0085

**Additional references available upon request*

This proposal is respectfully submitted by:

Everett J Ellis, President and CEO
WIRED! Technology Partners
Submitted 3/18/2019

Quoted To:

Memphis Merit Academy
 LaKenna Booker
 8460 Kamin Lane
 Memphis, TN 38125
 United States

Phone (901) 240-1009
Fax

Summary:

Date Mar 18, 2019
P.O. Number **E-rate NET**
Terms Due Upon Receipt

WIRED! Technology Partners - SPIN:143032937

Description	Unit Price	Qty	Ext. Price
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Router

<input type="checkbox"/>	CISCO1941/K9	Cisco 1941 Integrated Services Router - 2 x HWIC, 1 x Services Module, 2 x CompactFlash (CF) Card - 2 x 10/100/1000Base-T Network	\$1,055.18	1	\$1,055.18
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Cisco 1941 Integrated Services Router build on 25 years of Cisco innovation and product leadership. The new platforms are architected to enable the next phase of branch-office evolution, providing rich media collaboration and virtualization to the branch while maximizing operational cost savings. The Integrated Services Router Generation 2 platforms are future-enabled with multi-core CPUs, Gigabit Ethernet switching, and new energy monitoring and control capabilities while enhancing overall system performance.

Firewall

<input type="checkbox"/>	ASA5506-K9	Cisco ASA 5506-X Network Security Firewall Appliance - 8 Port - 10/100/1000Base-T Gigabit Ethernet - AES, 3DES - USB - 8 x RJ-45 - Manageable - Desktop, Rack-mountable	\$694.07	1	\$694.07
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Meet the industry's first adaptive, threat-focused next-generation firewall (NGFW) designed for a new era of threat and advanced malware protection. Cisco® ASA with FirePOWER Services delivers integrated threat defense for the entire attack continuum - before, during, and after an attack. How? By combining the proven security capabilities of the Cisco ASA firewall with the industry-leading Sourcefire® threat and Advanced Malware Protection (AMP) features together in a single device. The solution uniquely extends the capabilities of the Cisco ASA 5500-X Series Next-Generation Firewalls beyond what today's NGFW solutions are capable of. Whether you need protection for a small or midsized business, an enterprise, or a single data center, Cisco® ASA with FirePOWER Services provides the needed scale and context in a NGFW solution.

Switching

Continued On Next Page ...

Description	Unit Price	Qty	Ext. Price
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SG350-52P-K9-NA

Cisco SG350-52P 52-Port Gigabit PoE Managed Switch - 52 Network - Manageable - Twisted Pair - 3 Layer Supported - Desktop, Rack-mountable - Lifetime Limited Warranty

\$1,313.30

1

\$1,313.30



Cisco 350 Series Switches

The Cisco 350 Series, part of the Cisco Small Business line of network solutions, is a portfolio of affordable managed switches that provides a reliable foundation for your business network. These switches deliver the features you need to improve the availability of your critical business applications, protect your sensitive information, and optimize your network bandwidth to deliver information and applications more effectively. Easy to set up and use, the Cisco 350 Series provides the ideal combination of affordability and capabilities for small businesses and helps you create a more efficient, better-connected workforce.

The Cisco 350 Series is a broad portfolio of fixed-configuration managed Ethernet switches. Models are available with 48 ports of Fast Ethernet and 10 to 28 ports of Gigabit Ethernet connectivity, providing optimal flexibility to create exactly the right network foundation for your business. However, unlike other small business switching solutions that provide managed network capabilities only in the costliest models, all Cisco 350 Series Switches support the advanced security management capabilities and network features you need to support business-class data, voice, security, and wireless technologies. At the same time, these switches are simple to deploy and configure, allowing you to take advantage of the managed network services your business needs.

Business Applications

Whether you need a basic high-performance network to connect employee computers or a solution to deliver data, voice, and video services, the Cisco 350 Series offers a solution to meet your needs. Possible deployment scenarios include:
Secure desktop connectivity: Cisco 350 Series Switches can simply and securely connect employees working in small offices with each other and with all of the servers, printers, and other devices they use. High performance and reliable connectivity help speed file transfers and data processing, improve network uptime, and keep your employees connected and productive.
Secure wireless connectivity: With its advanced security features, Power over Ethernet, Auto Smartports, QoS, VLAN, and access control features, the Cisco 350 Series Switches are the perfect foundation to add business-grade wireless to a business network.
Unified communications: As a managed network solution, the Cisco 350 Series provides the performance and advanced traffic-handling intelligence you need to deliver all communications and data over a single network. Cisco offers a complete portfolio of IP telephony and other unified communications products designed for businesses. Cisco 350 Series Switches have been rigorously tested to help ensure easy integration and full compatibility with these and other products, providing a complete business solution.
Highly secure guest connectivity. Cisco 350 Series Switches let you extend highly secure network connectivity to guests in a variety of settings, such as a hotel, an office waiting room, or any other area open to nonemployee users. Using powerful but easy-to-configure security and traffic segmentation capabilities, you can isolate your vital business traffic from guest services and keep guests' network sessions private from each other.

Continued On Next Page ...

Description	Unit Price	Qty	Ext. Price
<input type="checkbox"/> SG220-50P-K9-NA Cisco SG220-50P Ethernet Switch - 50 Ports - Manageable - 2 x Expansion Slots - 10/100/1000Base-T, 1000Base-X - Uplink Port - Shared SFP Slot - 2 x SFP Slots - 2 Layer Supported - Desktop, Rack-mountableLifetime Limited Warranty	\$1,007.59	1	\$1,007.59



Wireless Access Points

<input type="checkbox"/> 9U1-R510-US00 Ruckus UNLEASHED - US00 ZONEFLEX R510 UNLEASHED, DUAL-BAND 802.11ABGN/AC WIRELESS ACCES	\$374.97	12	\$4,499.64
<input type="checkbox"/> 806-RUNL-1U00 Ruckus Wireless End Use Unleashed Support - 1 Year Extended Service - Service - Service Depot - Replacement - Labor - Physical Service - 15 Day - Shipment	\$121.21	1	\$121.21

UPS

<input type="checkbox"/> SMT1500RM2UC APC by Schneider Electric Smart-UPS 1500VA LCD RM 2U 120V with SmartConnect - 1500 VA/1000 W - 120 V AC, 110 V AC, 127 V AC - 2U Rack-mountable - NEMA 5-15P	\$778.68	1	\$778.68
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Cabling

<input type="checkbox"/> Cat6 Cable	\$32.00	30	\$960.00
<input type="checkbox"/> Cat6 Keystone Jack	\$3.25	18	\$58.50
<input type="checkbox"/> Wall Plates	\$2.10	20	\$42.00
<input type="checkbox"/> 560283 Cat6 UTP 48-Port Patch Panel, 2U	\$78.66	1	\$78.66
<input type="checkbox"/> V7N2C6-01F-BLUS V7 Cat.6 Patch Cable - Category 6 - Patch Cable - 1 ft - 1 x RJ-45 Male Network - 1 x RJ-45 Male Network - Blue	\$2.32	60	\$139.20

Continued On Next Page ...

Description	Unit Price	Qty	Ext. Price
<input type="checkbox"/> V7N2C6-07F-BLUS V7 Cat.6 Patch Cable - Category 6 - Patch Cable - 7 ft - 1 x RJ-45 Male Network - 1 x RJ-45 Male Network - Blue	\$3.96	30	\$118.80
Professional Services			
<input type="checkbox"/> Labor Hours - Cabling & Termination	\$85.00	40	\$3,400.00
Professional Services			
<input type="checkbox"/> Labor - Installation & Configuration	\$110.00	15	\$1,650.00
<input type="checkbox"/> Travel & Lodging	\$1,213.00	1	\$1,213.00

Subtotal	\$17,129.83
Tax	\$0.00
Total	\$17,129.83

- Terms:
1. Wired extends manufacturer warranties on all over the counter products. All other items are 90 days on parts and labor.
 2. Any and all changes to this quotation/contract must be in writing and signed by an authorized representative of WIRED to be effective.
 3. Customer must notify WIRED within seven business days of any installation of any defect in installation.
 4. Customer agrees to provide WIRED with a final punchlist on any installation within 7 business days of any installation.
 5. Any seal broken on any product automatically voids WIRED and Manufacturer warranties.

X _____
 I authorize the approval of this quote, based on a positive approval decision from USAC. I am indicating the WIRED! as the selected vendor for the quoted project on USAC form 471.

11221 Richardson Drive, North Little Rock, AR 72113
 Eo8-009 | sales@wiredtech.com | www.wiredtech.com

Quoted To:


Memphis Merit Academy




8460 Kamin Lane
 Memphis, TN 38125
 United States





Phone (901) 240-1009



QUOTE #	AAAQ5104
DATE	Mar 18, 2019
EXP DATE	Apr 17, 2019
TERMS	Due Upon Receipt
TICKET #	
DESCRIPTION	INF




This quote is valid for a period of 30 days. The balance of hardware and software is due at the time the order is placed. Travel expenses are not included as a part of this quote and will be invoiced under separate cover. The remaining balance is due upon completion. No refunds or exchanges will be accepted on special order items. WIRED! thanks you for the opportunity to provide this quote and looks forward to serving you!

DESCRIPTION	QTY	UNIT PRICE	TOTAL PRICE
Server			
DELL PowerEdge R340 Server Intel® Xeon® E-2126G 3.3GHz, 12M cache, 6C/6T, turbo (80W) (2) 8GB 2666MT/s DDR4 ECC UDIMM PERC H330 RAID Controller, Adapter (4) 1TB 7.2K RPM SATA 6Gbps 512n 3.5in Hot-plug Hard Drive On-Board Broadcom 5720 Dual Port 1Gb LOM iDRAC9 Basic ReadyRails™ Static Rails for 2/4-post Racks (2) NEMA 5-15P to C13 Wall Plug, 125 Volt, 15 AMP, 10 Feet (3m), Power Cord, North America Dual, Hot-plug, Redundant Power Supply, 350W 3 Years, Basic Hardware Warranty Repair: 5x10 HW-Only, 5x10 Next Business Day Onsite	1	\$2,247.87	\$2,247.87
Microsoft Windows Server 2019 Standard - License - 2 Core - Academic, Volume - Microsoft Open License for Academic - Single Language - PC	8	\$29.84	\$238.72
Chromebooks & Cart			
 Dell Chromebook 11 3180 11.6" LCD Chromebook - Intel Celeron N3060 Dual-core (2 Core) 1.60 GHz - 2 GB - 16 GB Flash Memory - Chrome OS - 1366 x 768 - Black - English (US) Keyboard - HDMI - 2 x USB 3.1 Ports - 10 Hour Battery Run Time Enrich education. Empower students. An 11.6-inch laptop that provides a cost-effective learning solution built with best-in-class durability to withstand every school day. Survives school days and school kids. Good past the last bell: With at least 10 hours of battery life, this trusty PC gets kids through even the longest school days. Designed to be kid-proof: The Chromebook 3180 Education laptop comes with a sealed, spill-resistant keyboard, rubberized edges and Drop Protection, so it can withstand lockers, lunchrooms, backpacks and buses. Collaborative construction: A 180-degree hinge allows the system to lay flat, making it easier to share content on the Corning Gorilla Glass screen with up to 10x higher scratch resistance. One machine to charge them all. The optional mobile computing cart with a space-saving design makes it easy to charge, manage, and store up to 36 systems at once. An LED light lets teachers easily see that all devices are actively charging. Google gives you more. Evolved for modern education: The Chromebook G Suite for Education features a wealth of Google apps for students and teachers, including Classroom. This core feature keeps students organized and in touch and allows teachers to create, distribute and grade assignments simply and in one place. Learning lit up: Improve student-teacher engagement with the Dell Activity Light, an innovative 3-color LED. It provides a visual indicator that allows non-disruptive communication.	36	\$204.00	\$7,344.00
Google MGMT License	36	\$26.45	\$952.20

DESCRIPTION	QTY	UNIT PRICE	TOTAL PRICE
<p>Anthro YES36 Charging Cart for Mini-laptops - 3 Shelf - 180.56 lb Capacity - 4 Casters - 4" Caster Size - Wood, Thermoplastic, Vinyl, Laminate, Steel - 28.8" Width x 25" Depth x 41.5" Height - White, Gray - For 36 Devices</p>  <p>With YES Carts, one size fits all: up to 36 Chromebooks, Ultrabooks or MacBooks with screen sizes up to a 13"-even some at 14"-will fit in this highly adaptable charging cart. Set the cart's bay width and shelf height for your device, then reconfigure when it's time for new devices. All this in a space-saving footprint and with a Lifetime Warranty. The YES Cart truly is the last charging cart you'll ever buy.</p>	1	\$1,390.21	\$1,390.21
<p>iPads (From Apple)</p>			
<p>Apple iPad Tablet - 9.7" - 32 GB Storage - iOS 11 - Silver - Apple A10 SoC - ARM Hurricane Dual-core (2 Core) 2.34 GHz, TSMC Zephyr Dual-core (2 Core) - 1.2 Megapixel Front Camera - 8 Megapixel Rear Camera</p>  <p>The new 9.7-inch iPad Like a computer. Unlike any computer. If the computer were invented today, what would it look like? It would be powerful enough for any task. So mobile you could take it everywhere. And so intuitive you could use it any way you wanted - with touch, a keyboard, or even a pencil. In other words, it wouldn't really be a "computer." It would be the new iPad. Power for what you do today. And what you'll discover tomorrow. A10 Fusion chip. Engineered for performance. 64-bit architecture. Four-core design. Over 3.3 billion transistors. Translation: iPad is incredibly fast. Which comes in handy when you want to edit a 4K video, play graphics-intensive games, or experience the latest augmented reality apps. It multitasks easily. So you can, too. iPad packs enough power to use multiple apps all at once. Work on your business plan while doing research on the web while making a FaceTime call to a colleague at the same time. It's even easier than it sounds. The most immersive way to experience augmented reality. Augmented reality (AR) is a new technology that brings virtual objects into the real world. And every aspect of iPad - from the display to the processing power to the cameras to the motion sensors - is designed to make AR apps more magical than ever before. Augmented reality apps fundamentally change what you're capable of. Learn something new whether you're inside or outside a classroom. Solve everyday problems. Immerse yourself in entertainment and games. With iPad and AR, the possibilities are endless. So versatile, it's your notepad, camera, and everything in between. Apple Pencil. Dream it up. Jot it down. iPad has always been a great way to get what's in your mind down on the page. And now you have a new way to do it. Write notes, paint a watercolor, or sign a lease. With Apple Pencil, you'll do it all with pixel-perfect precision and responsiveness. Use it as naturally as you would a pencil, while doing a whole lot more than you would with one. Two great cameras that do more than take great photos. Built-in front and back cameras allow you to shoot gorgeous photos and cinematic videos, scan documents, make FaceTime calls, or even create a floor plan using augmented reality. Connect and compose with any Bluetooth keyboard. Need to sit down and hammer out a research paper, email, or your blockbuster screenplay? iPad has an intuitive onscreen keyboard, but it's also compatible with all kinds of Bluetooth keyboards. Loaded with powerful built-in apps. Cut a track with GarageBand, make a compelling presentation with Keynote, or shoot and edit a short film with iMovie. iPad comes with a collection of apps from Apple so you can start creating right out of the box. With over a million apps for iPad, iPad can do countless things. Every one of the 1.3 million iPad apps has been designed specifically for the large iPad display. There are apps for anything you want to do - photography, drawing, or just getting some work done. And finding your new favorite apps is as easy as visiting the App Store, where our editors are always curating the best of what's new and noteworthy.</p>	36	\$299.00	\$10,764.00
<p>STM Dux Case for iPad (5th & 6th Gen) - Black</p>	36	\$49.95	\$1,798.20
<p>Anthro YES36 Charging Cart for Mini-laptops - 3 Shelf - 180.56 lb Capacity - 4 Casters - 4" Caster Size - Wood, Thermoplastic, Vinyl, Laminate, Steel - 28.8" Width x 25" Depth x 41.5" Height - White, Gray - For 36 Devices</p>  <p>With YES Carts, one size fits all: up to 36 Chromebooks, Ultrabooks or MacBooks with screen sizes up to a 13"-even some at 14"-will fit in this highly adaptable charging cart. Set the cart's bay width and shelf height for your device, then reconfigure when it's time for new devices. All this in a space-saving footprint and with a Lifetime Warranty. The YES Cart truly is the last charging cart you'll ever buy.</p>	1	\$1,390.21	\$1,390.21
<p>Headphones</p>			

DESCRIPTION	QTY	UNIT PRICE	TOTAL PRICE
<p>Kensington Hi-Fi Headphones with Mic - Stereo - Black - Wired - Over-the-head - Binaural - Circumaural - 9 ft Cable</p>  <p>Designed for the transition to computer-based learning and testing, the Hi-Fi Headphones with Mic provide high-quality sound along with a built-in microphone for verbal responses. Delivering deep bass and a wide dynamic range, the headphones have an adjustable, padded headband and plush, sealed earpads that fit a wide variety of ages and are extremely comfortable to wear. The headset is also incredibly durable, with a robust 9-foot cord and a gold-plated audio jack.</p>	40	\$19.85	\$794.00
Staff Laptops			
<p>HP ProBook 440 G5 14" LCD Notebook - Intel Core i5 (7th Gen) i5-7200U Dual-core (2 Core) 2.50 GHz - 8 GB DDR4 SDRAM - 256 GB SSD - Windows 10 Pro 64-bit (English) - Natural Silver - Intel HD Graphics 620 - English Keyboard - Gigabit Ethernet - Network (RJ-45) - HDMI - 2 x USB 3.1 Ports - USB Type-C</p>  <p>Full-featured, thin, and light, the HP ProBook 440 lets professionals stay productive in the office and on the go. Stylish design, linear precision, and subtle curvature plus optional Quad Core performance and long battery life make this ProBook essential for today's workforce.</p> <p>Powerful processing Get through your deadline-driven, multitasking day with optional 7th Gen Intel® Core™ i3/i5 or 8th Gen Core™ i5/i7 Quad Core™ processors and optional NVIDIA® GeForce® discrete graphics. Stylish and durable ultraslim design</p> <p>The HP ProBook 440 delivers stylish design to every business. An ultraslim chassis in a refined new natural silver finish includes a keyboard deck made of durable premium stamped aluminum.</p> <p>Designed for docking Quickly transition to desktop productivity with a single cable that supports docking via USB-C™ which allows you to connect multiple external displays, a power source, and a gigabit network connection through optional docks.</p> <p>Immersive experience Experience vivid audio engagement and an easy conferencing experience with the Skype for Business™ Certified HP ProBook 440 with HP Audio Boost, HP Noise Cancellation.</p>	14	\$794.93	\$11,129.02
<p>Microsoft Office 2019 Standard - License - 1 PC - Academic, Volume - Microsoft Open License for Academic - Single Language - PC</p>	14	\$62.39	\$873.46
Staff Laptop Option (From Apple)			
<p>Apple MacBook Air MQD32LL/A 13.3" LCD Notebook - Intel Core i5 (5th Gen) Dual-core (2 Core) 1.80 GHz - 8 GB LPDDR3 - 128 GB SSD - Mac OS Sierra - 1440 x 900 - Intel HD Graphics 6000 LPDDR3 - Bluetooth - English (US) Keyboard - Front Camera/Webcam - IEEE 802.11ac - 2 x USB 3.0 Ports - 12 Hour Battery Run Time (Optional)</p>  <p>MacBook Air Make big things happen. All day long. MacBook Air lasts up to an incredible 12 hours between charges. So from your morning coffee till your evening commute, you can work unplugged. When it's time to kick back and relax, you can get up to 12 hours of iTunes movie playback. And with up to 30 days of standby time, you can go away for weeks and pick up right where you left off.</p> <p>Thin. Light. Powerful. And ready for anything. Whatever the task, fifth-generation Intel Core i5 and i7 processors with Intel HD Graphics 6000 are up to it. From editing photos to browsing the web, everything happens ultrafast. And all that power is encased in an incredibly thin 0.68-inch unibody design that weighs only 2.96 pounds.</p> <p>802.11ac Wi-Fi. Effortless wireless. Instantly connect to an 802.11ac base station - including AirPort Extreme or AirPort Time Capsule - and experience wireless performance up to 3x faster than the previous Wi-Fi generation. 802.11ac also delivers expanded range, so you can work more freely than ever. All systems go with SSD storage.</p> <p>The SSD storage in MacBook Air is up to 17x faster than a 5400-rpm notebook hard drive. So everything you do is snappy and responsive. MacBook Air even wakes up fast, thanks to SSD storage and fifth-generation Intel Core processors.</p> <p>macOS macOS is the operating system that powers everything you do on a Mac. macOS Sierra introduces Siri to Mac - along with new ways to enjoy your photos, shop more securely online, and work more seamlessly between devices.</p>	14	\$849.00	\$11,886.00
<p>Microsoft Office 2019 Standard - License - 1 PC - Academic, Volume - Microsoft Open License for Academic - Single Language - Mac (Optional)</p>	14	\$62.39	\$873.46
Office Manager			
<p>Dell OptiPlex 3000 3060 Desktop Computer - Intel Core i5 (8th Gen) i5-8500 3 GHz - 8 GB DDR4 SDRAM - 500 GB HDD - Windows 10 Pro 64-bit (English/French/Spanish) - Small Form Factor - DVD-Writer DVD±R/±RW - Intel UHD Graphics 630 Graphics - English Keyboard - HDMI - 8 x Total USB Port(s)</p>  <p>Preferred Access Essential business desktops with best-in-class versatility, security and manageability in a space-saving design. With 8th gen Intel® Core™ Processors.</p>	1	\$749.12	\$749.12

DESCRIPTION	QTY	UNIT PRICE	TOTAL PRICE
<p>Operating System Available with Windows 10 Pro- for a smooth, versatile PC experience. The desktop reimagined OptiPlex has 25 years of experience delivering customer-led innovation for desktops by continuously adapting to the way you work. Now featuring versatile, space-saving form factors and 8th generation Intel® Processors to unleash your full potential. Fit for the way you work Efficiency without limits: Ideal for education environments and call centers, these desktops come with the same reliability and space-saving benefits you've come to expect. Easy to maintain and mount, these essential desktops push productivity without getting in your way. Adjusted to your needs: The OptiPlex Small Form Factor All-in-One Stand provides the aesthetics of an all-in-one with the ultimate display flexibility your work demands. Uncompromising productivity: Power your workday: 8th generation Intel® Core™ Processors drive your workday like never before. Push your productivity: Optional Intel® Optane™ Memory turns even the small, routine tasks into huge productivity gains, launching browsers and opening files faster and smoother than ever.</p>			
<p>Dell E2417H 24" LED LCD Monitor - 16:9 - 8 ms - 1920 x 1080 - 16.7 Million Colors - 250 Nit - Full HD - VGA - DisplayPort - 22 W - ENERGY STAR, RoHS, TCO Certified Displays, TÜV Rheinland</p>  <p>An everyday office essential. Maximize workplace productivity with a monitor designed to meet your business needs. Screen performance: View your applications, spreadsheets and more on 23.8 inches of 1920x1080 Full HD clarity. Work comfortably: Optimize eye comfort and reduce harmful blue light emissions with ComfortView and a flicker free screen. Brilliant at every angle: See consistent colors across an ultrawide 178°/178° viewing angle with in-plane switching technology. Superb usability: Create a workspace that fits your desired specifications. Convenient controls: Easily access buttons for power, brightness, contrast and customizable preset modes on the monitor's front panel. Versatility included: Get the flexibility to configure your monitor with various mounts and stands for evolving office requirements. Tilt at will: Work comfortably by tilting the monitor 5° forward or 21° backward. Plug and view: The monitor is compatible with most legacy and current PCs via VGA and DisplayPort connectivity. Work comfortably: Optimize eye comfort and reduce harmful blue light emissions with ComfortView. Reliable and eco-conscious: Enjoy peace of mind with Dell services and an eco-conscious design from the world's top monitor brand. More from the Manufacturer</p>	1	\$149.09	\$149.09
<p>Microsoft Office 2019 Standard - License - 1 PC - Academic, Volume - Microsoft Open License for Academic - Single Language - PC</p>	1	\$62.39	\$62.39
<p>Brother Business Color Laser Printer HL-L8360CDW - Duplex - Color Laser Printer - 33 ppm Mono / 33 ppm Color - Ethernet - Wireless LAN - USB 2.0</p>  <p>Color laser printer with a color touch-screen display produces brilliant colors and sharp blacks to deliver the professional results required for business reports, brochures, presentations and correspondence. Whether you're printing a multi-page document or multiple copies of a single document, its fast print speed up to 33 pages per minute in both color and black means you won't waste time waiting for important printouts. Built-in wireless 802.11b/g/n and Gigabit Ethernet network interfaces allow you to easily setup, share and print from any connected computer or mobile device. Automatic duplex printing helps reduce your printing costs and produce professional two-sided prints. Advanced security features help protect against unauthorized access and control costs by restricting printing on a per-user or group basis. Printer also features 512MB standard memory, 800 MHz processor speed, 250-sheet adjustable paper tray, 50-sheet multipurpose tray, up to 2400 x 600 dpi resolution and more. More from the Manufacturer</p>	1	\$398.00	\$398.00
<p>Visitor Management System</p>			
<p>LobbyGuard</p> <p>Track your School's Visitors Installing LobbyGuard school visitor management in your school sends a message to all visitors that safety is a top priority. LobbyGuard school security systems are simple yet powerful solutions that streamline the visitor sign-in process. Track everyone who enters your campus and stop any threats at the door. LobbyGuard's system will make it easy for you to track sign in time, sign out time, reason for visit, who was visited, and much more.</p> <p>Run Background Checks on all Visitors Our kiosks and sign-in solutions come equipped with LobbyGuard Visitor Management software, which runs background checks on all who attempt to sign in to your school. Stop sex offenders, criminals, or make a custom list of banned individuals for your school.</p> <p>Simplify School Visitor Management Get rid of your paper sign in and visitor logging system. LobbyGuard offers a faster, smarter way to manage visitors and know who is in your school. Prepared 4/14/2019</p> <p>LobbyGuard Optio Kiosk provides the flexibility of wi-fi and battery power with the full functionality of the LobbyGuard software platform. Tablet housing in White with sphere base.</p>	1	\$3,740.00	\$3,740.00

DESCRIPTION	QTY	UNIT PRICE	TOTAL PRICE
<p>LobbyGuard Visitor Management Software Site License Renewal Yearly Subscription: This fee covers up to 5 LobbyGuard products per physical street address. Unlimited LobbyGuard Data Hosting. Access to LobbyGuard Technical Support. Access to the LobbyGuard Background Checking Services. New Product Features and Releases.</p> <p>LobbyGuard Printer Labels - 10 rolls per box / 250 badges per roll.</p>			
Projectors & Speakers			
<p>Epson PowerLite W39 LCD Projector - 16:10 - Front, Rear, Ceiling - UHE - 210 W - 6000 Hour Normal Mode - 12000 Hour Economy Mode - 1280 x 800 - WXGA - 3500 lm - HDMI - USB - VGA In - 2 Year Warranty</p>  <p>3LCD projector with a XGA resolution offers 3000 lumens of color brightness and white brightness to display bright, vivid images. Low-cost, long-lasting lamp ensures cost-efficient use to keep your operating costs to a minimum. Moderator device management software and network connectivity allow wireless sharing from multiple devices simultaneously, including computers, iOS and Android devices (sold separately). HDMI connectivity delivers high-quality digital video and audio from a single connection.</p>	4	\$479.00	\$1,916.00
<p>Epson ELPSPO2 2.0 Speaker System - 30 W RMS - White - 80 Hz - 20 kHz</p>  <p>Engage your classroom with 30 W of powerful sound with this speaker set. Use the ELPSPO2 active speakers (with built-in amplifiers) to enable all students in the room to clearly hear your lesson, enhancing the learning experience. The ELPSPO2 speakers can be easily mounted on the wall and can be used with any Epson projector with or without the PowerLite Pilot.</p>	4	\$107.00	\$428.00
<p>Elmo MX-1 Visual Presenter - 13 Megapixel - 0.32" CMOS - 8x Digital Zoom</p>  <p>The First in True 4K Present your lesson plan in spectacular 4K Ultra HD. The new MX-1 Visual Presenter is the world's first true 4K document camera. The SuperSpeed USB 3.0 port allows for viewing of video at full HD up to 60 fps. The optional expansion box adds connectivity options for HDMI and RGB based display. First in True 4K! The MX-1 is the first True 4K Document Camera on the market. Along with a specially crafted lens, the MX-1 will give you top quality 4K image at up to 30 fps. Powered by USB 3.0 In order to simplify the camera, the MX-1 is powered via Super Speed USB 3.0. The Super Speed USB 3.0 port allows for viewing of full HD video at up to 60 fps or True 4K at up to 30 fps. Experience no delay in the movement of objects under the camera. It also allows transmission of a True 4K image. Only 1.04lbs! Weighing only 1.04lbs the MX-1 is completely portable and easy to transport. Take it with you and present anywhere. Bend it, Twist it, Fold it The MX-1 can bend and fold in every which way, making it the most flexible document camera in the ELMO line up. Control Menu at your finger tips The MX-1 has easy access to navigation buttons, such as; image rotation, freeze frame, brightness control, zoom control and auto focus. Smaller Footprint Easily remove the base plate on your MX-1 to reveal the magnetic bottom. Stick the MX-1 to a metal surface for an even smaller footprint. Expand your options Looking for more output options? The optional Connect Box gives you an HDMI and an RGB output for more flexibility with your camera. *Connect Box not included. To view the MX-1 + Connect Box Bundle, More from the Manufacturer</p>	4	\$379.20	\$1,516.80
Professional Services			
Labor Hour - Professional Services - Intution Discount	50	\$110.00	\$5,500.00

SUBTOTAL	\$53,381.29
SALES TAX	\$0.00
TOTAL	\$53,381.29

*Total does not include roundtrip fuel charge or lodging
**All labor is estimated and will be billed at actual

Terms:

1. WIRED! extends manufacturer warranties on all products and 90 days on labor.
2. Any and all changes to this quotation/contract must be in writing and signed by an authorized representative of WIRED to be effective.
3. Any and all estimates of installation and delivery time are estimates only. While WIRED seeks to timely deliver items as estimated, there are often delays that out of our control for which we cannot be responsible.
4. Customer must notify WIRED! within seven business days of any defect in installation.
5. Customer agrees to provide WIRED with a final punch list on any installation within 7 business days of any installation.
6. Any seal broken on any product automatically voids WIRED and Manufacturer warranties.
7. All payments are to be made by company check made payable to WIRED! Technology Partners. Invoice total reflects a cash/check discount of 3.5%. Discount will be removed for payments made by credit card.

To accept this quotation, sign here and return: _____

I authorize the approval of this quote and agree to pay the balance of hardware/software at this time and the remaining balance upon completion.



Proposal:
Intuition Support

For



Memphis Merit Academy
8460 Kamin Lane
Memphis, TN 38125

Appendix A: Support Offering

I. Summary

This is an unlimited labor proposal to provide support for all end users, devices, and network infrastructure.

II. Terms

1. Dates: 7/1/2019 – 6/30/20
2. Supported sites
 - 8460 Kamin Lane, Memphis, TN 38125
3. Total Monthly Amount - \$1,449
4. Pricing matrix

WIRED! Support 2019-2020	Site Basic Maint	Staff			Student			Total Monthly Support
		Qty	Rate	Total	Qty	Rate	Total	
Memphis Merit	\$ 900.00	14	\$ 13.50	\$ 189.00	120	\$ 3.00	\$ 360.00	\$ 1,449.00

III. Who We Are

1. Staff Technical and Project Management Competence

The staff at WIRED! has a diverse set of skills – both technical and managerial. In order to best serve our customers, we have built teams around these skill sets – all while maintaining a culture of open communication and collaboration. Because of this, our teams are highly specialized and highly fluid.

2. Support Approach

We aren't your typical IT company. At WIRED!, we completely buy into the thought "Without you, we wouldn't be here." This thought shapes how we handle our business relationships. We know that supporting the technology needs of your business is why we're around, and it shows. We are dedicated to ensuring that your business has the most efficient IT possible.

3. Customer Service Focused

Supporting your business is how we pay our bills - not trying to sell you an expensive product that you don't actually need. After all, keeping you happy is what's best for you - and for us. We focus on the big picture. Our wealth of experience in the industry allows us to analyze your business as a whole and provide solutions that fit your needs and your budget. *We believe that you're busy enough.*

4. Our History

WIRED! has enjoyed serving and supporting customers in Arkansas, for over 25 years. More recently, operations have been expanded to Oklahoma, Tennessee, Indiana, New York, Mississippi, and Florida. Throughout the years, we have had the opportunity to see firsthand what our clients – and those that are in the same industry – value the most. We've built our values on a base of providing above and beyond *Support*. As our client base has grown, we have had the opportunity to bring in highly skilled staff – all with the express purpose of exceeding your expectations of what Support is.

5. K-12 Education Focused

WIRED! specializes in supporting high performing schools. The way in which students learn is fundamentally changing. A flexible and blended classroom model is replacing the one-size-fits-all classroom approach that was confined to set hours and locations. Teachers are using digital technologies to engage students with more personalized learning experiences. We are focused on and committed to supporting this next-generation learning environment, in order to drive successful student outcomes. We have an extensive proven history and the experience and expertise needed to provide Support – from the administration to the classroom.

IV. What We Do

1. Unlimited Help Desk, Remote, and Onsite Support

- Unlimited 24x7x365 end user Help Desk Support
- Includes unlimited Support for all end user technology needs including (but not limited to):
 - Devices
 - Desktop computers
 - Laptop computers
 - Mobile devices including tablets and smart phones
 - Chromebooks
 - Projectors, document cameras, and interactive boards
 - Printers
 - Scanners
 - Phone systems (if supported)
 - Access control and video surveillance systems
 - Application support

- WIRED! has determined that the highest level of customer satisfaction is obtained when the end user reports the issue directly to the WIRED! Support team instead of through an internal gate keeper. WIRED! will customize this process for your organization to loop in your assigned point of contact (POC) and promptly escalate tickets that require the attention of your POC. We recommend that end users submit Support tickets via any of the following approved methods:
 - Email – support@wiredtech.com
 - Web – support.wiredtech.com
 - Phone – 877.957.0780
- End users should expect the following timeline for Support:
 - Immediate confirmation of issue submission
 - **Priority 1** - 30 minute network down response with a 4 hour resolution target
 - Partial or full school network/internet access down
 - Server(s) down
 - Email/messaging infrastructure down or non-functional
 - Staff member crashed laptop or desktop (with no other laptop available)
 - Virus infection impacting network performance
 - Core application down (food service, testing, etc.)
 - Sharing platform down
 - Other items as defined by the customer
 - **Priority 2** - 2 hour user Support response with a 24 hour resolution target
 - Printer non-functional, but other printers available
 - Spyware/malware removal
 - Non-critical software issue
 - Staff member crashed laptop or desktop (use of another laptop is available)
 - Spare laptop or desktop reconfiguration
 - Other items as defined by the customer
 - **Priority 3** – Schedule campus visit
 - Non-critical software or hardware issues
 - Regular maintenance activities
 - Non-critical moves and changes to existing hardware, software, or configuration

2. Dedicated Onsite Support

- Unlimited onsite support
- Scheduled proactive site visits
- Reactive site visits as needed
- Dedicated support engineers

3. Unlimited Proactive Maintenance

- Managed server
- 24x7 advanced performance monitoring
 - Weekly analysis of:
 - Errors, warnings, and informational alerts concerning:
 1. Applications and databases running on server(s)
 2. Operating system, services and server(s) hardware
 3. System and network security and intrusion detection
 - Server disk space, utilization and health of server(s)
 - Print queues, terminal server sessions, mail queues, bad mail, etc.
 - Memory usage and Virtual memory utilization
 - Processor utilization and performance
 - Daily review of backup log
 - Weekly confirmation that Anti-Virus program(s) are updating on server(s)
 - Weekly running of windows update on server(s), including installation of any pertinent service packs, security updates, and patches
 - Monthly reporting on any problem resolution and the status of hot fixes or patches applied
- Business Disruption Avoidance and Disaster Planning and Preparation
 - Review of “Backup Calendar”
 - Semi-Annual restore from randomly selected media of:
 - Exchange Mailbox (assumes Microsoft Exchange Server)
 - Selected files and folders
 - Mission Critical application’s database
 - Semi-Annual analysis of integrity of all external media
 - Monthly (or as necessary) cleaning of tape drive(s)
 - Quarterly test of UPS Battery Backup shut down procedure and battery life time
 - Semi-Annual test of RAID functionality and rebuild procedures
 - Semi-Annual reporting (or more often as needed) on any issues, including:
 - Backup Log errors, warnings and their causes – as they demand attention
 - Identification of skipped files during backup operations – as they demand attention

- Identification of files and/or folders that are excluded from backup operations and the reason for their exclusion
- Results from testing of UPS, RAID, and restore tests
- Age and replacement dates of all media
- Review of all dates backup operations were unsuccessful and the cause of the failure
- Any corrective actions taken
- Any future concerns regarding issues (if any)
- Our plan or recommendation to resolve any issues
- Off-Site Backup Service
 1. **This service includes a backup from your local servers to offsite WIRED! servers on an incremental daily basis**
 2. All data transferred between your network and WIRED! is securely encrypted via 256-bit SSL. Your Backup Sets are stored in a password-protected encrypted state.
- Server configuration management
- Key application support
- Exchange/hosted mail management
- Microsoft and 3rd party patch management
- Real time server optimization
- Scheduled preventative maintenance
- Managed workstation
 - Workstation configuration management
 - Microsoft and 3rd party patch management
 - Scheduled preventative maintenance
- Managed network
 - Firewall management and maintenance
 - Router and switch performance monitoring
- Managed security
 - Anti-virus monitoring and management
 - Anti-spam monitoring and management
 - Regular vulnerability scan and report
- Documentation collection and maintenance
 - Network map, location of assets, PC inventory and specifications
 - Server configuration, installations, and patches applied
 - Vendor contact information
 - Software licenses
 - Warranty and service plan information
 - Policies and procedures

- All work logs from any onsite and remote service work performed

4. Unlimited Technology Consulting

- We understand that you do not have an IT department. We encourage you to approach our ongoing relationship as if WIRED! is your outsourced IT manager/department. We will provide you with the details you need to make timely, informed decisions. No one at WIRED! works on any form of a commission system. While we do sell hardware, we are not interested in selling hardware. Our only goal is to support you.
- Strategic planning
 - Hardware and software procurement
 - Bandwidth procurement and ISP management
 - Disaster and recovery planning
 - Budgetary process
 - Work closely on technology related expenditures portions of annual budget
 - Allocate timelines for the retiring and acquisition of hardware and software
 - Anticipate future needs for planning purposes
 - Provide reports indicating the age and performance of hardware, to Support the customer's procurement process
- Vendor liaison Support and vendor management
 - ISP and Telecom vendors
 - Business Machine vendors
 - Software/Application vendors
 - Data/Infrastructure vendors
- License renewal planning and management

5. Reporting

- WIRED! will provide the customer with the following reports:
 - Monthly detailed report of all completed service tickets – including all time worked, communication logs with time/date stamp and resolution detail
 - Monthly summary report of all opened and completed service tickets including:
 - Quantity of tickets by location
 - Quantity of tickets by priority
 - Actual time worked
 - Average response time by priority
 - Average resolution time by priority

6. Non-covered items

- Acts of God such as wind, water, and fire
- Vandalism
- Installation projects – This agreement does not cover installation of new (in-wall) cabling, projectors, video surveillance cameras, or access control

systems. Replacement of one of these existing devices is covered. Set-up of new staff and student devices (including loading of carts) is covered.

- Hardware/software – This agreement covers labor only. Any needed hardware or software will be quoted for approval. A Purchase Order must be received before proceeding

V. References*

- 1. KIPP Delta Public Schools (9 sites)**
415 Ohio Street
Helena-West Helena, AR 72342
Scott Shirey (870) 753-9035
- 2. Lighthouse Academies (14 sites)**
AR, IN, NY, FL
Casey Muse (770) 807-2488
- 3. St. Joseph School System (3 sites)**
1116 College Avenue
Conway, AR 72032
Matt Mallett (501) 327-1204
- 4. Central Arkansas Christian Schools (3 sites)**
#1 Windsong Drive
North Little Rock, AR 72206
Karen Sullivan (501) 247-4960
- 5. Nashville Classical Charter School**
1310 Ordway Pl
Nashville, TN 37206
Alix Gessouroun (615) 538-5841
- 6. Tulsa Legacy Charter School (2 sites)**
105 E. 63rd Street N
Tulsa OK 74126
Kiana Smith (918) 794-1442
- 7. Little Rock Preparatory Academy/Exalt Education (3 sites)**
1205 S Schiller St
Little Rock, AR 72202
Sylvia Wynn (501) 683-0085
- 8. KIPP Tulsa Public Charter Schools (2 sites)**
11661 East Virgin Street
Tulsa, OK 74106
Andréa Murrell (918) 794-8652 ext.123

**Additional references available upon request*

WIRED! Managed Services Agreement Terms and Conditions

The following terms and conditions are incorporated into the WIRED! Managed Services Agreement ("Agreement") made between WIRED! and the Customer stated on the Agreement ("Customer"). These terms and conditions cover only the equipment, users and resources listed in the Agreement at the locations stated in the Agreement ("Customer's location") for the period of time stated in the Agreement. By reference, all additional terms and conditions contained in Appendix A are incorporated and made part of this agreement.

SCOPE OF SERVICES: WIRED! agrees to provide the support services outlined in Exhibit "A" at the Customer's location listed in Appendix "B" for the amount listed in Appendix "B" for the term of 1 years.

FEES & PAYMENT TERMS: Fees will be as listed in Appendix "B", invoiced to Client on a Monthly basis, and will become due and payable on the first day of each month. Customer is responsible to notify WIRED! of increases or reductions to the number of network users. User changes will be reflected on each month's invoice.

Applicable state and local tax will be added to each invoice. It is understood that any and all Services requested by Client that fall outside of the terms of this Agreement will be considered Projects, and will be quoted and billed as separate, individual services. Payment is to be made according to the terms stated in the Agreement. Customer agrees that this Agreement shall remain in effect for the full period stated in the Agreement and may not be terminated by Customer prior to that time. If any amount owed under this Agreement is not paid when due, WIRED! may add a service charge of 1-1/2% per month on unpaid amounts. Customer agrees to pay all costs of collection, including attorney's fees, made necessary by nonpayment by Customer. WIRED! reserves the right to discontinue service if account is not current.

ACCESS & FACILITY CONDITION: Customer agrees to maintain, where required, a full time, dedicated Internet connection and to allow WIRED! access to the Customer's network via that Internet connection. Customer agrees to allow WIRED! employees or subcontractors access to its facilities in order to perform services under this Agreement. Customer agrees to furnish WIRED! with Administrator-level password access for all covered equipment and servers, where necessary. WIRED! agrees not to prevent Customer from accessing any equipment owned by the Customer. Customer shall provide a clean operating environment which does not exceed the manufacturer's rated temperature and humidity specifications for the equipment.

EXCLUSIONS: This Agreement is subject to the following exclusions:

- a) This Agreement does not include the repair or replacement of any hardware or software product, electrical work, or repair of damage resulting from accident, vandalism, electrical or environmental problems, excessive heat or humidity, or maintenance provided by other than authorized WIRED! representatives. Charge for the above will be on a Time and Materials basis.
- b) Service under this Agreement does not cover mileage from WIRED! to the location of service. Mileage will be billed at the reduced rate, simply billed at the current IRS published rate for mileage. Lodging for remote locations will also be billed at actual cost.
- c) Desktops, notebooks, or laptops that which customer adds must be inspected by WIRED!. WIRED! will then make a determination as to the

viability of the equipment for coverage. This includes all gifts, used, donated, or refurbished equipment.

d) WIRED! shall not be liable for delays in performance due to fire, flood, acts of terrorism, acts of civil or military authority, inability to obtain or delays in obtaining suitable material or facilities required for performance, or temporary unavailability of qualified personnel, or other causes beyond its reasonable control or failure by Customer to provide full and appropriate access to the covered equipment.

TIME AND MATERIAL BILLING: Rates for service not covered by this Agreement will be billed at the discounted rate schedule outlined in this agreement.

SOFTWARE ERRORS: This Agreement is limited to the services listed the scope of work above.

LIMITATION OF LIABILITY: If WIRED! does not fulfill any obligations under this Agreement after reasonable attempt(s); Customer's sole and exclusive remedy is to recover an equitable amount not to exceed charges paid to WIRED! for the services in question. WIRED! shall in no event have any liability for any special, incidental, or consequential damages including but not limited to, loss of profits or revenue, loss of use of equipment, lost data, cost of substitute equipment, services, down-time, or claims of Customer for such damages, whether the claims be in contract, tort, strict liability, negligence, indemnification or otherwise, even if WIRED! had been advised of such potential damages, and Customer shall save and hold WIRED! harmless from any such claims. In no way is WIRED! liable for defects or "bugs" in software, or for correcting errors introduced into the data, programs, or any other software due to hardware failure, or for any cost of reconstructing software or lost data. Customer acknowledges that there is no such thing as a totally secure, impenetrable network, but that WIRED! services provides a reasonable level of proactive protection as well as ongoing security monitoring and reporting. WIRED! will in no way be held responsible and/or liable for damages, monetary or otherwise, by customer, or any other affected party, in the event of a security breach or network security-related outages, damages, losses, etc.

WARRANTY DISCLAIMER: THERE ARE NO WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY FOR A PARTICULAR PURPOSE, RESPECTING SERVICES PERFORMED OR EQUIPMENT AND MATERIALS FURNISHED UNDER THIS AGREEMENT. In all events not provided for in this Agreement and where permitted by law, WIRED!'s liability (regardless of the form of action) will be limited to Customer's direct damages in an amount up to \$1,000. WIRED!'s entire liability and Customer's exclusive remedies for WIRED!'s liability of any kind (including liability for negligence) for performance, nonperformance or delays in performance by WIRED! under this Agreement are limited to those contained in this Agreement where permitted by law. Customer agrees to register any and all products with manufacturers and agrees that manufacturer's warranty is the sole and exclusive remedy as offered. Any and all warranties are voided by any type of tampering of such items by any person other than an authorized WIRED! personnel.

INDEMNIFICATION: Customer agrees to indemnify, defend and hold harmless WIRED! from and against all claims, demands, liabilities, damages, losses, expenses, including attorney's fees and lawsuits which may be asserted against or incurred by WIRED! by or due to any person not a party to this Agreement for any expense, loss or damage including,

but not limited to, statutory civil damage, personal injury, death and/or property damage, real or personal, arising out of the design, sale, lease, installation, repair, service, dispatch, maintenance, monitoring, recording of communications, operation or no operation of the equipment, whether due to the sole, joint, or several negligence of WIRED! or its agents, servants, employees suppliers, or subcontractors, breach of contract, express or implied, breach of warranty express or implied, product or strict liability, and/or any claim for contribution or indemnification, whether in contract, tort or equity. Notwithstanding anything contained herein to the contrary, this paragraph shall not apply to claims for loss of damage caused directly and solely by the negligence of an employee of WIRED! while Customer's premises, provided, however, that this exception shall be limited to the amount of proceeds received from WIRED!'s insurance policy(ies) applicable to the claim or action.

APPLICABLE LAW: This Agreement shall be governed by and construed according to the laws of the State of Arkansas. Parties agree to submit to venue in the courts of Pulaski County, AR. In the event of dispute arising out of terms and conditions of this agreement or in delivery of services, both parties agree to submit such dispute to independent arbitrator for binding arbitration, and to accept the findings of the arbitrator as final.

MODIFICATION OR AMENDMENT: No modification or addition to any provision of this Agreement shall be binding on either party unless in writing and signed by a duly authorized representative of each party. Pricing is based upon the number of devices and the assumed average number of support incidents. Should these be an increase in devices or the average rate of incidents, WIRED! will send a revision to the agreement.

ASSIGNABILITY: This Agreement is not assignable by Customer except upon the written consent of WIRED!, which shall be at WIRED!'s sole option. This Agreement or any portion thereof is assignable by WIRED! at its sole option.

ENTIRE AGREEMENT; SEVERABILITY: If any one or more of the provisions of this Agreement are determined to be unenforceable, in whole or in part, for any reason, the remaining provisions shall remain fully operative. This Agreement, including the Terms and Conditions, constitutes the entire agreement of WIRED! and Customer. No representations, inducements, promises, negotiations, or agreements, oral or otherwise, which are not contained herein, shall be of any force or effect.

AGREEMENT RENEWAL: The agreement will not automatically renew at the end of the term.

TERMINATION OF AGREEMENT: WIRED! may terminate this agreement with 30 days' notice.

CONFIDENTIALITY, PUBLICATION AND NON-COMPETE: WIRED! and the Customer agree that any and all information identified by the other as

"Confidential" and/or "Proprietary", or which, under all of the circumstances, ought reasonably to be treated as Confidential and/or Proprietary, will not be disclosed to any third person without the express written consent of the other party. Upon the expiration of the term of this Agreement, WIRED! shall, and shall instruct its agents to whom Confidential Information was disclosed pursuant hereto, continue to treat as confidential and preserve the confidentiality of all Confidential Information received from the Customer. Neither WIRED! nor Customer shall not, directly or indirectly, solicit, recruit or hire any Customer or WIRED! personnel, whether or not such personnel performed work for the Customer, during the term of this agreement and for a period of one (1) year after the termination of this agreement. The provisions of this Section shall survive the termination or expiration of the Agreement.

AGREEMENT

Accepted and approved for:

Memphis Merit Academy
8460 Kamin Lane
Memphis, TN 38125

By:

Signature Date

Print Name Title

Accepted and approved for:
WIRED! Technology Partners
11221 Richardson Drive
North Little Rock, AR 72113

By:

Signature Date

Print Name Title

STEP™ Client Contact Information

General Contact Information

School/Organization Name* _____
Address* _____
Address 2 _____
City* _____
State* _____
Zip Code* _____
Phone Number* _____
Fax Number _____

Billing Address Information

Same as contact information

Address _____
Address 2 _____
City _____
State _____
Zip Code _____

School Staff Contact Information: Please enter information for your school or organization below.

Head of School/Organization*

Name* _____
Email Address* _____
Phone Number* _____

STEP Site Coordinator: The STEP Site Coordinator is a member of your staff who will work closely with your STEP trainer to determine the scheduling and content for visits. Ideally, this person should be an administrator or literacy coach.

Is the STEP Site Coordinator the same person as the Principal?*

Yes ___

No ___

STEP Site Coordinator

Name _____
Email Address _____
Phone Number _____

Assistant to contact for scheduling, if applicable

Name _____
Email Address _____
Phone Number _____

STEP Data Management System Coordinator: If your school uses the STEP Data Management System and/or the Online Assessment System, we need to work with a staff member from your school to prepare the initial upload of staff and student rosters, set the assessment cycle calendar, and coordinate any major changes needed throughout the year. Please identify that person below.

Data Management System Coordinator*

Name* _____
Email Address* _____
Phone Number* _____

STEP Roster Coordinator: The Roster Coordinator is responsible for letting us know when a student has left or entered the school or has transferred classrooms. This person will upload the changes directly in the Data Management System.

Is the Roster Coordinator the same person as the DMS Coordinator?*

Yes ___
No ___

Roster Coordinator

Name _____
Email Address _____
Phone Number _____
Position in the school _____

Finance/ Accounts Payable Contact: The Finance/ Accounts Payable Contact is the person from your school who we will send invoices and work with to resolve any billing issues.

Finance Contact*

Name* _____
Email Address* _____
Phone Number* _____
Role in the school _____

Does your school require a PO for invoicing?

Yes ___

No ___

TO: Lakenna Booker, Head of School, Memphis Merit Academy
FROM: Nicole Temple, Co-Director of STEP, Partnerships and Growth, UChicago Impact
DATE: 2/26/2019

We look forward to working with **Memphis Merit Academy** in support of the implementation of STEP during the 2019-20 school year (July 1, 2019 – June 30, 2020).

The following pages outline the scope of work with **Memphis Merit Academy (1 schools/campuses)**.

Invoicing & Payment Schedule

- **Memphis Merit Academy** will pay 100% of the total costs for professional development by **September 30, 2019**.
- Travel costs will be invoiced quarterly on **September 30, 2019, December 31, 2019, March 31, 2020, and June 1, 2020**.
- Data Management will be invoiced by **December 31, 2019**.
- Assessment Kits will be invoiced on delivery, plus shipping and handling.
- Payment terms are Net 30.

Immediate Next Steps

Once STEP receives your signed contract, you will receive a “Next STEPs” email which will include an electronic link to place your STEP Kit orders.

Please contact Katie Boylan at katieboylan@uchicago.edu or Nicole Temple at ntemple@uchicago.edu if you have any questions regarding the outlined services. Please contact Wendy Collins at mrswendyc2@uchicago.edu with any finance/invoice related questions.

Sincerely,



Nicole Temple
Co-Director of STEP, Partnerships and Growth
UChicago Impact
University of Chicago

Cost Structure A: Construct and Stabilize (STEP Pre Read to 12) Professional Development

Description:

Memphis Merit Academy will pay **\$15,600** for STEP Construct and Stabilize Professional Development associated with the series implementation during the 2019-20 school year.

Cost Structure A includes:

- **\$15,600** will cover the cost of the following:
 - 6 individual site visit days

Possible Content: Actual TBD based on Data:

- STEP Administration and Online Assessment Training
- Guided Reading
- Data Analysis and Instructional Implications
- Data Driven Observations
- Reliability
- Text Selection
- Comprehension
- MSV and Word Solving
- Concepts About Print Skills

Professional development must be delivered by June 30, 2020 to be considered part of this agreement.

Cost Structure C: STEP Assessment Kits

Description:

Memphis Merit Academy (1 schools/campuses) will pay:

- \$525 per 2nd Edition Construct and Stabilize (Purple/Yellow/Green STEP PreRead to 12)

for the cost of STEP assessment kits. One kit per staff member administering the assessment is recommended.

Shipping and handling fees to be added once the kits ship.

Schools are responsible for ordering their own school's STEP Kits. Orders take an average of 5-7 business days to fulfill once confirmation is sent. The STEP Kit order form and school questionnaire must be submitted along with the signed letter of agreement for kit orders to be processed.

Cost Structure D: STEP Data Management System

Description:

Memphis Merit Academy (1 schools/campuses) will be invoiced for the STEP Data Management System during the 2019-20 school year. The scope of Cost Structure D will be as follows:

- STEP Data Management Configuration, **\$1000 per campus annually**
- Includes access to assessment forms, assessment administration videos, parent guides, and progress monitoring forms
- Includes instructional planning implications & resources

The STEP Online Assessment System (OAS) Student Licenses, **\$18 per student annually** includes access to advanced visualizations, reports and reliability measures. Any student in the OAS will be charged this license fee. **Please note: only include the students that will be administered STEP into the OAS. Student counts will be taken December 2019. Schools are responsible for removing all students who are not being administered STEP. Students who are in the system, will be billed.**

Cost Structure F: Trainer Travel

Description:

STEP Trainer travel is billed at a flat-rate per site visit with a partial total invoice sent on a quarterly basis each year. As such, itemized expenses will not be provided. **Memphis Merit Academy (1 schools/campuses)** will be billed for travel according to regional cost structures. STEP Trainer travel will be invoiced quarterly each year (September 30, December 31, March 31, & June 1).

Memphis Merit Academy (1 schools/campuses) is part of the **Midwest-1** region and will be billed according to the flat rates below. These cost structures are based on average airline/hotel averages and are reviewed and revised annually. FY20 STEP Trainer travel, per trainer, for the **Midwest-1** region is as follows:

3 Days	2 Days	1 Day
Midwest 1		
\$1200	\$1000	\$800

Data Sharing Agreement – FY20

The STEP Team is conducting research and evaluation of our work across schools that use the STEP Assessment and STEP Data Management System. This work deepens our understanding of the pathway to enhance literacy instruction at scale, enabling us to provide critical information to other networks, districts, and schools in cities around the country as they implement STEP.

This research and evaluation will benefit all STEP School Users by:

- Producing relevant data for grant applications
- Providing information to educational partners who might provide financial support to STEP
- Assisting in the pursuit of future STEP initiatives, such as STEP Strengthen and Expand
- Helping STEP sites to make research-based changes to improve implementation

This research and evaluation enables the STEP Team to:

- Establish internal accountability for consistent STEP training
- Aide in the development of national norms on students' STEP performance and growth
- Explore differences in the efficacy of STEP based on variations in use (i.e., different frequencies of testing, instructional hours, literacy block structures, etc.)
- Evaluate the extent to which STEP increases student achievement
- Assess the extent to which STEP contributes to improved student achievement at scale

As such, the STEP Team will collect the following data:

- Aggregated, school-wide data related to student achievement
- Aggregated, school-wide data related to student growth

By consenting to this agreement, **Memphis Merit Academy** is agreeing to:

- Allow collection of aggregated STEP assessment data from **Memphis Merit Academy** with no additional burden on the administrators or teaching staff of **Memphis Merit Academy**

In return, UChicago Impact, LLC will:

- Disseminate reports to **Memphis Merit Academy** when relevant data are available
- Use aggregated STEP assessment data without identifying individual schools
- Use aggregated STEP assessment data to help obtain additional funding or grant monies to further STEP development and test piloting

Contract Summary of Payment:

SERVICES for Memphis Merit Academy (1 schools/campuses)	COST	INVOICE SCHEDULE
Cost Structure A: Construct and Stabilize Professional Development	\$15,600 for 6 days of support	September
Cost Structure C: STEP Assessment Kits	\$525	Monthly as ordered
Cost Structure D: STEP Data Management System	\$1000 configuration \$18 (OAS License) per student	December/January
Cost Structure F: Trainer Travel	TBD	Quarterly: September, December, March, June

Payment Terms:

Payment terms are Net 30. A monthly penalty of 4% for every 30 days past due will be applied.

In the case of a cancellation, **Memphis Merit Academy** must notify UChicago Impact and the STEP Trainer no later than 7 days prior to the training date. Otherwise, **Memphis Merit Academy** will be invoiced for the cost of travel and the training day(s) will be deducted from the total Site Visit days allotted to the school for the year without reimbursement, assuming the date cannot be rescheduled. This does not include cancellations due to unforeseen weather events. If «schoolname» reschedules an already confirmed date, unrecouped travel costs will be invoiced in addition to the costs for the rescheduled date.

In the case that a STEP Trainer arrives on site and the predetermined and agreed upon agenda cannot be fulfilled due to conflicts in the school, including but not limited to, ongoing-assessment, no literacy instruction, test prep, site reviews, and/or lack of data for analysis sessions, and those conflicts prevent the trainer from fulfilling 50% or more of the site work, **Memphis Merit Academy** will be invoiced for the cost of travel and the training day(s) will be deducted from the total Site Visit days allotted to **Memphis Merit Academy** for the year without reimbursement. In the case that a STEP Trainer needs to cancel a Site Visit, she must notify UChicago Impact and **Memphis Merit Academy** a minimum of 14 days prior to the visit. The trainer must reschedule the Site Visit and **Memphis Merit Academy** will not be invoiced for any travel expenses related to the rescheduling. This does not include cancellations necessary due to unforeseen weather events.

By signing this document **Memphis Merit Academy** agrees to the **FY20 Payment Terms** and **Data Sharing Terms**, outlined on the preceding pages.

<p>Agreed to by: Memphis Merit Academy:</p> <p>_____</p> <p>Signature</p> <p>Print Name: Lakenna Booker</p> <p>Date: _____</p>	<p>Agreed to by: UChicago Impact, LLC</p> <p><i>Nicole Temple</i></p> <p>_____</p> <p>Signature</p> <p>Print Name: <u>Nicole Temple</u></p> <p>Date: 2/26/2019</p>
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**Appendix A
Service Order Pricing**

Memphis Merit Academy, Inc
8460 Kamin Lane
Memphis, TN 38125
901-240-1009



EM3 Networks, LLC
Timothy D. Yager
(785) 727-1600
SPIN# 143049822
timyager@em3networks.com

AT&T Dedicated Internet Service (Includes Managed Router)

Site Name	Site Address	Bandwidth	Access Loop	Port	36 Month MRC with Router
Memphis Merit Academy	8460 Kamin Lane Memphis, TN 38125	100 Mbps	\$482.00	\$386.00	\$868.00

- *** Contract Term for service begins on July 1st, 2019 and terminates on June 30, 2022.
- *** Contract Term is 3-Years with 2 each 1-year voluntary contract extensions.
- *** Utilizing the SPI Method Customer is only responsible to EM3 Networks for their discounted portion of Estimated Net Remittance plus taxes once FCC Form 486 is approved.
- *** Pricing shown above is Estimated Net Remittance and does not include any applicable FUSF Taxes & Fees.
- *** Customer BEN is 17020733
- *** USAC Reimbursement is 90%

Memphis Merit Academy Authorized Signature

EM3 Networks Authorized Signature

Printed Name

Printed Name

Title

Title

Date

Date

**EM3 NETWORKS BUSINESS CLASS SERVICES
MASTER SERVICE AGREEMENT - TERMS & CONDITIONS**

CUSTOMER LEGAL NAME	
CUSTOMER BILLING NAME	
BILLING ADDRESS	
BILLING CONTACT NAME	
BILLING EMAIL ADDRESS	
BILLING CONTACT PHONE	
ALTERNATE CUSTOMER CONTACT <i>(NOT REQUIRED)</i>	
ALTERNATE CONTACT ADDRESS	
ALTERNATE CONTACT EMAIL	
ALTERNATE CONTACT PHONE	
CUSTOMER TECHNICAL CONTACT	
TECHNICAL CONTACT EMAIL	
TECHNICAL CONTACT PHONE	

<u>MASTER SERVICES AGREEMENT NUMBER</u>	
<u>EM3 NETWORKS 498 (SPIN) NUMBER</u>	143049822

EM3 NETWORKS BUSINESS CLASS SERVICES MASTER SERVICE AGREEMENT - TERMS & CONDITIONS

THIS MASTER SERVICE AGREEMENT ("Agreement") is between EM3 NETWORKS, LLC, a Kansas corporation, with its principal office located at 810 Pennsylvania St, Suite 205, Lawrence, KS 66044 ("EM3 NETWORKS") and the customer identified on the signature page hereto (Customer) herein collectively known as ("the Parties") and individually known as ("each party").

WHEREAS, EM3 NETWORKS is a Provider of wireless, broadband, data services, cloud and integrated technologies to support and facilitate Internet Service, Data Products and as applicable calling and telephony related Products and Services ("Services") to its Customers and; WHEREAS, the Customer desires to purchase and use the Services for its own use, based upon the terms and conditions set forth in this Agreement;

NOW THEREFORE, The Customer named herein and as designated on the Service Order Form and EM3 NETWORKS agree that the terms and conditions on the Service Order (and any subsequent Service Order Forms) along with this Master Service Agreement and its stated Terms and Conditions herein constitute the fully and legally binding Agreement (the "Agreement") for the provisioning and usage requirements of the Services selected by Customer as designated herein; and, additionally on each individual Service Order. And in consideration of the mutual promises, covenants and warranties contained in this Agreement and for other good and valuable consideration, the parties, intending to be legally bound thereby, agree as follows in these terms and conditions as stated in this Agreement:

1. DEFINITIONS.

a) *Affiliate*: Any entity that is controlled by or; is under the control or direction of EM3 NETWORKS.

b) *Agreement*: These Terms and Conditions, exhibits, attachments and also the Service Order as executed by Customer.

c) *Confidential Information*: All information regarding either party's business which has been marked or is otherwise communicated as being "proprietary" or "confidential." or which reasonably should be known by the receiving party to be proprietary or confidential information. Without limiting the generality of the foregoing, Confidential Information shall include, even if not marked, the Agreement, all Licensed Software, promotional materials, proposals, quotes, rate information, discount information, subscriber information, network upgrade information and schedules, network operation information (including without limitation information about outages and planned maintenance) and invoices, as well as the parties' communications regarding such items.

d) *Customer Provided Equipment*: Any and or all facilities, equipment, terminal devices, hardware, software and any other peripherals that are supplied by Customer for use in connection with the Services.

e) *Licensed Software*: Any form of computer software or code provided by EM3 NETWORKS as required to use the Services, including but not limited to; associated documentation, and all updates thereto.

f) *Party*: A reference to EM3 NETWORKS or the Customer; and in the plural, a reference to both companies.

g) *EM3 NETWORKS Equipment*: Includes but is not limited to any and or all equipment, facilities, software, hardware and or peripheral devices provided by EM3 NETWORKS or EM3 NETWORKS authorized vendors, suppliers and or contractors at the Service Location(s) of which are in the manner and means to deliver some, any and or all of the Services including but not limited to; all wires, modems, gateways, lines, circuits, ports, hubs, routers, switches, gateways, channel service and or signaling units, service with respect to voice or data units, racks, cages, cabinets and any other like or similar

Equipment. Notwithstanding the foregoing any and or all inside telephone wiring either installed or not installed by EM3 NETWORKS is not deemed as EM3 NETWORKS Equipment.

h) *Service(s)*: Internet, Wireless, Fiber Circuit, MPLS, Broadband, PBX Virtual Call Center, Cloud, Integrated Technology, SIP Trunk and other services provided by EM3 NETWORKS to Customer described in one or more Service Order(s). All Services are for commercial business use only and do not allow for or permit residential use.

i) *Service Commencement Date*: The date(s) on which EM3 NETWORKS first makes Service available for use by Customer. A single Service Order containing multiple Service Locations or Services may have multiple Service Commencement Dates.

j) *Service Order*: A request for EM3 NETWORKS to provide the Services to Service Location(s) submitted and authorized by Customer to EM3 NETWORKS on a then current EM3 NETWORKS form designated for the Services. The first Service Order placed by Customer is included as part of the Service Order and this Agreement.

k) *Service Order Agreement*: The Agreement under which all Service Orders are submitted to EM3 NETWORKS.

l) *Service Location(s)*: The Customer authorized and submitted location(s) where EM3 NETWORKS will provide the Services to Customer.

m) *Service Term*: The duration of time (commencing on the Service Commencement Date) for which Services are ordered as specified in a Service Order Form.

n) *Termination Charges: Pre - Installation*: - Charges that will be incurred by the Customer prior to the installation of Service(s), whereby Customer will pay EM3 NETWORKS a Pre-Installation Cancellation Charge after five (5) business days from Service Order counter-signature equal to one thousand dollars (\$1,000.00) dollars. Customer agrees that the Cancellation Charge is a reasonable measure of the administrative costs and other fees incurred by EM3 NETWORKS to prepare for installation.

o) *Termination Charges: Post Installation* - Charges that may be imposed by EM3 NETWORKS to the Customer if, prior to the end of the applicable Service Term (i) EM3 NETWORKS terminates Services provided to the Customer for cause or (ii) Customer terminates any and or all Services (or a portion thereof) without cause. Termination Charges with respect to each Service terminated during the initial Service Term shall equal one hundred percent (100%) of the remaining monthly fees that would have been payable by Customer to EM3 NETWORKS under the applicable Service Order(s) as if the terminated Service(s) had been provided until the end of the initial Service Term. Further termination charges will also include any amount paid to EM3 NETWORKS in connection with Installation and Provisioning of any Service(s) in any manner and form at the rate of 100% percent for the Services provided by EM3 NETWORKS under such individual Service Order.

2. DELIVERY OF SERVICES.

2.1. Customer shall execute with EM3 NETWORKS completed Service Order to initiate Services to a Service Location(s). EM3 NETWORKS has the right but not the obligation to accept the Customer Service Order at its sole discretion.

2.2. Any and all Service Order(s) shall become binding on the parties when (i) it is specifically accepted by EM3 NETWORKS either electronically or in writing, (ii) EM3 NETWORKS begins providing the Services described in the Service Order or (iii) EM3 NETWORKS begins Installation and Provisioning for the delivery of the Services described in the Service Order; or whichever is earlier.

EM3 NETWORKS BUSINESS CLASS SERVICES MASTER SERVICE AGREEMENT - TERMS & CONDITIONS

When a Service Order becomes effective it shall be deemed part of; and shall be subject to the terms and conditions of this Agreement.

2.3. Customer hereby agrees and acknowledges that Customer does not have rights and ownership interest in any EM3 NETWORKS obtained IP Addresses, and upon termination of the Agreement, Customer agrees that all rights to access and right to use such IP Addresses shall terminate immediately.

2.4 Customer affirms, acknowledges and agrees that EM3 NETWORKS has access to such locations and therefore has the right to provide any and all Services related to the Service Order form at the Customer location(s). Further in the event it is required Customer shall secure and maintain all necessary rights of location access to any and/or all Service Location(s) for EM3 NETWORKS to install and provide the Services; at no additional cost to EM3 NETWORKS. In the event any Installation and or Provisioning at the designated Service location(s) may be in violation and or breach of any building management, city, county, state and or Federal guidelines, regulations, rules and requirements the Customer shall release, indemnify and hold harmless EM3 NETWORKS from any and/or all proposed or actual liability and to such end the Customer shall be the sole and responsible Party that is liable or may be held liable to any building management, city, county, state and or Federal guidelines, regulations, rules and requirements in connection with the Customer approval provided to EM3 NETWORKS to Install, provision and deliver any and or all of the Services in connection with Customer Service Location(s).

2.5 Customer shall provide an adequate controlled space and such electricity as may be required for installation, operation, and maintenance of any and or all EM3 NETWORKS Equipment used to provide the Services within the Service Location(s). EM3 NETWORKS; its employees and EM3 NETWORKS authorized contractors will require access at no additional cost into and out of the Service Location(s) as designated by the CUSTOMER in connection with the Installation, Provisioning and delivery of any and or all EM3 NETWORKS Services. Therefore, upon commercially reasonable notice from EM3 NETWORKS to Customer; Customer shall provide all required access to EM3 NETWORKS authorized personnel.

2.6 The "Service Commencement Date" as stated in the definition(s) is when the service is Installed, Tested and Turned Up per each/individual Service Order and/or any Service Orders which may be placed as interdependent upon the other... Any failure or refusal on the part of Customer to be ready to receive the Services on the Service Commencement Date shall not relieve the Customer of its obligation to pay applicable Service charges and termination fees. Further, in the event EM3 NETWORKS has secured third party obligations in connection with a Service Order for the purposes of providing the delivery of Services to Customer once a Service Order form has been accepted by EM3 NETWORKS, Customer shall be liable for any fees or costs which EM3 NETWORKS has incurred prior to the Service Commencement date and or any costs or fees which EM3 NETWORKS may incur by a third party until such time the Customer commences with Service.

2.7 EM3 NETWORKS Equipment is and shall remain the property of EM3 NETWORKS regardless of where installed within the Service Location(s), and shall not be considered a fixture or an addition to the Service Location(s); unless provided however Customer has purchased and or leases to own such EM3 NETWORKS Equipment; therefore until such time full payment is made by Customer and received by EM3 NETWORKS for purchased or leased Equipment the Equipment shall be considered to be owned by EM3 NETWORKS.

2.7.1 At any time EM3 NETWORKS may remove or change EM3 NETWORKS Equipment in its sole discretion in connection with providing the Services. Customer shall not move, attempt to move, disconnect, remove, attempt to repair, or otherwise tamper with any

EM3 NETWORKS Equipment or permit any other person or individual to do so without mutual agreement between EM3 Networks and the Customer. Additionally, Customer shall not use the EM3 NETWORKS Equipment for any other purpose other than as stated herein this Agreement, and/or in connection with any Service Orders that are, or; become incorporated into and therefore governed by this Agreement. Failure to comply could result in voiding any Service Level Agreement.

2.7.2 EM3 NETWORKS shall maintain EM3 NETWORKS Equipment in good operating condition during the term of this Agreement; and such maintenance shall be at EM3 NETWORKS expense only to the extent that it is related to and or resulting from the ordinary and proper use of the EM3 NETWORKS Equipment.

2.7.3 Customer affirms, acknowledges and agrees that they are the sole and responsible party as related to any damage, mis-use, or loss of any and or all EM3 NETWORKS Equipment caused by Customer acts or omissions of Customer employees, third parties and or Customer noncompliance with this Section or; by fire, theft or any other casualty at the Customer Service Location(s) unless provided however such cause of damage, misuse or loss is caused by the negligence or knowing misconduct of EM3 NETWORKS.

2.7.4 Customer affirms, acknowledges and agrees that Customer shall not take any action that would directly or indirectly impede in any manner EM3 NETWORKS ownership, title or interest right in and to the EM3 NETWORKS Equipment. Further Customer shall not expose EM3 NETWORKS to any claim(s), lien(s) or encumbrance of any form in connection with the EM3 NETWORKS Equipment.

2.7.5 Customer affirms, acknowledges and agrees that upon discontinuance of any and or all Service(s) to the Service Location(s) and or upon cancellation of this Agreement, its Exhibits and or a Service Order(s) by EM3 NETWORKS; EM3 NETWORKS retains the full and complete right to all of the EM3 NETWORKS Equipment located within the Service Location(s). Unless provided however that Customer has made full payment to EM3 NETWORKS for such equipment in the event Customer had secured a purchase or lease equipment Agreement with EM3 NETWORKS. To the extent and in the event EM3 NETWORKS removes any some and or all EM3 NETWORKS Equipment; EM3 NETWORKS shall be responsible for returning the Service Location(s) to their prior condition with the exception of normal wear and tear which may have occurred in the Service Location(s) from the initial time of EM3 NETWORKS installation of the EM3 NETWORKS Equipment.

2.8 EM3 NETWORKS shall have no obligation to install, operate, or maintain Customer-Provided Equipment. And Customer shall be the sole, liable and responsible party for providing any and or all maintenance, operation, repair and replacement of all equipment, facilities, hardware, handsets, IPPBX systems, telephone wiring, at the Customer Service Location(s). All Customer owned, leased from a third party or Customer Provided in any other manner must be fully compatible with the Services ordered on the Service Order form and EM3 NETWORKS makes no guarantees and is not liable for any faults or fraud in connection with the Customer Provided Equipment in connection with the delivery of Service as stated on the Service Order Form(s).

2.9 In the event Customer requests EM3 NETWORKS to secure the services of EM3 NETWORKS to troubleshoot, maintain, repair or otherwise support the Customer Provided Equipment in any manner; Customer shall be responsible for the payment of all charges related to the performance by EM3 NETWORKS employees or EM3 NETWORKS authorized contractors of which such charges will be incurred by Customer in accordance with the charges defined on the Service Order and or charges which are

EM3 NETWORKS BUSINESS CLASS SERVICES MASTER SERVICE AGREEMENT - TERMS & CONDITIONS

agreed to in writing by EM3 NETWORKS and Customer. Further EM3 NETWORKS shall have no liability in the event Customer Equipment is at any time inoperable and or un-usable in connection with the Service due to Customer negligence in any manner.

2.10 Every Service Order submitted by Customer shall be subject to a design, engineering and provisioning review by EM3 NETWORKS. The design, engineering and provisioning review will determine all of the specific requirements in connection with the proposed delivery of Service at the Customer requested Service Location(s).

3. CHARGES, BILLING AND PAYMENT. Customer agrees to pay all charges associated with the Services, as set forth or referenced in the applicable Service Order(s) or invoiced by EM3 NETWORKS. These charges may include, but are not limited to installation charges, monthly recurring service charges, usage charges including without limitation charges for the use of EM3 NETWORKS Equipment, per call charges, charges for EM3 NETWORKS service calls, maintenance and repair charges, and applicable federal, state, and local taxes, fees and surcharges. Any applicable sales, use, commercial or other taxes or fees imposed with respect to Facilities provided by EM3 NETWORKS as well as, any other fees, surcharges or assessments imposed or approved by any governmental or quasi-governmental authority (including any private company or the like acting on behalf of such governmental or quasi-governmental authority) and any fees or charges which have the effect of increasing EM3 NETWORKS cost of providing such Facilities, shall also be payable by Customer in addition to the other charges set forth in this Agreement and the Service Orders.

3.1 Except as otherwise indicated herein or on the Service Order(s), EM3 NETWORKS will invoice Customer on a monthly basis on the first day of each month for all monthly recurring Service charges and fees arising under the Agreement and in connection with a Customer Service Order(s). Customer shall remit payment of invoice no later than the twentieth (20th) day of the month in which the invoice is received. Any amounts not paid to EM3 NETWORKS by the twentieth (20th) day of the month will be considered past due and Customer shall accrue any late charges, fines or fees in connection with the past due amount as defined herein this Agreement.

3.2 If a Service Commencement Date is not the first day of a billing period, Customer's next monthly invoice shall include applicable pro rated charge(s) for the Services, from the date of installation to the first day of the new billing date.

3.3 Upon Customer's written request to make payment to EM3 NETWORKS for the services by credit card; EM3 NETWORKS has the right to accept or reject the Customer request of credit card payment at EM3 NETWORKS sole discretion. If EM3 NETWORKS accepts such Customer request for Customer to make payments by credit card, EM3 NETWORKS will accept certain credit card payments for charges generated under the Agreement and in connection with the Service Order(s).

3.4 By providing EM3 NETWORKS with a credit card number, Customer authorizes EM3 NETWORKS to charge the card for all charges generated under this Agreement and the Customer Service Order(s) until; (i) this Agreement is terminated or (ii) Customer provides thirty (30) days prior notice that EM3 NETWORKS stop charging the credit card.

3.5 Customer agrees to provide EM3 NETWORKS with updated credit card or alternate payment information on a timely basis prior to the expiration or termination of the Customer credit card on file or in the event that Customer's credit card limit is or will be insufficient to cover payment.

3.6 In the event EM3 NETWORKS is unable to charge Customer's credit card for any reason; Customer agrees to pay all amounts due including any late payment charges, bank fees or charges upon by

demand by EM3 NETWORKS. In the event EM3 NETWORKS is unable to charge Customer credit card to secure payment; Customer affirms, acknowledges and agrees that EM3 NETWORKS has the right at their sole discretion to halt, suspend, cease and or as otherwise temporarily disable providing some, any and or all of the Service(s) to Customer. In such event EM3 NETWORKS has taken any of the aforementioned steps; Customer shall hold harmless, indemnify and defend EM3 NETWORKS from any proposed or actual liability in connection with EM3 NETWORKS actions under (ii) herein this section.

3.7 EM3 NETWORKS may limit the option to pay by credit card to specific Services or may discontinue acceptance of credit card payments in whole or in part upon thirty (30) days prior written notice to Customer.

3.8 Initial and or ongoing delivery of Services may be subject to an initial and or recurring credit approval and credit approval process by EM3 NETWORKS. Customer shall provide EM3 NETWORKS with credit information as requested by EM3 NETWORKS as such Customer authorizes EM3 NETWORKS to make inquiries about and to receive information about Customer's credit history from others and to enter this information in Customer EM3 NETWORKS records. Customer represents and warrants that all credit information that it provides to EM3 NETWORKS will be truthful, accurate and correct in order for EM3 NETWORKS to determine Customer's initial and ongoing credit worthiness.

3.9 Customer must also inform EM3 NETWORKS immediately of any changes to the information Customer has provided to EM3 NETWORKS. EM3 NETWORKS uses automated and manual systems and software program to confirm proper credit card authorization and transactions. Customer affirms acknowledges and agrees that information related to fraudulent credit card transactions is a criminal offence and EM3 NETWORKS at its sole discretion shall track information related to any and or all transactions which Customer may make with a Credit card, debit card, via ACH or any other means in connection with use and purchase of the Services(s), including but not limited to; IP addresses, call detail records, transaction data and email addresses collected which in the event of suspected or actual fraud may be used by EM3 NETWORKS to investigate using its own efforts or to provide any and all such information to appropriate law enforcement officials consistent with applicable laws as and when required to assist in the prosecution of any persons attempting to commit fraud as related to the Services.

3.10 Customer affirms, acknowledges and agrees that EM3 NETWORKS, at its sole discretion have the right to reject and or at any point may deny some, any and or all of Services based upon Customer's unsatisfactory credit history. Further, at any time the Customer is deemed to have an unsatisfactory credit history EM3 NETWORKS may require Customer to make a deposit for Services in an amount solely determined by EM3 NETWORKS. However, such deposit amount which may be required by EM3 NETWORKS shall not exceed an estimated three-month Customer charges for the Services. Such deposit shall be required by EM3 NETWORKS as a condition of EM3 NETWORKS provisioning of the Services to Customer and or as a condition of EM3 NETWORKS continuation of the delivery of the Customer Service(s). The deposit shall be held by EM3 NETWORKS as security for payment of Customer's ongoing charges and applied in the manner and means as defined in the Customer billing cycle as stated herein this Agreement. If the provision of Service to Customer is terminated, or if EM3 NETWORKS determines in its sole discretion that such deposit is no longer required, then the amount of the deposit may be credited to Customer's account or will be refunded to Customer as

EM3 NETWORKS BUSINESS CLASS SERVICES MASTER SERVICE AGREEMENT - TERMS & CONDITIONS

determined by EM3 NETWORKS and in the event the Customer has no other monetary obligations to EM3 NETWORKS.

3.11 Customer shall be responsible for the payment of any and all applicable local, state, and federal taxes or fees (however designated). Customer will be responsible to pay any Service fees, payment obligations and taxes that become applicable retroactively.

3.12 EM3 NETWORKS reserves the right to invoice Customer for any fees or payment obligations in connection with the Services imposed by local, municipal, State and or Federal governmental or quasi governmental bodies in connection with the sale, installation, use, or provision of the Services, including, without limitation, applicable franchise fees (if any are to exist), regardless of whether EM3 NETWORKS or its Affiliates pay the taxes directly or are required by an order, rule, or regulation of a taxing jurisdiction to collect them from Customer. These obligations may include those imposed on EM3 NETWORKS or its affiliates by an order, rule, or regulation of a regulatory body or a court of competent jurisdiction, as well as those that EM3 NETWORKS or its affiliates are required to collect from the Customer or to pay to others in support of statutory or regulatory programs.

4. DISPUTES. If Customer disputes any portion of an invoice which Customer receives, Customer must pay the undisputed portion of the invoice. Further the Customer must submit a written claim, including any and or all documentation validating Customer's claim to EM3 NETWORKS detailing the disputed amount of the invoice by or before the invoice due date.

4.1 In such case of dispute the Parties shall affirm and agree to negotiate in good faith to resolve the dispute. However, should the parties fail to mutually resolve the dispute within forty-five (45) days after the dispute was submitted by Customer to EM3 NETWORKS all disputed amounts shall become immediately due and payable to EM3 NETWORKS. If Customer does not file a dispute of any invoice within the specified forty-five (45) day timeframe; Customer affirms, acknowledges and agrees that they shall lose all rights to file a dispute for past charges and waives the right to any form of claim.

5. Dispute Resolution. It is the intent of the parties that all disputes arising under this Agreement be resolved expeditiously, amicably. The parties understand and agree that the provisions of this paragraph are not intended to supplant the routine handling of inquiries and complaints through informal contact with customer service representatives or other designated personnel of the parties. Accordingly, for purposes of the procedures set forth in this paragraph, a "dispute" is a disagreement between the parties that the parties have been unable to resolve by the normal and routine channels ordinarily used for such matters.

5.1 In the event that any dispute arising under this Agreement is not resolved within forty-five (45) days, the Parties agree that any such dispute shall be resolved by final and binding arbitration in Kansas without giving effect to any conflict of law principles thereof which might require the application of the law of another jurisdiction and shall be presided over before a single arbitrator selected by, and in accordance with the rules of commercial arbitration of the American Arbitration Association. Each party shall bear its own costs in the arbitration, including attorney's fees, and each party shall bear one-half of the cost of the arbitrator. The arbitrator shall have the authority to award such damages as are not prohibited by this Agreement and may, in addition and in a proper case, declare rights and order specific performance, but only in accordance with the terms of this Agreement.

5.2 Notwithstanding any discovery rules, procedures and guidelines as stated within and promulgated by the American Arbitration Association rules as referenced herein no discovery process or proceeding shall occur in any arbitration proceeding provided however until and unless

it is specifically requested and authorized by the arbitrator and in such event all discovery and results of the discovery request shall be deemed as Confidential Information the provisions of this Agreement if EM3 NETWORKS and CUSTOMER fail to agree related to what is deemed "Confidential Information" the arbitrator shall have the sole right to impose appropriate confidentiality requirements on EM3 NETWORKS, the Customer and any witnesses which may appear on behalf of either Party. Further the arbitrator requesting and authorizing the discovery as specifically limited to the dispute only shall be the sole Party to decide the amount, focus and scope of discovery by using a final document discovery request list.

5.3 The arbitration award shall be deemed to be a final and binding judgment thereof and may be entered by a court of competent jurisdiction. EM3 NETWORKS and Customer acknowledge, affirm and agree that that this Agreement, the Service order Form(s) and any relevant materials involves interstate commerce and as such the Federal Arbitration Act shall apply in all cases and govern the interpretation, meaning and enforcement of arbitration rules and proceedings in accordance with the American Arbitration Association.

5.4 Both EM3 NETWORKS and Customer mutually affirm, acknowledge and agree to waive any right to assert any dispute as a class, assignable, collective or representative action in a more than sole and only one-party group and affirm, acknowledge and agree not to participate in any dispute asserted as such.

5.5 If there is a conflict between this Arbitration Provision and the rules of the arbitration organization, this Arbitration Provision shall govern. If the AAA will not enforce this Arbitration Provision as written, it cannot serve as the arbitration organization to resolve Customer's dispute with EM3 NETWORKS. If this situation arises, the parties shall agree on a substitute arbitration organization. If the parties are unable to agree, the parties shall mutually petition a court of appropriate jurisdiction to appoint an arbitration organization that will enforce this Arbitration Provision as written. If there is a conflict between this Arbitration Provision and the rest of this Agreement, this Arbitration Provision shall govern.

6. Past Due Amounts. Any undisputed payment not made when due will be subject to a reasonable late charge not to exceed the highest rate allowed by law on the unpaid invoice. In the event Customer's account is delinquent EM3 NETWORKS has the right at its sole discretion to suspend, halt or temporarily disable the Services in accordance as stated within this Agreement. Further EM3 NETWORKS may refer the account to a collection agency, an attorney or a third party that EM3 NETWORKS deems necessary to pursue collection of the past due amount and or to secure any EM3 NETWORKS Equipment that Customer fails to return in accordance with the Agreement. If EM3 NETWORKS is required to use a collection agency, attorney or secure the services of a third party to collect any amount owed by Customer or any unreturned EM3 NETWORKS Equipment Customer affirms, acknowledges and agrees Customer shall be liable to pay all reasonable fees, costs and charges incurred by EM3 NETWORKS in connection with a collection effort or other action. The rights and remedies as set forth herein are in addition to and not in limitation of any other rights and remedies that may be and or are available to EM3 NETWORKS under the Agreement or at law or in equity.

7. Rejected Payment Charges. Except to the extent otherwise prohibited by law EM3 NETWORKS has the right at its sole discretion to assess a service charge to the Customer up to the full amount then permitted under applicable law for any Customer check, ACH payment, bank debit or any other like or similar instrument used by Customer to pay for the Services that has been

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rejected by the bank used by EM3 NETWORKS or other financial institution.

8. Specific Provisions Related to Voice Services if and as applicable.

8.1 Customer expressly agrees not to use Voice Service in conjunction with an auto-dialing system or for continuous or extensive call forwarding, telemarketing, fax blasting, or for any other use that results in excessive usage that is inconsistent with standard commercial calling patterns. If EM3 NETWORKS determines, in at its sole discretion, that Customer's use of Voice Service is excessive or in violation of this Agreement EM3 NETWORKS reserves the right, among other actions and recourse to terminate or modify voice service immediately and without notice.

8.2 Customer is solely responsible for fraudulent calls even if the Customer was unaware that calls were due to unauthorized use of Customer Services, hacking, or data transmitted utilizing the Services.

9. Fraudulent Use of Services. Customer is the sole and responsible party for all charges attributable to Customer with respect to the Services even if incurred as the result of fraudulent or unauthorized use of the Services. EM3 NETWORKS may but is not obligated to detect, inform and or report to Customer any unauthorized or fraudulent use of Services to Customer. To protect the integrity of its network, its other Customers, its third-party service providers and or for any other reason in the event of Customer suspected or actual fraud; EM3 NETWORKS reserves the right to restrict, suspend or discontinue providing any Service(s) in connection with this Agreement and the Service Order(s) which are associated with this Agreement.

10. TERM. This Agreement shall terminate upon the expiration or termination of the final Service Order entered into under this Agreement which has been placed by the Customer and approved by EM3 NETWORKS and has been incorporated into this Agreement.

10.1 The Term of a Service Order shall commence on the Service Commencement Date and shall terminate at the end of the stated Service Term of such Service as stated on the Service Order ("Initial Term").

10.2 Upon the expiration of the initial Service Term, this Agreement and each applicable Service Order Form(s) shall automatically renew in successive one (1) year periods unless as otherwise specified on the individual Service Order Form as to a mutually agreed upon renewal term. The definition of a renewal term shall also be referred to herein as the service order term unless provided however Customer submits formal written notice to EM3 NETWORKS or by formal written notice to Customer by EM3 NETWORKS of non-renewal of an initial Service Order within sixty (60) days before the expiration of the then current Service Term.

10.3 Effective at any time after the end of the initial Service Term and from time to time thereafter EM3 NETWORKS may modify the monthly recurring charges for Internet Services subject to thirty (30) days prior notice to Customer. Customer will have thirty (30) days from receipt of such notice to cancel the applicable Service without further liability other than any defined cancellation and or termination charges and fees as stated within this Agreement. Should Customer fail to cancel within this timeframe, Customer will be deemed to have accepted the modified Service pricing. Nothing within this Section is intended to limit EM3 NETWORKS ability to increase charges associated with the Services as set forth within this Agreement.

11. TERMINATION OF AGREEMENT AND OR SERVICE ORDER(S).

Termination for Convenience. Notwithstanding any other term, provision or article in this Agreement; Customer shall have the right to terminate this Agreement and/or a Service Order in part or whole, at any time during the defined Service Term by providing formal written notification to EM3 NETWORKS with a minimum of thirty (30) days

prior notice and subject of Customer payment to EM3 NETWORKS of any and or all outstanding amounts owed as due and payable for the Services used, for any and or all termination charges as defined herein this Agreement, and the return of any and all EM3 NETWORKS Equipment. In the event Customer does not return EM3 NETWORKS Equipment a charge will be assessed for such EM3 NETWORKS Equipment at the present market value of the Equipment as determined by EM3 NETWORKS. Such termination shall be effective within and up to fifteen (15) days after EM3 NETWORKS receipt and acceptance of the Customer termination notice.

11.1 Termination for Cause. EM3 NETWORKS may immediately terminate or suspend this Agreement or any Service Orders during the initial term of this Agreement and or renewal periods and recover all arrears of fees, charges, termination or cancellation fees and other sums due under this Agreement, as well as any damages caused by Customer, if: (i) Customer is in breach of a payment obligations (including failure to pay a required deposit) and fails to make full payment within thirty (30) business days after receipt of notice of default (ii) has failed to make payment of all undisputed charges on or before the due date on two (2) or more occasions during a six (6) month period, (iii) Customer allows unauthorized parties to access, maintain, repair or service the Services, EM3 NETWORKS Equipment or Customer Equipment (iv) Customer directly or through a third party makes changes to the EM3 NETWORKS Services without EM3 NETWORKS prior written permission; (v) Customer has been found to infringe on the EM3 NETWORKS Services in any manner or (vi) Customer files for bankruptcy or any other insolvency-related proceeding.

11.2 In the event of a non-material breach Customer shall be immediately notified by EM3 NETWORKS and if Customer does not cure its failure within thirty 30 days; EM3 NETWORKS has the sole right to terminate this Agreement, Exhibits to this Agreement, and all applicable Service Orders. Or Customer may terminate the Agreement at any point if EM3 NETWORKS does not perform its duties according to the provisions contained herein and EM3 NETWORKS does not cure its failure within thirty (30) days notice provided by Client. However, any such termination shall not relieve the Customer of its financial obligations and or; charges which may be due and payable to EM3 NETWORKS as past charges and or charges and fees related to cancellation or termination fees. Termination by either party of a Service Order does not waive any other rights or remedies that it may have under this Agreement.

12. Events of Default. Any of the following shall each constitute an "event of default":

12.1 If Customer does not provide all required initial, one time, recurring, monthly recurring and or in arrears payments as invoiced to Customer and/or any other applicable payments to EM3 NETWORKS as specified (i) in the manner and means defined herein this Agreement on the specified payment due date(s), (ii) as reflected on individual invoices which Client may receive from EM3 NETWORKS, (iii) in accordance with any of the terms and payment provisions as defined on any Service Order Form;

12.2 The breach of any covenant or condition contained in this Agreement, its Exhibits or Amendments, its Service Orders and or any other terms and conditions agreed to in writing by Customer.

12.3 The subjection of any lien, privilege, seizure, encumbrance or attachment brought onto Customer in connection with EM3 NETWORKS Equipment and or any of the EM3 NETWORKS Services;

12.4 Any assignment by Customer for the benefit of its creditors;

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12.5 The admission of Customer in writing of its inability to pay its debts generally as they become due;

12.6 The appointment of a receiver, trustee or similar official for Customer or any of its property;

12.7 The filing by or against Customer of a petition in bankruptcy or a petition for the reorganization or liquidation of Customer under any federal or provincial laws; or

12.8 Any other act or insolvency of Customer.

12.9 In the event Customer does not comply or is not in compliance with the appropriate governmental agency or agencies of which Customer needs to be in full compliance to receive the services.

12.10 In the event Customer allows a parties unauthorized use or access to the EM3 NETWORKS Equipment and or Services or is found to be using the EM3 NETWORKS Equipment and or Services in an unlawful manner.

13. Rights and Obligations Upon Default, Expiration or Termination of this Agreement or Service Order(s). Upon the expiration or termination of this Agreement or any and or all Service Order(s) for any reason: (i) EM3 NETWORKS has the right to disconnect the applicable Service(s) in a manner and means subject to its sole discretion; (ii) EM3 NETWORKS has the sole right to delete and or destroy all applicable Customer stored data including but not limited to; files, voicemails, electronic messages, emails and or any other like to similar information stored on EM3 NETWORKS Equipment, servers and or systems; (iii) collect all fees, charges, amounts due and payable and or cancellation and termination fees in connection with the Services and any and or all Service Orders in accordance with Termination provisions contained in this Agreement for cause or not for cause and recover from Customer the amount of the loss and damages if any suffered by EM3 NETWORKS as a result of such default, expiration and or termination, (iv) Customer shall provide EM3 NETWORKS access to all Customer Service Location(s) in order to retrieve any and or all EM3 NETWORKS Equipment. In the event Customer fails to provide such access or; if the retrieved EM3 NETWORKS Equipment has been harmed, damaged, affected, is inoperable and or destroyed other than by EM3 NETWORKS employees or agents; EM3 NETWORKS has the right at its sole discretion to invoice Customer for the full replacement cost of the relevant EM3 NETWORKS Equipment at a reasonable value as established by EM3 NETWORKS. In the event of minor damage to any and or all of the EM3 NETWORKS Equipment EM3 NETWORKS has the right at its sole discretion to assess and invoice to Customer the cost of repair for the EM3 NETWORKS Equipment. In either of the aforementioned related to replacement value and or repair of EM3 NETWORKS Equipment; Customer shall remit immediate payment of all invoices in either from for EM3 NETWORKS Equipment. In the event Customer's use of EM3 NETWORKS Equipment was used in conjunction with the terminated Service and Customer was provided with any form of Software, automated system and or applications by EM3 NETWORKS to support the use of the Services; Customer's right to use Software, automated system and or applications shall automatically terminate and Customer shall be obligated to return the Licensed Software to EM3 NETWORKS.

14. Regulatory and Legal Modifications and Accommodations. The parties acknowledge that the respective rights and obligations of each party as set forth in this Agreement upon its execution and the Service Order(s) are based on law and the regulatory environment as it exists on the date of execution of this Agreement. EM3 NETWORKS may at and in its sole discretion immediately terminate this Agreement, in whole or in part in the event there is a material change in any law, rule, regulation, Force Majeure event, and or judgment of any court or government agency, and that change affects EM3 NETWORKS ability to provide some any and or all of the Services with no further obligation

to Customer.

15. Limitations of Liability. UNDER NO CIRCUMSTANCES SHALL EM3 NETWORKS BE LIABLE FOR ANY LOSS OR DAMAGES SUSTAINED BY REASON OF ANY FAILURE OR INTERRUPTION OF THE SERVICES COVERED BY THIS AGREEMENT AND THE ATTACHED SERVICE ORDER FORMS. IN NO EVENT SHALL MONETARY DAMAGES BE PAYABLE BY EM3 NETWORKS TO CUSTOMER IN ADDITION TO OR OTHERWISE THAN AS DEFINED HEREIN AND IN NO EVENT WILL EM3 NETWORKS TOTAL, AGGREGATE LIABILITY ARISING FROM OR RELATED TO THIS AGREEMENT (INCLUDING FOR NEGLIGENCE, STRICT LIABILITY, BREACH OF CONTRACT, MISREPRESENTATION, AND OTHER CONTRACT OR TORT CLAIMS), EXCEED THE AMOUNT OF CUSTOMER'S DIRECT DAMAGES ACTUALLY INCURRED, UP TO AND NO MORE THAN THE AMOUNT OF ONE MONTH OF CUSTOMER BILLING THAT WAS PAID TO EM3 NETWORKS BY CUSTOMER FOR THE EFFECTED SERVICES AND APPLICABLE SERVICE ORDER FORMS ONLY TO THE EFFECTED SERVICE IN ACCORDANCE WITH THIS AGREEMENT DURING THE PARTICULAR MONTH IN WHICH THE ACT OR OMISSION OCCURRED. EM3 NETWORKS SHALL NOT BE LIABLE FOR NETWORK SECURITY, FRAUD, HACKING OR DAMAGES ARISING AS A RESULT OF SUCH EVENT IN ANY MANNER. AND ADDITIONALLY, EM3 NETWORKS SHALL NOT BE NAMED AS A RESPONSIBLE PARTY IN ANY WAY OR MANNER AS A RESULT OF ANY VIOLATION OF WHICH CUSTOMER IS THE RESPONSIBLE PARTY OF SUCH EVENT. EM3 NETWORKS SHALL NOT BE HELD RESPONSIBLE FOR ANY WRONGDOINGS AND OR IMPROPER ACTIONS CAUSED BY CUSTOMER FRAUD, CUSTOMER'S USE, MISUSE OR UNAUTHORIZED USE OF SERVICE. FURTHERMORE, EM3 NETWORKS SHALL NOT BE LIABLE FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, OR SPECIAL DAMAGES, INCLUDING (WITHOUT LIMITATION) DAMAGES FOR LOST PROFITS, LOST REVENUES, AND LOST SAVINGS SUFFERED BY CLEINT REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, WARRANTY, STRICT LIABILITY, TORT, INCLUDING (WITHOUT LIMITATION) NEGLIGENCE OF ANY KIND REGARDLESS OF WHETHER EM3 NETWORKS WAS ADVISED TO OR KNEW THE POSSIBILITY THAT SUCH DAMAGES COULD RESULT.

EM3 NETWORKS SHALL NOT BE LIABLE FOR ANY DELAY, FAILURE IN PERFORMANCE OF ANY PART OF THIS AGREEMENT, DAMAGES, LOSSES OR DESTRUCTION OF ANY EQUIPMENT OR ANY CONSEQUENCE THEREOF CAUSED BY OR DUE TO ANY CAUSE BEYOND ITS CONTROL AND WITHOUT ITS FAULT OR NEGLIGENCE, INCLUDING, WITHOUT LIMITATION, ACTS OF NATURE, GOVERNMENTAL ACTIONS, EMBARGOES, WORK STOPPAGES, LABOR DISPUTE, FIRES, AND POWER BLACKOUTS, (COLLECTIVELY, A FORCE MAJEURE EVENT). EM3 NETWORKS SHALL NOT BE LIABLE TO ANY OF CUSTOMER'S CUSTOMERS, CONSUMERS, BUSINESS AFFILIATES AND OR ANY OTHER THIRD PARTY FOR ANY INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL LOSS OR DAMAGES, HOWEVER CAUSED ARISING OUT OF THIS AGREEMENT.

16. No Warranties. THERE ARE NO WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, FITNESS FOR A PARTICULAR PURPOSE TITLE, NON-INFRINGEMENT OR THOSE ARISING FROM USAGE OF TRADE OR COURSE OF DEALING. FURTHER EM3 NETWORKS MAKES NO WARRANTITES THAT

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SERVICES WILL BE COMPELTED WITHOUT INTERUPPTION, OR FREE OF LATENCY OR DELAY, OR ERROR TO THE EQUIPMENT OR SERVICES CORRECTLY ROUTED FROM ONE DEVICE TO ANOTHER AND TITLE WITH RESPECT TO THE SERVICES, EM3 NETWORKS EQUIPMENT, OR LICENSED SOFTWARE, APPLICATIONS OR SERVICE DELIVERY METHODS OR ANY INTERUPPTION OR ERROR IN COMPLETING CALLS, CALL ROUTING OR OTHER TRANSMISSIONS LOST OR ALTERED (INCLUDING 911 CALLS) AND OR UNAUTHORIZED ACCESS TO OR THEFT, ALTERATION, LOSS, FRAUD OR DESTRUCTION OF CLIENT OR OTHERS APPLICATIONS, CONTENT, DATA (DATA PLAN), CALLING (CALLING PLAN), NETWORK AND/OR OR THAT EM3 NETWORKS EQUIPMENT OR SERVICES WILL MEET CUSTOMER REQUIREMENTS, THAT EM3 NETWORKS EQUIPMENT WILL PREVENT UNAUTHORIZED ACCESS BY THIRD PARTIES. IN NO EVENT SHALL EM3 NETWORKS, OR ITS ASSOCIATED PARTIES, SUPPLIERS, CONTRACTORS OR LICENSORS BE LIABLE FOR ANY LOSS, DAMAGE OR CLAIM ARISING OUT OF OR RELATED TO: (i) STORED, TRANSMITTED, OR RECORDED DATA, FILES, OR SOFTWARE; (ii) ANY ACT OR OMISSION OF CUSTOMER OR THIRD PARTIES; (iii) INTEROPERABILITY, INTERACTION OR INTERCONNECTION OF THE SERVICES WITH APPLICATIONS, EQUIPMENT, SERVICES OR NETWORKS PROVIDED BY CUSTOMER OR THIRD PARTIES; OR (iv) LOSS OR DESTRUCTION OF ANY CUSTOMER HARDWARE, SOFTWARE, FILES OR DATA RESULTING FROM ANY VIRUS OR OTHER HARMFUL FEATURE OR FROM ANY ATTEMPT TO REMOVE IT. ALL SUCH WARRANTIES ARE HEREBY EXPRESSLY DISCLAIMED TO THE MAXIMUM EXTENT ALLOWED BY LAW WITHOUT LIMITING THE GENERALITY OF THE FOREGOING.

(I) CUSTOMER CONFIRMS AND ACCEPTS THE LIMITATIONS OF LIABILITY AND DISCLAIMERS SET FORTH HEREIN AND UNDERSTANDS THAT THE TERMS AND CONDITIONS OF THIS AGREEMENT WOULD BE LESS FAVORABLE IF EM3 NETWORKS WERE REQUIRED TO ACCEPT GREATER LIABILITY AND OR DAMAGE LIABILITY.

17. Indemnification. Customer hereby holds harmless, defend and indemnify EM3 NETWORKS, its officers, directors, agents and employees, stockholders and third party affiliated parties harmless from and against all claims, actions, suits, proceedings, costs, expenses, damages and liabilities, including legal, accounting and or expert fees arising out of or in connection with Customer's use of the EM3 NETWORKS Equipment and or any and or all EM3 NETWORKS Services, including without limitation; (i) any and all claims, demands, actions, suits, or proceedings whether civil, criminal, administrative, or investigative where EM3 NETWORKS has incurred losses, damages, expenses, and costs incurred by EM3 NETWORKS as a result of a final judgment entered against EM3 NETWORKS in any such claim, action, suit or proceeding, including reasonable legal fees, (ii) selection, delivery, installation, possession, use, operation, (iii) the content and nature of Customer business, (iv) Customer's failure to remit payment to any third parties for use of DID's, access numbers and associated or related charges in connection with the Services; (v) Customer's failure to report any fraudulent use of the Service and; (v) any breach by Customer of its obligations herein this Agreement, the Service Order(s) or any damage to person or property relating to Customer's use of the Services. Or the negligence of Customer's employees or its agents of; or on account of any infringement or alleged infringement of copyright, patent or trademark resulting from the operation of the EM3 NETWORKS Services. This provision encompasses any of EM3 NETWORKS' affiliated third parties who may provide related components of the EM3 NETWORKS Services (if applicable) and EM3 NETWORKS agents from any and all claims against losses, costs,

damages, expense or liability, including, without limitation, court costs and reasonable attorneys fees, arising out of, in whole or in part, directly or indirectly, from the Customer use of the EM3 NETWORKS Services(s) and EM3 NETWORKS Equipment or from the acts or omissions including without limitation any asserted defect in the Services. This indemnification shall include, without limitation, court costs and reasonable attorney's fees.

18. DISRUPTION OF SERVICES. The Services provided in this Agreement, its Exhibits and additionally the Service Orders are not fail safe and are not designed or intended for use in situations requiring any form of fail safe performance or in which an interruption and or form of error in the Services may result in; and or lead to severe harm or injury to business, persons, property or environment which are deemed to have a high level of associated risk and or to be deemed as high risk.

18.1 Activities classified as high risk may include but are not limited to; (i) vital business or personal communications, or activities where absolutely accurate data or information is required and Customer expressly assumes the risks of any damages resulting from the aforementioned activities. EM3 NETWORKS shall not be liable for any loss, liability, inconvenience and or damage which may result from any interruption of the Services, directly or indirectly caused by or resulting from any circumstances, including, but not limited to; (i) causes attributable to Customer or Customer- Equipment, (ii) EM3 NETWORKS inability to obtain access to the Customer's Service Locations, (iii) failure of any Internet, wireless and or like or similar signal at the transmitter (iv) failure of any communications satellite, (v) loss of use antennas, poles or other facilities, (v) strike and or any form of labor dispute; riot or insurrection; war; explosion; malicious activity; fire, flood, lightning, earthquake, wind, ice, extreme weather conditions or other acts of God and force majeure event; failure or reduction of power, or (vi) any court order, law, act or order of government restricting or prohibiting the operation or delivery of the Services.

18.2 Customer's sole and exclusive remedies under this Agreement are as expressly set forth in this Agreement. Certain of the above exclusions may not apply if the state in which a Service is provided does not allow the exclusion or limitation of implied warranties or does not allow the limitation or exclusion of incidental or consequential damages. In those states, the liability of EM3 NETWORKS and its affiliates and agents is limited to the maximum extent permitted by law.

19. SOFTWARE & SERVICES. If and to the extent Customer requires the use of Licensed Software in order to use the EM3 NETWORKS Services ordered and supplied in conjunction with any Service Order; EM3 NETWORKS shall authorize Customer a nonexclusive, nontransferable, and limited right to use license to use the Licensed Software only and solely to the extent necessary for Customer's use the applicable to the EM3 NETWORKS Service being provided by EM3 NETWORKS during the Service Term of the applicable Service Order. Customer shall not and has not claim to any ownership, right or title in any Licensed Software (or any derivations or improvements thereof). Further Customer shall execute any documentation as reasonably requested and required by EM3 NETWORKS including but not limited to an end-user license agreement for the Licensed Software. EM3 NETWORKS and its suppliers shall retain ownership of the Licensed Software and no rights are granted to Customer other than a license to use the Software under and in accordance with the terms as expressly set forth in this Agreement.

19.1 Customer affirms, acknowledges and agrees that it shall not; (i) copy the Licensed Software and or any patches, bug fixes, updates and or upgrades or copy, revise or alter in any manner any

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related written hard copy materials without the express written authorization of EM3 NETWORKS; (ii) reverse engineer, decompile, recompile, alter, modify or disassemble the Licensed Software; (iii) lease, sublease, license, sublicense or sell the Licensed Software; or (iv) create, write, or develop any derivative work or any other software program based on the Licensed Software.

19.2 Customer affirms that the use of the Services may periodically require fixes, revisions, updates and or changes to certain Licensed Software which exists in the EM3 NETWORKS Equipment, Customer Provided Equipment and or in connection with the Customer's use of the Service in any capacity. In the event EM3 NETWORKS has agreed to provide fixes, revisions, updates and changes EM3 NETWORKS may perform such alterations and take such action to do so in a manner and means determined by EM3 NETWORKS at its sole discretion. In any event EM3 NETWORKS may remotely or on-site perform such functions and Customer hereby agrees to consent to and shall provide access at no additional charge for such updates deemed reasonably necessary by EM3 NETWORKS.

19.3 Intellectual Property Rights in the Services. EM3 NETWORKS holds and reserves complete title and full intellectual property rights to the Services, EM3 NETWORKS Equipment, any Licensed Software, it's brands which are owned by EM3 NETWORKS its agents, vendors, suppliers, third party affiliates and or their licensors or otherwise by the owners of such material. As such all of the aforementioned is protected by U.S. and foreign copyright laws and such laws apply and belong to EM3 NETWORKS and its vendors, suppliers, affiliates, related third parties and any unlawful, abusive, fraudulent use of and or any action that infringes on any proprietary right of EM3 NETWORKS and its related parties by Customer's employees, agents, assigns and or related third parties is strictly prohibited.

20. Ownership of IP Addresses. Customer acknowledges that use of the Services does not give Customer any ownership or other rights in on-line addresses provided, including but not limited to Internet Protocol ("IP") addresses, e-mail addresses and web addresses. Unless provided however as related to IP Addresses which Customer owns and or submits a Service Order(s) for domain name registration services and therefore the following parameters so shall apply customer number port:

20.1. At the request of Customer, EM3 NETWORKS will use commercially reasonable efforts to facilitate the registration of the Customer internet domain name ("Customer Domain Name") with a domain name registration service of EM3 NETWORKS choosing, but only to the extent that Customer provides EM3 NETWORKS with all necessary information relevant to such registration.

20.1.2 The domain name registration service provider will invoice Customer separate and apart from EM3 NETWORKS invoices for all applicable registration fees, maintenance fees, and other applicable fees which may result from the third-party registrar. As such Customer hereby acknowledges that Customer is entirely responsible for the payment of any and all such fees to said third party registrar.

20.1.3 EM3 NETWORKS makes no representations or warranties to that the Customer Domain Name will be available on an initial or ongoing basis by a third party provider. Additionally, Customer affirms, acknowledges and agrees that Customer is the sole and exclusive owner and holds fully responsibility over the control, and use of the Customer Domain Name.

20.1.4 Customer affirms, acknowledges and agrees that Customer will release and to hold harmless EM3 NETWORKS, its employees, affiliates, agents, and contractors, from any and all losses, damages, rights, claims, and actions with respect to, or in any way arising from, the domain name registration service's removal of allocation or support for the Customer Domain Name. In the event Customer requires modification of the Customer Domain Name or additional related

services, additional charges may apply from the relevant registration service as related to EM3 NETWORKS for setup of the modification or addition.

20.2 In the event Customer is unable to register a separate and apart unique domain name EM3 NETWORKS may provide solely upon Customer request and limited to the term of the specific Service Order a sub domain name which will be non-transferable at the sole discretion of EM3 NETWORKS and of which such sub-domain name EM3 NETWORKS shall hold all rights, title and ownership to and of. In the event EM3 NETWORKS provides such sub-domain name EM3 NETWORKS has the right to elect an alternative sub-domain name if the Customer's requested sub-domain name is unavailable. Upon the expiration and or termination of the applicable Service Order the Customer shall surrender all rights, privileges and interest in and to the sub-domain name and EM3 NETWORKS domain name.

21. CONFIDENTIAL INFORMATION AND PRIVACY. As used herein, "Confidential Information" means non-public and proprietary data or information disclosed by one party to the other under this Agreement (i) in written, graphic, machine recognizable, electronic, sample, or any other visually perceptible form, which is clearly designated as "confidential" or "proprietary" at the time of disclosure, and (ii) in oral form, if it is identified as confidential at the time of disclosure, and confirmed in a written summary designated as "confidential" or "proprietary" within thirty (30) days after disclosure. "Confidential Information" includes information which (1) concerns the operations, business affairs, technology, know-how, including, but not limited to, research, products, software, services, developments, trade secrets, personnel, customer, suppliers, discoveries, ideas or inventions; (2) the receiving party knows or might reasonably expect is regarded by the disclosing party as the disclosing party's confidential information; or (3) is designated as confidential, restricted, proprietary or similar designation.

21.1 "Confidential Information" excludes any particular information that the receiving party can demonstrate: (i) at the time of disclosure was in the public domain or rightfully in the possession of the receiving party; (ii) after disclosure, is published or otherwise becomes part of the public domain through no fault of the receiving party; (iii) was received without any obligation to restrict its further use or disclosure after disclosure from a third party who the receiving party reasonably believes had a lawful right to disclose such information to the receiving party without any obligation to restrict its further use or disclosure; or (iv) was independently developed by the receiving party without reference to Confidential Information of the disclosing party. Further such confidentiality obligation and restrictions shall benefit; be applicable and shall be binding upon the Parties hereto and their respective subsidiaries, affiliates, successors and assigns. Customer's obligations with respect to any item of information shall continue in force for five (5) years after termination of this Agreement.

21.2 The parties agree not to use Confidential Information of the other party for their own use or for any purpose except to evaluate whether they desire to become engaged with the other in a business transaction or, after becoming engaged, solely to carry out a business transaction with the other as defined herein within the terms and conditions of this Agreement.

21.3 The parties further agree not to disclose the Confidential Information of the other party to any of its employees except those employees who need to know about and have the Confidential Information to evaluate and support the Customers use of EM3 NETWORKS Services, and who have been advised of and agree to be bound by the obligations set forth herein. In addition, the

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receiving party may disclose the Confidential Information to its affiliates, consultants, and contractors, which in each case, have a need to know and provided that receiving party warrants, and is liable for, such affiliate's, consultant's, and contractor's compliance with the terms of this Agreement. In no event shall the receiving party, its affiliates, consultants or subcontractors convert the Confidential Information from the disclosing party to any use other than for the purpose set forth herein. The receiving party shall make only such copies of the Confidential Information as are necessary for the purpose as set forth herein. Any such copies shall reproduce all markings included therein and shall remain however the sole and exclusive property of the providing Party. As such the receiving party shall have no rights of ownership (direct or implied) to any confidential information provided by the disclosing party and therefore is not permitted to reproduce such information for their own gain or benefit.

21.4 All materials, including without limitation, documents, drawings, models, apparatus, sketches, designs, and lists, furnished to the receiving party shall remain the property of the disclosing party and nothing contained herein shall be construed as giving the receiving party any license or rights of any kind with respect to any information or materials which may be disclosed to the receiving party including Confidential Information, except the limited rights necessary to carry out the purpose as set forth in this Agreement. Each disclosing party warrants that it has the right to disclose its Confidential Information.

21.5 In the event of termination of this Agreement, Customer must provide, deliver and send back to EM3 NETWORKS all Confidential Information immediately. If Customer is found to be in possession of or using Confidential Information belonging to EM3 NETWORKS, Customer affirms and agrees that they shall be liable to EM3 NETWORKS in accordance with this Agreement and as such shall provide full and equitable relief to EM3 NETWORKS to protect its interests in the event Customer breaches this Article in totum. Customer waives its right to any legal action and or injunction in a manner and cause to not provide payment to EM3 NETWORKS.

22. Lawful Purposes: Customer will only use EM3 NETWORKS Services for lawful purposes and affirms and agrees that all uses of the EM3 NETWORKS Equipment and or the Service(s) installed at Customer Service Locations are used in a manner and means which is consistent with are legal and appropriate standards. Further Customer affirms and agrees to ensure that all uses by Customer or by any other person whether authorized by Customer or not, comply with all applicable laws, regulations, and written and electronic instructions for and of use. EM3 NETWORKS reserves the right to act immediately and without notice to terminate or suspend the Services and or to remove from the Services any information transmitted by or to Customer or users if EM3 NETWORKS; (i) determines that such use or information does not conform with the requirements set forth in this Agreement, (ii) determines that such use or information interferes with EM3 NETWORKS ability to provide the Services to Customer, others and or may injure or cause harm to the EM3 NETWORKS network in any manner, (iii) reasonably believes that such use or information may violate any laws, regulations or written and electronic instructions for use or; (iv) reasonably believes that Customer's use of the Service interferes with or threatens the health safety and well being of EM3 NETWORKS employees, agents, subcontractors or third parties.

22.1 Customer will not sell, resell, lease, sub lease, share, license, provide or use in connection with a third party including but not limited to any joint venture, partner, partnership or any other like or similar relationship the Services or any portion thereof

22.2 Any breach herein Article 22 shall be deemed a material breach of this Agreement. In the event of such material breach, EM3 NETWORKS shall have the right to halt, suspend, otherwise restrict

and or immediately terminate any or all Service Orders, without liability on the part of EM3 NETWORKS. In such event EM3 NETWORKS will then send formal notification to the Customer of the action that EM3 NETWORKS has taken along with explanation and reason for taking such action in addition to any and all other rights and remedies under this Agreement.

23. SERVICE CREDITS. EM3 NETWORKS will allow a pro-rata credit against future payment of the net monthly recurring charge (exclusive of nonrecurring charges, other one-time charges, per call charges, measured charges, regulatory fees and surcharges, taxes, and other governmental and quasi-governmental fees) in accordance with the following parameters:

23.1 In the event Customer experiences any interruption in its Service that it believes to be material, Customer shall immediately notify EM3 NETWORKS Network Operations Center via Phone, email and or fax and request that EM3 NETWORKS open a trouble ticket to investigate any such issue. Before notifying EM3 NETWORKS Customer is required to ascertain that the interruption is not within Customer's control including but not limited to; Customer Provided Equipment, power, wiring, networking and or any other form of reference which is deemed to be the Customer's responsibility. Further Customer affirms and agrees that Customer shall be liable to reimburse EM3 NETWORKS for all costs associated with and incurred by EM3 NETWORKS in connection with an interruption that was within Customer's control and or caused by Customer.

23.1.2 Customer shall retain each trouble ticket number opened on its behalf. EM3 NETWORKS mean time to repair and best efforts goal is four (4) hours. Notwithstanding the reporting of an interruption of the Service(s); Customer shall only be entitled to a credit where EM3 NETWORKS determines that each of the following conditions exist; (i) the interruption ("Outage") exists for a period of time of not less than two (2) continuous and simultaneous hours as one incident which renders the Service unavailable during that entire time period (and of which is not a scheduled outage), (ii) a trouble ticket is opened by the Customer with EM3 NETWORKS at the commencement of the Outage, and; (iii) a request for credit is made in writing to EM3 NETWORKS within fifteen (15) days of the date the trouble ticket was opened. Customer affirms and agrees that it is reasonable for EM3 NETWORKS to base Customer's entitlement to credits on each of the conditions identified herein and it is reasonable for EM3 NETWORKS to limit Customer's recovery to the outage credit defined below ("Outage Credit").

23.1.3 Customer waives all rights to damages or to other relief in the event of an Outage. The length of each Outage shall be calculated in hours and shall include fractional portions thereof. An Outage shall be deemed to have commenced upon verifiable notification by Customer to EM3 NETWORKS.

23.1.4 Each Outage shall be deemed to terminate upon restoration of the affected Service(s) as evidenced by appropriate network tests by EM3 NETWORKS. All Outage Credits shall be credited on the next monthly invoice for the affected Facility and the total of all Outage Credits applicable to or accruing in a and or any given month shall not exceed the amount payable by Customer to EM3 NETWORKS for that same month for such Facility. Except as provided herein, the Outage Credits described in this Section of the Agreement shall be the sole and exclusive remedy of Customer in the event of any Outage.

23.2 If, as and when applicable Outage Credits shall only be due to Customer as the sole remedy for a Service Outage and will be based on a Service Level Agreement ("SLA"). The SLA to support the Customer Service is the SLA belonging to the EM3 Networks Underlying Service Provider; of which SLA shall be incorporated into

EM3 NETWORKS BUSINESS CLASS SERVICES MASTER SERVICE AGREEMENT - TERMS & CONDITIONS

this Agreement as a corresponding Exhibit upon customer request.

23.3 A Service Interruption event shall not qualify for the Credits set forth herein and or if such Service Interruption is related to, associated with, or caused by: scheduled maintenance events; Customer actions or inactions; Customer provided power or equipment; any third party not contracted through EM3 NETWORKS, including but not limited to; Customer's users, third-party network providers which are outside the control of EM3 NETWORKS; any power, equipment or services provided by third parties; or an event of force majeure as defined in this Agreement, unless otherwise provided under applicable law. The remedies set forth in this Article shall be Customer's sole and exclusive remedy for any Service Interruption in the Services, outage, unavailability, delay or other degradation in the Services or any EM3 NETWORKS failure to meet the objectives of the Services.

24. Force Majeure. Except for the obligation to pay money, neither Party shall be responsible or liable for any failure of performance hereunder due to a cause beyond its reasonable control (any such cause, an event of "Force Majeure"). Force majeure events shall include (i) cable cuts or common carrier delays; (ii) actions, failures to act or delays by Customer or others authorized by the Customer to use the Service; (iii) failure of power, equipment, services or systems not provided by EM3 NETWORKS including but not limited to other providers' networks and interconnections to or from and connectivity with other Internet Service Providers' networks; (iv) Customer owned or leased equipment or facilities (i.e., Customer's PBX, Local Area Network (LAN)); (v) during any period in which EM3 NETWORKS or its agents are not afforded access to the premises where access lines associated with the Services are terminated or the Customer elects not to release the Services for testing and/or repair and the Customer continues to use Services; (vi) maintenance (planned or emergency) or implementation of a Customer order that requires a Services interruption (EM3 NETWORKS reserves the right to schedule maintenance and upgrades to the network seven (7) days a week from 12a.m. to 6a.m. in the local time zone of the area being worked on without prior notice to Customer or upon reasonable advance notice outside these time frames); (vii) when a Service Outage has not been reported to EM3 NETWORKS or where there is a trouble reported, but no trouble found, (viii) labor difficulties, governmental orders, civil commotion, acts of God and other circumstances beyond PRNET reasonable control and; (ix) actions taken by a court, regulatory body, or other governmental authority with jurisdiction, e.g., a court order or legislation prohibiting or preventing performance by a Party under this Agreement; action that results in the price at which Services may be made available under this Agreement being fixed or established by any governmental authority.

25. Entire Agreement. This Agreement, its Exhibits and Service Orders constitute the entire contract of the Parties hereto and supersedes any prior agreement between the Parties, and shall not be modified unless in writing and signed by both Parties.

26. No Assignment. This Agreement may not be assigned by Customer in whole or in part, without the prior written consent EM3 NETWORKS and any assignment by Customer in violation of this section shall be void.

27. Amendment. Except as otherwise provided herein EM3 NETWORKS may change, modify or revise the Agreement, and any related policies from time to time by providing formal written notice of such changes, modification or revisions to the Customer and Customer will receive notice of the changes, modifications and or revisions with and in the next applicable monthly invoice provided by EM3 NETWORKS to Customer. Customer shall have thirty (30) days from invoice notice of such changes, modifications and revisions to provide EM3 NETWORKS with written notice that the changes, modifications and or revisions may in such event adversely affect Customer's use of

the Service(s). If after notice EM3 NETWORKS is able to validate such potential adverse affect but is unable to reasonably alleviate or lessen the changes, modifications and or revision(s) impact on any and or all such Services EM3 NETWORKS affirms and agrees Customer may have the right to terminate the impacted Service(s) without further obligation to EM3 NETWORKS beyond the termination date, including Termination Charges; if any may exist. This shall be Customer's sole and exclusive remedy.

28. Attorneys Fees. Except as otherwise defined herein this Agreement each of the parties hereto shall bear its own costs and attorneys' fees in connection with the execution of this Agreement and the consummation of the transaction contemplated hereby. In the event of any dispute the prevailing party shall be entitled to recover all costs and expenses incurred by it in connection with the enforcement of this Agreement, including all attorneys' fees and costs at all judicial levels, including appeal as defined in the dispute provisions of this Agreement.

29. Customer Authority. Customer affirms that it has the authority to select EM3 NETWORKS to provide the Services and that this selection does not and will not violate any other arrangements to which Customer is bound. This affirmation will survive the execution of this Agreement

30. No Agency. Neither party is authorized to act as an agent for or legal representative of the other party and neither party shall have the authority to assume or create any obligation on behalf of, in the name of, or binding upon the other party.

31. Severability. Should a provision of this Agreement be determined by an arbitrator or any court of competent jurisdiction to be illegal, invalid or unenforceable, or should this Agreement contain an omission, then the legal effect of the rest of the Agreement shall not thereby be affected. Instead of the invalid provision a valid provision is deemed to have been agreed upon which comes closest to what the Parties intended; the same applies in the case of an omission.

32. Further Assurances. The parties shall, at their own cost and expense, execute and deliver such further documents and instruments and shall take such actions as appropriate to carry out the intent and purposes of this Agreement.

33. Notices. All notices; including but not limited to dispute notification(s) required or permitted to be given hereunder shall be sent through email or fax, and shall be deemed given and effective on the business day transmitted; a hard copy must subsequently be delivered to the respective parties personally, by FedEx, (signed receipt required) or U.S. Postal Service Certified Mail, (Return Receipt Requested). All notices shall be transmitted to the email addresses and/or fax numbers set forth below or at such other address(es) as either party hereto may designate by giving written notice thereof to the other party:

EM3 Networks, LLC

810 Pennsylvania, Suite 205

Lawrence, KS 66044

ATTN: Contract Manager

with a copy sent via email to: contracts@em3networks.com

Customer

Notice address and email provided on the MSA Cover Page

34. No Waiver by EM3 NETWORKS. No covenant or condition of this Agreement shall be waived except by written consent of EM3 NETWORKS and forbearance or indulgence by EM3 NETWORKS in any regard whatsoever shall not constitute a waiver of the

EM3 NETWORKS BUSINESS CLASS SERVICES MASTER SERVICE AGREEMENT - TERMS & CONDITIONS

covenant or condition to be performed by Customer to which the same may apply and until complete performance by Customer of said covenant or condition, EM3 NETWORKS shall be entitled to invoke any remedy available to it under this Agreement or by law. As stated under the Limitations of Liability; Article 15 the Customer agrees that in no event shall EM3 NETWORKS be liable for any loss, expense or damage for: (i) loss of revenue, profits, savings, business or goodwill; or (ii) exemplary, proximate, consequential, or incidental damages and expenses of any type or nature on account of any breach or default hereunder by the other party, either party or any third party or on account of the use or non-use of the Services.

35. Governing Law and Jurisdiction. This Agreement and the attached Annexes shall be in all respects, governed by and construed and enforced in accordance with the laws of the State of Kansas, including all matters of construction, validity and performance without giving effect to any conflict of law principles thereof which might require the application of the law of another jurisdiction. Any action to enforce or interpret the terms of this Agreement shall be instituted and maintained in the Superior Court of the County of Douglas, Kansas and waives any objections as to personal jurisdiction with respect thereto. TO THE EXTENT PERMITTED BY LAW, EACH PARTY WAIVES TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM BROUGHT BY THE OTHER PARTY ON ANY MATTER WHATSOEVER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE SERVICES TERMS, THE RELATIONSHIP OF THE PARTIES, AND/OR ANY CLAIM OR DAMAGE RELATED THERETO.

36. Third Party Beneficiaries/Parties In Interest. This Agreement and the attached Annexes have been made and are made solely for the benefit of the parties and their and their respective successors and permitted assigns. Nothing in this Agreement and the attached Annexes is intended to confer any rights/remedies under or by reason of this Agreement on any third party.

37. Binding Effect. This Agreement shall enure to the benefit of and be binding upon EM3 NETWORKS and Customer and their respective heirs, successors and permitted assigns.

38. Interpretation. The words and phrases used herein shall have the meaning generally understood in the telecommunications industry. This Agreement and the attached Annexes as a material term(s) of this Agreement shall be construed in accordance with its fair meaning and not for or against either party on account of which party drafted this Agreement.

39. Headings. The captions heading the various paragraphs of this Agreement, the attached Exhibit(s) if any may exist and also the Service orders are for convenience of reference only and shall not be deemed to limit, expand, or define the contents of the respective paragraphs' representation.

40. Counterparts. This Agreement and the attached Annexes may be executed in several counterparts, each of which shall constitute an original, but all of which shall constitute the same instrument.

41. Emergency Lines if and as applicable related to Voice Services. Customer affirms, acknowledges and agrees that certain services may not; in certain circumstances provide access to 911 and or transmit the most accurate location and or extension information in a timely manner the Customer, Customer's employees, agents and or third party on premises attempts to access 911 in the case of an emergency. Examples include but are not limited to voice over Internet protocol ("VoIP") and private branch exchange services. Further Emergency Service can cease operating during a power outage, Customer should have a basic business or copper line for elevator, alarm, E911 and other critical functions. When using an IP Voice Service Customer must timely update changes to Customer registered location for 911 services.

41.1 In order for Customer's 911/E911 calls to be properly directed to emergency services, EM3 NETWORKS must have Customer's correct Service Location address. If Customer moves Voice Service to a different Service Location without EM3 NETWORKS approval, 911/E911 calls may be directed to the wrong emergency authority, may transmit the wrong Service Location address, and/or Voice Service (including 911/E911) may fail altogether. Therefore, Customer must contact EM3 NETWORKS before moving Voice Service to a new Service Location. Subject to this Agreement Customer acknowledges that 911 calls from nomadic EM3 NETWORKS Equipment assigned to the same telephone number will reach the emergency authority associated with the registered Service Location.

41.2 By signing this Agreement, Customer acknowledges that Customer has read Article 41 fully. Further by proceeding with use of Services, Customer assumes all responsibility and risk of harm, loss, or damage in the event that 911 access fails, is not possible or; in the event Customer does not provide the address, correct address, move the address and extension(s) or other information to emergency authorities.

41.3 Customer understands and acknowledges that Voice Service, including 911/E911, as well as all online features of Voice Service, where EM3 NETWORKS make these features available, will be disabled if Customer's account is suspended or terminated.

41.4 Customer represents and warrants that it will immediately notify and post alternative dialing instructions to its employees, affiliates, subcontractors and any like or similar individuals who are considered end users if any restrictions or limitations to access emergency 911 services a result from its actions including but not limited to: (i) extending the origination of outbound calling capabilities of the IP Voice service outside of the EM3 NETWORKS serviceable area(s) by means of private circuits, wireless service, public networks, the public Internet or other means; (ii) implementing call routing schemes within its applications, systems or networks which may prevent access to emergency services; or (iii) Implementing call routing schemes within it applications, systems or networks which may route outbound emergency 911 calls to Public Service Answering Points (PSAPs) other than the PSAP servicing the calling party end-user location. Customer agrees to indemnify and hold EM3 NETWORKS harmless from all claims, causes of action, damages and judgments arising from restrictions or limitations to access emergency 911 services as a result of customer's actions or inactions in ensuring that all 911 dialed calls are routed to the proper PSAP using EM3 NETWORKS dynamic IP Service.

41.5 Except as otherwise provided herein, Voice Service may only be used at Service Location(s) where such service is installed by EM3 NETWORKS. Customer understands and acknowledges that if Customer attempts to install or use the EM3 NETWORKS Equipment or Voice Service at another location, Voice Service, including but not limited to 911/E911, may fail to function or may function improperly. It will be considered a material breach of this Agreement if Customer moves Voice Service to another location without first notifying EM3 NETWORKS.

41.6 In conjunction with this Agreement and the Services CUSTOMER AFFIRMS, ACKNOWLEDGES AND AGREES THAT NEITHER EM3 NETWORKS NOR ITS ASSOCIATED PARTIES WILL BE LIABLE FOR ANY VOICE SERVICE OUTAGE, INABILITY TO DIAL 911 USING THE SERVICES, AND/OR INABILITY TO ACCESS EMERGENCY SERVICE PERSONNEL. CUSTOMER AGREES TO DEFEND, INDEMNIFY, AND HOLD HARMLESS EM3 NETWORKS AND ITS ASSOCIATED PARTIES FROM ANY AND ALL CLAIMS, LOSSES, DAMAGES, FINES, PENALTIES, COSTS,

**EM3 NETWORKS BUSINESS CLASS SERVICES
MASTER SERVICE AGREEMENT - TERMS & CONDITIONS**

AND EXPENSES (INCLUDING BUT NOT LIMITED TO REASONABLE ATTORNEY FEES) BY, OR ON BEHALF OF, CUSTOMER OR ANY THIRD PARTY OR USER OF THE VOICE SERVICES RELATING TO THE FAILURE OR OUTAGE OF THE SERVICES, INCLUDING THOSE RELATED TO 911/E911.

42. Time of the Essence. Time is of the essence in the performance of all obligations by the parties under this Agreement.

43. Incorporation. Documents incorporated by reference and compliance with and to this Agreement include but are not limited to; Exhibits, EM3 Networks underlying Service Provider SLA of which EM3 Networks Inc. will enforce, Service Order Forms and additional EM3 Networks program documentation and guidelines such as the then current Acceptable use Policy ("AUP") as found on the Company web site.

The Parties now here so mutually agree to be bound by the terms and conditions as stated herein this Agreement, Exhibits, Service Order Forms and attachments by confirmation of each Parties respective signatures as designated for EM3 Master Services Agreement Number:

CUSTOMER
Signature (X)
Name (Printed)
Company Name
Title
Date
EM3 NETWORKS, LLC
Signature (X)
Name (Printed)
Timothy D. Yager
EM3 Networks, LLC
Title
Managing Partner
Date

EM3 NETWORKS - SUPPORT CONTACT INFORMATION		
DIVISION	PHONE	EMAIL
Sales	(855) 949-9273 ext. 1	sales@em3networks.com
Maintenance	(855) 949-9273 ext. 2	maintenance@em3networks.com
Billing	(855) 949-9273 ext. 3	billing@em3networks.com
Provisioning	(855) 949-9273 ext. 4	provisioning@em3networks.com



Company Information

Memphis Merit Academy Charter School

Bill To Address

Memphis Merit Academy Charter School

4775 American Way

Memphis, TN 38115

Contacts

Dex Imaging Sales Representative

Name: Jason Guff
Phone: 901-827-4837
Email: jason.guff@deximaging.com

A/P Billing Contact

Name: Betty Mccline
Phone: 901-422-2359
Fax:
Email: bmcline@memphismeritacademy.org



SALES ORDER / SERVICE AGREEMENT

EQUIPMENT DELIVERY LOCATION

Memphis Merit Academy Charter School	Delivery Contact: Betty Mccline
4775 American Way	Phone: 901-422-2359
Memphis, TN 38115	Email: bmcline@memphismeritacadem

EQUIPMENT

memphis Merit acad (Monthly)								
B/W Base: \$21.25		Copies Included: 2500		Overage Rate: \$0.008500 /copy				
Color Base: \$0.00		Copies Included: 0		Overage Rate: \$0.060000 /copy				
Included: Parts, labor and supplies with exception of paper products, staples and freight								
Make	Model	Serial#	ID#	ESP	B/W M.	Color M.	QTY	Admin
Canon	IR ADVANCE C5560i (III)Color			Yes			1	
Acc: Digital QC 120/20 Surge Protector								
Acc: GPR-55 TONER BK (69K impressions @ 5% coverage)								
Acc: GPR-55 TONER C (60K impressions @ 5% coverage)								
Acc: GPR-55 TONER M (60K impressions @ 5% coverage)								
Acc: GPR-55 TONER Y (60K impressions @ 5% coverage)								
Acc: Super G3 FAX Board-AS1								
Acc: Inner Finisher-H1<3>								
Acc: Cassette Feeding Unit-AM1<1>								

THIS ORDER IS SUBJECT TO THE TERMS AND CONDITIONS APPEARING HEREON AND ON THE REVERSE SIDE HEREOF, AND BUYER AGREES TO BE BOUND THEREBY. NO MODIFICATIONS OR ADDITIONS THERETO SHALL BE BINDING UPON SELLER UNLESS EXPRESSLY CONSENTED TO IN WRITING BY AN OFFICER OF THE CORPORATION. CREDIT WILL NOT BE ISSUED ON RETURNED SUPPLIES OF ANY OPEN PACKAGES. ALL ORDERS ARE SUBJECT TO FINAL ACCEPTANCE BY DEX IMAGING, INC.

Special Instructions:

The Rates for Black and white (0.0085) and Color (0.06) will bet set for the life of the contract. The customer will not be charged anything until delivery of all devices



SALES ORDER / SERVICE AGREEMENT

EQUIPMENT (CONT.)

memphis Merit acd (Monthly) (cont.)								
B/W Base: \$21.25			Copies Included: 2500			Overage Rate: \$0.008500 /copy		
Color Base: \$0.00			Copies Included: 0			Overage Rate: \$0.060000 /copy		
Included: Parts, labor and supplies with exception of paper products, staples and freight								
Make	Model	Serial#	ID#	ESP	B/W M.	Color M.	QTY	Admin
Canon	IR ADVANCE C5540i (II)Color			Yes			1	
Acc: Surge Protector (15 amp)								
Acc: GPR-55 TONER BK (69K impressions @ 5% coverage)								
Acc: GPR-55 TONER C (60K impressions @ 5% coverage)								
Acc: GPR-55 TONER M (60K impressions @ 5% coverage)								
Acc: GPR-55 TONER Y (60K impressions @ 5% coverage)								
Acc: Cassette Feeding Unit-AM1<1>								
Acc: Inner Finisher-H1<3>								
Canon	IR ADVANCE C356iF II			Yes			1	
Acc: Surge Protector 120V/15A								
Acc: Staple Finisher-Z1								
Acc: GPR-58 Black Toner (23,000 impressions @ 5% coverage)								
Acc: GPR-58 Cyan Toner (18,000 impressions @ 5% coverage)								
Acc: GPR-58 Magenta Toner (18,000 impressions @ 5% coverage)								
Acc: GPR-58 Yellow Toner (18,000 impressions @ 5% coverage)								
Acc: Cassette Feeding Unit-AJ1								

THIS ORDER IS SUBJECT TO THE TERMS AND CONDITIONS APPEARING HEREON AND ON THE REVERSE SIDE HEREOF, AND BUYER AGREES TO BE BOUND THEREBY. NO MODIFICATIONS OR ADDITIONS THERETO SHALL BE BINDING UPON SELLER UNLESS EXPRESSLY CONSENTED TO IN WRITING BY AN OFFICER OF THE CORPORATION. CREDIT WILL NOT BE ISSUED ON RETURNED SUPPLIES OF ANY OPEN PACKAGES. ALL ORDERS ARE SUBJECT TO FINAL ACCEPTANCE BY DEX IMAGING, INC.

Special Instructions:

The Rates for Black and white (0.0085) and Color (0.06) will bet set for the life of the contract. The customer will not be charged anything until delivery of all devices

MANAGED PRINT SERVICE AGREEMENT TERMS AND CONDITIONS

SCOPE OF COVERAGE

This Agreement covers both labor and material for adjustments, repairs, and replacement of parts as necessitated by normal use of the equipment except for normal key operator responsibilities and others as herein provided. Damage to the equipment and/or its parts arising from misuse, abuse, negligence, or causes beyond DEX's control (including acts of God or natural disasters) is not covered. In addition, DEX may terminate this Agreement in the event that the equipment is modified, damaged, altered, or serviced by personnel other than those employed or authorized by DEX, or if parts, accessories, or components not authorized by DEX are fitted to the equipment.

1. BUSINESS HOURS FOR SERVICE

Maintenance services shall be provided hereunder only during DEX's normal business hours, which shall consist of 8:00 AM to 5:00 PM, Monday through Friday, exclusive of DEX holidays and subject to change by DEX.

2. EXTENT OF LABOR SERVICES, REPAIR, AND REPLACEMENT PARTS

Labor performed during a service call includes lubrication and cleaning of the equipment and the adjustments, repair, or replacement of parts. All parts necessary to the normal operation of the equipment will be furnished free of charge. In the event that the equipment is interfaced to a computer or computer network, this Agreement covers only the labor, parts, software, and updates that are provided by the equipment manufacturer which are necessary to interface the connected product. Service associated with application software, software updates on equipment not sold in conjunction with the connected product, reconfiguring, or modification to files and programs and network expansions to include NIC cards and Jet Direct cards are not covered under the Agreement. Networking and basic driver installation is available for \$100 to include up to 5 devices at the same location, or at the rate of \$100 per hour.

3. TERM

This Agreement shall become effective upon receipt and acceptance by DEX and shall continue for 63 months, following date of first invoice. It shall be automatically renewed for successive one year periods.

AUTOMATIC RENEWAL This Agreement is subject to annual increase during the initial term and shall be automatically renewed upon the expiration of the initial term for successive renewal terms. In no case will the renewal or annual increase exceed a 12% price increase over the prior period.

TERMINATION The Initial Term of this Agreement shall be as set forth above. In the event that DEX terminates this Agreement due to uncured Customer breach, or if the Customer elects to terminate Maintenance prior to the expiration of the Initial Term, or any subsequent Renewal Term, without cause, Customer will be responsible for the payment of early termination charges which shall be calculated as the average of the three (3) most recent billing periods, total billing multiplied by the number of months remaining in the unexpired Initial Term or Renewal Term.

CUSTOMER METER READING AND REPORTING OBLIGATIONS

Customer agrees to provide DEX with accurate and timely meter readings at the end of each applicable billing period through the use of Patrol Monitoring Appliances during the Initial Term and all subsequent Renewal Terms. If a DEX Green Box is installed, it must be returned upon termination of this Agreement or the Customer will be billed \$125.00. If DEX Patrol WiFi units are deployed, they must be returned upon termination of this Agreement or Customer will be billed \$50 per unit. If Customer does not allow the use of Patrol Monitoring Appliance, then Customer is responsible for the manual reporting of meters on a timely basis.

4. CHARGES

The charge for maintenance under this Agreement shall be the amount set forth on the reverse side hereof. The charge with respect to any 12-month Renewal Term will be the charge in effect at the time of renewal. Customer agrees to pay the total of all charges for maintenance during the Term and any Renewal Term within fifteen (15) days of the date of invoice date for such charges. A copy/print is 8.5" x 11".

5. CUSTOMER CHANGES

Any Customer changes, alterations, attachments, or print coverage in excess of 8% may require a change in the charges set forth herein. DEX also reserves the right to terminate this Agreement in the event that it shall determine that such changes, alterations, or attachments make it impractical for DEX to continue to service the Equipment.

Customer must advise DEX of any equipment movements not performed by DEX via the portal at www.deximaging.com. This can be completed by selecting machine movement found within the service dropdown located on the site.

6. ADDITIONAL EQUIPMENT

Any equipment added by Customer, subsequent to the commencement of this Agreement, will be added at the discretion of DEX.

7. EQUIPMENT REPLACEMENT

DEX, at its sole discretion, reserves the right to replace any equipment covered by this Agreement with a comparable or appropriate model. Additional equipment supplied by DEX will be governed by the contract type as delineated below.

CONTRACT TYPES

PREMIER – Service and Supplies for existing Customer devices. Replacement units supplied at the Customer expense.

PLATINUM – Service and Supplies for existing Customer devices as well as newly refurbished DEX provided devices. Additional devices and replacement devices not deemed to be at end of life require a minimum number of prints in addition to the originally contracted base. DEX supplied equipment will be added per the following schedule:

B/W Speed	Minimum Prints	Color Speed	Minimum Prints
11 to 22 PPM	1,000 / Month	10 – 30 PPM	250 / Month
23 to 50 PPM	2,000 / Month	Over 30 PPM	500 / Month
Over 50 PPM	5,000 / Month		

PLATINUM+ – Service and Supplies utilizing OEM toner and parts for existing Customer devices as well as new DEX provided devices.

* **PLATINUM/PLATINUM+** Contracts Only: All equipment delivered by DEX remains the property of DEX. Any printer removed from service by DEX, deemed to have reached the end of its useful life, will be replaced with a model of equal or greater value.

Upon termination of this Agreement, printers owned by DEX must be purchased by Customer within thirty (30) days at a mutually agreed upon price or Customer must deliver the equipment to DEX in good condition and repair to a location designated by DEX within sixty (60) days. Any printers owned by DEX which are not returned will be billed to the customer at replacement value.

8. POWER REQUIREMENTS

Equipment under this Agreement must have a DEX approved surge protector/power filter. Customer agrees to provide the power recommended by the equipment manufacturer. Customer understands that service or parts required as a result of improper power, telephone lines, or computer cabling not supplied by DEX or an authorized agent of DEX may not be covered under this Agreement.

9. WAIVER OF JURY TRIAL

CUSTOMER HEREBY EXPRESSLY WAIVES TRIAL BY JURY AS TO ANY AND ALL ISSUES ARISING OUT OF, OR IN ANY WAY RELATED TO THIS EQUIPMENT ORDER.

10. BREACH OR DEFAULT

If the Customer does not pay all charges for maintenance, parts, or supplies as provided hereunder, promptly when due, or removes or disables Patrol Monitoring Appliances: (1) DEX may (a) refuse to service the equipment, (b) furnish service on a C.O.D. "per call" basis at published rates, or invoice the customer for early termination charges in accordance with the termination paragraph, and (2) the Customer agrees to pay DEX cost and expense of collecting including the maximum attorney's fees permitted by law.

If the equipment is moved to a new service zone, DEX shall have the option to charge, and the Customer agrees to pay, the difference in published maintenance charges between current zone and new zone, assessed on a pro rata basis. If equipment is moved beyond DEX's service zone, Customer agrees to pay a fair and reasonable up charge for continued service under this Agreement, taking into account the distance to Customer's new location and DEX published rates for service on a "per call" basis.

If Customer uses supplies other than DEX's supplies, and such supplies are determined to be defective or not acceptable by DEX and/or cause abnormally frequent service calls or service problems, then DEX may, at its option, terminate this Agreement. In that event, Customer may be offered service on a "per call" basis at published rates. It is not a condition of this Agreement, however, that the Customer uses only DEX supplied materials.

11. NO WARRANTY

Other than the obligations set forth herein, DEX DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTIES OR MERCHANTABILITY, FITNESS FOR USE, OR FITNESS FOR A PARTICULAR PURPOSE. DEX SHALL NOT BE RESPONSIBLE FOR DIRECT, INDIRECT, OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO, DAMAGES ARISING OUT OF THE USE OR PERFORMANCE OF THE EQUIPMENT OR THE LOSS OF THE EQUIPMENT.

12. CONSUMABLES

Toner cartridges will be shipped via electronic alerts generated by DEX Patrol Monitoring Appliance. Manual orders can be placed for any units that do not report to the Appliance. .0005 has been added to the per impression rates shown on the front of this agreement in lieu of freight. In a cost per impression contract, all unused consumable items remain the property of DEX. At contract termination, all unused consumable items, toner cartridges, developer, drums, etc, must be promptly returned to DEX.

MISCELLANEOUS

This Agreement shall be governed by and construed according to the laws of the State of Florida and is applicable to agreements wholly negotiated, executed, and performed in the State. It constitutes the entire Agreement between the parties and may not be modified except in writing, signed by duly authorized officers of DEX.

Revision October 2018

SPECIAL INSTRUCTIONS

The Rates for Black and white (0.0085) and Color (0.06) will be set for the life of the contract. The customer will not be charged anything until delivery of all devices.

DEX SALES ASSOCIATE

Name: Jason Guff

Date: April 4, 2019

APPROVALS

I have read and agree to all terms and conditions contained in this document.

DEX Imaging, inc.

Memphis Merit Academy Charter School

Dex Imaging Authorized Representative

Customer's Authorized Representative

Name: _____

Name: _____

Date: _____

Title: _____

Date: _____





LEASE AGREEMENT

TO OUR VALUED CUSTOMER: This Lease has been written in "Plain English". When we use the words Lessee, you and your in this Lease, we mean you, our customer, which is the Lessee indicated below. When we use the words we, us, and our in this Lease, we mean the Lessor, DEX Imaging of Tennessee, Inc. Our address is 50 Rachel Drive Nashville, TN 37214

CUSTOMER INFORMATION Memphis Merit Academy Charter School 4775 American Way Memphis, Shelby, TN 38115

SUPPLIER INFORMATION DEX Imaging of Tennessee, Inc. ("SUPPLIER") 2955 Kate Bond Rd Memphis, TN 38133

Table with columns: Quantity, Make/Model, Serial Number. Rows for Canon IR ADVANCE C5560i (III)Color, Canon IR ADVANCE C5540i (II)Color, Canon IR ADVANCE C356iF II

END OF LEASE PURCHASE OPTION Check one applicable box. Fair Market Value Purchase Option will apply. [X] Fair Market Value Purchase Option

TERM AND PAYMENT SCHEDULE Initial Lease Term: 60 Lease Payment: \$625.17 You agree to pay at the time you sign this Lease: A) Total Advance Lease Payment: \$0.00

INSURANCE & TAXES You are required to provide and maintain insurance related to the Equipment, and to pay any property, use, and other taxes related to this Lease or the Equipment.

TERMS AND CONDITIONS BY SIGNING THIS LEASE: (i) YOU ACKNOWLEDGE THAT YOU HAVE READ AND UNDERSTAND THE TERMS AND CONDITIONS ON PAGE 1 (THE FRONT) AND PAGE 2 (THE BACK) OF THIS LEASE.

Signature lines for DEX Imaging of Tennessee, Inc. and Memphis Merit Academy Charter School. Includes fields for Authorized Signature, Print Name & Title, and Date.

PERSONAL GUARANTY

THIS PERSONAL GUARANTY CREATES SPECIFIC LEGAL OBLIGATIONS. When we use the words you and your in this Personal Guaranty, we mean the Personal Guarantor(s) indicated below. When we use the words we, us and our in this Personal Guaranty, we mean DEX Imaging of Tennessee, Inc., the Lessor identified in the Lease.

Signature lines for Personal Guarantors. Includes fields for Personal Guarantor (no title), Print Name, Date, Home Street Address/City/State/Zip, and Phone Number.

1. LEASE; DELIVERY AND ACCEPTANCE. You agree to lease the equipment described on page 1 of this lease agreement, and as modified by supplements to this Master Agreement, (collectively "Equipment") on the terms and conditions shown on page 1 and page 2 of this lease ("Lease"). You will arrange for the delivery of the Equipment to you. When you receive the Equipment, you agree to inspect it to determine if it is in good working order. This Lease will begin on the date when the Equipment is delivered to you. The Equipment will be deemed irrevocably accepted by you upon the earlier of: a) the delivery to us of a signed Delivery and Acceptance Certificate (if requested by us); or b) 10 days after delivery of the Equipment to you if you previously have not given written notice to us of your non-acceptance. This Lease will be binding on the parties only if DEX imaging of Tennessee, Inc., or its assignee accepts it, as evidenced only by the signature of an authorized representative of DEX imaging of Tennessee, Inc. or its assignee and DEX imaging of Tennessee, Inc. after receipt of (i) the deposit payment, if any, shown on the face of this Lease; (ii) a signed delivery and acceptance certificate and all other documentation; and (iii) our credit evaluation of you is satisfactory. In the event of non-approval, the sole liability of DEX imaging of Tennessee, Inc. shall be to refund to you the amount that has been paid us by you. If an advance payment is required, the first Lease Payment is due on or before the date the Equipment is delivered to you. If the Equipment has been accepted by you in accordance with this Section 1, the payments will be due on the day of each subsequent month (or such other time period stated on page 1 of this Lease) specified by us. You will make all payments required under this Lease to us at such address as we may specify in writing. You authorize us to adjust the Lease Payments by not more than 15% to reflect any reconfiguration of the Equipment or adjustments to reflect applicable sales taxes or the cost of the Equipment, including all trade-ups and buyouts, by the manufacturer/supplier. If any Lease Payment or other amount payable to us is not paid within 10 days of its due date, you will pay us a late charge not to exceed 7% of each late payment (or such lesser rate as is the maximum rate allowable under applicable law). Lease payments are due whether or not you are invoiced. If, for any reason, your check is returned to us for non-payment, you will pay us a bad check charge of \$30, or if less, the maximum charge allowed by law.

2. NO WARRANTIES. We are leasing the Equipment and any software to you "AS-IS". YOU ACKNOWLEDGE THAT WE DO NOT MANUFACTURE THE EQUIPMENT. IF THE SUPPLIER SPECIFIED WITHIN THE SUPPLIER INFORMATION ON PAGE 1 IS AN ENTITY OTHER THAN DEX IMAGING OF TENNESSEE, INC., WE DO NOT REPRESENT THE MANUFACTURER OR THE SUPPLIER, YOU AGREE THAT NEITHER SUPPLIER NOR ANY SALESPERSON, EMPLOYEE OR AGENT OF SUPPLIER IS OUR AGENT OR HAS ANY AUTHORITY TO SPEAK FOR US OR TO BIND US IN ANY WAY, AND YOU HAVE SELECTED THE EQUIPMENT AND SUPPLIER BASED UPON YOUR OWN JUDGMENT. WE MAKE NO WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR OTHERWISE. YOU AGREE THAT REGARDLESS OF CAUSE, WE ARE NOT RESPONSIBLE FOR AND YOU WILL NOT MAKE ANY CLAIM AGAINST US FOR ANY DAMAGES, WHETHER CONSEQUENTIAL, DIRECT, SPECIAL, OR INDIRECT. We transfer to you for the term of this Lease any warranties made by the manufacturer or Supplier under a Supply Contract. Notwithstanding any other terms and conditions of the Lease, you agree that as to any software: a) we have not had, do not have, nor will have any title to such software; b) you have executed or will execute a separate software license agreement and we are not a party to and have no responsibilities whatsoever in regards to such license agreement; c) you have selected such software and WE MAKE NO WARRANTIES OF MERCHANTABILITY, DATA ACCURACY, SYSTEM INTEGRATION OR FITNESS FOR USE AND TAKE ABSOLUTELY NO RESPONSIBILITY FOR THE FUNCTION OF DEFECTIVE NATURE OF SUCH SOFTWARE SYSTEMS INTEGRATION, OR OTHERWISE IN REGARDS TO SUCH SOFTWARE.

3. EQUIPMENT LOCATION; USE AND REPAIR; RETURN. You will keep and use the Equipment only at the Equipment Location shown on page 1 of this Lease. You may not move the Equipment without our prior written consent. At your own cost and expense, you will keep the Equipment eligible for any manufacturer's certification, in compliance with all applicable laws and in good condition, except for ordinary wear and tear. You will not make any alterations, additions or replacements to the Equipment without our prior written consent. All alterations, additions and replacements will become part of the Equipment and our property at no cost or expense to us. We may inspect the Equipment at any reasonable time. Unless you purchase the Equipment in accordance with a purchase option granted to you on the first page of this Lease, within 10 days of the expiration of this Lease, you will immediately deliver the Equipment to us in good condition and repair, except for ordinary wear and tear, to any place in the United States that we tell you, and upon our request, you will provide us with a certification from the manufacturer or its authorized representative as to the Equipment's condition. You are solely responsible for protecting and removing any confidential language stored on the Equipment prior to its return to us for any reason. You will pay for all expenses of de-installing, crating and shipping, and you will insure the Equipment for its full replacement value during shipping.

4. TAXES AND FEES. You are responsible for all taxes (including, without limitation, sales, use and personal property taxes, and excluding only taxes based on our income), levies, assessments, license and registration fees and other governmental charges relating to this Lease or the Equipment (collectively, with such taxes, "Governmental Charges"). You agree to promptly pay us, on demand, estimated future Governmental Charges. You authorize us to pay any Governmental Charges as they become due, and you agree to reimburse us promptly upon demand for the full amount (less any estimated amounts previously paid by you). You agree to pay us a fee for preparing and filing personal property tax returns. If the purchase option shown on page 1 of this Lease is \$1.00, you agree to file any required personal property tax returns, unless directed otherwise by Lessor. You also agree to pay Us upon demand (i) for all costs of filing, amending and releasing UCC financing statements, and (ii) an origination fee of \$75.00 (or as otherwise agreed) to cover our investigation, documentation and other administrative costs in originating this Lease. You also agree to pay us a fee, in accordance with our current fee schedule, which may change from time to time, for additional services we may provide to you at your request during this Lease. You agree that the fees and other charges due under this Lease may include a profit.

5. LOSS OR DAMAGE. As between you and us, you are responsible for any loss, theft or destruction of, or damage to the Equipment (collectively "Loss") from any cause at all, whether or not insured, until it is delivered to us at the end of this Lease. You are required to make all Lease Payments even if there is a Loss. You must notify us in writing immediately of any Loss. Then, at our option, you will either (a) repair the Equipment so that it is in good condition and working order, eligible for any manufacturer's certification, or (b) pay us the amounts specified in Section 9(b) below.

6. INSURANCE/COLLATERAL PROTECTION. You agree (a) to keep the Equipment fully insured through a carrier acceptable to us against loss in an amount not less than the original cost of the Equipment with us named as lender's loss payee; (b) to maintain comprehensive public liability insurance acceptable to us, naming us as additional insured; (c) to provide proof of insurance satisfactory to us no later than thirty (30) days following the commencement of this Lease and thereafter upon our written request; (d) if you fail to obtain and maintain property loss insurance satisfactory to us and/or you fail to provide proof of such insurance to us within thirty (30) days of the commencement of the Lease, we have the option, but not the obligation, to do as provided in either (a) or (b) as follows, as determined in our discretion: (a) We may secure property loss insurance on the Equipment from a carrier of our choosing in such forms and amounts as we deem reasonable to protect our interests. If we place insurance on the Equipment, we will not name you as an insured and your interests may not be fully protected. If we secure insurance on the Equipment, you will pay us an amount for the premium which may be higher than the premium that you would pay if you placed the insurance independently and may result in a profit to us through an investment in reinsurance. If you are current in all of your obligations under the Lease at the time of loss, any insurance proceeds received will be applied, at our option, (i) to repair, restore or replace the Equipment, or (ii) to pay us the remaining balance of the Lease plus our estimated residual value, both discounted at 2% per year, provided we elect to apply this subsection A. (b) We may charge you an insurance fee and/or a monthly property damage surcharge of up to .0035 of the equipment cost as a result of our credit, risk, administrative, and other costs, as would be further described in a letter from us to you. We may make a profit on this program. NOTHING IN THIS SECTION WILL RELIEVE YOU OF RESPONSIBILITY FOR LIABILITY INSURANCE ON THE EQUIPMENT.

7. TITLE; RECORDING. You will keep the Equipment free of all liens and encumbrances. Unless the purchase option shown on page 1 of this Lease is \$1.00, you agree that (a) we are the owner of and will hold title to the Equipment; and (b) this Lease is a true lease. However, if this transaction is deemed to be a lease intended for security, you grant us a security interest in the Equipment (including any replacements, substitutions, additions, attachments and proceeds) to secure all amounts owing under this Lease with us. You will deliver to us any signed documents we request to protect our interest in the Equipment. YOU AUTHORIZE US TO FILE A COPY OF THIS LEASE AS A FINANCING STATEMENT AND FILE AT ANY TIME, FINANCING STATEMENTS COVERING THE EQUIPMENT. YOU HEREBY RATIFY AND AUTHORIZE ANY SUCH FILINGS WE MAY MAKE BEFORE YOU SIGN THIS LEASE. YOU ALSO AGREE TO PAY US ANY FEES ASSOCIATED WITH SUCH FILINGS AND AGREE THAT THOSE FEES MAY INCLUDE A PROFIT.

8. DEFAULT. Each of the following is a "Default" under this Lease: (a) you fail to pay any Lease Payment or any other payment within 10 days of its due date; (b) you do not perform any of your other obligations under this Lease or in any other agreement with us or with any of our affiliates; (c) you become insolvent, you dissolve, you assign your assets for the benefit of your creditors, you sell, transfer or otherwise dispose of all or substantially all of your assets, or you enter (voluntarily or involuntarily) any bankruptcy or reorganization proceeding; (d) without our prior written consent, you merge

or consolidate with any other entity and you are not the survivor of such merger or consolidation or you permit a transfer of a substantial portion of your ownership interests; (e) any guarantor of this Lease dies, does not perform its obligations under the guaranty, or becomes subject to one of the events listed in clause (c) of this Section 8; (f) there has been a material adverse change in your or any guarantor's financial, business, or operating condition; (g) you fail to perform in accordance with the covenants, terms and conditions of any material agreement with any other lender; or (h) you make or have made any false statements or misrepresentations to us.

9. REMEDIES. If a Default occurs, we may do one or more of the following: (a) we may cancel or terminate this Lease and any or all other agreements that we have entered into with you; (b) we may require you to immediately pay us, AS COMPENSATION FOR LOSS OF OUR BARGAIN AND NOT AS A PENALTY, the sum of (i) all past due and current Lease Payments and Lease Charges, (ii) the present value of all remaining Lease Payments and Lease Charges, discounted at a rate of 6% per annum (or the lowest rate permitted by law, whichever is higher), and (iii) the Fair Market Value of the Equipment, (c) require you to immediately stop using all financed software and return all of the Equipment or allow us to take possession of the Equipment (in which case you shall be responsible for any damage to the Equipment other than ordinary wear and tear as determined in our sole discretion and in which case we shall not be responsible for any losses directly or indirectly arising out of, or by reason of the presence and/or use of any and all proprietary information residing on or within the Equipment); (d) we may lease or sell the Equipment or any portion thereof, and apply the proceeds less reasonable selling and administrative expenses, to the amounts due hereunder, and you will remain responsible for the remaining balance after such application; (e) charge you interest on all amounts due from the due date until paid at the rate of 12% per annum, but in no event more than the lawful maximum rate; and (f) charge you for the expenses incurred in connection with the enforcement of our remedies including, without limitation, repossession, repair and collection costs, reasonable attorneys' fees and court costs. "Fair Market Value" of the Equipment means its fair market value at the end of the Term, assuming good order and condition as estimated by us. These remedies are cumulative and are in addition to any other remedies provided for by law, and may be exercised concurrently or separately. Any failure or delay by us to exercise any right shall not operate as a waiver of any other right or future right. **10. FINANCE LEASE STATUS.** The parties intend this to be a "finance lease" under Article 2A of the Uniform Commercial Code ("UCC"). You waive all rights and remedies conferred upon a lessee by Article 2A of the UCC (508-522).

11. ASSIGNMENT. YOU MAY NOT ASSIGN, SELL, TRANSFER OR SUBLEASE THE EQUIPMENT OR YOUR INTEREST IN THIS LEASE. We may, without notifying you, sell, assign, or transfer this Lease and our rights in the Equipment. You agree that the assignee will have the same rights and benefits that we have now under this Lease but not our obligations. The rights of the assignee will not be subject to any claim, defense or set-off that you may have against us.

12. PURCHASE OPTION; AUTOMATIC RENEWAL. If no Default exists under this Lease, you will have the option at the end of the initial or any renewal term to purchase all (but not less than all) of the Equipment at the Purchase Option price shown on page 1 of this Lease, plus any applicable taxes. Unless the Purchase Option price is \$1.00, you must give us at least 90 days, but not more than 150 days, written notice before the end of the initial lease term, or any renewal term, that you will purchase the Equipment or that you will return the Equipment to us. If you do not give us such written notice or if you do not purchase or deliver the Equipment in accordance with the terms of this Lease, this Lease will automatically renew for one ninety (90) day period, followed by successive month to month renewal terms. During such renewal term(s) the Lease Payment will remain the same. We may cancel an automatic renewal term by sending you written notice 10 days prior to such renewal term. If the Fair Market Value Purchase Option has been selected, we will use our reasonable judgment to determine the Equipment's in use and in place fair market value. If you do not agree with our determination of the Equipment's fair market value, the fair market value (in use and in place) will be determined at your expense by an independent appraiser selected by us. Upon payment of the Purchase Option price, we shall transfer our interest in the Equipment to you "AS-IS, WHERE-IS" without any representation or warranty whatsoever and this Lease will terminate.

13. INDEMNIFICATION. You are responsible for all losses, damage, claims, infringement claims, injuries, and attorneys' fee and costs ("Claims"), incurred or asserted by any person or entity, in any manner relating to the Equipment, including its use, condition, or possession. You agree to defend and indemnify us against all Claims, although we reserve the right to control the defense and to select or approve defense counsel. This indemnity continues beyond the termination of this Lease, for acts or omissions which occurred during the term of this Lease. You also agree that this Lease has been entered into on the assumption that we may be entitled to certain tax benefits available to the owner of the Equipment. In the case of an FMV Lease or a 10% Lease, you agree to indemnify us for the loss of any income tax benefits caused by your acts or omissions inconsistent with such assumption of this Lease. In the event of any such loss, we may increase the Lease Payments and other amounts due to offset any such adverse effect.

14. CREDIT INFORMATION. YOU AUTHORIZE US OR ANY OF OUR AFFILIATES, ASSIGNEES, POTENTIAL PURCHASERS, OR INVESTORS TO OBTAIN CREDIT BUREAU REPORTS, AND MAKE OTHER CREDIT INQUIRIES THAT WE DETERMINE ARE NECESSARY, ON YOUR WRITTEN REQUEST, WE WILL INFORM YOU WHETHER WE HAVE REQUESTED A CONSUMER CREDIT REPORT AND THE NAME AND ADDRESS OF ANY CONSUMER CREDIT REPORTING AGENCY THAT FURNISHED A REPORT. YOU ACKNOWLEDGE THAT WITHOUT FURTHER NOTICE WE MAY USE OR REQUEST ADDITIONAL CREDIT BUREAU REPORTS TO UPDATE OUR INFORMATION SO LONG AS YOUR OBLIGATIONS TO US ARE OUTSTANDING.

15. EXECUTION AND DELIVERY. This Lease and other related documents (each a "document") may be executed in counterparts (manually or by electronic means) by either party and, when transmitted to us by fax or other electronic means, shall be binding on you for all purposes as if originally signed. No document is binding on us until we sign it. When a copy of each document containing your original, faxed or electronic signature is manually or electronically signed by us and in our possession, then such copy shall constitute the original document for all purposes and shall constitute the sole "chattel paper" as that term is defined in the UCC. If you sign or transmit any document to us electronically, you shall provide the counterpart of such document containing your original manual signature to us at our request. You agree not to raise as a defense to the enforcement of any document that it was executed by electronic means by either party or transmitted to us by fax or other electronic means. If you elect to sign and transmit a Lease by fax or other electronic means, you waive notice of our acceptance of this Lease and receipt of a copy of the originally signed Lease.

16. FINANCIAL INFORMATION. Within 30 days after our request, you will deliver all requested information (including tax returns) which we deem reasonably necessary to determine your current financial condition and faithful performance of the terms hereof. This may include: (i) compiled, reviewed or audited annual financial statements (including, without limitation, a balance sheet, a statement of income, a statement of cash flow, a statement of changes in equity and notes to financial statements) within 120 days after your fiscal year end, and (ii) management-prepared interim financial statements within 45 days after the requested reporting period(s). Annual statements shall set forth the corresponding figures for the prior fiscal year in comparative form, all in reasonable detail without any qualification or exception deemed material by us. Unless otherwise accepted by us, each financial statement submitted to us shall be prepared in accordance with generally accepted accounting principles consistently applied and shall fairly and accurately present your financial condition and results of operations for the period to which it pertains.

17. PATRIOT ACT. To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. What this means to you: When you open an account, we will ask you for your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents.

18. MISCELLANEOUS. You agree that the terms and conditions contained in this Lease make up the entire agreement between you and us regarding the lease of the Equipment. This Lease is not binding on us until we sign it and upon the satisfaction of the other conditions set forth in Section 1. Any change in any of the terms and conditions of this Lease must be in writing and signed by us. You agree, however, that we are authorized, without notice to you, to supply missing information or correct obvious errors in this Lease. If we delay or fail to enforce any of our rights under this Lease, we will still be entitled to enforce those rights at a later time. All notices shall be given in writing by the party sending the notice and shall be effective when deposited in the U.S. Mail, addressed to the party receiving the notice at its address shown on page 1 of this Lease (or to any other address specified by that party in writing) with postage prepaid. All of our rights and indemnities will survive the termination of this Lease. It is the express intent of the parties not to violate any applicable usury laws or to exceed the maximum amount of time price differential or interest, as applicable, permitted to be charged or collected by applicable law, and any such excess will be applied to Lease Payments in inverse order of maturity, and any remaining excess will be refunded to you. If you do not perform any of your obligations under this Lease, we have the right, but not the obligation, to take any action or pay any amounts that we believe are necessary to protect our interests. You agree to reimburse us immediately upon our demand for such amounts that we pay. If more than one Lessee has signed this Lease, each of you agrees that your liability is joint and several. This Lease supersedes any purchase orders that relate to this transaction.