**Transportation Management Services Agreement**

**by and between**

**Teach Las Vegas and 4MATIV Technologies, Inc**

This Agreement is made this 1st day of July, 2024, by and between Teach Las Vegas, a Nevada non-profit company (the “School” or “Client”) and 4MATIV Technologies, Inc, a Delaware corporation, doing business as “4MATIV” (“4MATIV” or “Contractor”).

**Recitals**

1. The Client is an independent charter school in the State of Nevada. Client intends to contract with the Contractor to manage the daily transportation of its students attending the School. The Contractor will act as a broker and manager of Service Providers providing School transportation in buses, vans, TNC vehicle and taxis for students attending the School, including what the School has identified as General Education (GenEd), Special Education (SPED), Homeless & Highly Mobile (HHM) or McKinney-Vento (MV) and students in Foster Care. Contractor will also serve a coordination and management function for one or more systems of mobility support for the Client’s students including transit passes, parent carpooling, parent reimbursement, and others as defined in this Agreement.
2. Currently, the School may use contracted service providers to transport students to and from the School. Under this Agreement, the direct relationships between the School and any other existing service providers will cease and the 4MATIV will negotiate and contract directly with one or more Service Providers, who will then be sub-contracted by 4MATIV as approved by the School.
3. Contractor agrees to use its expertise in conducting the daily trip routing and management of the Service Providers, which may alter how trips are assigned among Service Providers as well as the mix of vehicles and supply options used. In addition, Contractor will negotiate all agreements with the Services Providers, approve invoices for payment and manage payments to the Service Providers with pass-through funds to be provided by the School.

**NOW, THEREFORE**, in consideration of the mutual covenants and conditions and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

**Section 1. General Scope of Work**

* 1. The School hereby retains and employs the Contractor to provide school transportation management services and technology now or hereafter existing to the end that the Contractor shall negotiate and contract with and, thereafter, manage the school transportation Service Providers, as necessary for the efficient and cost-effective operation of the School’s student transportation system. The Contractor agrees to endeavor to manage, supervise and operate the School's student transportation service in an efficient and economical manner. The School’s student transportation shall be operated over the routes, on the schedules, and by the Subcontractor and vehicles, as best determined by the Contractor and approved by the School, working cooperatively with the School on a daily basis, with the priority of safety first and cost savings and efficiency the next most important objectives, while assuring reliable and timely service for the school and students’ families. For purposes of clarity, this Agreement may be the result of an award to 4MATIV following a Request for Proposal (“RFP”) and a proposal from 4MATIV in response thereto the (“Proposal”). Any and all references herein to the RFP or Proposal are applicable only to the extent that this Agreement was based upon the same. Contractor agrees to perform the services described below in accordance with the terms and conditions of this Agreement, the RFP, and the final Proposal as accepted by the School. The RFP and Proposal are incorporated by reference as though fully set forth herein. Should there be a conflict of terms or conditions, this Agreement shall control over the RFP and the Contractor’s Proposal in that descending order of precedence.

1.2 More specifically, the Contractor shall employ its best efforts to do the following:

* Negotiations and contracting with all Subcontractors and other vendors consistent with the terms of the School’s RFP (if applicable), 4MATIV’s Proposal, and other directions or guidelines from the School.
* Ongoing contract compliance monitoring of Subcontractors, including but not limited to:
  + Remote monitoring of their operations, including dispatch, safety, training, and maintenance;
  + Annual on-site spot audits of facilities, driver and vehicle files;
  + Compliance with state law, 4MATIV operating agreement and RFP requirements with respect to vehicles, drivers, insurance, required inspections, licensures, background checks, record-keeping, COVID-19 infection prevention, and other general administrative duties consistent with its management role.
* Set-up and integration of Subcontractor, 4MATIV and School data and reporting systems for routing/scheduling, dispatch, vehicle tracking, on-time performance monitoring, retrieval of camera footage, communications, safety/incident response and reporting, and billing;
* Validation and processing of Subcontractor and vendor billings before the School is billed;
* Consolidated and simplified billings to the School from the Contractor, following by prompt payment of all the Subcontractors directly;
* Maintenance of proper and detailed data to ensure seamless reporting of SPED, HHM/MV and Foster Care services.

1.3 In addition, the Contractor shall be an active remote manager of transportation operations, working with the support of in-house operations staff, curbside support staff, and School leaders off-site as necessary and with occasional (one per month or as requested) on-site visits to manage:

* Coordinating the routing/scheduling and route optimization across the various transportation vendors in cooperation with in-house School staff to optimize the system for cost efficiency, service/satisfaction, and on-time performance;
* Operation monitoring and remote on call support from 5AM-8PM daily via phone, text, and email;
* Ongoing route change management and communications to schools and families of changes;
* Operational data gathering, analysis, and integration/deployment of the 4MATIV TOMS system;
* Training of school “power users” for the self-service components of 4MATIV’s TOMS system;
* Follow-up and resolution on all service issues and contract compliance issues with families and school staff, dedicated service email account monitoring and text/call hotline and operational text groups for staff;
* Regular and responsive hotline text/call center communications with parents and staff;
* Strategic guidance on on-site operational procedures including dismissal, unloading, and vehicle flow;
* Budget reforecasting of all transportation costs; and
* Other regular reporting to the school board as requested.
  1. The School will be responsible for all the payments to the Subcontractors and other vendors for their services, but the billing and payments will flow through 4MATIV in order for 4MATIV to assist the School in its effort to pay only for services that are eligible, needed, and dutifully performed. 4MATIV will invoice the School for the prior month of subcontractor costs by the 5th of each subsequent month following service. Should payment from the School to 4MATIV for services rendered be delayed more than 30 days after receipt of an approved invoice, the School shall be in default under this Agreement and Subcontractors may, upon two (2) weeks’ notice to 4MATIV and the School, suspend services until payment is made in full. The School may also be responsible for pass-through late payment fees or interest charges to vendors for payments that come later than 30 days from receipt of an approved invoice from 4MATIV.

**Section 2. Effective Date and Term**

2.1 The initial term of this Agreement shall be for three (3) consecutive school years (a school year being defined for purposes of this Agreement as July 1 through June 30 of each year), commencing July 1, 2024 (the “Effective Date”), and expiring thirty-six (36) months thereafter, on June 30th, 2027, unless earlier terminated or extended as provided herein.

2.2 Beyond the first school year of this Agreement, and before the commencement of the second and third school years, the School may elect to terminate this Agreement or reduce the number of routes assigned to a subcontractor of 4MATIV, effective on the last day of the then-current school year, by giving written notice to 4MATIV not less than ninety (90) days prior to the date of termination for any of the following reasons stated within its notice:

* The School has the lost state grant funding that has enabled it to pay the cost of the student transportation services managed by 4MATIV and is unable to secure other adequate funding sources to replace it;
* The School has received reduced state grant funding and needs therefore to reduce the service being provided or number of routes assigned to a subcontractor of 4MATIV;

2.3 The Client will have two (2) consecutive 12-month options to extend upon the same terms and conditions, exercisable in writing not less than ninety (90) days prior to the expiration of the then-current term.

**Section 3. Subcontracted Services**

3.1 The Contractor shall subcontract with transportation service providers approved by the School to provide the student transportation (the “Subcontractor” or “Subcontractors”). Every contract entered into between the Contractor and a Subcontractor shall incorporate expressly or by reference all of the terms, conditions and requirements of transportation providers for the School as set forth in the RFP (if applicable) or as dictated elsewhere in writing by the School. Without limitation, all subcontracts shall contain the requirements for the following:

* All vehicles used in transporting students will be required to conform to all federal, state and local laws, rules and regulations regarding age, condition, size, comfort, safety equipment and communication and GPS tracking devices, and required maintenance schedules.
* The Subcontractor will be required to employ a sufficient number of drivers of an age no less than 19 years and a reasonable number of standby drivers to assure that the contracted services requested are provided in a continuous and reliable manner. All drivers will be required to meet the minimum state requirements to obtain a commercial driver’s license of the appropriate class for the vehicle they are to operate, with a valid passenger and school bus endorsement.
* All Subcontractors shall be obligated to comply with all requirements related to employee background checks and screening as required by state and local mandates.
* All drivers will be required to have in their possession a valid Nevada Commercial Driver's License for the class of vehicle operated.
* The Subcontractor will have a comprehensive training program accessible for drivers operating their vehicles, which will conform to the School Bus Training requirements in state statute.
* Motor vehicle liability, umbrella liability insurance and workers compensation insurance in limits required by the RFP and Nevada law and naming the School as “additional insured”, and the Contractor as "named insured” and otherwise meeting all requirements set forth in the RFP or otherwise dictated in writing by the School.

**Section 4. Key Team Members**

Contractor shall provide only competent personnel under the supervision of, and in the employment of, Contractor (or Contractor's authorized subcontractors) to perform the Services. Contractor shall comply with Client’s reasonable requests regarding assignment and/or removal of personnel, but all personnel, including those assigned at Client’s request, must be supervised by Contractor. The Contractor agrees that the following Key Team Members shall be committed and assigned to provide services under this Agreement to the level required for the term of the Agreement for all such time:

Carl Allen, Principal/4MATIV CEO

TBD, Account Manager

**Section 5. Compensation of Contractor**

5.1 The total compensation to be paid to the Contractor shall be based upon an agreed upon annual budget and shall be comprised of two fees: a fixed Annual Management Fee (“AMF”) and a Maximum Annual Service Fee (“MASF”), which shall include the AMF. Taken together, the compensation to the Contractor shall be referred to collectively as the **Maximum Annual Service Fee** or **MASF**.

5.2 **Fixed Annual Management Fee (“AMF”)**. The agreed upon AMF shall be included within the MASF invoiced the School as set forth in Section 5.3 below. The AMF shall compensate the Contractor for the managerial, administrative, technical services, transportation planning, guidance, and technology tools and licenses provided by the Contractor, invoiced as set forth in the attached revised Schedule A, and shall be invoiced on a monthly or semi-monthly basis to the Client as the parties may agree. Should the Effective Date or the date of termination or expiration of this Agreement occur on any day other than the first day of a calendar month, the AMF for that particular month shall be prorated based on a 30-day month.

5.3 **Maximum Annual Service Fee (“MASF”)** For each contract year, 4MATIV and the School may agree on a maximum annual service fee for all basic home-to-school-to-home transportation and management services, including for each or a combination of yellow bus (“GenEd”) and for van/taxi/TNC transportation of GenEd students, Special Education (Van-required) or Homeless & Highly Mobile categories (“SPED/HHM”), and other budget categories as set forth in schedule A. At or before the start of the school year, a “baseline MASF” budget may be agreed upon and set for the school year to cover the anticipated cost of the basic transportation services in one or a combination of budget categories and all 4MATIV management services for that year. The baseline SPED/HHM MASF shall not include field trips, athletics, additional services provided outside the main calendar school year (e.g. ad hoc on demand trips, one-off field trips, math camp or special summer camps), or daily discretionary “extra trips” arranged at the behest of the school when a service provider is not proven to be at fault for causing the extra trip (collectively referred to as “Extra Services”). Unless revised by agreement of the parties, and excepting for Extra Services, the maximum MASF when defined in Schedule A may serve as an annual cap on the total MASF compensation to 4MATIV for the School. To the extent that costs for transportation services to the Contractor exceed the budgeted MASF for the school year, except for Extra Services or agreed upon adjustments to MASF as provided in Section 5.4 below, those costs exceeding the budgeted or adjusted MASF shall be borne by the Contractor.

5.4 The MASF may be adjusted from time to time as the parties may agree during or at the end of a school year as follows:

a) **Total Actual Daily Routed Membership (“ADRM”) & Total Van-routed ADRM (“VADRM”) baselines**: As part of the budgeting process and negotiation of an MASF, the parties shall agree upon what is anticipated to be the Total Actual Daily Routed Membership (“ADRM”) and Total Van-Routed ADRM (“VADRM”) numbers as baselines in each relevant MASF categories.

b) **Adjustments to the MASF**: The maximum MASF budget amount shall be subject to revisions up or down for changes to the ADRM and VADRM baselines, and thereby adjusting calculations of any gain-sharing with, the School, as follows:

i. If the School’s final average VADRM (the actual average daily routed number of van students over the course of the school year) has increased beyond their VADRM baseline budgeted and set forth in revised Schedule A at the start of the school year, the MASF shall be increased by the average vendor cost per VADRM times the number of VADRM units in excess of the baseline;

ii. Or, if the parties otherwise agree, on a case-by-case basis, if students are added by the School where the cost to transport those students is significantly beyond the average/expected cost (for reasons of distance, special accommodation, or otherwise), or where thresholds of capacity limits due to COVID-19 (or similar pandemic condition) are reached requiring the addition of routes or vehicles to the budgeted plan, then 4MATIV and the School shall agree upon a fair adjustment to the MASF. For instance, the MASF may be increased, with mutual agreement by the parties, by the simple incremental per vehicle per day costs of additional vehicle capacity required (especially because of COVID-19 capacity constraints) to add additional students from the baseline projection and initial routed configuration of students.

iii. If there is a change (up or down) in the number of planned distance learning days or if the number of expected in-person learning days is reduced due to unanticipated closures because of COVID-19, the MASF will be adjusted on a pro-rated daily basis, while also maintaining agreed-upon contractor and sub-contractor compensation rates as defined in Section 8.e) below or as set forth by Nevada executive order or statute.

5.5 **Annualized Per Student Cap-Based Billing:** As agreed by the parties in lieu of or in addition to a MASF or aggregate cap on spending in any student transportation category, the Contractor may implement a Per-Student Cap-Based Billing with Gain-sharing formula as applied to a specific subgroup of transported students where needs may be more variable.

As with an MASF, per student cap-based billing shall also be subject to adjustment as the year goes on if specific outlying students are added that have far beyond the average mileage of the student body, require to ride alone, or require other specialized accommodations. The parties may negotiate on a case-by-case basis for either pass-through costs outside the annualized per student cap for these students or for an adjustment to the cap.

5.6 **Additional Compensation. Gain-Sharing/Efficiency Incentive Rebate:**

Monthly Gain-Sharing: Savings generated relative to the budgeted/expected monthly service costs as defined by an MASF or as defined in a per student annualized cap may be “rebated” to the School monthly on monthly invoices utilizing a gain-sharing formula as the parties shall agree, so the School’s billed amount will be discounted by an agreed upon percentage saved below the budgeted and invoiced amount.

5.7 **Further Adjustments.** The Parties agree to meet regularly or as requested by either party to review the billing procedures and to make any adjustments to the manner of processing monthly invoices to ensure that the letter and spirit of this Section 5 is being implemented as agreed.

**Section 6. Insurance; Indemnity**

6.1 Required Coverages.Contractor shall require all Subcontractors to maintain in force during the full term of the Agreement, the following insurances protecting the School, and each of their boards, officers, employees and agents, Subcontractor’s drivers and other personnel as “additional insureds” Contractor shall require all Subcontractors to maintain in force during the full term of the Agreement, insurance protecting the Contractor as “named insured.” Subcontractors will be required to provide the above referenced insurance with the following minimum limits:

* + - * General commercial liability insurance of $1,000,000 per occurrence and $2,000,000 in the aggregate, including abuse and molestation coverage of at least $1,000,000 per occurrence, advertising injury coverage, products and completed operations coverage, and independent contractors’ coverage.
      * Comprehensive commercial automobile liability insurance covering all owned, non-owned, and hired automobiles with coverage (not excluding passengers) of at least $5,000,000 Combined Single Limit Bodily Injury and Property Damage
      * Workers' compensation insurance meeting the statutory requirements and limits in Nevada.

6.2 The School shall add and maintain 4MATIV to its commercial general liability insurance policy or policies, at its sole cost and expense, as a named insured. Said policy or policies shall be primary coverage without right of subrogation against the Contractor or any of its members, managers, employees or agents.

6.3 The School will indemnify 4MATIV and its sub-contractors against any damages caused directly or indirectly by the school, its staff, students, student guardians, or invited guests.

6.4 Contractor agrees to require Subcontractors to provide the School with a certificate of insurance evidencing such coverages and designating the School and Contractor as an additional insured with respect to Automobile Liability. Worker’s compensation insurance shall be maintained as required by law. All insurance policies shall provide that no coverage shall be cancelled except by thirty (30) days written notice to the School and 4MATIV.

6.5 All insurances required of any Subcontractor shall be maintained at the sole expense of the Subcontractor. Contractor shall not be responsible to the School or any other third party for the financial or other failure of any approved insurance company to pay claims under any policy or the lapse or absence of required insurance occurring without the actual knowledge of 4MATIV.

* 1. Except to the extent covered by any insurance obtained by the School on which the Contractor is a named insured for such insurance risk, Contractor agrees to indemnify and hold harmless the School, their agents, officers and employees from and against any and all claims, demands, causes of action or other liability including attorneys' fees (collectively, “the Claims”), on account of damages arising out of the services to be performed by the Contractor, its agents, employees and Subcontractors; provided, however, that in no event shall the total liability of the Contractor to the School, including this indemnification of the School by the Contractor, exceed the greater of the total amount of compensation paid or payable to the Contractor under this Agreement or any available insurance applicable to the Claims required under this Agreement.

**Section 7. Interruption of Service**

The Contractor shall not be liable to the School for any failure, delay or interruption of service, nor for any failure or delay in the performance of any duties and obligations under this Agreement due to, without limitation, pandemics, government-ordered quarantines, strikes, Acts of God, adverse weather conditions, government restriction, enemy action, civil commotion, default of any Subcontractor or other causes beyond the reasonable control of the Contractor.)

Excepting provisions for payments in the event of a pandemic-related closure or weather-related payment provisions herein, the School shall not be liable to the Contractor for any failure, delay or interruption of service, nor for any failure or delay in the performance of any duties and obligations under this Agreement due to, without limitation, pandemics, government-ordered quarantines, strikes, Acts of God, adverse weather conditions, government restriction, enemy action, civil commotion or other causes beyond the reasonable control of the Client.

**Section 8. Operating Expenses**

All expenses incurred by the Contractor that are reimbursable to the Contractor under this Agreement will be incurred and bound to the Contractor in accounts that bear the Contractor name. The Contractor agrees to prepare and verify vouchers, open such checking and other bank accounts as may be designated by the School, prepare checks for the signature of the person(s) designated by the School, and disburse funds for the payment of the reimbursed operating expenses of the school transportation service, which operating expenses are defined to mean and include, and are limited to, the following:

a) All invoices from approved Subcontractors and other vendors received by Contractor and approved by Contractor for payment by the School for transportation services. Payment will be made by the School within thirty (30) calendar days of receipt of an invoice from Contractor. Late payment fees of 3% of total invoiced amounts may apply after 30 days and if 4MATIV has given a school 7 days’ notice of such penalty.

b) GenEd and SPED/HHM vendor costs and 4MATIV management fees will be billed on a monthly basis for 12 months starting upon contract commencement. 4MATIV will also credit the School at the close of each month for its agreed-upon share of pro-rated savings achieved below any agreed upon aggregate or per student budgeted cap for that month. In this way, the School will be “rebated” monthly for savings rather than being billed throughout the year according to the maximum annual fee/baseline.

c) “Extra Services” shall be billed to the School as a direct pass-through from providers to the School, plus an 10% management service fee, or some other percentage or fixed fee arrangement if mutually agreed by the parties. The cost reimbursement for any Extra Services plus management service fee shall not be calculated as part of the MASF. Extras shall include but not be limited to: field trips, summer or vacation “camps” or services, or other non-home-to-school services during the normal calendar school year.

d) In the event of a delayed start or closure period(s) due to COVID-19 or other pandemic, the School will follow relevant state statutes and directives with respect to any required vendor support payments during said period(s). The School agrees that unless prohibited by state statute or if subcontractors are otherwise compensated or “made whole” by new state or federal funding to compensate Subcontractors during a pandemic-related closure period, it will continue throughout the closure period to fully compensate 4MATIV per the fixed management fee schedules outlined in this agreement, and it will compensate 4MATIV’s subcontractors at a rate of 80% - calculated as the average daily rate for all services occurring during the 14 school calendar days prior to the closure event.

e) The School agrees that for some planned “distance learning days” where no service or a subset or lesser variant of regular service is required and where at least 30 days written notice is given to 4MATIV of the planned distance learning days (if these are not on the originally agreed school calendar and reduce the total planned number of in-person days for the year), it will continue to compensate 4MATIV per the fixed monthly management fee schedules outlined in this Agreement, and it will reserve an amount for which 4MATIV may negotiate and allocate to subcontractors as appropriate potential additional compensation equal to 100% of the subcontractor rate for actual services provided to the School during the distance learning period (e.g. food deliveries, daycare service, etc.) but in no event less than 50% of the average daily rate for all regular recurring daily services occurring during the 14 days prior to the commencement of the planned distance learning days.

f) The School agrees that closings due to weather or other unplanned emergencies will be paid at a rate of 80% of the average daily rate for all regular recurring daily services.

g) Vehicles will be scheduled according to the daily AM & PM times as shown in the table below or as specified in the School’s RFP (if applicable). 4MATIV will provide Subcontractors with school calendars at the start of the school year showing school in session days and the dates of early releases. Any extra costs related to additional service days, impromptu early dismissals or late starts, will be the responsibility of the School and will be billed accordingly.

h) 4MATIV has negotiated tiered pricing with specific bus and van vendors and other providers on behalf of the School. School calendars for tiered routes across schools may not always align, however. In instances where one or two days in sequence are off while another tiered school is in session, Subcontractors will still honor the tiered pricing in their operating agreements. If one tiered school is not in session while another is in session for 3 or more days in a row, however, Subcontractors *may* bill a negotiated rate in order to cover driver and other fixed costs for those days, not to exceed 80% of a full untiered rate for the third such day and any consecutive day thereafter where one tiered school is not in session. 4MATIV will negotiate rates with the School on a case by case basis for those days when the School is in session three days or more beyond one of their counterparts with whom their routes may be paired.

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| --- | --- | --- | --- | --- | --- |
|  | **Address** | **Earliest AM Drop** | **Latest AM Drop** | **Earliest PM Pick** | **Expected PM Departure** |
| **Teach Las Vegas** | 4660 N Rancho Dr, Las Vegas, NV 89130 | 7:20 AM | 7:30 AM | Arrive 2:30 PM Load 2:30 PM | 2:40 PM |
| **Early Release (DOW)** | | | | N/A | N/A |

**Section 9. Duties Upon Termination**

If this Agreement is terminated for any reason or is not renewed with the Contractor, the School shall assume or make arrangements for the assumption of all existing obligations or liabilities of the Contractor in connection with the providing of management services to the School's school transportation service, the furnishing of personnel necessary for the School’s operation of its school transportation service, and all other undertakings by the Contractor hereunder unless such commitments, obligations, liabilities and undertakings have not been incurred as provided in this Agreement. Upon such termination, the Contractor shall deliver to the School or its designee all the records and other written data pertaining to the operation of the service maintained by the Contractor for the School under the terms of this Agreement; provided, however, that nothing in this paragraph shall require the Contractor to disclose information about its personnel in violation of any applicable law.

**Section 10. Independent Contractor**

It is mutually agreed that the Contractor is an independent contractor and its employees are neither employees nor agents of the School. As such, employees of the Contractor shall not be entitled to any employment benefits of the School such as, but not limited to, vacation, sick leave, insurance, worker's compensation, or pension and retirement benefits.

**Section 11. Non-Waiver of Rights**

It is agreed that the either party’s failure to insist upon the strict performance of any provision of this Agreement or to exercise any right based upon a breach thereof, or the acceptance of any performance during such breach shall not constitute a waiver of any rights under this Agreement.

#### Section 12. Access to Records/Audit and Inspection of Records

Contractor agrees to maintain and make available to the Client, during regular business hours, accurate books and accounting records relating to its Services. Contractor will permit Client to audit, examine and make excerpts and transcripts from such books and records, and to make audits of all invoices, materials, payrolls, records or personnel and other data related to all other matters covered by this Agreement, whether funded in whole or in part under this Agreement. Contractor shall maintain such data and records in an accessible location and condition for a period of not fewer than three (3) years after final payment under this Agreement or until after final audit has been resolved, whichever is later. Contractor shall include the same audit and inspection rights and record retention requirements in all Subcontracts. The Contractor agrees to maintain all books, records, accounts and reports required under this Agreement for a period of not less than three (3) years after the date of termination or expiration of this Agreement, except in the event of litigation or settlement of claims arising from the performance of this Agreement, in which case Contractor agrees to maintain same until the School or any of its duly authorized representatives, have disposed of all such litigation, appeals, claims or exceptions related thereto.

**Section 13. Student Data Privacy Protection**

School and Contractor will cooperate to maintain confidentiality of personal student information for all students including student name, sibling name, address, parent name, phone numbers, or bus stop locations. All records relating to any student shall be subject to applicable federal and state student data privacy laws. The federal Family Educational Rights and Privacy Act (FERPA) generally provides that information contained in students’ education records are private and that parents largely control the access to that information. Nevada law adopts the provisions in FERPA and includes some additional restrictions and requirements on the sharing of education data. Contractor shall require all Subcontractors to have a policy and practice in place at all times to fully comply with all student record and data privacy rights under federal and state law. Contractor and Subcontractors shall maintain the confidentiality of any information or data in its possession or control regarding a student and not disclose or disseminate the information or data without the prior written consent of a parent or guardian and without first contacting 4MATIV.

**Section 14. Changes in Law and/or Regulations**

The Parties understand that federal, state or local laws, regulations, policies, and related administrative practices applicable to this Agreement may be modified, amended or promulgated from time to time during the term of this Agreement. The Contractor agrees to comply with the most recent of such requirements that will govern this Agreement at any particular time. The Contractor's substantive failure to so comply shall constitute a material breach of this Agreement.

#### Section 15. Civil Rights

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##### 15.1 Nondiscrimination: The Contractor and Subcontractors shall assure and comply with all requirements of Title VI of the Civil Rights Act of 1964, as amended, 42 U.S.C. Sect. 2000d; 49 U.S.C. Sect. 5332; and DOT regulations, "Nondiscrimination in Federally-Assisted Programs of the Department of Transportation -- Effectuation of Title VI of the Civil Rights Act", 49 C.F.R. part 21, and any implementing requirements FTA may issue.

##### 15.2 Equal Employment Opportunity: The Contractor or any Subcontractor may not discriminate against any employee or applicant for employment, because of race, color, age, creed, sex, or national origin. The Contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, age, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

15.3 ADA Access, Access Requirements of Individuals with Disabilities: The Contractor shall comply with all applicable requirements of the Americans with Disabilities Act of 1990 (ADA), as amended, 42 U.S.C. Subsection 12101 et seq.; Section 504 of the Rehabilitation Act of 1973, as amended; 29 U.S.C. Section 794; 49 U.S.C. Section 5301(d).

**Section 16. Notices**

All notices, requests and other communications hereunder shall be in writing and shall be deemed to have been duly given if hand delivered, or mailed first class, postage prepaid, addressed to:

The School at:

[CONTACT]

4660 N Rancho Dr,

Las Vegas, NV 89130

[email]

The Contractor at:

Carl Allen, CEO

4MATIV Technologies, Inc

959 Dayton Avenue

St. Paul, MN 55104

carl@4mativ.org

**Section 17. Binding Effect and Assignment**

This Agreement shall extend to and be binding upon the successors, heirs and assigns of the parties hereto, provided that the Contractor shall not assign or transfer its rights or obligations hereunder without the prior written consent of the School, and provided further that no person, firm or corporation contracting with the Contractor, and provided no Subcontractor, shall be subrogated to any of the Contractor's rights hereunder nor shall any of said parties be deemed to be a third party beneficiary hereunder. The parties will make and execute all further instruments and documents required to carry out the purpose and intent of this Agreement.

**Section 18. Entire Agreement; Modification; Savings Clause**

This Agreement constitutes the entire agreement and understanding of the parties. No amendment or modification of any term or condition of this Agreement shall be binding unless made in a writing signed by the parties. If any section, subsection, paragraph, sentence, clause, phrase or portion of this Agreement is for any reason held invalid, unlawful or unconstitutional by any court of competent jurisdiction, such portion shall be deemed severable and such holding shall not affect the validity of the remaining portions hereof.

**Section 19. Applicable Law; Jurisdiction**

This Agreement shall be governed by, and interpreted and enforced in accordance with, the laws of the State of Nevada, without reference to the conflict of law rules of that or any other jurisdiction. Any dispute that cannot be resolved through voluntary mediation shall be resolved in the federal or state courts of Nevada.

**Section 20. Cooperative Drafting**

This Agreement has been drafted through a cooperative effort of Client and Contractor, and both Parties have had an opportunity to have the Agreement reviewed and revised by independent legal counsel of its own choosing. No Party shall be considered the drafter of this Agreement, and no presumption or rule that an ambiguity shall be construed against the Party drafting the clause shall apply to the interpretation or enforcement of this Agreement.

Contractor agrees to perform the services described below in accordance with the terms and conditions of this Agreement, the RFP, and Contractor's formal proposal as accepted by the School. The RFP and Contractor's proposal are incorporated by reference as though fully set forth herein. Should there be a conflict of terms or conditions, this Agreement shall control over the RFP and the Contractor’s Proposal.

**Section 21. Third Party Beneficiaries.**

Nothing in this Agreement is intended to create any third-party beneficiary status or any rights in any third party to enforce this Agreement.

**IN WITNESS WHEREOF,** the parties hereto have executed this Agreement in triplicate by their duly authorized officers and agents on the day and year first above written.

Teach Las Vegas

A Nevada nonprofit company

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ By:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Witness

4MATIV Technologies, Inc

a Delaware Corporation

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ By:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Witness Carl Allen, CEO

**Schedule A**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Fixed Annual Management Fee (“AMF”)** | **Maximum Annual Service Fee (“MASF”)**  \*inclusive of the AMF | **ADRM** | **VADRM** |
| **SPED/HHM Transportation** | **N/A** | **GenEd**  **TBD**  **SPED/HHM**  **TBD**  *\*Inclusive of SPED/HHM, Management costs and per student targets for each campus at estimated average VADRM for the year*  **Annualized Per Student Cap-Based Billing**  **$70/student/day** | TBD | TBD |
| **GenEd**  **Transportation** | **20,000** |

\*Refer to “Section 5. Compensation of Contractor” & subsection “5.3 Maximum Annual Service Fee (“MASF”) MASF to be negotiated subsequent to execution of this agreement and attached as an annual amendment each contract year.

\*\*Refer to subsection “5.4 a) Total Actual Daily Routed Membership (“ADRM”) & Total VADRM baselines” ADRM and VADRM baseline figures to be attached as an annual amendment each contract year.

**Planned Schedule of In-Person & Distance Days, Compensation Rates for Sub-Contractors during Planned Distance Learning Days or Unplanned “Closure Days”**

|  |  |  |
| --- | --- | --- |
|  | Planned # Days | % Paid/Eligible |
| Total Number of Days | 173 |  |
| Planned Distance Learning Days |  | 50% |
| Unplanned "Closure Days" |  | 80% |
| In-Person Days | 173 | 100% |

**Schedule B – Pass-through Bus Vendor Pricing (American Transportation)**

**HOME TO SCHOOL ROUTES:**

AM AND/OR PM Pickup and Dropoff (up to 5 hours and 70 miles of total daily service Portal to Portal per bus)

* Large School Bus (50pax): $550 per bus
  + $99/hour per additional hour
  + $2/mile per additional mile
* Small School Bus (20pax): $500 per bus
  + $89 per additional hour
  + $2/mile per additional mile

“Portal to Portal” is designated as the time/mileage starting from when the bus/driver leaves, or would leave, the ATS yard until the bus/driver returns, or would return, to the yard from the route service including daily pre-trip inspection and post trip inspection.

Multiple schools may be assigned to one route so long as the same bus and driver are able to complete the route in a timely manner and without conflict of driver Hours of Service and void of time confliction with other routes within this agreement. Should conflict arise then the route(s) shall be treated as separate routes for pricing purposes.

**TRIPS (FIELD TRIPS, ATHLETICS, ETC.):**

ATS will also provide transportation services for trips at the following rates:

Large School Bus (50pax): $129/hour.

Small School Bus (20pax): $109/hour.

Large Coach Bus (50pax): $179/hour.

Small Coach Bus (25pax): $139/hour.

Each with a five (5) hour minimum from scheduled time of pickup to time of drop-off (live time).  One-way, Out of Town, or Specialty Trips (Mountain Trips, Grad Nights, etc.) will be priced on a case by case basis.

Cancellation of any TRIPS will be treated as follows:

1. Two (2) or more business days before the scheduled Trip day = 0% Charge
2. Up to Noon of the business day before the scheduled Trip day = 50%  Charge
3. Any other time-frame =  100% Charge
4. Cancellation within 24 hours due to Acts of God, Tragedy, or Catastrophe or failure to advance in tournament/playoff situations for competition events will be 100% refundable.

**ANNUAL ESCALATION OF FEES:**

All rates shall remain firm for the first contract year (2024-2025). Starting the second Contract Year (2025-2026), as of July 1, the Contract Price shall be adjusted annually by the greater of 5% or the cost of living (CPI) calculated upon the basis of the United States Department of Labor, Bureau of Labor Statistics, Consumer Price Index for all urban consumers applicable to the Las Vegas area

(https://www.bls.gov/regions/west/news-release/consumerpriceindex\_west.htm).

The 12-month rate for May shall be used for annual price increase comparison purposes.

**UNFORESEEN COST INCREASES:**

Should unusually large increases in operational costs arise ATS reserves the right to renegotiate rates.  Increases in such costs must be verifiable, and 4MATIV reserves the right to refuse such additional cost increases if it cannot afford such additional increases.   If an agreement cannot be reached between both parties as to the increased costs, this contract may be terminated by ATS, without penalty, with 90 days’ written notice.