Educational Services Agreement Between Bridge Academy and Global Educational Excellence, LLC

This Educational Services Agreement (the "Agreement") is effective on this 16th day of June, 2021 ("Effective Date") between **Bridge Academy East**, a Michigan non-profit corporation and public school academy located at 9600 Buffalo St, Hamtramck, Michigan 48212, and **Bridge Academy West**, a Michigan non-profit corporation and public school academy, located at 3105 Carpenter Ave, Detroit, Michigan 48212, each formed under the Revised School Code (the "Code"), being MCL Section 380.501 to Section 380.507 (collectively "Bridge Academy" or the "Academy") and **Global Educational Excellence**, L.L.C., a Michigan limited liability company ("GEE"), located at 2455 South Industrial, Ann Arbor, Michigan 48301.

RECITALS

WHEREAS, the Academy is a charter school organized as a public school academy under the Code. The Academy has been authorized to operate a public school academy pursuant to a Charter Contract ("Contract") issued by the Board of Trustees of Ferris State University ("FSU" or "Authorizer"). The Authorizer is the statutory authorizing body of the Academy. The Academy Board of Directors ("Academy Board") is the governing body of the Academy.

WHEREAS, the Academy desires to operate the Program identified herein ("Program") for Academy students grades K-12.

WHEREAS, the Academy seeks to provide its students in grades K-12 with learning opportunities that are in its students' best educational interests; and

WHEREAS, GEE offers non-traditional learning opportunities through its operation of the GEE Preparatory Learning Center and the Program it provides;

WHEREAS, GEE is an educational service provider that shall provide all Services to the Academy to manage, operate and provide the Program to the Academy's eligible middle and high school students.

WHEREAS, the Academy desires to contract with GEE so that the Academy may provide the Program available through GEE Preparatory Learning Center to eligible Academy students when the provision of the program is in the best educational interests of eligible Academy students.

NOW THEREFORE, in consideration of the mutual promises contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each of the parties, the parties agree as follows:

AGREEMENT

I. **DEFINITIONS**

Unless otherwise defined in this Agreement, all terms used in this Agreement shall be defined pursuant to the definitions given to such terms pursuant to the State School Aid Act, 1979 PA 94, as amended ("SSA"), the Revised School Code, 1976 PA 451, as amended ("Code", and together with the SSA, the "Acts"), and the Academy's Charter Contract with FSU dated July 1, 2019, as amended ("Contract").

II. CONTRACTUAL RELATIONSHIP

<u>a.</u> <u>Authority</u>. The Academy has been granted a Contract by the Authorizer to organize and operate a public school academy pursuant to the terms and conditions set forth in the Contract and related attachments. The Academy Board of Directors is authorized to enter into binding legal agreements with persons or entities as necessary for the operation, management, financing, and maintenance of the public school academy provided that no provision of this Agreement shall interfere with the Academy Board's constitutional duty to exercise its statutory, contractual and fiduciary responsibilities governing the operation of the Academy. No provision of this Agreement shall prohibit the Academy Board from acting as an independent, self-governing public body, or allow public decisions to be made other than in compliance with the Open Meetings Act.

<u>b.</u> <u>Delegated Authority</u>. Acting under and in the exercise of such authority, the Academy hereby delegates to GEE, to the extent permitted by law, specified functions related to the provisions of the Program for the Academy's students as set forth in this Agreement and in Appendix A. GEE shall be responsible to manage, operate and provide the Program to the Academy's students in accordance with the terms and conditions of the Academy's Contract with FSU and as set forth in this Agreement, including, Appendix A. GEE shall also be responsible for the provision of human resource and administrative services, payroll, benefits, insurances and the provision and compensation of staff "Worksite Employees" assigned to work at or on behalf of the Academy. The job duties and responsibilities of the GEE Worksite Employees contained in the GEE job descriptions shall be provided to FSU and included as a Schedule to the Contract. The description of the Program and courses provided by GEE to the Academy shall also be included in the appropriate Schedule to the Contract. GEE shall provide to FSU any other information required for the Contract between the Academy and FSU.

<u>c.</u> <u>Compliance with Academy's Contract</u>. GEE agrees to perform its duties and responsibilities under this Agreement in a manner that is consistent with the Academy's obligations under the Academy's Contract issued by the Board of Trustees of Ferris State University. The provisions of the Academy's Contract shall supersede any competing or conflicting provisions contained in this Agreement.

<u>d.</u> <u>Status of the Parties</u>. GEE is a Michigan limited liability company and is not a division or part of the Academy. The Academy is a body corporate and non-profit governmental entity authorized under the Code and is not a division or part of GEE. The relationship between GEE and the Academy is based solely on the terms of this Agreement. GEE shall be solely responsible for its acts and the acts of its officers, directors, administrators, employees, Worksite Employees, agents, representatives, and subcontractors. The Parties to this Agreement intend that the relationship between them created by this Agreement is that of an independent contractor. No employee of GEE shall be delegating to GEE any of the powers or authority of the Academy Board that are not subject to delegation by the Academy Board under federal, state or local laws, rules and regulations or the Contract.

<u>e</u>. <u>Independent Contractor/Designation of Agents</u>. The Parties to this Agreement intend that the relationship between them is that of an independent contractor, not as an employee-employee relationship. GEE is not a division of any part of the Academy. The relationship between the Parties was developed and entered into through arm's length negotiations and is not based solely on the terms of this Agreement. No agent or employee of the Academy shall be deemed to be an agent or employee of GEE for any reason or purpose. No agent or employee of GEE shall be determined to be an agent or employee of the Academy except as follows:</u>

1. Notwithstanding the foregoing, the Academy and GEE agree that employees of GEE, to the extent they have a legitimate educational interest in so doing, are authorized access to educational records under 20 U.S.C § 1232g, the Family Educational Rights and Privacy Act ("FERPA"), and 34 C.F.R. section 99.1 *et* seq., such that they are jointly and severally entitled to access the student educational records for all purposes related to FERPA. The Academy agrees to disseminate the notice required pursuant to FERPA and its related regulations to the parents/legal guardians of the Academy students.

2. During the term of this Agreement, the Academy may disclose confidential data and information to GEE, and its respective officers, directors, administrators, employees and designated agents to the extent permitted by applicable law including, without limitation, the Individuals with Disabilities Education Act ("IDEA"), 20 U.S.C. §1401 et seq., 34 CFR 300.610 – 300.626; Section 504 of the Rehabilitation Act of 1973, 29 USC §794a, 34 CFR 104.36; the Michigan Mandatory Special Education Act, MCL 380.1701 et seq.; the Americans with Disabilities Act, 42 U.S.C. §12101 et seq.; the Health Insurance Portability and Accountability Act ("HIPAA"), 42 U.S.C. 1320d – 13200d-8; 45 CFR 160, 162 and 164; and social security numbers, as protected by the federal Privacy Act of 1974, 5 U.S.C. §552a; and the Michigan Social Security Number Privacy Act, MCL 445.84.

3. As otherwise expressly designated by written agreement of the Parties with consent from anyone whose consent is required by law or contract.

<u>f.</u> <u>Relationship</u>. The Academy hereby engages GEE and GEE accepts such engagement as an independent contractor to provide the Services set forth in this Agreement and Appendix A attached hereto. The relationship between the Academy and GEE shall be that of independent contracting parties. Except as otherwise provided in this Agreement and subject to the Contract between the Academy and FSU, GEE shall be self-directed in its activities and shall determine its own methods and manner for performing the Services to be performed under this Agreement within the overall policies and budgets established by the Academy, as the same may be amended by the Academy from time to time. Except as otherwise provided for in this Agreement, GEE shall at no time represent itself to be an employee, servant or agent of the Academy. Worksite Employees provided to the Academy by the job titles set forth in Appendix B attached hereto and made part hereof shall not be considered to be employees of the Academy for any purpose.

g. <u>Student Education Records and Personally Identifiable Information</u>. Except as permitted under the Code, GEE shall not sell or otherwise provide to a for-profit business entity any personally identifiable information that is part of an Academy student's education records. If GEE receives information that is part of an Academy student's education records, GEE shall not sell or otherwise provide this information to any other person except as permitted under the Code. For purposes of this section, the terms "education records" and "personally identifiable information" shall have the same meaning as those terms in section 1136 of the Code, MCL 380.1136.

III. <u>GEE WORKSITE EMPLOYEES</u>

GEE shall provide, control and be responsible for all human resources, personnel, payroll, benefit, financial and related administrative functions and the management and oversight of the Worksite Employees assigned to work at or on behalf of the Academy and any other employees provided to the Academy by GEE. All administrators, teachers, instructional, support and any other personnel performing functions at or on behalf of the Academy who are provided to the Academy by GEE shall be employees of GEE ("Worksite Employees"). Specifically, GEE shall enjoy the sole and exclusive right to screen, hire, fire, supervise, evaluate, discipline and train Worksite Employees assigned to work at or on behalf of the Academy.

Selection of Worksite Employees. GEE shall employ and assign to the Academy all a. qualified, licensed and certified administrators, classroom teachers, instructors, and support staff as may be necessary to accomplish the educational mission of the Academy and implement the Program of the Academy at the middle school consistent with the Academy Board's approved budget. GEE shall comply with all federal, state and local laws, rules and regulations including, but not limited to, the Immigration Reform and Control Act, discrimination laws and wage and hour laws. GEE accepts full liability and is responsible for paying all salaries, wages, benefits, payroll taxes, workers' disability compensation, unemployment compensation and liability insurance for its Worksite Employees, administrators, agents and representatives assigned to work at or on behalf of the Academy regardless of whether GEE receives an advancement of its costs or the payment of services from the Academy. The terms and conditions of the Worksite Employees employed by GEE shall be set forth in a separate employment agreement between GEE and the Worksite Employee, or other written document as determined by GEE. Information regarding all costs, including the employment costs, annual salary and benefit costs of any Worksite Employee, staff member or individual assigned to work at or on behalf of the Academy by GEE shall be provided to the Academy Board by GEE.

b. Level of Compensation and Fringe Benefits of GEE Employees. GEE shall inform the Academy Board of the level and compensation of fringe benefits provided by GEE to GEE's Worksite Employees, staff and personnel assigned to work for or on behalf of the Academy.

<u>c.</u> <u>No Tenure</u>. As of the date of this Agreement, the Academy is not required by applicable law, to provide tenure to its certified teachers or administrators. Therefore, no GEE administrators, employees, staff, agents or representatives assigned to work at or on behalf of the Academy are entitled to teacher and/or administrator tenure.

<u>d.</u> <u>No Non-Compete Clause</u>. GEE shall not execute any contract with any Worksite Employees or staff member assigned to work at or on behalf of the Academy (including by way of example and not limitation, administrators, teachers and counselors) that contain non-compete language that prohibits such employees or staff from working at the Academy.

<u>e.</u> <u>Medical Insurance</u>. GEE shall provide all eligible and qualified Worksite Employees assigned to work at or on behalf of the Academy who are not covered by a spouse's plan, comprehensive medical insurance. In addition, GEE shall be responsible for COBRA compliance and continuation of medical or health benefit plans to terminated Worksite Employees and qualified dependents, subject to the continuation of this Agreement. If this Agreement is terminated, all responsibilities regarding the continuation of medical insurance shall cease consistent with federal, state and local laws, rules and regulations.

<u>f.</u> <u>Retirement Plan</u>. GEE shall make available to eligible, qualified Worksite Employees assigned to work at or on behalf of the Academy, a retirement plan pursuant to IRC Section 401(k). GEE and its Worksite Employees shall not be entitled to participate in any Academy retirement programs or fringe benefits if or when offered. Unless required by applicable statute, court, or administrative decision or an Attorney General opinion, GEE shall not make payments to the Michigan Public School Employees Retirement System ("MPSERS") or any other public retirement system on behalf of its Worksite Employees or staff assigned to work at or on behalf of the Academy.

Payroll Taxes. GEE shall report and be responsible to pay all of its employees and g. employer payroll taxes for its Worksite Employees and staff assigned to work at the Academy including applicable federal, state and local income taxes, FICA, Medicare, FUTA, SUTA, unemployment and workers' disability compensation insurance from GEE's own accounts. Subject to the Academy's payment obligations set forth in this Agreement. GEE shall defend, indemnify and hold harmless the Academy from and against any losses, assessments, taxes, costs, penalties, interest, premiums and attorneys' fees incurred by the Academy and the Academy Board (i) related to any failure by GEE and/or its administrators, Worksite Employees, staff agents, or representatives to pay federal, state and local income taxes, FICA, Medicare, FUTA, SUTA, workers' disability compensation, state and federal unemployment or other taxes or premiums and/or file returns in connection therewith, and/or (ii) due to the determination by the federal, state or local government or other regulatory body having jurisdiction over any part of the Academy's operations classifying one or more of GEE Worksite Employees and staff as an employee of the Academy or a "joint employee" of the Academy and GEE due to the actions or inactions of GEE or its agents, Worksite Employees and staff which shall be a proximate cause of such classification. Should such classification occur, the Academy shall have the option to pay any resulting tax and/or premium obligations and offset such payments against any amount coming due and owing to GEE under this Agreement. GEE agrees that it is the employer of record for all of its Worksite Employees and staff assigned to work at or on behalf of the Academy including, but not limited to, for record-keeping purposes, for all Worksite Employees and staff assigned to work at or on behalf of the Academy and shall undertake all duties and responsibilities associated therewith. GEE agrees that it shall be responsible to make all payments for

benefits, salaries, payroll taxes, workers' disability compensation insurance, unemployment taxes and payments and general liability insurance and other insurances required by this Agreement for GEE's Worksite Employees and staff assigned to work at the Academy.

<u>h.</u> <u>Payroll Records</u>. GEE shall maintain and verify all required payroll and benefit records for all of GEE's Worksite Employees and staff assigned to work at or on behalf of the Academy.

<u>i.</u> <u>Policies and Procedures</u>. All payroll, benefit and personnel policies and procedures for GEE Worksite Employees and staff assigned to work at or on behalf of the Academy shall be established by GEE. The Academy Board shall be advised of such information.

j. Workers' Disability Compensation Insurance. GEE shall acquire and maintain as required by law, workers' disability compensation insurance during the term of this Agreement for all of its Worksite Employees and staff assigned to work at or on behalf of the Academy under this Agreement. GEE shall defend, indemnify and hold harmless the Academy from and against any claim for workers' disability compensation brought by or on account of GEE or by any of its Worksite Employees and staff assigned to work at or on behalf of the Academy with a certificate of insurance verifying coverage of workers' disability compensation insurance for GEE's Worksite Employee and staff assigned to work at or on behalf of the Academy.

<u>k.</u> <u>At-Will Employment Relationship.</u> GEE retains the right to not hire any candidate for employment or terminate with or without cause any GEE Worksite Employee and staff assigned to work at or on behalf of the Academy with written notice to the Academy Board President as a courtesy.

<u>l.</u> <u>Implementation and Supervision of Policies and Procedures</u>. During the term of this Agreement, GEE shall have the right and authority to implement and administer personnel policies and procedures relating to its Worksite Employees and staff assigned to work at or on behalf of the Academy. GEE shall make good faith reasonable efforts to act in the best interest of the Academy with regard to its policies and procedures for its Worksite Employees and staff assigned to work at or on behalf of the Academy.

<u>m.</u> <u>GEE's Authority to Hire, Evaluate, Supervise, Discipline and Terminate Worksite</u> <u>Employees and Staff.</u> GEE shall have the ultimate authority and control to hire, evaluate, supervise, discipline and terminate its Worksite Employees and staff assigned to work at or on behalf of the Academy.

<u>n.</u> <u>Re-assignment of Worksite Employees by GEE</u>. The Academy may recommend reassignment of a GEE Worksite Employee or staff assigned to work at or on behalf of the Academy, it being understood that GEE retains full control over all personnel decisions involving Worksite Employees and staff, a assigned to work at or on behalf of the Academy. GEE has the ultimate authority to resolve and decide issues and/or concerns by the Academy regarding Worksite Employees and staff. The Academy Board may provide input into the selection of the School Leader for the Academy Middle School; however, GEE shall ultimately make the decision regarding the selection of the School Leader assigned to work at or on behalf of the Academy.

o. <u>On-Site Supervision</u>. GEE shall be responsible for the on-site supervision of its Worksite Employees and staff assigned to work at or on behalf of the Academy.

Criminal Background Checks. GEE and the Academy acknowledge and agree that all p. Worksite Employees, staff, agents or representatives assigned to work at or on behalf of the Academy, or any other personnel provided by GEE to the Academy must be in compliance with all federal, state and local laws, rules and regulations, Academy Board policies and procedures that pertain to Worksite Employees, including but not limited to, Criminal History Record Information ("CHRI") and criminal background checks as required by Michigan statutes including, but not limited to, MCL 380. 1230, 1230a, 1230b and related provisions of the Code, the requirements of the Michigan Department of Education and the Michigan State Police. An Authorized Recipient of the Academy or GEE shall conduct criminal background checks on all GEE Worksite Employees, staff, agents or representatives assigned to work at or on behalf of the Academy, and all temporary, substitute or third-party contractors or sub-contractors regularly and continuously assigned to work under contract at the Academy, as required by law. GEE agrees that it shall not assign any of its officers, directors, employees, administrators, staff, agents, representatives or other individuals to perform any Services under this Agreement except as permitted under sections 380.1230, 380.1230a, 380.1230b and related provisions of the Code pertaining to criminal history record information checks and criminal background checks. GEE shall require that the Authorized Recipient receive, review and use (subject to a verification process) and advise GEE whether an individual may be hired by GEE to work at or on behalf of the Academy in accordance with the federal, state and local laws, rules and regulations.

<u>q.</u> <u>Unprofessional Conduct Checks</u>. GEE shall ensure that each Worksite Employee, staff, administrator, employee, agent or representative assigned to work at or on behalf of the Academy, and any other officer, director, administrator, employee, substitute or temporary employee, contractor and subcontractor shall be subject to an unprofessional conduct check required by MCL 380.1230b and any other applicable federal, state and local laws, rules and regulations. Worksite Employees or any other individuals set forth herein shall not be assigned to work at or on behalf of the Academy until the unprofessional conduct checks and the requirements of the applicable federal, state and local laws, rules and regulations have been satisfied.

<u>r.</u> <u>Compliance with Employment Laws</u>. GEE shall comply with all federal, state and local laws, rules and regulations relative to GEE's Worksite Employees, staff, administrators, agents and representatives assigned to work at or on behalf of the Academy including, but not limited to, discrimination laws, wage and hours laws, legally mandated employee leave policies, employee accommodations.

<u>s.</u> <u>Evaluations of GEE Worksite Employees</u>. GEE shall comply with the Code and the Academy Board evaluation system for teachers and school administrators employed by GEE and assigned to work at or on behalf of the Academy as required by the Code, being sections MCL 380. 1249 and MCL 380. 1250. GEE shall evaluate its other Worksite Employees in accordance with GEE's policies and procedures.

<u>t.</u> <u>GEE Employee Handbook and Policies</u>. GEE shall provide the Academy with its handbook of personnel policies and procedures, which policies and procedures guide GEE with respect to discipline, layoff or termination of Worksite Employees. If a Worksite Employee has a problem or dispute regarding a co-worker, student, parent or any other matter, the Worksite Employee shall first bring the problem or dispute to the attention of the GEE Liaison. If the problem or dispute is not resolved in a reasonable period of time, the Worksite Employee shall take the matter to GEE and the Academy School Leader. If the issue continues and is related to a co-worker, the issue is to be resolved

by GEE. If the issue continues and is related to a student or parent, the issue shall be referred to the Academy Board.

<u>u.</u> <u>Academy Dissatisfaction With GEE Worksite Employees</u>. In the event the Academy becomes dissatisfied with the performance of any individual GEE Worksite Employee, the Academy shall notify GEE, in writing, setting forth the nature of the dissatisfaction, the proposed remedial action, and any specific action requested. Upon receipt of such notice from the Academy, GEE agrees to promptly review and take specific action that GEE deems appropriate; provided however, that the Academy may request GEE to reassign the Worksite Employee from the Academy's premises and the Program. GEE shall be the final decision maker regarding termination of any GEE Worksite Employee.

IV. SERVICES; PROGRAM

The Parties agree that GEE, as an Educational Service Provider to the Academy, to the extent permitted by and in conformity with the Contract and applicable federal, state and local laws, rules and regulations shall provide all curriculum, technology, computers, marketing, staffing, student pupil services, facility, compliance, student assessments, extracurricular activities, management and operation, materials, equipment, supplies, supervision, compensation, benefits, payroll taxes, insurances, and the like necessary for the management, operation and delivery of the Program to the students enrolled in the Academy assigned to the Program to the extent not otherwise the obligation of the Academy with respect to funds paid to the Academy and for which such a student is eligible. GEE shall do whatever is necessary to carry out the Program for the Academy students covered by this Agreement including, but not limited to, providing the curriculum, method of pupil assessment, development of admissions policies and criteria, the school calendar, the school day schedule, age and grade range of pupils to be enrolled, and educational goals and methods to be used to monitor the compliance with the performance of targeted educational outcomes as adopted by the Academy Board and included in the Contract.

As an Educational Service Provider to the Academy, GEE operates the GEE Preparatory Learning Center wherein eligible Michigan public school students are provided with learning courses that are supplemental to or in place of traditional, learning courses that may otherwise be available to such students (the "Program"). GEE shall make the Program available to Academy students pursuant to the terms of this Agreement. GEE shall ensure that the Program meets all requirements of the applicable federal, state and local laws, rules and regulations, including, but not limited to, the Michigan Merit Curriculum, the Code, the Michigan Pupil Accounting Manual and the Contract so that Academy pupils enrolled in the Academy and assigned to the program are counted in membership for purposes of the Academy's receipt of the State School Aid per pupil foundational allowance. GEE shall have the authority to take whatever action necessary on behalf of the Academy to ensure that the Academy receives the per pupil state foundational allowance for each pupil enrolled and assigned to the Program. GEE shall provide the requisite number of school hours and school days required by applicable laws, rules and regulations to receive the per pupil State School Aid.

V. ELIGIBILITY FOR THE PROGRAM

<u>a.</u> <u>Eligibility</u>. In accordance with applicable federal, state and local laws, rules and regulations, the Academy shall determine and notify GEE which, if any, of its students may be eligible to participate in the Program. GEE shall determine if such students are eligible to participate in the Program pursuant to federal, state and local laws, rules and regulations, the Contract and applicable Academy Board policies. If such students are eligible to enroll in the Program, GEE shall make the Program available to those eligible Academy students.

<u>b.</u> <u>Reporting</u>. GEE shall provide the Academy Board with a monthly report that identifies each Academy student who participates in the Program and the reason for each Academy student's participation in the Program. As an Educational Service Provider of the Academy, GEE shall timely submit any and all reports required to be submitted to the Michigan Department of Education, CEPI, EPICENTER, FSU, the Local Intermediate School District, federal grant reporting and any other reporting units required by federal, state and local laws, rules and regulations and the Contract.

VI. TERM AND TERMINATION

<u>a.</u> <u>Term.</u> The term of this Agreement shall be co-terminus with the Contract beginning on the effective date of this Agreement unless terminated sooner pursuant to the Termination provisions below. The maximum term of this Agreement shall not exceed the length of the Contract. The Agreement shall renew for a term co-terminus with any renewal of the Contract unless agreed otherwise by the parties or unless terminated pursuant to the Termination provisions below.

<u>b.</u> <u>Material Breach</u>. Any action or inaction by GEE that is not cured within 60 days of notice thereof which causes the Contract to be revoked, terminated, suspended or which causes the Contract to be in jeopardy of revocation, termination or suspension by Board of Trustees of Ferris State University is a material breach.

<u>c.</u> <u>Mid-Year Termination of The Contract</u>. Termination of this Agreement mid-year may cause a breach of the Contract. The Academy Board and GEE shall make all efforts necessary to remedy a breach of this Agreement in order to continue school operations until completion of the thencurrent fiscal year. If a breach cannot be remedied, the Academy Board and GEE agree to work cooperatively to transition management and operations of the school without disrupting the school's operations. GEE shall perform this transition in a similar manner as described in Article VI.g for termination or expiration of this Agreement or due to Contract revocation, reconstitution, termination or non-renewal, without charge, as set forth in this Agreement.

<u>d.</u> <u>Termination</u>. This Agreement may be terminated:

1. At any time, upon mutual, written, and signed agreement of both parties.

2. At any time, by the Academy, upon notification that the Authorizer will not provide any required non-disapproval of this Agreement, and without further recourse to either Party.

3. At any time, by the Academy, if GEE materially breaches this Agreement, and the Academy provides written notice of material breach to GEE, and GEE does not cure the material breach within thirty (30) days after receipt of written notification of material breach. A material breach on the part of GEE may include, but is not limited to, failure to follow applicable federal, state and local laws, rules, regulations, policies, guidelines, or acting contrary to any Academy Board-approved budget, resolution, policies or administrative guidelines. Any action or inaction by GEE that is not cured within 60 days of notice thereof which causes the Contract to be revoked, terminated, suspended or which causes the Contract to be put in jeopardy of revocation, termination or suspension by Board of Trustees of Ferris State University is a material breach.

4. Effective at the end of the then-current school year, by the Academy or GEE, for any or no reason, upon written notification of such termination to the other party at least thirty (30) days before the end of the then-current school year.

5. At any time, by GEE, if the Academy fails to make required payment when due, and GEE provides written notice of nonpayment to the Academy and the Academy does not cure the nonpayment within thirty (30) days after receipt of written notification of nonpayment. Academy students who are participating in the Program prior to any notice of termination will be allowed to complete their participation in the Program for the Program courses in which they have already enrolled for the then-current school year.

6. This Agreement shall automatically terminate in the event of a State-mandated shut down of the Academy.

7. <u>Dissolution/Bankruptcy</u>. This Agreement shall terminate automatically without notice to the Academy if a petition in Bankruptcy Court is filed by or against the Academy, shall have been voluntarily or involuntarily adjudicated bankrupt by any court of competent jurisdiction, or if a petition is filed for reorganization of the Academy, or if a receiver has been appointed for all or a substantial part of the Academy's business.

e. <u>Revocation or Termination of Contract</u>. If the Academy's Contract issued by the Board of Trustees of Ferris State University is revoked, terminated or a new charter contract is not issued to the Academy after expiration of the Academy's Contract, this Agreement shall automatically terminate on the same date as the Academy's Contract is revoked, terminated or expires without further action of the Parties.

<u>f.</u> <u>Closure or Reconstitution</u>. In the event that the Academy is required (i) to close an Academy site pursuant to a notice issued under Section 507, 528 or 561 of the Code; or (ii) to undergo a reconstitution pursuant to Section 507, 528 or 561 of the Code and the Contract Terms and Conditions, and such closure of an Academy site or reconstitution causes an amendment to or termination of this Agreement, the Parties agree that this Agreement shall be amended or terminated to implement the Academy site closure or reconstitution, with no cost or penalty to the Academy, and GEE shall have no recourse against the Academy or the University Board for implementing such site closure or reconstitution.

g. <u>Effect of Termination</u>. Upon termination or expiration of this Agreement, or this Agreement is terminated due to a Contract revocation, reconstitution, termination or non-renewal,

GEE shall, without additional charge (i) close the financial records on the then-current fiscal year which includes, but is not limited to, the completion and submission of the of the annual financial audit, state and federal grant reporting and all other associated reporting within required timelines established by the appropriate local, state or federal authority; (ii) organize and prepare the Academy's records for transition to the new ESP, self-management or in the case of a school closure, transfer to a student's new school as designated by the student's parent/legal guardian or to a person or entity authorized to hold such records; (iii) provide for the orderly transition of employee compensation and benefits to the new ESP or self-management without disruption to staffing, or in the case of school closure, final payment of all employee compensation, benefit and tax obligations related to services provided by GEE to the Academy; (iv) organize and prepare the Academy's records, both electronic and hard-copy, for transition to the new ESP, self-management or dissolution; and (v) provide for the orderly transition of all Academy-owned assets including, but not limited to, furniture, fixtures, equipment and real estate. This includes any keys, log-in information and passwords related to any Academy asset.

Upon any termination of or the expiration of this Agreement as provided above, the parties agree that in consideration of the services rendered and costs incurred or advanced by GEE, the Academy's obligations to pay GEE for services rendered or reimburse it for costs shall survive any such expiration or termination along with any provisions herein regarding the Academy's payment obligations to GEE. In addition and for the same consideration recited above, the Academy agrees that it may not set off against any monies owing or due GEE for services rendered or costs incurred any monies or deductions on account of any claim the Academy may have or allege or assert against GEE and this obligation shall also survive any termination of or expiration of this Agreement. In the event the Academy breaches this prohibition, it shall be liable for twice the amount not paid to GEE as a result of such breach.

VII. FEES AND PAYMENT

<u>a.</u> <u>Per Student Fee</u>. The Academy shall pay to GEE ninety-percent (90%) of the portion of the State School Aid per student foundational allowance, only, directly attributable to participation in the blended learning program for each Academy student who participates in the blended learning program, net of all authorizer fees. ("Per Student Fee'"). See Appendix A for Student Fee Breakdown and Services provided by GEE. The Academy shall not pay or owe to GEE any Per Student Fee or payment pursuant to this Agreement for any Academy student who participates in the Program for whom the Academy does not receive any State School Aid that would have otherwise been directly attributable to that student's participation in the Program.

The Academy shall apply for and cooperate with GEE in ensuring that application is made for all other funds for which a student enrolled in the Academy and assigned to the Program may be eligible, whether Federal or State funds, including but not limited to Title funds, categorical funds, at-risk funds, special education funds, and recovery funds, and the Academy shall ensure and cooperate in ensuring that all such funds are applied to the educational and servicing costs of each such student assigned to the Program. It is agreed that GEE's fee is based upon the expenditure by the Academy of all funding for which a student enrolled in the Academy and assigned to the Program is eligible and which the academy receives or is paid. If legal compliance regarding the education and servicing of a student assigned to the Program requires GEE to expend funds on a student for a cost the Academy was required to pay for that student, the Academy agrees to reimburse GEE said cost upon demand.

<u>b.</u> <u>Payments</u>. The Academy shall pay the Per Student Fee to GEE within fifteen (15) business days after: (a) the State of Michigan provides the State School Aid attributable to the Per Student Fee to the Academy; and (b) the Academy receives an invoice from GEE for such Per Student Fee.

c. <u>No Additional Fees or Payments By The Academy</u>. The Academy shall not be responsible to pay GEE any additional fees, expenses and/or payments for any Services required in accordance with the terms of this Agreement other than the Fees set forth herein. No corporate costs of GEE shall be charged to or reimbursed by the Academy.

VIII. ACADEMY RESPONSIBILITIES

<u>a.</u> <u>Annual Budget Preparation</u>. The Academy Board is responsible for establishing, approving and amending an annual budget. Upon approval by the Academy Board, copies of the budget will be given to GEE personnel.

<u>b.</u> <u>Academy Funding</u>. The Academy shall notify GEE of any change in the Academy's School State Aid per pupil state foundational allowance and of any other pupil funding within a reasonable period of time.

c. <u>Academy Responsibilities</u>. To the extent required by law, the Academy shall at its expense (i) comply with all applicable health and safety laws, regulations, ordinances, directives, and rules of controlling Federal, State and local government and (ii) immediately report all employee accidents and injuries to GEE by completing an Injury Report Form provided by GEE within twenty-four (24) hours after the accident to the extent the Academy has available to it such knowledge or information. GEE, GEE's workers' disability compensation carrier and GEE's liability insurance carrier shall have the right to inspect the Academy's place of business at all times to insure compliance with this Section and with the terms of this Agreement.

IX. PROGRAM COSTS AND ACQUISITIONS

<u>a.</u> <u>Program Costs</u>. GEE shall be responsible for all costs directly and indirectly attributable to the Program and not otherwise funded for a student assigned to the Program and except as set forth in Article VII.a and VIII.c above. Such costs may include, but are not limited to, curriculum administration, payroll, payroll taxes, insurance, overhead, rent, software, student transportation, computers and internet for students, equipment, all Learning Lab costs and all costs associated with GEE Worksite Employees, staff, agents, representatives and subcontractors.

b. <u>GEE Responsibility and Liability for Payment of Salaries and Benefits of GEE</u> <u>Employees.</u> GEE is responsible for and accepts full liability for paying all salaries, benefits, payroll taxes, workers' disability compensation, unemployment compensation, and liability insurance for all of its administrators, employees, staff, agents, representatives, including but not limited to Worksite Employees, working at or on behalf of the Academy GEE shall be liable for all such payments.

c. <u>Academy Facilities</u>. GEE shall separately contract with the Academy if GEE wishes to use any Academy facilities for GEE to carry out the terms of this Agreement, other than those identified for the Program as set forth in the Charter Contract and in attached Appendix C. GEE shall be free to contract with the Academy's landlord for any use not covered by the Academy's Lease.

<u>d.</u> Acquisitions. If GEE purchases equipment, materials and supplies on behalf of or as the agent of the Academy, such equipment, materials and supplies, including, but not limited to, instructional materials, equipment, supplies, furniture, computers and other technology shall be and remain the property of the Academy. GEE and its subcontractors shall comply with the Revised School Code (including, but not limited to, sections 1267 and 1274) and the Academy Board's purchasing policies as if the Academy were making these purchases directly from a third-party supplier. GEE and its subcontractors shall not include any added fees or charges with the cost of equipment, materials and supplies purchased from third parties. All equipment, materials and supplies purchased or procured by GEE and its subcontractors for the Academy shall be inventoried by an acceptable method of inventory, and such inventory system shall be maintained so that it can be clearly established the property that belongs to the Academy. The Academy Board shall not approve any expense for GEE and its subcontractors to purchase any equipment, materials, supplies, or services that GEE did not recommend prior to the purchase or contained within a GEE prepared and proposed budget adopted by the Academy.

X. SUBCONTRACTING AND ASSIGNMENT

a. <u>Subcontracts</u>. The Parties agree that GEE may subcontract any aspect of the Services GEE is responsible to provide pursuant to this Agreement and as set forth in Appendix A of this Agreement, attached hereto and made a part hereof, upon notice to the Academy Board. GEE shall be responsible and liable for payment of any and all costs of the subcontractor including, but not limited to, wages, salaries, benefits, costs, fees, and any monies due and owing to the subcontractor or its employees, workers, or any persons performing work at or on behalf of the Academy, in accordance with any contract or agreement between GEE and the subcontractor. The subcontractor shall also be made subject to Paragraph XI (Confidentiality and Information) and to GEE's obligations pursuant to Paragraph XII (Indemnification) and Paragraph XIII (Insurance) of this Agreement.

<u>b.</u> <u>Assignment</u>. Neither Party may assign this Agreement without the express written consent of the non-assigning Party and without prior written notification to the Ferris State University Charter Schools Office. Any assignable party shall be considered an ESP, as defined by FSU's ESP policies. As such, any assignable party shall follow the requirements set forth in FSU's ESP policies.

XI. CONFIDENTIALITY AND PROPRIETARY INFORMATION

a. <u>Confidential and Proprietary Information</u>. Neither party shall disclose or use, nor permit others under their authority to disclose or use, either during or after the term of this Agreement, any proprietary or confidential information received from the other party without obtaining the other party's prior written permission, except to the extent that such proprietary or confidential information is necessary for the receiving party to perform its obligations under this Agreement. Proprietary or confidential information includes oral, written, printed, graphic, or electronically recorded materials furnished by either party to the other under this Agreement including, but not limited to, computer software programs, training programs, educational materials and or data, business and teaching processes and/or plans, and student and/or student-intern lists and/or information gained as a result of the receiving party's performing its obligations under this Agreement.

<u>b.</u> <u>Proprietary Rights.</u> The Parties acknowledge and agree that the Academy owns all proprietary rights to curriculum or education materials that (i) are both directly developed and or paid for by the Academy; or (ii) were developed by GEE at the direction of the Academy Board using Academy funds, except that GEE owns all curriculum or educational materials previously developed or copyrighted by GEE, or curriculum or educational materials that are developed by GEE from funds from the Academy paid to GEE that are not dedicated for the specific purpose of developing Academy curriculum or educational materials. Notwithstanding the foregoing, GEE's educational materials and teaching techniques used by the Academy are subject to disclosure under the Revised School Code and the Michigan Freedom of Information Act.

<u>c</u>. <u>FERPA</u>. GEE acknowledges that its employees and/or subcontractors performing pursuant to this Agreement may have access to Academy student records and other personally identifiable information regarding Academy students ("Education Records") that are protected by the FERPA, 20 U.S.C. §1232(g), and its implementing regulations, 34 C.F.R. §99.1 *et seq*. GEE represents and warrants that it will adhere to the requirements of FERPA and its regulations and will inform its employees, staff and/or subcontractors performing Services pursuant to this Agreement that they shall not release information contained in student education records but shall instead refer all requests for information regarding student education records to the Academy.

<u>d</u>. <u>Records</u>. All financial, educational and student records and related documents prepared by GEE or otherwise created in connection with rendering of Services to the Academy in accordance with this Agreement are the property of the Academy and shall be prepared in accordance with the practices and procedures determined by GEE and the Academy. Such records shall be maintained by GEE in secured files on the premises of GEE, and the Academy shall have access to such records at reasonable time and as authorized by law. The Academy may make copies of the records necessary for it to perform its duties and responsibilities under this Agreement. GEE shall make any and all reports with regard to its Worksite Employees and staff assigned to work at or on behalf of the Academy and the Services provided in accordance with this Agreement and shall timely comply with any and all compliance and reporting obligations the Academy may have to the Michigan and United States Departments of Education, the Academy Board, the local intermediate school district, FSU, or as otherwise required by federal, state and local laws, rules and regulations.

GEE may retain copies of records necessary to document the services provided by GEE to the Academy and GEE's actions under this Agreement. GEE and the Academy shall maintain

the proper confidentiality of personnel, student and other records as required by federal, state and local laws, rules and regulations. All Academy records and records in GEE's possession (including, but not limited to, financial, educational, student, teacher/administrator certification of GEE's Worksite Employees, staff, agents or representatives assigned to work at or on behalf of the Academy, and a copy of GEE's employee handbook) shall be physically or electronically available, upon request, at the Academy's physical facilities. The financial, educational and operational records pertaining to the Academy are public documents subject to disclosure in accordance with the provisions of applicable law, including, but not limited to, Michigan's Freedom of Information Act.

e. Information to be Provided by GEE. GEE shall make information concerning the operation and management of the Academy, including without limitations, the information described in Schedule 4 of the Academy's Charter Contract with FSU, available to the Academy as deemed necessary by the Academy Board in order to enable the Academy to fully satisfy its obligations under the Contract and applicable federal, state and local laws, rules and regulations.

At a minimum, GEE shall provide the Academy with the information that a school district is required to disclose under MCL 388.1618 for the most recent fiscal year for which that information is available. This Agreement shall not be construed to restrict the FSU's or the public's access to these records except as permitted under applicable federal, state or local laws, rules or regulations or the Contract. Furthermore, all financial, educational and student records pertaining to the Academy are Academy property and such records are subject to the provisions of the Michigan Freedom of Information Act.

Security and Data Breaches. GEE shall promptly report to the Academy Board, no f. later than the second business day following confirmed discovery reported directly to GEE any use or disclosure of personally identifiable information from the Academy's records, student educational records, the records of GEE regarding Worksite Employees, or other information not suitable for public release [collectively, Covered Data or Information ("CDI")] that is not authorized by this Agreement or Applicable Law. GEE agrees to promptly undertake to identify (i) the nature of the unauthorized use or disclosure; (ii) the CDI used or disclosed; (ii) who made the unauthorized use or received the unauthorized disclosure; (iv) what GEE has done or shall do to mitigate any deleterious effect of the unauthorized use or disclosure; (v) whether, and if so, on what grounds, GEE has determined that the security breach has not or is not likely to cause substantial loss or injury to, or result in identity theft with respect to, one or more residents of this State; and (vi) what corrective action GEE has taken or shall take to prevent future similar unauthorized use of disclosure. GEE shall provide such other information as reasonably requested by the Academy Board. GEE shall take appropriate action in accordance with MCL 445.72, to notify affected individuals whose CDI may have been compromised. GEE shall (i) provide Worksite Employees with the name and contact information for a Worksite Employee of GEE who shall serve as a Worksite Employee's primary security contact and shall be available to assist the Worksite Employee in resolving obligations associated with a Security Breach; (ii) notify Worksite Employee of a Security Breach as soon as practicable; and (iii) notify Worksite Employee of any Security Breaches by telephone and by calling GEE at (734) 369-9500 or by emailing Worksite Employee with a read receipt, with a copy by email to Mohamad Issa mohamad@gee-edu.com.

Immediately following GEE's notification to Worksite Employee of a Security Breach, or any other security breach, the Parties shall coordinate with each other to investigate the Security Breach. GEE agrees to cooperate reasonably with Worksite Employees in the Worksite Employee's handling of the mater, including, without limitation: (i) assisting with any investigation; (ii) providing Worksite Employee with physical access to the facilities and operations affected; (iii) facilitating interviews with GEE Worksite Employees and others involved in the matter; and (iv) making available all relevant records, logs, files, data reporting and other materials required to comply with applicable laws, rules, regulations, industry standards or as otherwise reasonably required by employee.

<u>g.</u> <u>Compliance with Section 503c</u>. On an annual basis, GEE agrees to provide the Academy Board with the same information that a school district is required to disclose under section 18(2) of the State School Aid Act of 1979, MCL 380.1618, for the most recent school fiscal year for which the information is available. Within thirty (30) days of receipt of this information, the Academy Board shall make the information available on the Academy's website home page, in a form and manner prescribed by the Michigan Department of Education. The defined terms in section 503c of the Code, MCL 380.503c, shall have the same meaning in this Agreement.

<u>h.</u> <u>Information to be Provided by GEE</u>. GEE shall make information concerning the operation and management of the Academy, including without limitations the information described in Schedule 4 of the Academy's Contract with FSU, available to the Academy as deemed necessary by the Academy Board in order to enable the Academy to fully satisfy its obligations under the law.

<u>i</u>. <u>Audit</u>. The Academy Board shall select and retain the independent auditor to perform the annual financial audit in accordance with the Contract and applicable law. GEE shall make all of GEE's records related to the Academy (including, but not limited to, financial records) available to the Academy's auditor and shall cooperate with the Academy's auditor. GEE shall not select or retain an independent auditor for the Academy. GEE shall make all of GEE's records related to the Academy (including, but not limited to, financial records) available to the CSO upon request.

XII. INDEMNIFICATION

a. Indemnification of the Academy By GEE. GEE agrees to defend, indemnify and hold harmless the Academy, its board of directors, individual board members, officers, directors, administrators, employees, agents, representatives and attorneys from any and all claims, including employment related claims by GEE employees, or applicants, administrative determinations, judgments, damages, reimbursements, back pay, costs or loss, including reasonable attorney's fees or other forms of liability that may arise out of, or by reason of, any noncompliance with any agreements, covenants, warranties, or undertakings of GEE contained in or made pursuant to this Agreement and any misrepresentation or breach of representations and warranties of GEE contained in or made pursuant to this Agreement or for wrongful or negligent acts. This indemnification shall include any failure on the part of GEE that results in violations of federal, state and local laws, rules and regulations.

GEE shall not be responsible to indemnify the Academy for the acts or omissions of an unlicensed individual that occur when that individual is not under the supervision of a Worksite Employee or is not performing his/her duties after having been permitted onto the Academy grounds by a Worksite Employee. The indemnification requirements of this Section may be met by the purchase of insurance in a form and amounts acceptable to the Academy and shall be not less than One Million Dollars (\$1,000,000.00) per occurrence. GEE shall furnish the Academy with written evidence of such coverage.

Indemnification By the Academy of GEE. To the extent permitted by law, the b. Academy shall indemnify and hold GEE including its officers, directors, administrators, employees, agents and representatives harmless from any and all claims, including employment related claims by Academy employees or applicants for employment as an Academy employee, if any, administrative determinations, judgments, damages, reimbursements, back pay, penalties, fines, costs or loss, demands, suits, including reasonable attorney's fees, or other forms of liability that may arise out of, or by reason of, any noncompliance with any agreements, covenants, warranties, or undertakings of the Academy contained in or made pursuant to this Agreement and any misrepresentation or breach of representations and warranties of the Academy contained in or made pursuant to this Agreement or for wrongful or gross negligent acts. This indemnification shall include any failure on the part of the Academy for violations of federal, state and local laws and regulations. The Academy shall not indemnify GEE for acts or omissions of an unlicensed individual that may occur when that individual is not under the supervision of the Academy Board. The indemnification requirements of this paragraph may be met by the purchase of insurance in a form and amounts acceptable to GEE and shall be not less than One Million Dollars (\$1,000,000.00) per occurrence. The Academy shall provide GEE with written evidence of such insurance. The Academy shall be entitled to select its own legal counsel and counsel for this indemnification provision.

<u>c.</u> <u>Indemnification of Ferris State University</u>. The Parties acknowledge and agree that Ferris State University, its Board of Regents, and its members, officers, employees, agents or representatives (collectively "University") are deemed to be third party beneficiaries for purposes of this Agreement. As third party beneficiaries, GEE hereby promises to indemnify, defend and hold harmless the University from and against all demands, claims, actions, suits, causes of action,

losses, judgments, liabilities, damages, fines, penalties, demands, forfeitures, or any other liabilities or losses of any kind whatsoever, including costs and expenses (not limited to reasonable attorney fees, expert and other professional fees), of settlement and prosecution imposed upon or incurred by the University, and not caused by the sole negligence of the University, which arise out of or are in any manner connected with the University Board's approval of the Academy's application, the University Board's consideration of or issuance of a Contract, GEE's preparation for or operation of the Academy, or which are incurred as a result of the reliance by the University upon information supplied by GEE, or which arise out of the GEE's failure to comply with the Contract or applicable law. The parties expressly acknowledge and agree that the University may commence legal action against GEE to enforce its rights as set forth in this section of the Agreement.

XIII. INSURANCE

a. <u>Academy Insurance Coverage</u>. The Academy shall maintain policies of insurance in compliance with the Michigan Universities Self-Insurance Companies ("M.U.S.I.C.) and the Contract issued by the FSU Board of Regents in the amounts required by the Contract and Applicable Law. GEE shall comply with any information or reporting requirements applicable to the Academy under the Academy's policy with its insurer(s), to the extent practicable. The Academy's 's insurance coverage is separate from and in addition to the insurance GEE is required to obtain under the Contract. In the event M.U.S.I.C. or FSU requests any change in coverage, the Academy agrees to comply with any change in the type and amount of coverage as requested by M.U.S.I.C. or FSU within thirty (30) calendar days after written notice of the insurance coverage change. The Academy shall issue a Certificate of Insurance providing for not less than thirty (30) days advance written notice of cancellation or material changes by the Academy.

<u>b.</u> Insurance Coverage GEE. GEE shall maintain such policies of insurance as required by the Michigan Universities Self-Insurance Corporation ("M.U.S.I.C.") and the Contract issued by the FSU Board of Regents and Applicable Law. The Academy shall comply with any information or reporting requirements applicable to GEE under GEE's policy with its insurer(s), to the extent practicable. GEE's insurance coverage is separate from and in addition to the insurance the Academy Board is required to obtain under the Contract. In the event M.U.S.I.C. or FSU requests any change in coverage, GEE agrees to comply with any change in the type and amount of coverage as requested by M.U.S.I.C. or FSU within thirty (30) calendar days after written notice of the insurance coverage change. GEE shall issue a Certificate of Insurance providing for not less than thirty (30) days advance written notice of cancellation or material changes by GEE. GEE shall solely be responsible and liable for the costs of obtaining the M.U.S.I.C. insurances required by FSU under the Contract.

c. <u>Motorist Insurance</u>. The Academy and GEE shall each maintain separate motorist vehicle policies of insurance as required by M.U.S.I.C. such that in the event a GEE Worksite Employee, staff, agent, representative, contractor or sub-contractor assigned to work at or on behalf of the Academy is assigned to fill a job function requiring the Worksite Employee or staff, agent, representative, contractor, or sub-contractor to operate an Academy or GEE owned vehicle, the Academy and GEE shall have the motor vehicle liability insurance. Each policy shall insure against public liability for injury and property with a minimum combined single limit of One

Million Dollars (\$1,000,000.00) for the Academy and One Million Dollars (\$1,000,000.00) for GEE. Each policy shall also include uninsured motorist coverage with limits of no less than One Hundred Thousand Dollars (\$100,000.00), respectively. In states such as Michigan where "no-fault" insurance laws apply, equivalent personal injury and property damage coverage shall be included in each policy. The Academy and GEE shall each issue a Certificate of Insurance providing for not less than thirty (30) days advance written notice of cancellation or material changes of the policies of insurance. This coverage period shall survive termination of this Agreement.

<u>d.</u> <u>Sexual Molestation/Sexual Abuse Coverage</u>. The Academy, GEE and any contractor or sub-contractor of the Academy or GEE shall obtain and maintain a sexual molestation/sexual abuse policy of insurance relative to students in an amount required by M.U.S.I.C. and the Contract.

e. <u>Workers' Disability Compensation Insurance</u>. The Academy, GEE and any contractor, sub-contractor of the Academy or GEE shall each maintain separate workers' disability compensation insurance as required by law, covering their respective employees, if any.

<u>f.</u> <u>General Liability Insurance By GEE</u>. GEE shall maintain a comprehensive general liability insurance policy in the amount of One Million Dollars (\$1,000,000.00) per occurrence, Two Million Dollars (\$2,000,000.00) aggregate against bodily injury and property damage liability caused by the GEE's operations and activities on the Academy's premises or operations and activities conducted off premises related to the operations of the Academy by GEE. This policy shall include blanket contractual liability and personal injury coverage. The GEE shall name the Academy and FSU as an additional insured on this policy with thirty (30) days written notice of cancellation or material change.

g. <u>Professional Liability Insurance By The Academy</u>. The Academy shall obtain professional liability insurance and Errors and Omissions and officers and directors' policies for its Board of Directors and individual board members, in their official capacity in the amount of One Million Dollars (\$1,000,000.00) per occurrence; Two Million Dollars (\$2,000,000.00) aggregate. GEE and FSU shall be named as an additional insured on this policy with thirty (30) days written notice of cancellation or material change.

<u>h.</u> <u>Umbrella Insurance Policy By GEE</u>. GEE shall obtain an umbrella policy in the amount of Five Million Dollars (\$5,000,000.00). The Academy and FSU shall be named as an additional insured on this policy with thirty (30) days written notice of cancellation or material change.

XIV. MUTUAL OBLIGATIONS

<u>a.</u> <u>Waiver of Subrogation</u>. Each Party releases and discharges the other Party, and any officer, agent, employee or representative of such Party, from any liability whatsoever arising from the loss, damage or injury, for any reason, for which insurance is carried by the insured Party

at the time of such loss, damage or injury, to the extent of any recovery by the insured Party. Provided, however, this paragraph shall not apply if its application would invalidate insurance protection.

<u>b.</u> <u>Mutual Cooperation</u>. The Parties agree that, except where conflicts prevent it, they shall render to each other reasonable assistance and shall cooperate in good faith with each other to ensure the proper and adequate defense of any claim, action, suit or proceeding brought by a third party.

<u>c.</u> <u>Confidentiality</u>. The Parties agree to cooperate in such a manner as to preserve and uphold the confidentiality of all business records and the attorney-client and work-product privileges, subject to the Michigan Freedom of Information Act ("FOIA") and the disclosure provisions of the Code

XV. MISCELLANEOUS

a. <u>Governing Law</u>. This Agreement shall be interpreted and enforced under the laws of the State of Michigan applicable to contracts made and to be performed entirely within the State without giving effect to choice of law principles of the State. Any claim or controversy arising out of or relating to this Agreement or breach thereof, shall be litigated in the Washtenaw County Circuit Court or the United States District Court for the Eastern District of Michigan.

<u>b.</u> <u>Governmental Immunity</u>. No provision of this Agreement shall restrict the Academy and its board of directors, employees, administrators, agents, representatives and volunteers from waiving its governmental immunity or require the Academy Board to assert, waive or not waive its governmental immunity. Nothing in this provision shall prohibit the Academy from asserting any defense that may be available to it under this Agreement or under Michigan law.

<u>c.</u> <u>Notices.</u> All notices required or permitted by this Agreement shall be in writing and delivered personally or by first class mail, postage prepaid to the address of each party as follows:

BRIDGE ACADEMY	GLOBAL EDUCATIONAL EXCELLENCE, LLC
Bridge Academy East Academy Board President 9600 Buffalo Street Hamtramck, MI 48212 Bridge Academy West Academy Board President 3105 Carpenter Ave. Detroit, MI 48212	Mohamad Issa Director 2455 South Industrial Ann Arbor, MI 48104

With a copy to:

George P. Butler, III Dickinson Wright PLLC 500 Woodward Ave., Suite 4000 Detroit, MI 48226

If one of the Parties to this Agreement changes his/her or its address, they shall within thirty (30) days notify the other Party, in writing, of the new address. Notice shall be deemed received on the date it is delivered or mailed.

<u>d.</u> <u>Responsibility For Performance of Agreement</u>. Each Party and their successors and assigns shall be jointly and severally responsible for the performance of their respective obligations under this Agreement.

<u>e.</u> <u>Severability and Validity</u>. The invalidity or unenforceability of any provision or part of this Agreement shall not affect the validity or enforceability of any other provision or part of this Agreement.

<u>f.</u> <u>Contract Interpretation</u>. The Parties acknowledge that this Agreement and the language contained in this Agreement are the result of negotiations between the Parties and no part of this Agreement shall be construed against either Party by virtue of authorship.

g. <u>No Third-Party Beneficiaries.</u> This Agreement is made solely for the benefit of GEE and the Academy other than as specifically stated herein. This Agreement shall not be construed to create any benefits for or rights in any other person or entity, including GEE's Worksite Employees, staff, agents, representatives, contractors, or sub-contractors assigned to work at or on behalf of the Academy, Academy students, or either Parties' employees, agents and/or representatives.

<u>h.</u> <u>No Waiver.</u> The failure of any Party to exercise or enforce any right or remedy conferred upon it hereunder shall not be deemed to be a waiver of any such other right or remedy nor operate to bar the exercise or enforcement of any thereof at any time thereafter.

<u>i.</u> <u>Caption Headings.</u> The captions headings for each provision of this Agreement are not part of this Agreement nor shall they be used to construe the provision more broadly or narrowly then the text would indicate.

j. <u>Necessary Documents</u>. The Parties shall execute all necessary documents required to carry out the terms and intent of this Agreement.

<u>k.</u> <u>Deposit of Academy Funds</u>. No provision of this Agreement shall alter the Academy Board treasurer's legal obligation to direct that the deposit of all funds received by the Academy be placed in the Academy's 's depository account as required by law. The signatories

on Academy accounts shall solely be Academy Board members or properly designated Academy Board employee(s). Interest income earned on such accounts shall accrue to the Academy.

<u>1.</u> <u>Employment Liability</u>. GEE is the employer of record and is responsible for paying all salaries, benefits, payroll taxes, workers' disability compensation, unemployment compensation and liability insurance for its Worksite Employees, staff, agents and representatives assigned to work at or on behalf of the Academy and GEE shall be liable for all such payments to GEE's Worksite Employees, staff, agents and representatives.

<u>m.</u> <u>Marketing and Development</u>. Should GEE provide marketing and development services to the Academy, the cost paid by or charged to the Academy shall be limited to those costs specific to the Academy program and shall not include any costs for the marketing and development of GEE

<u>n.</u> <u>Additional Costs of Compliance</u>. Any additional costs of compliance because of changes mandated by the Authorizer shall be borne by GEE. If the additional costs are deemed excessive by GEE and the matter cannot be resolved, GEE may terminate this Agreement by giving ninety (90) days' written notice.

o. <u>Force Majeure</u>. Neither Party shall be responsible to the other for any losses or failure to perform its respective obligations under the Agreement when such failure is caused by conditions beyond the party's control such as fire, explosion, water, act of God, civil disorder or disturbances, labor disputes, vandalism, war, riot, sabotage, weather and energy related closings, pandemics, infectious diseases, governmental rules, and regulations or like causes beyond the reasonable control of such party or the damage or destruction of real or personal property of such causes. The other Party may obtain substitute performance during such period.

<u>p.</u> <u>Amendment</u>. This Agreement shall not be altered, amended, modified or supplemented except by written amendment of the Parties, approved by the Academy Board and signed by both the President (or authorized representative of the Academy Board) and authorized officer of GEE. Any amendment to this Agreement shall be submitted to FSU in accordance with the terms of the Charter Contract.

<u>q.</u> <u>Entire Agreement.</u> This document, being executed in multiple and identical counterparts all of which shall constitute part of the Agreement, contain the entire Agreement between the Parties relative to the subject matter of this Agreement. All previous negotiations, statements and preliminary instruments of the Parties and their respective representatives are merged into this Agreement. No modification of this Agreement shall be valid or binding unless such modification is in writing, dated and signed by the authorized representative of each Party. The conditions of this Agreement extend to and bind the subsidiaries, successors and assigns of each Party.

[signature page to follow]

WHEREFORE, this Educational Services Agreement is effective on the date first written above.

Bridge Academy West, a public school academy

Global Educational Excellence, LLC, a Michigan corporation

gomil appeni By:

Mohan Misse By:

Jamal

Aljahmi Its: Board President

Mohamad Issa Its: Director

Date: June 16, 2021

Date: <u>June 16, 2021</u>

Bridge Academy East, a public school academy

goonal appeni By:

Jamal Aljahmi Its: Board President

Date: June 16, 2021

Appendix A

INSERT FEES and SERVICES

Appendix B

The following GEE Worksite Employees will be provided, from time to time on an as-needed basis on-site at Bridge Academy:

Director Teacher(s) Counselor(s)

The following GEE Worksite Employees will provide administrative and operational assistance, from time to time on an as-needed basis from GEE central offices:

Central Office Support Advisors Administrative Support Academic Oversight Student and Center Services Student Assessment Relationship Managers

Appendix C

INSERT

CERTIFICATE RELATED TO TAX MATTERS

Global Educational Excellence, L.L.C. (the "Company") and Bridge Academy (the "Academy") hereby certify as follows, with regard to its performance under the Educational Services Agreement (the "Agreement"). These representations are deemed to be incorporated into the Agreement and binding upon the Parties:

(A) The Company's compensation under the Agreement is reasonable and is not based, in whole or in part, on a share of the net profits and/or a share of the net losses from the operation of the Academy or upon the disposition, damage or destruction of the Academy's property;

(B) The Agreement does not pass along to the Company the burden of bearing any share of the net losses from the operation of the Academy or upon the disposition, damage or destruction of the Academy's property;

(C) The term of the Agreement is not greater than 30 years or 80 percent of the useful life of the Academy's tax-exempt bond financed school facility (if shorter) including all renewal options;

(D) The Academy bears the risk of loss upon the disposition, damage or destruction of the Academy's property; and

(E) The Company is not entitled to and will not take any federal tax position that is inconsistent with being a service provider under this Agreement to the Academy.

Further, with regard to governance;

(A) No more than 20 percent of the voting power of the governing body of the PSA is vested in the directors, officers, shareholders, partners, members, and employees of the service provider, in the aggregate;

(B) The governing body of the PSA does not include the chief executive officer of the service provider or the chairperson (or equivalent executive) of the service provider's governing body; and

(C) The chief executive officer of the service provider is not the chief executive officer of the PSA or any of the PSA's related parties (as defined in §1.150-1(b)).

GLOBAL EDUCATIONAL EXCELLENCE, L.L.C.

Mohan Mase

By: Mohamad Issa Its: _____Director Date: _____June 16, 2021

4827-8121-7468 v8 [75981-1]

HELLOSIGN

BA GEE-GEE Prep Agreement Revision
GEE - GEE Prep AgRevision (1).docx
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 Completed

Document History

(C Sent	08 / 30 / 2021 17:19:09 UTC	Sent for signature to Mohamad Issa (mohamad@gee-edu.com) and Jamal Aljahmi (jaljahmi@gmail.com) from davillierh@gee-edu.com IP: 75.75.215.186
O VIEWED	08 / 31 / 2021 01:01:25 UTC	Viewed by Jamal Aljahmi (jaljahmi@gmail.com) IP: 172.56.10.21
SIGNED	08 / 31 / 2021 01:02:11 UTC	Signed by Jamal Aljahmi (jaljahmi@gmail.com) IP: 172.56.10.21
O VIEWED	08 / 31 / 2021 12:49:06 UTC	Viewed by Mohamad Issa (mohamad@gee-edu.com) IP: 75.75.215.186
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COMPLETED	08 / 31 / 2021 12:49:37 UTC	The document has been completed.