

## Paper™ Service Agreement

**THIS SERVICE AGREEMENT** is entered into by and between:

**Paper Education America Inc.**, a Delaware corporation having its principal place of business at P.O. Box 29502, Suite #64962, Las Vegas, Nevada 89126-9502 (“**Paper**”); and **Tracy Unified School District**, is an educational institution having its head office at 1875 W. Lowell Ave., Tracy, California 95376 (“**Customer**”). (each a “**Party**” and collectively the “**Parties**”).

### RECITALS

*WHEREAS*, Paper has developed an online chat-based platform to provide students access to educators in order to obtain tutoring in connection with their courses, the features of which are more fully set out on Paper’s website located at [www.paper.co](http://www.paper.co) (the “Platform”);

*WHEREAS*, Customer wishes to allow its students to access the Platform for their educational use in connection with the courses that they are taking in order to obtain tutoring from educators (“Educators”), as well as allowing teachers and administrators to access the Platform;

*WHEREAS*, Paper and Customer wish to set out the contractual terms pursuant to which access to students, teachers and administrators will be given to the Platform.

### THE PARTIES HAVE THEREFORE AGREED AS FOLLOWS:

#### 1. Purpose and Scope of the Agreement

This Agreement contains the terms and conditions relating to the provision on a “software-as-a- service” basis or through a downloadable application of the Platform to students, teachers and administrators (each a “User”) associated to the Customer. Customer acknowledges that in order to be granted access to the Platform, each User must agree to comply with the terms of service and that the failure to agree to such terms of service or non-compliance with such terms of services may result in the exclusion of the User from the Platform, as those terms of service may be modified from time to time subject to Customer being notified and in advance of material modifications which reduce the rights of the Customer. In the event a User is excluded due to a refusal to be bound by the terms of service or non-compliance to the terms of service, Customer shall not be entitled to reimbursement of any fees or other charges paid with respect to such User’s access. It is Customer’s responsibility to ensure that any parental approval or other formality required by local laws and regulations required for purposes of contractually binding Users is complied with.

#### 2. Operation of the Platform

The Platform provides access to Educators using chat functionalities to allow students attending the Customer’s institution to obtain tutoring in connection with the courses defined by the Parties. The Platform and Educators are available on a 24 hours / 7 days per week basis, subject to the limitations set out in the Service Levels defined in this Agreement. Customer acknowledges that Educators qualified to interact with students on all courses topics may not be available at all

times. Teachers and administrators have access to the Platform and are provided with means to assess interactions between students and Educators.

Students may access the Platform only for their educational use in connection with the courses for which they are registered at the Customer's institution. There are no limits to the number of interactions a student may have through the Platform provided that these stay within reasonable bounds and do not become abusive.

In order to provide access to the Platform to Users, Customer must provide all necessary data set out in **Schedule A** in the specified electronic format so as to allow Paper to configure all accounts.

The pricing set out in **Schedule A** is for the maximum number of students indicated in such Schedule. To the extent that Customer wishes to allow access to the Platform to a number of students that exceeds the number set out in **Schedule A**, Customer will be offered the option to do so at the price per additional student set out in **Schedule A**, subject to the minimum quantities detailed in such schedule. The fee per student access shall not be prorated regardless of the point at which during a contract year new accesses are granted to the Platform. Additional accesses granted during the term shall be confirmed through electronic communications or in writing by Paper.

### 3. **Unacceptable Use of the Platform**

Customer acknowledges that the following types of behavior by Customer or its Users of the Platform are unacceptable:

- (a) Posting or transmitting material that infringes, misappropriates or violates another person's intellectual property rights;
- (b) Posting or transmitting material that violates any right of publicity, right of privacy or other similar rights;
- (c) Using the Platform for purposes of stalking, harassing, threatening, bullying or other similar behavior;
- (d) Posting or transmitting material that is defamatory, sexual in nature (other than as justified in light of the course content), obscene, offensive or discriminatory;
- (e) Posting or transmitting any defamatory, pornographic, inaccurate, abusive, obscene, profane or offensive content.
- (f) Compromising the integrity or operation of the Platform or attempting to do so.
- (g) Tampering with, reverse-engineering, or hacking the Platform, circumventing any security or authentication measures, or attempting to gain unauthorized access to the Platform, related systems, networks, or data;
- (h) Using "robots," "spiders," "offline readers," or other automated systems to

sends more request messages to the Platform than a human could reasonably send in the same period of time by using a normal browser;

(i) Making an unreasonable or abusive use of the access provided to the Platform;

(j) Generating and sending unsolicited commercial communications, advertising chain letters or spam;

(k) Uploading viruses, bots, worms, scripting exploits or other similar materials;

(l) Posting or transmitting content that is intended to be inflammatory;

(m) Using the Platform to recruit or solicit for employment or consulting;

(n) Otherwise engaging in behavior that is illegal.

Paper will use reasonable efforts to monitor profiles, actions, comments, and general usage of the Platform and suspend privileges to any User or Educator not adhering to the policies of the Platform. Customer agrees to promptly report any alleged improprieties of any Users or Educators of which it becomes aware via electronic correspondence so as to enable Paper to investigate such alleged improprieties.

#### 4. **Professional Development**

Paper agrees to provide or support professional in order to promote the use of the Platform as further detailed in **Schedule A**. Unless expressly provided in **Schedule A**, all such services shall be provided remotely by Customer.

#### 5. **Term of the Agreement**

The initial term of the Agreement shall be as specified in **Schedule A**.

#### 6. **Restrictions on Use of the Platform**

Customer agrees that it shall not itself or allow any User to: (a) sell, lease, license, sublicense, loan, encumber or otherwise transfer its right to use the Platform to a third party, in whole or in part, except as permitted under this Agreement; (b) make modifications, corrections, alterations, enhancements or other additions to the Platform; (c) provide, disclose, divulge or make the Platform available to a third party by online services, remote dial-in or network or telecommunication links of any kind, other than as permitted in this Agreement; (d) circumvent the Platform's authentication or security access control systems or assist others to do so; and (e) disclose access credentials to unauthorized parties or fail to implement reasonable security measures to prevent such an occurrence.

## **7. Intellectual Property in the Platform**

Customer recognizes and agrees that all trade-marks, inventions (whether patentable or not), patent applications, patents, industrial designs, works protected by copyright, trade secrets, know-how or other intellectual property in or related to the Platform, including any suggestions that Customer or any User may make regarding the functionalities or other technical aspects (the “Platform Intellectual Property”) are, as between the parties, the exclusive property of Paper. Upon the request of Paper, Customer shall provide any reasonable documentation required to confirm Paper’s ownership in the Platform Intellectual Property. For clarity, Paper shall not own any content added to the Platform by Users or Customer, which content is licensed pursuant to the terms of this Agreement.

This Agreement does not grant Customer the right to access or obtain the source code of the Platform nor any programming documentation.

All rights, titles and interests that are not expressly addressed in this Agreement are expressly reserved by Paper.

## **8. Hosting of Platform**

Unless otherwise expressly set out in Schedule “B”, the Platform and associated data will be hosted in facilities located in the United States.

## **9. Service Level**

The Platform shall be available 95% of the time, calculated on a monthly basis. The Software shall not be considered unavailable to Customer if Customer’s inability to access or use the Platform arises due to problems with Customers’ or Users’ hardware or software, or due to problems with third-party telecommunication services or networks.

Periods during which the Platform is unavailable due to a force majeure event or previously- scheduled maintenance shall not be counted as downtime for the purpose of this provision. Paper shall take commercially-reasonable measures to ensure that scheduled maintenance takes place between 7AM ET and 9AM ET and that Customer receives 48 hours advanced notice of any such maintenance.

Notwithstanding the foregoing, Customer acknowledges that Paper may need to perform emergency maintenance, for example to install security updates, without notice and that no such interruption of access to the Platform shall be considered unavailability for the purpose of calculating the service level.

## **10. Technical Support**

Paper agrees to provide remote technical support to Customer via telephone, chat, email or other efficient communication method between 9AM PST and 5PM PST, Monday to Friday, except holidays as observed by Paper. The purpose of the remote assistance service is to attempt to identify and resolve functional problems in the Platform. Technical support shall be requested by Customer representatives, not by students.

Each communication received will be given a severity level by Paper according to the following guidelines:

(a) Major Problem: when the Platform is not operational or has suffered a major loss of capability resulting in the inability to use the Platform, or if a failure is so frequent that it precludes productive use of the Platform or when the Platform is operational but its capability is severely degraded, such as the inability to run a major application within the Platform, a critical product feature or function does not work, or a failure requires on-going intervention in order to maintain productive use;

(b) Minor Problem: when the Platform is operational and the problem does not result in a significant impact on the performance of the Platform, shall exercise all commercially reasonable efforts to meet the following response times:

- 1) Major Problems will be acknowledged within 4 business hours and resolved within 3 business days; and
- 2) Minor Problems will be acknowledged within 1 business days and resolved in a subsequent update.

Technical support services shall not include services: (a) in respect of User hardware and software problems; (b) in respect of education, installation, training or customization; (c) in respect to the use of the Platform in violation of this Agreement; (d) in respect of defects in or caused by third party software or hardware; (e) problems arising from network connectivity.

Paper shall not be responsible to correct any defect or other failure of performance of the Platform caused by the following: (a) use of the Platform that materially deviates from the documentation included in the Platform; (b) modification, customization, alteration or addition or attempted modification, customization, alteration or addition to the Platform; or (c) the abuse or misuse of the Platform.

Paper may update the Platform from time to time and shall make commercially reasonable efforts to advise the Customer in advance of all updates that materially affect the functionality of the Platform.

Paper shall be under no obligation to refrain from updating the Platform or delay in performing such updates.

## 11. Monetary Consideration

In consideration for the access granted herein to the Platform, Customer shall pay Paper the fees set forth in **Schedule A**. Unless otherwise provided in **Schedule A** or as otherwise set out herein, the fees are payable in advance within thirty (30) days for the beginning of the initial term and any renewal terms. Except as otherwise set out in **Schedule A**, and the initial term, the fees may be increased by Paper by giving the Customer thirty (30) days' prior written notice at any point in time and will be applied at the following invoice to be issued to the Customer. Customer shall have the option of terminating the Agreement by providing written notice if it disagrees with the price increase set out in Provider's written notice, provided this is done no later than at the expiration of the notice period. Except as otherwise noted in **Schedule A** to this Agreement, in the event that Customer adds additional student access during the term, fees associated with such additional accesses shall be payable within thirty (30) days of the end of the term during which they are requested. Except as otherwise noted in **Schedule A** to this Agreement, additional accesses

may be purchased only in a minimum quantity of ten (10) student accesses at a time. There are no limits on the number of administrator and teacher accesses to the Platform and no charge for such accesses.

All amounts payable under this Agreement shall be non-refundable.

All payments shall be exclusive of any tariffs, duties or taxes imposed or levied by any government or governmental agency. Customer shall be liable for payment of all such taxes, however designated, levied or based on Customer's or its Users' possession or use of the Platform including, federal, provincial, state or local sales taxes. Customer agrees that all amounts payable by Customer pursuant to this Agreement shall be paid without any deduction or withholding on account of any taxes, monetary transfer fees, or other charges or withholdings of any nature, except to the extent that the deduction or withholding of any tax is required by applicable law, in which event Customer shall (i) pay to Paper such additional amount as is necessary so that Paper receives, after such deduction or withholding (including any withholding with respect to this additional amount), an amount equal to the amount that Paper would have received if such deduction or withholding had not been made and (ii) deliver to Paper within thirty (30) days after the date of such payment an official receipt of the relevant taxing authority showing that Paper paid to such taxing authority the full amount of the tax required to be deducted or withheld. Paper shall take reasonable administrative actions, if possible, to lawfully mitigate or to help recover on behalf of Customer any withholding taxes, if and only if none of the foregoing actions would operate to prejudice Paper with respect to its tax liability or otherwise.

Paper will provide Customer with all information necessary to comply with tax requirements pursuant to the State of California and/or the United State of America including, without limitation, the Tax Identification Number (TIN). In the event that Customer is considered tax-exempt, Customer shall provide evidence of such status with execution of this Agreement.

## 12. Confidentiality

Except as may be expressly provided by this Agreement or applicable laws, the Parties acknowledge that Content contributed by Users to the Platform is not confidential as the functionality of the Platform are based on student interactions being visible in whole or in part to administrators and teachers. Except as otherwise provided by this Agreement, Paper shall not use the Content contributed by Users other than for purposes of operating the Platform for the Customer and its Users' benefit. Paper may however compile and use aggregated data (which for clarity shall not include any personally identifiable information) pertaining to the Platform derived from multiple educational institutions for purposes of (i) further developing the Platform or related products or services; (ii) compiling and disseminating data regarding the use and content of the Platform as well as the courses for which tutoring is offered on the Platform. Personally Identifiable Information provided to Paper by Customer or Users shall be treated as confidential information and is subject to Paper's privacy policy available at [https://paper.co/privacy-policy-services and incorporated herein by reference](https://paper.co/privacy-policy-services-and-incorporated-herein-by-reference), minor changes to which may be updated from time to time by Paper by posting updates on its website. Material changes to Paper's privacy policy will be provided to Customer in advance of operational implementation. The contractual terms of this Agreement constitutes confidential information of Paper and are subject to applicable state and federal disclosure laws and requirements .

During the performance of this Agreement, one Party (the "Disclosing Party") may

authorize the other Party (the “Receiving Party”) to access or host confidential information (hereinafter the “Confidential Information”). Subject to the other terms of this Agreement, Confidential Information shall include, without limitation, personally identifiable information, log-in credentials, contracts, technical or financial information, databases, trade secrets and know-how. Confidential Information shall not include information that (i) is or will become public other than as a result of a breach of this Agreement or (ii) was known to the Receiving Party prior to the disclosure thereof by the Disclosing Party, as evidenced by written documents.

The Receiving Party shall preserve the confidentiality of any Confidential Information and shall refrain from using or disclosing the same for any purpose not previously approved in writing by the Disclosing Party or otherwise provided in this Agreement. However, the Receiving Party may disclose Confidential Information in cases where (i) the information is made public through no fault of or contribution by the Receiving Party; (ii) the information was made available to the Receiving Party by a third party that was legally in possession thereof and was free to disclose same; (iii) the information was independently acquired by third parties without access to or knowledge of the Confidential Information; or (iv) this disclosure was required by law or a court order, provided that the Receiving Party gives the Disclosing Party enough advance warning of this requirement so as to give the latter enough time to adopt whatever measures may be needed to avoid or limit the disclosure.

Upon request or upon termination of this Agreement, the Receiving Party shall immediately return or, at the option of the Disclosing Party, destroy the Confidential Information. Moreover, at the request of the Disclosing Party, the Receiving Party agrees to certify, by means of an affidavit, that all of the Confidential Information has been returned or destroyed, as the case may be. However, Paper may retain an archival copy of all confidential information disclosed to it, to the extent required by law, regulation, or court order, or to comply with accounting principles.

### **13. Termination**

Each Party may terminate this Agreement in the event the other Party breaches the terms of this Agreement and fails to remedy such breach within thirty (30) days of written notice given by such Party.

In addition to the termination rights of the Parties set forth in the above, the Customer shall have the right to terminate this Agreement for convenience subject to the terms of this Agreement, subject to ninety (90) days advance written notice period. Written notice by District shall be sufficient to stop access and use of the Platform. Notice shall be deemed given when received by Paper, or no later than five (5) days after the date of mailing, whichever is sooner. Notwithstanding any provision to the contrary, this Termination for Convenience provision shall control over any contradictory provision in the Agreement.

All rights to access and use the Platform expire when this Agreement is terminated, regardless of the reason for termination, and no right of use or other such right to access the Platform shall subsist for Customer and all Users.

### **14. Responsibility for Content and Disclaimer of Representations, Warranties, Conditions**

Customer and its Users are solely responsible for any content, messages, photos, videos, reviews or profiles (collectively, “Content”) that are published or displayed (hereinafter, “post”)

on the Platform, or transmitted to other users of the Platform. Customer and Users shall not post any Content that violates or is unacceptable pursuant to the terms of this Agreement. Customer understands and agrees that Paper may choose to review and delete any Content, in each case in whole or in part, that in the sole judgment of Paper violates this Agreement or which might be offensive, illegal, or that might violate the rights, harm, or threaten the safety of users of the Platform. Customer and its Users grant complete access to institutions affiliated to Customer to review, record and process any Content that has been provided on the Platform. Institutions affiliated to Customer who have been granted access to their student's conversations agree that any information transmitted by Users and Educators shall not be shared with individuals outside of their institution. By posting Content to any area of the Platform, Customer and its Users automatically grant to Paper, its affiliates, licensees and successors, an irrevocable, perpetual, non-exclusive, fully paid, worldwide license to use, copy, perform, display, make available, distribute, reproduce, adapt, modify and distribute such information and content and to prepare derivative works of, or incorporate into other works, such information and content, and to grant and authorize sublicenses of the foregoing. Such license may be used by Customer subject to the restrictions and limitations provided by this Agreement. Customer further represent and warrant that public posting and use of User Content by Paper will not infringe or violate the rights of any third party.

Use of the Platform, including but not limited to the Content posted on the Platform, must be in accordance with any and all applicable laws and regulations. Opinions, advice, statements, offers, or other information or content made available on the Platform or through the Platform, but not directly by Paper, are those of their respective authors. Such authors are solely responsible for such content. Paper does not: (i) guarantee the accuracy, completeness, or usefulness of any information on the Platform or available through the Platform, or (ii) adopt, endorse or accept responsibility for the accuracy or reliability of any opinion, advice, or statements made by any party that appears on the Platform or through the Platform. Under no circumstances will Paper or its affiliates be responsible for any loss or damage resulting from: a) your reliance on information or other content posted on the Platform or transmitted to or by any User; or b) reviews or comments made about any User on the Platform by other Users.

PAPER PROVIDES THE PLATFORM AND ANY AND ALL ASSOCIATED SERVICES ON AN "AS IS" BASIS AND GRANTS NO REPRESENTATIONS, WARRANTIES OR CONDITIONS OF ANY KIND, WHETHER EXPRESS, IMPLIED, STATUTORY OR OTHERWISE WITH RESPECT TO THE SERVICES OR THE PLATFORM (INCLUDING ALL INFORMATION CONTAINED THEREIN), INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR NON-INFRINGEMENT. PAPER DOES NOT WARRANT THAT YOUR USE OF THE PLATFORM WILL BE SECURE, UNINTERRUPTED, ALWAYS AVAILABLE, ERROR-FREE OR WILL MEET CUSTOMER OR USER REQUIREMENTS, OR THAT ANY DEFECTS IN THE SERVICES WILL BE CORRECTED. PAPER DISCLAIMS LIABILITY FOR, AND NO WARRANTY IS MADE WITH RESPECT TO, THE CONNECTIVITY AND AVAILABILITY OF THE SERVICES. IN ADDITION, AND WITHOUT LIMITING THE FOREGOING, PAPER MAKES NO REPRESENTATION OR WARRANTIES OF ANY KIND WHETHER EXPRESS OR IMPLIED REGARDING THE SUITABILITY OF ANY MEMBER OF THE PLATFORM TO PROVIDE SERVICES AS AN EDUCATOR OR TO SECURE THE SERVICES OF AN EDUCATOR, INCLUDING, WITHOUT LIMITATION, PARTICIPANTS IN ANY THIRD-PARTY VERIFICATION SERVICE OFFERED ON THE PLATFORM. PAPER DOES NOT: (i) GUARANTEE THE ACCURACY, COMPLETENESS OR USEFULNESS OF ANY INFORMATION PROVIDED ON THE PLATFORM, OR (ii)



ADOPT, ENDORSE OR ACCEPT RESPONSIBILITY FOR THE ACCURACY OR RELIABILITY OF ANY OPINION, ADVICE, OR STATEMENT MADE BY ANY PARTY OTHER THAN PAPER UNDER NO CIRCUMSTANCES WILL PAPER BE RESPONSIBLE FOR ANY LOSS OR DAMAGE RESULTING FROM ANYONE'S RELIANCE ON INFORMATION OR OTHER CONTENT POSTED ON THE SERVICES, OR TRANSMITTED TO OR BY ANY USERS.

## **15. Disputes**

In the event of a dispute between the parties as to performance under this Agreement, the interpretation of this Agreement, or payment or nonpayment for work performed or not performed, the parties shall attempt to resolve the dispute in good faith. Pending resolution of the dispute, Paper agrees it will neither rescind this Agreement nor stop the performance hereunder but will allow determination by the court of the State of California, County of San Joaquin, having competent jurisdiction of the dispute. Disputes may be determined by mediation if mutually agreeable, otherwise by litigation. Notice of the request for mediation of a dispute shall be filed in writing with the other party to this agreement. The request for mediation shall be made within a reasonable time, after written notice of the dispute has been provided to the other party. If a claim, or any portion thereof, remains in dispute upon satisfaction of all applicable dispute resolution requirements, Paper shall comply with all claims presentation requirements as provided in Chapter 1 (commencing with section 900) and Chapter 2 (commencing with section 910) of Part 3 of Division 3.6 of Title 1 of Government Code as a condition precedent to Paper's right to bring a civil action against Customer. For purposes of those provisions, the running of the time within which a claim must be presented to Customer shall be tolled from the time Paper submits its written claim until the time the claim is denied, including any time utilized by any applicable meet and confer process.

## **16. Limitation of Liability**

In no event will Customer, Paper or their Affiliates, be liable for any indirect, special, incidental, or consequential damages, losses or expenses arising out of or relating to the use or inability to use the Platform, including without limitation damages related to any information received from the Platform, removal of Content from the Platform, including profile information, any email distributed to any user or any linked web site or use thereof or inability to use by any party, or in connection with any termination of your subscription or ability to access the Platform, failure of performance, error, omission, interruption, defect, delay in operation or transmission, computer virus or line or system failure, even if Paper or its Affiliates, or representatives thereof, are advised of the possibility of such damages, losses or expenses.

NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS AGREEMENT, UNDER NO CIRCUMSTANCES WILL PAPER'S OR ITS AFFILIATES' AGGREGATE LIABILITY, IN ANY FORM OF ACTION WHATSOEVER IN CONNECTION WITH THIS AGREEMENT OR THE USE OF THE SERVICES OR THE PLATFORM, EXCEED THE PRICE PAID BY THE CUSTOMER FOR THE INITIAL TERM.

TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, IN NO EVENT WILL PAPER OR ITS AFFILIATES, BE LIABLE FOR ANY DAMAGES THAT EXCEED THE PRICE PAID BY THE CUSTOMER FOR THE INITIAL TERM, WHETHER DIRECT, INDIRECT, GENERAL, SPECIAL, COMPENSATORY, CONSEQUENTIAL, AND/OR

INCIDENTAL, ARISING OUT OF OR RELATING TO THE CONDUCT OF YOU OR ANYONE ELSE IN CONNECTION WITH THE USE OF THE PLATFORM, INCLUDING WITHOUT LIMITATION, BODILY INJURY, EMOTIONAL DISTRESS, AND/OR ANY OTHER DAMAGES RESULTING FROM INTERACTIONS WITH OTHER MEMBERS OF THE PLATFORM, WHETHER ONLINE OR OFFLINE.

TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, IN NO EVENT WILL CUSTOMER BE LIABLE FOR ANY DAMAGES, WHATSOEVER WHETHER DIRECT, INDIRECT, GENERAL, SPECIAL, COMPENSATORY, CONSEQUENTIAL, AND/OR INCIDENTAL, ARISING OUT OF OR RELATING TO THE CONDUCT OF YOU OR ANYONE ELSE IN CONNECTION WITH THE USE OF THE PLATFORM, INCLUDING WITHOUT LIMITATION, BODILY INJURY, EMOTIONAL DISTRESS, AND/OR ANY OTHER DAMAGES RESULTING FROM INTERACTIONS WITH OTHER MEMBERS OF THE PLATFORM, WHETHER ONLINE OR OFFLINE. CUSTOMER'S OBLIGATIONS UNDER THIS AGREEMENT SHALL BE LIMITED TO THE PAYMENT OF COMPENSATION AS PROVIDED IN SECTION 11 OF THIS AGREEMENT.

In addition to the preceding paragraphs of this section and other provisions of this Agreement, any advice that may be posted on the Platform is for informational purposes only and is not intended to replace or substitute for any professional financial, medical, legal, or other advice. Paper makes no representations or warranties and expressly disclaims any and all liability concerning any treatment, action by, or effect on any person following the information offered or provided within or through the Platform.

#### **17. Links to External Sites**

Links from the Platform to external sites (including external sites that are framed by Paper) do not constitute an endorsement by Paper of such sites or the content, products, and other materials presented on such sites or of the products and services that are the subject, but are for users' reference and convenience. Customer and its Users' access them at their own risk. It is the responsibility of the user to evaluate the content and usefulness of the information obtained from other sites. Paper does not control such sites, and is not responsible for their content. Just because Paper has hyperlinks to such sites does not mean that Paper endorses any of the material on such sites, or has any association with their operators. Customer further acknowledges that use of any site controlled, owned or operated by third parties is governed by the terms and conditions of use for those sites, and not by Paper's terms of use and privacy policy. Paper expressly disclaims any liability derived from the use and/or viewing of links that may appear on the Platform. Customer hereby agrees to hold Paper harmless from any liability that may result from the use of links that may appear on the Platform.

#### **18. Compliance with Privacy Legislation**

Paper requires Customer to obtain all necessary consents for the online collection, processing and transfer of information of students through the Platform, including without limitation any consent required by applicable laws for children under the age of 13. Customer should refrain from taking steps to register students for the Platform unless all required consents have been obtained. Customer must ensure that parents have access to the Paper privacy policy and terms of use. Paper will not knowingly collect any information from children under 13, except

to the extent permitted by applicable laws. Should Paper determine that all required consents have not been obtained for particular students, it shall be entitled to immediately terminate access to the Platform for such students.

#### **19. Compliance with CA Data Privacy Protection**

Paper agrees to protect the privacy and provide for the security of any information as required by applicable federal and California state laws and regulations including, but not limited to, California Education Code Section 49073.1, and the Family Educational Rights and Privacy Act, commencing with 20 U.S.C. § 1232g; 34 CFR Part 99.

To document Paper's compliance with California state data privacy requirements, Paper shall complete the certificate attached hereto as "**Exhibit D**".

Paper Education Company, Inc. shall include all of the compliance with law requirements set forth in this Agreement, including but not limited to, California Privacy protections and relevant California Education Code provisions, in all contracts with consultants and subcontractors. The inclusion of such compliance provisions ensures that any and all of Paper Education Company, Inc.'s consultants and subcontractors shall also be required to comply with the legal requirements of this Agreement.

#### **20. Third Party Verification Service**

Paper relies on a third-party verification service to verify information such as, but not limited to, name, address, social insurance number, and criminal background of Educators. Customer does hereby represent, understand and expressly agree that Paper is a conduit for the third-party verification service and does not have control over or assume any responsibility for the quality, accuracy, or reliability of the information provided by the third-party verification service.

#### **21. Indemnification**

Subject to the limitations set forth, herein, each party agrees to indemnify and save harmless each other party from and against any and all losses, liabilities, expenses (including, without limitation, reasonable fees and disbursements of counsel), claims, liens, damages or other obligations whatsoever (collectively, "Claims") that may actually and reasonably be payable by virtue of or which may actually and reasonably result from the inaccuracy of any of their respective representations or the breach of any of their respective warranties, covenants or agreements made in this Agreement or in any certificate, schedule or other instrument delivered pursuant to this Agreement.

In addition to its indemnity obligations under the above paragraph, Paper will defend, indemnify, and hold Customer harmless against Claims brought against Customer, its Board Members, Directors, Officers, employees, representatives, agents, or Affiliates ("Indemnified Parties") relating in whole or in part to Paper's data storage, retention, and deletion including, but not limited to, allegations of data breaches or other alleged non-compliance with international, federal, or state data privacy laws. Paper's indemnification duty includes indemnifying Indemnified Parties for all damages finally awarded against Indemnified Parties (or the amount of any settlement entered into) with respect to these Claims.

**22. Miscellaneous**

Nothing in this Agreement shall be construed as making either party the partner, joint venturer, agent, legal representative, employer, contractor or employee of the other. Neither party shall have, or hold itself out to any third party as having, any authority to make any statements, representations or commitments of any kind, or to take any action, that shall be binding on the other, except as provided for herein or authorized in writing by the party to be bound. This Agreement will be binding on and will inure to the benefit of the legal representatives, successors and assigns of the parties hereto.

Customer shall not sell, transfer or assign any right, title or interest it has in or pursuant to this Agreement, without the prior written consent of Paper. Any assignment not in accordance with this provision shall be void. Paper may, upon notice to Customer, sell, transfer or assign any right, title or interest it has in this Agreement, if such sale, transfer or assignment (a) is part of the sale, transfer or assignment of all or substantially all of its assets or business; or (b) is made to one of its affiliates.

This Agreement shall constitute the entire agreement between the Parties with respect to the subject matter hereof and merges all prior and contemporaneous agreements and communications. Except as expressly provided herein, it shall not be modified except by a written agreement signed by the Parties' authorized representatives.

**23. Jurisdiction and Choice of Law**

If there is any dispute arising out of this Agreement, the Parties expressly agree that any such dispute shall be governed by the laws applicable in New York State, without regard to its conflict of law provisions, and the Parties expressly agree and consent to the exclusive jurisdiction and venue of the State and federal courts of New York for the resolution of any such dispute.

**IN WITNESS WHEREOF, THE PARTIES HEREBY AGREE TO BE LEGALLY BOUND BY THE TERMS OF THIS AGREEMENT.**

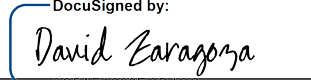
**Tracy Unified School District**

\_\_\_\_\_  
Signature  
Name:

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**Paper Education America Inc.**

DocuSigned by:  
  
\_\_\_\_\_  
Signature  
Name: Dave Zaragoza

Title: Chief Financial Officer

Date: 10/26/2022

## SCHEDULE A

### CUSTOMER-SPECIFIC PARAMETERS

1. *Initial Term of the Agreement*

**February 1, 2023 – February 1, 2024 [Twelve Months]**

2. *Student Access Included in the Scope of the Agreement*

**Unlimited Access for 786 Earle E. Williams Middle School Students in grades six (6) through eight (8), inclusively.**

*Fees and Payments*

**The fees payable will be \$57.52 USD per student, for a total of \$45,210.72 USD.** Invoices shall be issued and payments due in accordance with Section 11 of the Agreement.

3. *Fees Payable for Additional Student Accesses*

**Students may be added at a rate of \$57.52 USD per student.**

4. *Data to be Provided by Customer to Activate Accesses to the Platform*

**The customer must provide a user's first name and last name, email address, grade, and any relevant class rostering information.**

5. *Details of Professional Development*

**Paper will execute professional development. Paper will provide customer support and training throughout the year to Earle E. Williams Middle School Students and its stakeholders.**

6. *Special Terms*

**One time Reference Grant of \$6,000 USD applied, bringing total cost down to \$39,210.72 USD.**

**SCHEDULE B**

**CERTIFICATE OF COMPLIANCE (AB 1584)  
FOR CALIFORNIA EDUCATION CODE SECTION 49073.1**

THIS CERTIFICATE OF COMPLIANCE IS ATTACHED TO AND IS INCORPORATED INTO THE CONTRACT DOCUMENTS ENTERED INTO BY AND BETWEEN **PAPER EDUCATION COMPANY, INC.** (“PROVIDER”) AND **TRACY UNIFIED SCHOOL DISTRICT** (“DISTRICT”), BASED ON THE PAPER EDUCATION COMPANY, INC. SERVICE AGREEMENT (“AGREEMENT”).

California Education Code, section 49073.1, requires incorporation of specific terms in contracts between the school district and a third party under which the purpose is, either or both:

- ⇒ To provide services, including cloud-based services, for the digital storage, management, and retrieval of pupil records.
- ⇒ To provide digital educational software that authorizes a third-party provider of digital educational software to access, store, and use pupil records in accordance with the Agreement.

The requirements and certifications of California Education Code section 49073.1 shall be incorporated into the Agreement pursuant to this Certificate of Compliance. This Certificate may delete from or modify the terms under the Agreement. To the extent any such addition, deletion, or modification results in any conflict or inconsistency between the Agreement and this Certificate, this Certificate shall govern and the terms of the Agreement which conflict with this Certificate or are inconsistent with this Certificate shall be of no force or effect.

For purposes of this Certificate, the “**Provider**” is the entity identified above and the service provider under the Agreement, inclusive of all officers, directors, employees, agents, consultants, subconsultants, subcontractors, and volunteers, and “**data**” is defined as any information supplied to the Provider by the District, including “**pupil records**”, which shall mean information directly related to a pupil that is maintained by the District or acquired directly from the pupil. Any violation or noncompliance with the terms under this Certificate will result in action against the Provider that may include the immediate cancellation of contracts, and/or legal action. Individual ignorance of these policies will not be weighed in the consideration of infractions.

- 1. DISTRICT PROPERTY.** All pupil records obtained, received, or viewed by the Provider still continue to be the property and under the control of the District. (Cal. Educ. Code § 49073.1(b)(1).)

Agree  Provider’s Initials: DS  
DE

- 2. LIMITED BY CONTRACT.** Provider will use the pupil records for only those purposes required by or permitted under the Agreement. (Cal. Educ. Code § 49073.1(b)(3).)

Agree  Provider’s Initials: DS  
DE

- 3. PRIVACY.** Provider will adhere to all provisions of the Federal Family Educational Rights and Privacy Act (FERPA, 20 U.S.C. 123g), California Education Code and District policies regarding the protection and confidentiality of data. At all times, Provider will consider all data collected in the course of their duties to be the property of and under the control of the District, and protected and confidential. Release of this data can only be authorized by the District’s authorized staff member, and state and federal law. (Cal. Educ. Code § 49073.1(b)(8).)

Agree  Provider’s Initials: DS  
DE

- 4. REUSE.** Provider is prohibited from using personally identifiable information in pupil records to engage in targeted advertising. Provider shall only use the data for the purpose specifically permitted by the Agreement. (Cal. Educ. Code § 49073.1(b)(9).)

Agree  Provider’s Initials: DS  
DE

- 5. SECURITY.** Provider must present the actions it will take, including designation and training of responsible individuals, to ensure the security and confidentiality of pupil records. Provider understands that compliance with these security measures do not, in itself, absolve Provider of liability in the event of an unauthorized disclosure of pupil records or other data. (Cal. Educ. Code § 49073.1(b)(5).)

Agree  Provider’s Initials: DS  
DE

Security & Confidentiality Procedures Attached: Yes  No

- 6. DELETION OF DATA.** Upon termination or expiration of the Agreement, the Provider will permanently delete, all District data from their system as allowed by state and federal law. Provider shall permit District to confirm that no pupil records are retained or available to Provider upon the termination of the Agreement. Requirement for Provider to eliminate pupil records shall not apply to pupil-generated content if the pupil chooses to establish or maintain an account with the third party for the purpose of storing that content. (Cal. Educ. Code § 49073.1(b)(7).)

Agree  Provider’s Initials: DS  
DE

- 7. DEIDENTIFIED PUPIL RECORDS.** During the term and after termination or expiration of Agreement, Provider *is permitted* to use deidentified information, including aggregated deidentified information, for only the following purposes: (i) to improve educational products, for adaptive learning purposes, and for customizing pupil learning; (ii) to demonstrate the effectiveness of the operator’s products in the marketing of those products; and (iii) for the development and improvement of educational sites, services, or applications. (Cal. Educ. Code § 49073.1(d)(5)(B).)

Understand  Provider’s Initials: DS  
DE

**8. DISTRICT PROCEDURES.** Should a parent, legal guardian, or eligible pupil wish to review personally identifiable information in the pupil’s records and correct erroneous information, they shall follow the District’s current process for review and shall be permitted to correct erroneous information accordingly. In the event of an unauthorized disclosure of a pupil’s records, Provider shall work with District to notify the affected parent, legal guardian, or eligible pupil, using the District’s current process and protocol for notification. (Cal. Educ. Code § 49073.1(b)(4) & (6).)

Agree  Provider’s Initials: DS  
DE

**9. PUPIL-GENERATED CONTENT** (*if applicable*). Pupils may retain possession and control of their own pupil-generated content. Pupils may retain a copy of their generated content. (Cal. Educ. Code § 49073.1(b)(2).)

Agree  Provider’s Initials: DS  
DE

As an authorized representative of Provider, I hereby accept the conditions listed in this Certificate of Compliance and bind Provider thereto.

**Certified by Provider:**

**PAPER EDUCATION COMPANY, INC.**

Signed: DocuSigned by:  
David Zaragoza  
Print Name: David Zaragoza

Title: CFO

Date: 01/06/2023



AMENDMENT NO. I TO PAPER SERVICE AGREEMENT

This Amendment No. I (this “**Amendment**”) to the Agreement (the “**Agreement**”) dated January 6, 2023 by and among Paper Education America Inc. (“Paper”) and Tracy Unified School District, Earle Williams Middle School (“**Customer**”) is effective as of February 1, 2023 (the “**Amendment Effective Date**”). Unless otherwise defined in this Amendment, all capitalized terms used in this Amendment will have the meanings ascribed to them in the Agreement. The parties agree to amend the Agreement as follows:

INSERTIONS, DELETIONS AND REPLACEMENTS

The following text of Schedule A, paragraph 1 is deleted and replaced with the following:

CUSTOMER-SPECIFIC PARAMETERS

1. *Initial Term of the Agreement*

**February 1, 2023 - February 1, 2024 [Twelve Months]**

The following text is inserted as Section 24.:

**24. Insurance.**

Paper shall have and maintain insurance in force during the term of this Agreement with insurance limits as specified below. Coverage amounts shall not be reduced without thirty (30) days written notice to the Customer prior to modification. Except for worker’s compensation insurance, the Customer shall be named as an additional insured on all policies listed below.

- **Commercial General Liability:** \$1,000,000 per occurrence; \$2,000,000 aggregate or \$1,000,000 per occurrence; \$2,000,000 aggregate;
- **Automobile Liability:** \$1,000,000 per occurrence; \$2,000,000 aggregate;
- **Worker’s Compensation:** Statutory limits pursuant to State law;
- **Professional Liability:** \$5,000,000 limit; and
- **Sexual Abuse or Molestation Liability:** \$1,000,000 per occurrence; \$2,000,000 aggregate.

ENTIRE AGREEMENT; CONFLICT

Except as amended by this Amendment, the Agreement will remain in full force and effect. This Amendment, together with the Agreement as amended by this Amendment: (a) is intended by the parties as a final, complete and exclusive expression of the terms of their agreement, and (b) supersedes all prior agreements and understandings between the parties with respect to the subject matter hereof. If there is a conflict between the Agreement and this Amendment, the terms of this Amendment will control.

## COUNTERPARTS AND FACSIMILE DELIVERY

This Amendment may be executed in two or more counterparts, each of which will be deemed an original and all of which taken together will be deemed to constitute one and the same document. The parties may sign and deliver this Amendment by facsimile or email transmission.

*[Remainder of page intentionally left blank]*

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Amendment Effective Date.

**TRACY UNIFIED SCHOOL DISTRICT**

BY \_\_\_\_\_  
NAME \_\_\_\_\_  
TITLE \_\_\_\_\_  
DATE \_\_\_\_\_

**PAPER EDUCATION AMERICA INC.**

BY \_\_\_\_\_  
NAME David Zaragoza  
TITLE CFO  
DATE \_\_\_\_\_

*[Signature Page to Amendment No. 1 to Paper Service Agreement]*