Gaston County Schools
shaping our future

Morgen A. Houchard, Ed.D.
Superintendent

Central Administrative Office
943 Osceola Street
P. O. Box 1397
Gastonia, NC 28053
704-866-6100
FAX 704-866-6175

Department of
Exceptional Children
215 West Third Avenue Gastonia,
NC 28052
704-866-6160
FAX 704-866-6191

Division of
Resource Management
1351 Bradford Heights Road
Gastonia, NC 28054
704-866-6129
FAX 704-866-6193

School Nutrition Programs
500 Reid Street
Lowell, NC 28098
704-836-9110
FAX 704-824-8442

Staff Development Center
240 Eighth Avenue
Cramerton, NC 28032
704-824-2828
FAX 704-824-4918

Teacher Resource Center
366 W. Garrison Boulevard
Gastonia, NC 28052
704-866-6174
FAX 704-866-6194

April 13, 2026
Invitation to Bid
Gaston County Schools Driver Education

Notice is hereby given that the Gaston County Board of Education will, on the 24th day of April, 2026, at 3:00 PM at the Central Administrative Offices, 943 Osceola Street, Gastonia, NC 28053, open bids for the following services.

Gaston County Schools Driver Education Training Services
All bids must be sealed and received by the Gaston County Board of Education Attention: Chad Duncan, 943 Osceola Street, Gastonia, NC 28053 on or before 3:00 PM April 24, 2026.

A copy of the bid documents will be made available for inspection Monday through Friday between 8:00 AM and 5:00 PM in the office of Chad Duncan, Director of Athletics, Arts, and Driver Education (Central Administrative Offices, 943 Osceola Street, Gastonia, NC 28053). Bids will be submitted for all schools.

The Gaston County Board of Education has established, as a minimum standard, that all driver education instructors shall be certified to teach driver education by NCBSE in driver education or who meets the requirements established by the NCBSE and NCDMV for non-certified status and who, to the satisfaction of school system and contractor, are competent to educate and train students enrolled in the program. In addition, the qualifications of the instructors employed by the contractor to teach driver education under this agreement must be consistent with N.C.G.S. 20-88.1, 115C-215 and 115C-216.

In addition to this minimum standard, certain other requirements addressing the quality of the program shall be outlined in the Contract for Driver Education Services. A copy of this document may be requested from the office of Chad Duncan, Central Administrative Offices, 943 Osceola Street, Gastonia, NC 28053.

The Gaston County Board of Education reserves the right to either reject or confirm and accept any responsible bid. Chad Duncan will conduct the bidding.

April 13, 2026
Gaston County Board of Education
Morgen A. Houchard, Ed.D., Superintendent

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Gaston County Schools
Driver Education Bid Process (April 2026)

1. Bid process begins on April 13, 2026, with advertisement on the Gaston County Schools website. Bid packages are available in the office of Chad Duncan at 943 Osceola Street, Gastonia, NC 28053 from April 13, 2026, until April 24, 2026. The bid process will end on the April 24, 2026, at 3:00 PM – all proposals must be received by Chad Duncan by no later than 3:00 PM on April 24, 2026.

2. Individuals interested in placing a bid and needing to confer with a Gaston County Schools' official may contact Chad Duncan, Director of Athletics, Arts, and Driver Education, at 704-866-6214 on Monday-Friday from 8:00 AM to 5:00 PM. A copy of the proposed Driver Education Contract for Services is included with the bid information package. This Contract outlines the requirements expected for service.

3. The Gaston County Board of Education and its administration reserves the right to reject any or all responsible proposals received.

4. The award shall be made to the lowest responsible bidder, or bidders, who meet specified minimum responsible requirements, taking into consideration quality, safety, costs, insurance requirements, performance and the time specified in the proposals for the performance of the contract.

5. No proposal shall be considered or accepted unless it has been received by the Gaston County Board of Education Attention: Chad Duncan, 943 Osceola Street, Gastonia, NC 28053 on or before 3:00 PM on April 24, 2026.

6. All proposals shall be opened at 3:00 PM on April 24, 2026, in public and shall be recorded by designated Gaston County School System official(s).

GASTON COUNTY SCHOOLS
CONTRACT FOR SERVICES

This Contract for Services ("Contract") is made and entered into this [**DATE]** between **Gaston County Board of Education (also known as Gaston County Schools)**, 943 Osceola Street, Gastonia, North Carolina 28054 ("GCS") and [**COMPANY w/ address]** ("Service Provider").

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

1. Obligations of Service Provider - The Service Provider agrees to provide services (the "Services") to fully, timely and properly complete the **Driver's Education Program** as more particularly described in the Scope of Work document attached hereto and incorporated herein by reference as **Exhibit 1.**

   The term of this Contract shall be **July 1, 2026 until June 30, 2027. Thereafter, upon written notice to Contractor GCS may renew this Contract for up to two (2) additional terms, each of a one (1) year duration.**

   This Contract does not grant the Service Provider the right or the exclusive right to provide specified services to GCS. Similar services may be obtained from sources other than the Service Provider (or not at all) at the discretion of GCS.

   The Service Provider shall begin work immediately upon issuance of a written notice to proceed. The Service Provider agrees to perform the Services in a timely, complete, and professional manner and in accordance with the terms and conditions of this Contract. Furthermore, the Service Provider represents and warrants that (i) it is duly qualified and licensed to provide the Services, (ii) it will provide the Services in a manner consistent with the level of care and skill ordinarily exercised by contractors providing similar services under similar conditions, (iii) it possesses sufficient experience, personnel, and resources to complete the Services, (iv) it shall perform the Services in compliance with applicable laws, statutes, ordinances, codes, orders, rules and regulations, and (v) its reports, if any, shall be complete, accurate, and unambiguous.

2. Obligations of GCS. GCS hereby agrees to pay to the Contractor for the faithful performance of this Contract, and the Contractor hereby agrees to provide all of the Services and/or Goods, for the sum not to exceed [Contract Price] ("Contract Price") subject to adjustments as provided for in the Contract Documents:

				Budget Account No:
(i)	Service Provider's Fee	$	500,000.00	
(ii)	Travel Not to Exceed	$		
(iii)	Travel/Lodging/Food Not to Exceed	$		
(iii)	Other	$		
(iv)	Total Not to Exceed	$	**500,000.00**	10.51100.0012.3110.00000 .000.23000.00000.00

If multi-year: The parties acknowledge that GCS operates on a July 1-June 30 fiscal year and that operating funds are made available to GCS on a year to year basis. Accordingly, see Section 27 of Article I of the Standard Terms and Conditions for All Contracts. The mechanism by which GCS

shall confirm that funding is available will be issuance of standard GCS purchase orders (each, a "Purchase Order") from time-to-time. The initial Purchase Order for services is expected to be issued on or about **July 1, 2026** and will reflect the amount of the authorization for the Services for **Driver's Education Program** in the amount of **$500,000.00**. Thereafter, on an as-needed basis as determined by GCS, GCS may amend existing Purchase Orders from time to time or issue a new Purchase Order (e.g. at the start of each new fiscal year).

3. Project Coordinator. **Chad Duncan** is designated as the Project Coordinator for GCS. The Project Coordinator shall be GCS's representative in connection with the Service Provider's performance under this Contract. GCS has complete discretion in replacing the Project Coordinator with another person of its choosing.

4. Service Provider Supervisor. **[Primary Contact for Contractor]** is designated as the Service Provider Supervisor for the Service Provider. The Service Provider Supervisor is fully authorized to act on behalf of the Service Provider in connection with this Contract.

5. Terms and Methods of Payment. GCS will make payment after invoices are approved on a net 30-day basis. GCS will not pay for services or materials in advance without the prior approval of the Finance Officer. Service Provider to submit invoices on the following schedule: **Monthly**

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

7. Counterpart Execution. This Contract may be executed and recorded in two or more counterparts, each of which shall be deemed an original and all of which, when taken together, shall constitute one and the same instrument. Each party shall be entitled to rely upon executed copies of this Contract transmitted by facsimile or electronic "PDF" to the same and full extent as the originals.

[THE REST OF THIS PAGE HAS BEEN LEFT BLANK INTENTIONALLY]
[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, GCS and the Service Provider have executed this Contract on the day and year first written above.

Service Provider Name

Signature of Authorized Representative Date

Service Provider's Federal Identification #
[if Contract is with Organization or Social Security Number if individual]

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

Originator/Fund Owner Date

Finance Officer Date

APPROVED AS TO FORM:

School Board Attorney Date

Gaston County Schools

Superintendent Date

Board Chairperson (if over $100,000.00) Date

Exhibit List:

Attachment A: GCS Standard Terms and Conditions

Exhibit 1: Scope of Work

1. DRIVER EDUCATION PROGRAM

a) During the Term of this Contract, Contractor will operate a Driver Education Program (hereafter referred to as the "Program") to eligible students in Gaston County free of charge to the students.

2. STUDENT ELIGIBILITY

a) Every student is eligible to participate in the Program who:
   i. is physically and mentally capable of participating;
   ii. is older than fourteen (14) years and six (6) months of age;
   iii. is actively enrolled in a public, private, charter or home school;
   iv. is a resident of Gaston County;
   v. pursuant to the rules adopted by the State Board of Education, has been approved to participate in the Program by the principal of the school in which the student is enrolled (or, in the case of a private, charter, or home school, by the person chiefly responsible for the school); and
   vi. has not previously enrolled in the Program.

b) Contractor will not discriminate against or deny participation in or benefits of the Program to any eligible student on the basis of sexual orientation, national origin, race, ethnic background, color, religion, gender, age or disability.

c) No student who fails, drops out of or is expelled from the Program will be allowed to re-enroll unless justified by extraordinary circumstances or permitted under the "Student Absences, Drops, Expulsions, and Withdrawals" provisions for withdrawing within the first nine (9) hours of instruction. The principal of the school in which the student is enrolled (or, in the case of a private, charter, or home school, the person chiefly responsible for the school) will determine whether extraordinary circumstances exist, subject to an optional review by GCS.

d) GCS, in its sole discretion, may deem a student to be eligible for the Program even when the student does not meet the eligibility requirements of this "Student Eligibility" section.

e) It is Contractor's affirmative responsibility to inform students and parents of these eligibility provisions.

3. LOCATION AND FACILITIES

a) Contractor will provide the Program at the approved locations designated in Exhibit 1-A ("Locations").
b) During the academic school year, an eligible student must participate in the Program at the Location nearest the school in which the student is enrolled.
c) During the summer months, an eligible student may participate in the Program at any designated Location that has the instructional capacity to serve the student.
d) Classroom instruction will be limited to a maximum of fifty (50) students per classroom. Class size will be determined by available facilities at the school.
e) At no charge to Contractor, GCS will provide an adequate number of classrooms at each Location for the classroom instruction portion of the Program. Contractor will make arrangements for classrooms at each location with the school principal.
f) At its own expense, Contractor, will establish an office in Gaston County that is sufficient to conduct the business related to this Contract. Such office will include facilities for, without limitation:
    i. a telephone answering system that is available twenty-four (24) hours per day, seven (7) days per week;
    ii. conducting interviews;
    iii. storing all records required by this Contract or applicable laws or regulations; and
    iv. keep an inventory of all equipment used in the instruction and administration of the Program i.e. (computer, laptop, projectors, other equipment, etc.).

4. PROGRAM SCHEDULING AND COORDINATION

a) Contractor will operate the Program on a year-round basis.
b) Program services will not be scheduled or offered at any of the following times:
    i. during the regular hours of the academic school day;
    ii. on any day that is a Sunday; or
    iii. at any other times that violate the established policy of GCS.
c) In the event of inclement weather or other emergency situations, GCS may, in its sole discretion, cancel Program offerings and reschedule make-up offerings.
d) GCS and Contractor are mutually responsible for:

i. scheduling students in the Program;
ii. conducting parent orientation;
iii. coordinating the Program in concert with the operation of Gaston County Public Schools; and
iv. issuing certificates indicating completion of the Program.

e) To facilitate coordination, representatives from GCS and Contractor will meet prior to the scheduling of students and as needed at other times.
f) Contractor will allow and cooperate with the GCS's efforts to monitor, inspect, audit, investigate, and/or evaluate all activities related to this Contract.

5. PROGRAM CONTENT

a) The Program curriculum will be based on the SBTS standards or any equivalent designated by law and/or GCS.
b) Classroom Instruction

i. Classroom Curriculum
1. Classroom instruction will not include workbook assignments or any work performed outside of the presence of an instructor.
2. The curriculum will include, but is not limited to:
a) Highway Transportation: its social and economic influences upon life in America;
b) Drivers: their physical and mental characteristics and how their capabilities and limitations influence the traffic scene;
c) The Automobile: its construction, maintenance and safe operation;
d) Traffic Law and Enforcement: laws of nature and man-made laws and their relationship to traffic safety;
e) Pedestrians and Bicycles: their influence upon the traffic scene;
f) Engineering: its influence upon automobiles, highways, traffic controls and people;
g) Driving While Impaired: the effects of drinking upon driving and related subjects (such as use and cell phone texting while driving) and upon accident and death rates; and

h) Rights and Privileges of Handicapped Persons: their rights to use flags, placards, cards, license plates and parking places.
i) Contractor is encouraged, but not required, to include in the curriculum T.O.T.A.L.S (Teaching Our Teens Lesson in Surviving).

ii. Timing of Instruction
1. Each enrolled student must complete a minimum of thirty (30) hours of classroom instruction. Six (6) of these hours must be instruction in the "Driving While Impaired" portion of the curriculum.
2. Contractor will limit classroom instruction for each student to no more than:
    a. three (3) hours per day during the academic school year; and
    b. six (6) hours per day during the
        i. summer months; and
        ii. extended vacation periods occurring during the academic school year.
3. Program instructors will be available at the Location of the classroom instruction at least fifteen (15) minutes prior to the beginning of class and will remain at the Location until the last student is safely dismissed from the Location.

iii. Excused Absences, Drops, Expulsions, and Withdrawals
1. Excused Absences
    a) Each enrolled student may have up to one (1) excused absence from classroom instruction totaling no more than three (3) hours of missed instruction.
    b) Missed time must be made up in the presence of a Program instructor with appropriate curriculum material.
2. Drops
    a) Contractor must drop from the Program any student who does not complete required make-up instruction.
    b) Such student may not re-enroll in the Program.

c) Contractor will be paid as if the student completed the classroom instruction portion of the Program.

3. Expulsions
    a) Contractor must expel any student who violates GCS disciplinary policy.
    b) Contractor will assign such student a failing grade and the student will not be eligible to re-enroll in the Program.
    c) GCS will pay only for those students who finish the course.
4. Withdrawals
    a) A student who, for any reason, is not able to continue with the classroom portion of the Program during the first nine (9) hours of instruction may withdraw without penalty.
    b) The student may re-enroll in the Program at a later time.
    c) Contractor will not be paid for such student.
5. Notice. When any student is dropped, expelled, or withdraws from the Program, Contractor will immediately notify GCS and the school at which the student is enrolled.

c) Behind the Wheel Instruction ("BTWI")

i. Student Permitting. Before providing BTWI to any student enrolled in the Program, Contractor will require the student to obtain a:
    1. North Carolina Learner's Permit; or
    2. Restricted Instruction Permit (SBTS-800 rev/99).

ii. BTWI Curriculum. The BTWI curriculum will include, but is not limited to:
    1. Familiarization with the automobile, the use of its controls, and the monitoring and maintenance of its fitness and general appearance (ex: tire pressure, oil level, fuel level, etc.);
    2. Development of skills essential to safe operation in traffic; and
    3. Development of abilities needed to follow the soundest course of action in response to complex situations.

iii. Timing of Instruction

1. Each enrolled student must commence BTWI within eight (8) weeks after completing the classroom instruction portion of the Program.
2. Each student must complete at least six (6) hours of BTWI, excluding any time spent in instructional observation and/or safety breaks.
3. Each student should drive a total of approximately 120 miles before completing BTWI.
4. Contractor will limit BTWI to the following times:
    a) On Monday through Friday when school is in session:
        i. between 7:00 a.m. and the beginning of the school day;
        ii. between the end of the school day and 9:00 p.m. May 1 through September 30;
    b) On Saturdays and school vacation days between 7:00 a.m. and 8:00 p.m.; and
    c) On days when school is cancelled or dismissed early due to inclement weather, Contractor will cancel any scheduled BTWI.

iv. Limits on Instruction

1. Contractor will not allow any student to:
    a) be in a vehicle, whether driving or observing, for more than six (6) hours per day; or
    b) drive for more than two (2) hours in any one day.
2. Contractor will not give any student credit for more than two (2) hours of BTWI per day.
3. No single Program instructor will provide more than ten (10) hours of BTWI per day.
4. Contractor will not provide BTWI to fewer than two (2) students or more than three (3) students in a single vehicle at any one time.
5. Contractor will not impose mileage restrictions on student driving.

v. Monitoring. Contractor will allow authorized representatives of NCDMV and/or GCS to monitor, at reasonable times and places, instruction given in any vehicle utilized pursuant to this Contract.

d) Best Efforts.
    i. Contractor will use its best efforts to ensure that each enrolled student successfully completes the full curriculum of the Program and is issued a certificate indicating completion.
    ii. Except as otherwise provided by this Contract, GCS will compensate Contractor for the training it provides to each enrolled student as provided in Exhibit 1-B, whether or not the student successfully completes the Program and is issued a certificate indicating completion.

6. **SPECIAL EDUCATION STUDENTS**

1. Contractor will identify special education students prior to enrollment.
2. Contractor will provide every special education student with the same instruction as it provides to other eligible students.
3. If a special education student requires a specially equipped training vehicle, Contractor and GCS will agree on an appropriate rate of compensation for such student's BTWI.

7. **TRAINING EQUIPMENT**

a) At its own expense, Contractor will provide safe, well maintained, dual-controlled, automatic. transmission automobiles that are approved for driver education by NCDMV. These vehicles shall be no smaller than the state contract Ford Taurus or other similar automobile as may be agreed upon by_____ and GCS.
b) Vehicles used in the fulfillment of this contract may be no more than six (6) years old or have no more than 150,000 miles.
c) Maintenance. At its own expense, Contractor will maintain all aspects of the vehicles utilized under this Contract, including, without limitation: insurance, fuel, oil, preventive and reparative maintenance.
d) Approval by NCDMV.
    i. All vehicles utilized under this Contract will comply with all requirements of the NCDMV.
    ii. At GCS's request, Contractor will provide GCS with documentation indicating that vehicles used in the performance of the Contract are approved by NCDMV.
e) Inspection.

i. At its own expense, Contractor will cause each vehicle utilized under this Contract to be inspected at least once each semester by a qualified mechanic.
ii. Contractor will keep an inspection log for each vehicle utilized under this Contract showing all data pertinent to each such inspection. Contractor will make this log available to GCS upon request.
iii. GCS may, at its own expense, inspect weekly each vehicle utilized under this Contract.

8. **CURRICULAR MATERIALS AND EQUIPMENT**

a) Contractor will provide all textbooks, materials, and equipment necessary to fully and timely implement the Program for all eligible students that elect to participate. This does not include, however, blank paper, pens and/or pencils for use by students.
b) Contractor will charge the offending student for any damage the student causes to Contractor textbooks, materials, and/or equipment and will not issue to the student a North Carolina Driver Education Certificate until the student has fully paid for all such damages.

9. **NO SOLICITATION OF ADDITIONAL SERVICES**

a) Contractor will not solicit students or relatives of students to purchase driver education services other than those Contractor provides under this Contract.
b) Contractor will not provide private driver education services to any person eligible to receive free services under this Contract.

10. **NO TRANSPORTATION OF STUDENTS**

a) Contractor will not be required to transport students to or from Program instruction events.
b) In the event of an emergency, however, Contractor may provide transportation for students participating in BTWI. In such event, if only one (1) student is in the vehicle being used for emergency transportation, that student must ride in the back seat of the vehicle.

11. **DOCUMENTATION AND COMMUNICATION**

a) Contractor will timely comply with all documentation requirements of GCS, NCDMV, or other local or state authority.

b) Student Information

   i. Contractor will fully complete and keep on file a record for each student on the NCDMV Form SBTS-800 (rev. 1/99) or most current version of form.

      1. Each form will include the beginning and ending time (hour and minute) for each occasion that the student drives during BTWI, as well as the total actual driving time for that occasion.
      2. Each form will include the beginning and ending odometer reading for each occasion that the student drives during BTWI, as well as the total mileage driven on that occasion.

   ii. Contractor will store all student information it makes or receives for a minimum of five (5) years after the record is created. In the event that Contractor ceases to exist, it will surrender all records to GCS.

   iii. Contractor will keep confidential all student information in its possession or control.

   iv. Contractor will not disclose any student information, or permit it to be disclosed, directly or indirectly, to any person or entity.

   v. This Contract does not, and will not be construed to, waive or diminish any provision of law governing confidentiality of student information.

c) Business and Program Information. Without request, Contractor will provide GCS's Coordinator of Driver Education with:

   i. a listing of Program Instructors annually on 7/1;
   ii. documentation of vehicle inspections on 7/1 and 1/1 of each year;
   iii. documentation of automobile insurance annually on 7/1;
   iv. commercial general liability insurance annually on 7/1;
   v. professional liability insurance annually on 7/1;
   vi. worker's compensation and employers' liability insurance annually on 7/1; and
   vii. documentation showing the dates, times and Locations for Program offerings on 8/1, 1/1, and 6/1 of each year.

d) Communication. Except as otherwise provided, where this Contract calls for communication or the sharing of records or information between the parties, the contact person for each party will be as provided in Exhibit I-C.

12. **PERSONNEL COMPLIANCE**

a. Personnel

i. Numbers and Qualifications

1. At its own expense, Contractor will provide adequate numbers of qualified personnel to perform all aspects of the Program, including, but not limited to:
    a) classroom and BTWI instructors;
    b) a different site coordinator for each Program location; and
    c) clerical assistants.
2. Contractor will not substitute for or replace any key personnel assigned to manage or perform any function of the Program without the prior written approval from GCS.
3. "Adequate numbers of qualified personnel" means individuals possessing the skills, knowledge and certifications necessary to professionally and lawfully perform the functions for which they were hired, in large enough numbers to perform those functions in such a way that all eligible students who seek to participate in the Program are able to do so fully and timely.
4. "Key personnel" mean individuals identified by name or title in this Contract or in any written communications from Contractor to GCS. All such writings are incorporated by reference, but only to the extent that they identify key personnel. Such writings do not, and will not be construed to add, change, delete, supersede, or influence the construction of any provision of this Contract.
5. Contractor will employ only instructors who:
    a) hold an appropriate Instructor's License pursuant to N.C. General Statute $20-323; and
    b) are certified to teach Driver Education by the North Carolina Department of Public Instruction (hereafter referred to as "NCDPI").
    c) Gaston County Schools requires that the instructor’s compensation be a minimum of ($17.00) an hour.

Documentation

1. Contractor will maintain and, upon request, provide to GCS documentation on each Contractor employee involved in implementing the Program.
2. Such information will include any information requested or required by GCS, North Carolina Department of Motor Vehicles (hereafter referred to as "NCDMV"), NCDPI or other law or regulation, including information pertaining to, without limitation:
    a. payroll;
    b. educational background;
    c. driving history;
    d. criminal history; and
    e. certifications.
3. Contractor will immediately notify GCS in writing when any employee involved in implementing the Program is hired or terminated. In the event. of a termination, this writing will explain, in detail, the reasons for and the circumstances surrounding the termination.

ii. Removal

1. At GCS's sole discretion, GCS may instruct Contractor to:
    a. remove any Contractor employee from GCS property; and/or (b) prohibit any Contractor employee from performing any services associated with this Contract.
2. Contractor will immediately comply with any such instruction.
3. Within a reasonable time after any such instruction, GCS will provide Contractor with reasons for GCS's dissatisfaction with the services of the Contractor employee.

b. Affirmative Action. Contractor will maintain an affirmative action employment plan that is satisfactory to GCS.

C. Pre-Employment Procedures

i. Fingerprinting & Criminal Records Check

1. At its own expense, Contractor will obtain a fingerprint classification and North Carolina criminal record check for each Program Instructor before the Instructor delivers any instruction in the Program.
2. All such fingerprint classifications and criminal records checks will be conducted through the Human Resources Department of GCS. GCS will

bill Contractor for each Program Instructor whose criminal record it checks.

3. Contractor is not required to obtain a fingerprint classification or criminal record check for current employees of GCS that Contractor hires.
4. For any Program Instructor who has held a North Carolina Driver's License for less than twelve (12) months, Contractor will obtain a criminal record check from the state of the Instructor's prior residence.

ii. Drug Testing

1. Contractor will require all prospective Program Instructors to complete a drug test prior to providing instruction in the Program. Current employees of GCS that Contractor hires are excluded from the previous sentence.
2. Contractor will cause all Program Instructors to comply with up to three (3) random drug tests each year performed by and at the instance of GCS. Contractor will immediately terminate any Instructor who fails such a test.

Exhibit 1-A

Designated Locations for Driver Education Program

Contractor will provide the Program at the following locations during the academic school year:

Ashbrook High School
Bessemer City High School
Cherryville High School
Early College High Schools
East Gaston High School
Forestview High School
Highland School of Technology
Huss High School
North Gaston High School
South Point High School
Stuart Cramer High School

Contractor will provide the Program at the following locations during the summer months when school is not in regular session:

Ashbrook High School
Bessemer City High School
Cherryville High School
East Gaston High School
Forestview High School
Highland School of Technology
Huss High School
North Gaston High School
South Point High School
Stuart Cramer High School

Exhibit 1-B

OTHER TERMS

1) **BILLING PROCESS**

a. Appropriate Billing Documentation
   i. On or before the 10th day of every month that immediately follows a month during which a unit of classroom instruction or behind the wheel instruction ("BTWI") is concluded, Contractor will submit to GCS appropriate billing documentation.
   ii. "Appropriate billing documentation" means:
      1. NCDMV Form SBTS-800 (rev. 1/99)
         a. A completed NCDMV Form SBTS-800 (rev. 1/99) for each student for which Contractor requests payment.
         b. Every such form will use the student's name as it appears on the student's birth certificate.
         c. These forms will be numbered to correspond with the Gaston County Schools Driver Education Monthly Report.
      2. Gaston County Schools Driver Education Monthly Report-Contractor
         a. A Gaston County Schools Driver Education Monthly Report completed by Contractor.
         b. Every such form will use the student's name as it appears on the student's birth certificate.
         c. Only an original copy will satisfy this section. Duplicate copies will not.
         d. Verified Documentation of student enrollment in GCS, private, charter or home school.
         e. Verification of student residency in Gaston County.
      3. Gaston County Schools Driver Education Monthly Report-School
         a. A separate Gaston County Schools Driver Education Monthly Report for each school at which a student is enrolled who is participating in the Program and for instruction of which Contractor is requesting payment.

b. Each such report will be signed by the principal of the school (or, in the case of a private, charter, or home school, the person chiefly responsible for the school).

b. Invoice. On or before the 20th day of every month in which Contractor timely submits to GCS appropriate billing documentation, Contractor will submit to GCS an invoice for the amount Contractor requests to be paid for the services documented by the appropriate billing documentation.

c. Payment. Within a reasonable time after Contractor timely submits to GCS an appropriate invoice, GCS will pay Contractor for that invoice. In no event will GCS pre-pay for services or materials.

2) **PRICING**. The prices for students completing instruction are as follows:

a. completing classroom instruction only_____$60.00 per student;
b. completing BTWI only _____$210.00 per student;
c. completing classroom instruction and BTWI _____$270.00 per student.

3) **COMMUNICATION**. Except as otherwise provided, where this Contract calls for communication or the sharing of records or information between the parties, the contact person for each party is as follows:
   a. GCS
      i. Chad Duncan, Driver Education Coordinator
      PO Box 1397
      Gastonia, NC 28053;
      or his successor.

      ii. To be determined upon award of bid.

4) **LOCAL OFFICE**

Contractor will establish a local office on or before November 1, 2026.

5) **PROGRAM COORDINATORS**

The Contractor shall conduct administration of North Carolina Proficiency exams, schedule students, conduct parent orientation, provide quality instruction, issue completion certificates, and any and all activities necessary to the smooth operation of the driver education program pursuant to this Contract. Each party agrees to cooperate in good faith with the other on all issues with regard to the instruction given to eligible students. This cooperation shall include, but not be limited to, periodic meetings prior to the scheduling of the eligible students, between a representative of the Contractor and a representative of the GCS to determine student scheduling agreeable to both parties and a monthly student/parent evaluation summary.

The Contractor will not provide a coordinator at each high school for the above services.

This coordinator will be located in the company's Driving School Office in Gaston County.

Attachment A

Standard Terms and Conditions

A. Standard Terms and Conditions for All Contracts

1. Acceptance. Contractor's execution of this Contract and/or acknowledgment of the terms of any applicable purchase order ("Purchase Order"), without timely express written objection, or Contractor's shipment or performance of any part of a Purchase Order, constitutes an agreement to (i) all terms and conditions set forth or referenced herein and on the face of a Purchase Order, (ii) on any attachments hereto, (iii) any applicable solicitation documentation related to hereto (including without limitation any request for proposals or invitation for bids or Contractor's response thereto), and (iv) any other terms and conditions of a written agreement signed by Contractor and GCS that deals with the same subject matter (collectively, the "Contract Documents"). The terms and provisions set forth in the Contract Documents shall constitute the entire agreement between Contractor and GCS with respect to the purchase by GCS of the Services and/or Goods (the "Goods" and/or "Services," as appropriate) provided or work performed as described in the Contract Documents. The agreements set forth in the Contract Documents are sometimes referred to herein as the "Contract." In the event of any conflict between any terms and conditions of the Contract Documents, the terms and conditions most favorable to GCS shall control. A Purchase Order constitutes an offer by GCS and expressly limits acceptance to the terms and conditions stated therein. No additional or supplemental provision or provisions in variance herewith that may appear in Contractor's quotation, acknowledgment, invoice, or in any other communication from Contractor to GCS shall be deemed accepted by or binding on GCS. GCS hereby expressly rejects all such provisions which supplement, modify or otherwise vary from the terms of the Contract Documents, and such provisions are superseded by the terms and conditions stated in the Contract Documents, unless and until GCS' authorized representatives expressly assent, in writing, to such provisions. Stenographic and clerical errors and omissions by GCS are subject to correction.
2. Quantities. Shipments must equal exact amounts ordered unless otherwise agreed in writing by GCS. The award of a term contract neither implies nor guarantees any minimum or maximum purchases.
3. Prices. If Contractor's price or the regular market price of any of the Goods covered hereunder is lower than the price stated in the Contract Documents on the date of shipment of such Goods, Contractor agrees to give GCS the benefit of such lower price on any such Goods. In no event shall Contractor's price be higher than the price last quoted or last charged to GCS unless otherwise agreed in writing. No charges for transportation, boxing, crating, etc. are allowable unless such charges are included in the Contract Documents.
4. Invoices. It is understood and agreed that orders will be shipped at the established Contract prices in effect on dates orders are placed. Invoicing at variance with this provision may subject the Contract to cancellation. Applicable North Carolina sales tax shall be invoiced as a separate item. Invoices shall be sent to GCS' accounts payable department with a copy to GCS Project Coordinator.
5. Freight on Board. All shipments of Goods are FOB destination unless otherwise stated in the Contract Documents.
6. Taxes. Taxes are included in the Contract Price. Applicable taxes shall be invoiced as a separate item for GCS' records.
7. Payment Terms. Payment terms are Net 30 days after receipt of correct invoice or acceptance of Goods, whichever is later.
8. Condition and Packaging. Unless otherwise provided by special terms and conditions or specifications, it is understood and agreed that any item offered or shipped has not been sold or

used for any purpose and shall be in first class condition. All containers/packaging shall be suitable for handling, storage or shipment.

9. Delays in Shipment. Time and date of delivery are of the essence, except when delay is due to causes beyond Contractor's reasonable control and without Contractor's fault or negligence.
10. Risk of Loss. Contractor shall have the risk of loss of and damage to the Goods subject to the Contract Documents until such Goods are delivered to the destination and accepted by GCS or its nominee.
11. Rejection. All Goods shall be received subject to GCS' inspection. Goods that are defective in workmanship or material or otherwise not in conformity with the requirements of the Contract Documents may be rejected and returned at Contractor's expense or may be accepted at a reduced price. GCS may require Contractor to promptly replace or correct any rejected Goods Services and, if Contractor fails to do so, GCS may contract with a third party to replace such Goods Services and charge Contractor the additional cost.
12. Warranties. Contractor warrants that all Goods delivered hereunder will be free from defects in materials and workmanship and will conform strictly to the specifications, drawings, or samples specified or furnished. This warranty shall survive any inspection, delivery, acceptance or payment by GCS of the Goods and shall run to GCS and any user of the Goods. This express warranty is in addition to Contractor's implied warranties of merchantability and fitness for a particular purpose which shall not be disclaimed. In addition to any other rights available at law or equity, GCS shall be entitled to all rights and remedies provided by the Uniform Commercial Code, Chapter 25 of the North Carolina General Statutes, for breach of express warranties and implied warranties of merchantability or fitness for a particular purpose, including but not limited to consequential and incidental damages.
13. Compliance with All Laws. Contractor warrants that all performance hereunder shall be in accordance with all applicable federal, state and local laws, regulations and orders. The right of Contractor to proceed may be terminated immediately by written notice if GCS determines that Contractor, its agent or another representative, has violated any provision of law.
14. Use of Federal Funds. If the source of funds for this Contract is federal funds, the following federal provisions apply pursuant to 2 C.F.R. § 200.326 and 2 C.F.R. Part 200, Appendix II (as applicable):Equal Employment Opportunity (41 C.F.R. Part 60); Davis-Bacon Act (40 U.S.C. 3141-3148); Copeland "Anti-Kickback" Act (40 U.S.C. 3145); Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708); Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387); Debarment and Suspension (Executive Orders 12549 and 12689); Byrd Anti-Lobbying Amendment (31 U.S.C. 1352); Procurement of Recovered Materials (2 C.F.R. § 200.322); and Record Retention Requirements (2 CFR § 200.324).
15. Registered Sex Offenders. Contractor acknowledges that state law and school policy prohibit anyone registered or required to register as a sex offender from being present on any GCS Property for any reason, whether before, during or after school hours, or on or off of GCS Property. Contractor expressly agrees that it, and any of its employees, will comply with this policy and acknowledges that any individuals that violate this policy are subject to removal from GCS Property by school staff and/or law enforcement officials and may also be subject to criminal prosecution. "GCS Property" includes all property owned or operated by GCS, including school campuses and buildings, athletic fields, playgrounds, parking lots, bus stops, vehicles, school buses, activity buses and any other properties owned or controlled by GCS.

    If Contractor, any of Contractor's employees, or any of Contractor's subcontractors or employees of subcontractors will have any direct interaction with students, then Contractor or the subcontractor must (i) on an annual basis conduct a check of the N.C. Sex Offender and Public Protection Registration Program, the N.C. Sexually Violent Predator Registration Program and the National Sex Offender Registry for all such employees; and (ii) prohibit individuals listed on such registries from being on GCS Property.

16. Nondiscrimination. During the performance of the Contract, Contractor shall not discriminate against or deny the Contract's benefits to any person on the basis of sexual orientation, national origin, race, ethnic background, color, religion, gender, age or disability.
17. Conflict of Interest. Contractor represents and warrants that no member of GCS or any of its employees or officers who may obtain a direct benefit, personal gain or advantage for themselves or a relative or associate as a result of the Contract, subcontract or other agreement related to the Contract is in a position to influence or has attempted to influence the making of the Contract, has been involved in making the Contract, or will be involved in administering the Contract. Contractor also represents and warrants that, if the Contract is funded by any amount of federal funds, no violation of 2 C.F.R. § 200.318(c) or any other applicable federal conflict of interest law has occurred or will occur. Contractor shall cause this paragraph to be included in all Contracts, subcontracts and other agreements related to the Contract.
18. Gratuities. Contractor represents and warrants that no member of GCS or any of its employees has been or will be offered or given a gratuity to an official or employee of GCS in violation of applicable law or policy.
19. Kickbacks to Contractor. Contractor shall not permit any kickbacks or gratuities to be provided, directly or indirectly, to itself, its employees, subcontractors or subcontractor employees for the purpose of improperly obtaining or rewarding favorable treatment in connection with a GCS Contract or in connection with a subcontract relating to a GCS Contract. When Contractor has grounds to believe that a violation of this clause may have occurred, Contractor shall promptly report to GCS in writing the possible violation.
20. Iran Divestment Act. Contractor certifies that, as of the date listed below, it is not on the Final Divestment List, as created by the State Treasurer pursuant to N.C.G.S. § 143-6A-4, in violation of the Iran Divestment Act. In compliance with the requirements of the Iran Divestment Act and N.C.G.S. § 143C-6A-5(b), Contractor shall not utilize in the performance of the contract any subcontractor that is identified on the Final Divestment List. The Final Divestment List can be found on the State Treasurer's website at the address www.nctreasurer.com/Iran and should be updated every 180 days.
21. *Divestment from Companies that Boycott Israel.* The Contractor certifies that it has not been designated by the North Carolina State Treasurer as a company engaged in the boycott of Israel pursuant to N.C.G.S. 147-86.81. It is the responsibility of each vendor or contractor to monitor compliance with this restriction. Contracts valued at less than $1,000.00 are exempt from this restriction.
22. E-Verification. Contractor shall comply with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes
23. Indemnification. Contractor shall indemnify and hold harmless GCS, its officers, agents, employees and assigns from and against all claims, losses, costs, damages, expenses, attorneys' fees and liability that any of them may sustain (a) arising out of Contractor's failure to comply with any applicable law, ordinance, regulation, or industry standard or (b) arising directly or indirectly out of Contractor's performance or lack of performance of the terms and conditions of the Contract. In the event that any Services and/or Goods sold and delivered or sold and performed under the Contract Documents shall be defective in any respect whatsoever, Contractor shall indemnify and save harmless GCS, its officers, agents, employees and assigns from all loss or the payment of all sums of money by reason of all accidents, injuries or damages to persons or property that shall happen or occur in connection with the use or sale of such Services and/or Goods and are contributed to by said condition. In the event Contractor, its employees, agents, subcontractors and or lower-tier subcontractors enter premises occupied by or under the control of GCS in the performance of the Contract Documents, Contractor agrees that it will indemnify and hold harmless GCS, its officers, agents, employees and assigns, from any loss, costs, damage,

expense or liability by reason of property damage or personal injury of whatsoever nature or kind arising out of, as a result of, or in connection with such entry.

24. Insurance. The Contractor certifies that it currently has and agrees to purchase and maintain during its performance under this Contract the following insurance from one or more insurance companies acceptable to GCS and authorized to do business in the State of North Carolina and with an AM Best rating of A:X or better.
    GCS shall be named as an additional insured on the Automobile and Commercial General Liability policies.

    - Worker's Compensation and Employer's Liability Insurance – Worker's Compensation insurance with limits as required by statute with Employer's Liability limits of $500,000 each accident, $500,000 disease policy limit, $500,000 disease each employee.
    - Automobile Insurance - The Contractor shall purchase and maintain Automobile Liability insurance providing coverage against losses resulting in bodily injury or property damage caused by or arising out of ownership, maintenance or operations of any motor vehicle, owned or nonowned used in the performance of this Contract. A minimum limit of $1,000,000 per occurrence is required.
    - Commercial General Liability – The Contractor shall purchase and maintain Commercial General Liability insurance providing coverage against losses resulting in bodily injury, personal injury and property damage caused by or arising out of the operations under this Contract. Such insurance shall include coverage for premises operations, and products and completed operations. A minimum limit of $1,000,000 per occurrence with a $2,000,000 aggregate is required.
    - Sexual Abuse, Molestation Coverage – Limits of $1,000,000 for each occurrence.
    - Environmental Impairment Liability and Pollution Liability – Limits of $1,000,000 per occurrence.
    - Umbrella Excess Liability – Contractor shall carry umbrella excess liability including auto, general liability, employer's liability, and professional liability in the amount of $1,000,000 over existing primary insurance and over self-insured hazards.

    Certificates of such insurance shall be furnished by the Contractor to GCS, naming GCS as additional insured as required above, and shall contain the provision that GCS be given 30 days written notice of any intent to amend, cancel or nonrenew by either the Contractor or the insuring company. Failure to furnish insurance certificates or to maintain such insurance shall be a default under this Contract and shall be grounds for immediate termination of this Contract.

25. Termination for Convenience. In addition to all of the other rights which GCS may have to cancel this Contract or an applicable Purchase Order, GCS shall have the further right, without assigning any reason therefore, to terminate the Contract (or applicable Purchase Order), in whole or in part, at any time at its complete discretion by providing 10 days' notice in writing from GCS to Contractor. If the Contract is terminated by GCS in accordance with this paragraph, Contractor will be paid in an amount which bears the same ratio to the total compensation as does the Services and/or Goods actually delivered or performed to the total originally contemplated in the Contract. GCS will not be liable to Contractor for any costs for completed Goods, Goods in process or materials acquired or contracted for if such costs were incurred prior to the date of this Contract or an applicable Purchase Order.
26. Termination for Default. GCS may terminate the Contract, in whole or in part, immediately and without prior notice upon breach of the Contract by Contractor. In addition to any other remedies available to GCS law or equity, GCS may procure upon such terms as GCS shall deem appropriate, Services and/or Goods substantially similar to those so terminated, in which case Contractor shall

be liable to GCS for any excess costs for such similar goods, supplies, or services and any expenses incurred in connection therewith.

27. Contract Funding. It is understood and agreed between Contractor and GCS that GCS' obligation under the Contract is contingent upon the availability of appropriated funds from which payment for Contract purposes can be made. No legal liability on the part of GCS for any payment may arise until funds are made available to GCS' Finance Officer and until Contractor receives notice of such availability. Should such funds not be appropriated or allocated, the Contract shall immediately be terminated. GCS shall not be liable to Contractor for damages of any kind (general, special, consequential or exemplary) as a result of such termination.
28. Accounting Procedures. Contractor shall comply with any accounting and fiscal management procedures prescribed by GCS to apply to the Contract and shall assure such fiscal control and accounting procedures as may be necessary for proper disbursement of and accounting for all project funds.
29. Improper Payments. Contractor shall assume all risks attendant to any improper expenditure of funds under the Contract. Contractor shall refund to GCS any payment made pursuant to the Contract if it is subsequently determined by audit that such payment was improper under any applicable law, regulation or procedure. Contractor shall make such refunds within thirty (30) days after GCS notifies Contractor in writing that a payment has been determined to be improper.
30. Contract Transfer. Contractor shall not assign, subcontract or otherwise transfer any interest in the Contract without the prior written approval of GCS.
31. Contract Personnel. Contractor agrees that it has, or will secure at its own expense, all personnel required to provide the Services and/or Goods set forth in the Contract.
32. Key Personnel. Contractor shall not substitute for key personnel (defined as those individuals identified by name or title in the Contract Documents or in written communication from Contractor) assigned to the performance of the Contract without prior written approval from GCS Project Coordinator (the individual at GCS responsible for administering the Contract).
33. Contract Modifications. The Contract may be amended only by written amendment duly executed by both GCS and Contractor.
34. Relationship of Parties. Contractor is an independent contractor and not an employee of GCS. The conduct and control of the work will lie solely with Contractor. The Contract shall not be construed as establishing a joint venture, partnership or any principal-agent relationship for any purpose between Contractor and GCS. Employees of Contractor shall remain subject to the exclusive control and supervision of Contractor, which is solely responsible for their compensation.
35. Advertisement. The Contract will not be used in connection with any advertising by Contractor without prior written approval by GCS.
36. Monitoring and Evaluation. Contractor shall cooperate with GCS, or with any other person or agency as directed by GCS, in monitoring, inspecting, auditing or investigating activities related to the Contract. Contractor shall permit GCS to evaluate all activities conducted under the Contract. GCS has the right at its sole discretion to require that Contractor remove any employee of Contractor from GCS Property and from providing Services and/or Goods under the Contract following provision of notice to Contractor of the reasons for GCS' dissatisfaction with the Services and/or Goods of Contractor's employee.
37. Financial Responsibility. Contractor is financially solvent and able to perform under the Contract. If requested by GCS, Contractor agrees to provide a copy of its latest audited annual financial statements or other financial statements as deemed acceptable by GCS' Finance Officer. In the event of any proceedings, voluntary or involuntary, in bankruptcy or insolvency by or against Contractor, the inability of Contractor to meet its debts as they become due or in the event of the appointment, with or without Contractor's consent, of an assignee for the benefit of creditors or of a receiver, then GCS shall be entitled, at its sole option, to cancel any unfilled part of the Contract without any liability whatsoever.

38. Governmental Restrictions. In the event any governmental restrictions are imposed which necessitate alteration of the material, quality, workmanship or performance of the items offered prior to their delivery, it shall be the responsibility of the Contractor to notify, in writing, the issuing purchasing office at once, indicating the specific regulation which required such alterations. GCS reserves the right to accept any such alterations, including any price adjustments occasioned thereby, or to cancel the Contract.
39. Inspection at Contractor's Site. GCS reserves the right to inspect, at a reasonable time, the equipment/item, plant or other facilities of a prospective contractor prior to Contract award, and during the Contract term as necessary for GCS determination that such equipment/item, plant or other facilities conform with the specifications/requirements and are adequate and suitable for the proper and effective performance of the Contract.
40. Confidential Information. All information about GCS provided to the Contractor or its officers, employees, agents, representatives and advisors (the "Contractor Representatives"), and all copies or other full or partial reproductions thereof and notes, memoranda or other writings related thereto created by Contractor or any Contractor Representative, regardless of whether provided before or after the date of the Contract and regardless of the manner or medium in which it is furnished, is referred to as "Confidential Information". Confidential Information does not include any information that (a) is or becomes generally available to the public other than as a result of an impermissible disclosure by Contractor, (b) was known by or available on a nonconfidential basis to Contractor before it was disclosed by GCS or (c) becomes available to Contractor on a nonconfidential basis from a third party whom Contractor does not know to be bound by a confidentiality agreement with, or have an obligation of secrecy to, GCS. Except as and to the extent required by law or order or demand of any governmental or regulatory authority, Contractor and Contractor Representatives will (x) keep all Confidential Information confidential and (y) will only disclose or reveal any Confidential Information to Contractor Representatives who must have the information to fulfill Contractor's obligations under the Contract and who agree to observe the terms of this Section. Contractor and Contractor Representatives will not use the Confidential Information for any purpose other than fulfilling Contractor's obligations under the Contract. By way of example and not limitation, Contractor shall not sell, market, or commercialize Confidential Information, create derivative products or applications based on Confidential Information. If Contractor is requested or required, pursuant to applicable law or regulation or by legal process, to disclose any Confidential Information, Contractor will provide GCS with prompt and timely notice of the requests or requirements so that GCS can seek an appropriate protective order or other remedy and will not be prejudiced by delay. If GCS does not obtain a protective order or other remedy, Contractor will only disclose that portion of the Confidential Information which Contractor's legal counsel determines Contractor is required to disclose. Upon termination of the Contract or otherwise upon GCS' request, Contractor will promptly deliver to GCS all Confidential Information in the possession of Contractor or the Contractor Representatives.

    Student Information: If, during the course of Contractor's performance of the Contract, Contractor should obtain any information pertaining to students or students' official records, Contractor agrees to keep any such information confidential and to not disclose or permit it to be disclosed, directly or indirectly, to any person or entity. The Contract shall not be construed by either party to constitute a waiver of or to in any manner diminish the provisions for confidentiality of students' records. Additionally, pursuant to N.C.G.S. 115C-401.1, it is unlawful for a person who enters into a contract with a local board of education to sell personally identifiable information that is obtained from a student as a result of that person's performance under the Contract.

    Employee Personnel Information: If, during the course of Contractor's performance of the Contract, Contractor should obtain any information pertaining to employees of GCS' personnel records, Contractor agrees to keep any such information confidential and to not disclose or permit it to be disclosed, directly or indirectly, to any person or entity. This section will survive the termination of this Contract.

41. Intellectual Property. Contractor agrees, at its own expense, to indemnify, defend and save GCS harmless from all liability, loss or expense, including costs of settlement and attorney's fees, resulting from any claim that GCS' use, possession or sale of the Services and/or Goods infringes any copyright, patent or trademark or is a misappropriation of any trade secret.
42. No Pre-Judgment or Post-Judgment Interest. In the event of any action by Contractor for breach of contract in connection with the Contract, any amount awarded shall not bear interest either before or after any judgment, and Contractor specifically waives any claim for interest.
43. Background Checks. At the request of GCS' Project Coordinator, Contractor (if an individual) or any individual employees of Contractor shall submit to GCS criminal background check and drug testing procedures.
44. Mediation. If a dispute arises out of or relates to the Contract, or the breach of the Contract, and if the dispute cannot be settled through negotiation, the parties agree to try in good faith to settle the dispute by mediation administered by the American Arbitration Association under its Commercial Mediation Rules before resorting to litigation.
45. No Third-Party Benefits. The Contract shall not be considered by Contractor to create any benefits on behalf of any third party. Contractor shall include in all contracts, subcontracts or other agreements relating to the Contract an acknowledgment by the contracting parties that the Contract creates no third-party benefits.
46. Force Majeure. If GCS is unable to perform its obligations or to accept the Services and/or Goods because of Force Majeure (as hereinafter defined), the time for such performance by GCS or acceptance of Services and/or Goods will be equitably adjusted by allowing additional time for performance or acceptance of Services and/or Goods equal to any periods of Force Majeure. "Force Majeure" shall mean any delays caused by acts of God, riot, war, terrorism, inclement weather, labor strikes, material shortages and other causes beyond the reasonable control of GCS.
47. Ownership of Documents; Work Product. All documents created pursuant to the Contract shall, unless expressly provided otherwise in writing, be owned by GCS. Upon the termination or expiration of the Contract, any and all finished or unfinished documents and other materials produced by Contractor pursuant to the Contract shall, at the request of GCS, be turned over to GCS. Any technical knowledge or information of Contractor which Contractor shall have disclosed or may hereafter disclose to GCS shall not, unless otherwise specifically agreed upon in writing by GCS, be deemed to be confidential or proprietary information and shall be acquired by GCS free from any restrictions as part of the consideration of the Contract.
48. Strict Compliance. GCS may at any time insist upon strict compliance with these terms and conditions notwithstanding any previous course of dealing or course of performance between the parties to the contrary.
49. General Provisions. GCS' remedies as set forth herein are not exclusive. Any delay or omission in exercising any right hereunder, or any waiver of any single breach or default hereunder, shall not be deemed to be a waiver of such right or of any other right, breach, or default. If action be instituted by Contractor hereunder, GCS shall be entitled to recover costs and reasonable attorney's fees. Contractor may not assign, pledge, or in any manner encumber Contractor's rights under this Contract or applicable Purchase Order or delegate the performance of any of its obligations hereunder, without GCS' prior, express written consent.
50. Contract Situs. All matters, whether sounding in contract or tort relating to the validity, construction, interpretation and enforcement of the Contract, will be determined in Gaston County, North Carolina. North Carolina law will govern the interpretation and construction of the Contract.
51. Severability. Any provision of this Contract that is determined by any court of competent jurisdiction to be invalid or unenforceable will not affect the validity or enforceability of any other provision. Any provision of the Contract held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable.

B. Additional Standard Terms and Conditions for Construction Contracts

1. Supervision and Provision for Labor and Supplies. The Contractor will supervise and direct the construction work (the "Work") and shall furnish, provide, and pay for all labor, materials, equipment, machinery, utilities, and services reasonably necessary for the execution and completion of the Work.
2. Coordination of Work and Notification of Progress. The Contractor agrees to coordinate its Work with the work of any other separate contractors or with the work of GCS' own forces to avoid delaying or interfering with their work. Contractor shall enforce good order and discipline among his employees and subcontractors on the Project. The Contractor further agrees to inform GCS on a regular basis or at GCS' request of the progress of the Work.
3. Provision for all Permits, Licenses, and Inspections. Unless otherwise provided, the Contractor shall secure and pay for all permits, licenses, and inspections necessary for the proper execution and completion of the Work.
4. Cleanliness. Contractor shall keep the Project reasonably free from waste materials or rubbish resulting from the Contractor's operations.
5. Additional Warranties. The Contractor warrants that the Contractor has visited the location of the Project and is familiar with all field conditions bearing upon the Contractor's performance of the Work; that the materials and equipment furnished under the Contract are of good quality and new (unless otherwise permitted); that the Work is non-negligent and meets or exceeds the standards ordinarily observed in the industry; and that the Work conforms to the requirements of the Contract and to all applicable codes, ordinances, laws, or regulations. The Contractor further warrants and promises that the Work shall be free from defects and nonconformities in materials and workmanship for a period of one year from the later of the Date of Completion, which is the date GCS accepts the Work or such date as the Contractor actually completes all the Work (the "Date of Completion"). During such period, the Contractor will remedy at Contractor's expense nonconformities or defects in the Work within a reasonable time after receiving notice thereof from GCS.
6. Indemnity for Subcontractor Payment. In addition to the indemnification obligations contained in the attached terms and conditions to this Contract, the Contractor further agrees to defend and indemnify GCS from and against all claims, damages, losses, and expenses, including reasonable attorneys' fees, arising out of the Contractor's failure to pay subcontractors or materials suppliers.
7. Change Orders. The Contractor agrees that GCS may order changes in the general scope of the Work, including additions, deletions, and similar revisions. The parties agree to adjust the Contract Price and Date of Completion to reflect the effects of such changes, which adjustments shall be authorized only upon execution of a written change order (a "Change Order"). In case of emergency or extenuating circumstances or if a construction contingency is provided as stated below, approval of changes may be obtained verbally by telephone or field orders approved by GCS Project Coordinator and promptly thereafter substantiated in writing as outlined under normal procedures. The amount of any increase or decrease in the Contract Price shall be by mutual acceptance of a total amount supported by sufficient data and information to substantiate the change. Any decrease in Contract Price for a decrease in the Work will be the reasonable costs of the Work deleted, including a reasonable amount for the decrease in the Contractor's overhead.
8. Performance/Payment Bond. If required by law and/or the bidding documentation, the Contractor agrees to provide a Performance Bond and Labor and Material Payment Bond for its faithful performance in a form reasonably satisfying to GCS.
9. Payments Withheld. The GCS may withhold payment for the following reasons to the extent permitted under N.C. Gen. Stat. § 143-134.1(e): (1) defective Work not remedied; (2) third party claims filed or reasonable evidence indicating probable filing of such claims unless security

acceptable to GCS is provided by the Contractor; (3) failure of the Contractor to make payments properly to subcontractors or for labor, materials or equipment; (4) reasonable evidence that the Work will not be completed with the time specified, and that the unpaid balance would not be adequate to cover actual or liquidated damages for the anticipated delay; (5) failure to carry out the Work in accordance with the Contract Documents; (6) failure to provide sales tax documentation in accordance with subparagraph 9.3.5; (7) failure or refusal of the Contractor to submit the required information on minority business enterprises; and (8) failure of the Contractor to comply with (a) the provisions of the Sedimentation and Pollution Control Act (N.C. Gen. Stat. § 113A-50 *et seq*.), and/or (b) any Notice of Violation issued by the North Carolina Department of Natural Resources.

10. Retainage. For public construction contracts costing an amount equal to or greater than $100,000, the GCS will retain five percent of the amount of each progress payment on the project for as long as is authorized by N.C. Gen. Stat. § 143-134.1. At all times during the Project, the GCS may retain the maximum funds allowed by N.C. Gen. Stat. § 143-134.1. The GCS specifically reserves the right to withhold additional funds as authorized by this Contract and N.C. Gen. Stat. § 143-134.1. The Contractor may pay each subcontractor no later than seven days after receipt of payment from the GCS and in accordance with N.C. Gen. Stat. § 143-134.1 the amount to which the subcontractor is entitled, reflecting percentages actually retained from payments to the Contractor on account of the subcontractor's portion of the Work. The Contractor shall, by appropriate agreement with each subcontractor, require each subcontractor to make payments to sub-subcontractors in a similar manner and in accordance with N.C. Gen. Stat. § 143-134.1.

C. Additional Standard Term and Condition for Designer Contracts (which include Architectural, Engineering, Surveying, and Technical Services)

Additional Insurance. In addition to the insurance required pursuant to Section 24 of the Standard Terms and Conditions for All Contracts, the Contractor certifies that it currently has and agrees to purchase and maintain during its performance under the Contract the following insurance from one or more insurance companies acceptable to GCS and authorized to do business in the State of North Carolina: Professional liability insurance in commercially reasonable amounts as reasonably determined by GCS.

D. Additional Standard Terms and Conditions for Information Technology Contracts

1. Definitions.

"Hardware" means the hardware the Contractor utilizes in the Hosted Environment for delivery and maintenance of the Hosted Software Services.

"Hosted Environment" means the Hardware, system software, hosting support software, network connectivity, and facility used by Contractor to support the Hosted Software Services.

"Hosted Software Services" means the application, including the Hosted Software and any applicable Third-Party Software, as run on the Hosted Environment.

"Hosted Software" means the software owned and controlled by Contractor or Contractor's third-party contractor that supports the Hosted Software Services.

"Support Services" means application and technical support required to maintain the performance, uptime and connectivity of the Hosted Software Services for GCS access and use, including without limitation, telephone support, error correction, maintenance, and installation of Updates and Upgrades to the Hosted Software.

"Updates" means (i) modifications to or releases of the Hosted Software that (a) add new features, functionality, and/or improved performance, (b) operate on new or other databases, operating systems, or server platforms or (c) extend the Hosted Software functionality to take

advantage of advances in coding language, hardware, network or wireless infrastructures; and (ii) deviation corrections, bug or error fixes, patches, workarounds, and maintenance releases. "Upgrades" means any new version or new release of the Hosted Software typically provided on an annual or bi-annual basis by the Contractor that includes new features, functions, support or service that were not in place with the immediately prior version.

2. Grant of License. Contractor grants to GCS for the term of this Contract a non-exclusive, non-transferable license to access and use over the internet the Hosted Software (the "License").
3. Updates and Upgrades. Contractor will make certain limited and applicable Hosted Software Updates and Upgrades available to GCS at no additional cost. All such Updates and Upgrades shall automatically become subject to the benefits and terms of this Contract and shall automatically be considered part of the License granted under this Contract.
4. Security. Contractor's Hosted Environment shall maintain security measures in place to help protect against the loss, misuse, and alteration of the Hosted Software Services, and specifically the Confidential Information provided to Contractor by GCS.
5. Intellectual Property Warranty; Additional Warranties. In addition to the warranties set forth elsewhere in this Contract with respect to the Goods and Services, Contractor expressly represents, warrants and covenants that neither the furnishing of Hosted Services to GCS hereunder, nor does the Hosted Software, violate, in whole or in part, any provision of any law, common law or regulation concerning copyrights, trade secrets, trademarks, tradenames, service marks, patents or other provisions regulating or concerning intellectual property rights. Additionally, Contractor warrants the following: (a) Contractor has the full authority to grant the License; (b) the Hosted Software is free from material defects or viruses; (c) the Hosted Software contains no disabling devices; and (d) the Hosted Software conforms to all material specifications set forth in the documentation and any other written material provided to GCS for any purpose. Without limiting any other remedies available to GCS under this Contract, at law or in equity, in the event that any Hosted Software does not conform to the warranties set forth for the Hosted Software herein, Contractor shall, at GCS' option, promptly correct or replace such Hosted Software and, in either case, Contractor shall perform any Support Services or other work required to restore the Hosted Software to the state that existed prior to any such breach, all at Contractor's expense. GCS reserves the right to reject the Hosted Software and to hold Contractor responsible for any loss, direct or indirect, caused by any such breach of warranty. In the event Contractor is or becomes aware of a problem with any item of Hosted Software, Contractor shall notify GCS upon such determination. Acceptance or use of the Hosted Software shall not constitute a waiver of any claim under any warranty.
6. Effect of Termination and Orderly Transition. Upon termination or expiration of this Contract for any reason, Contractor will cooperate in good faith with GCS to provide for an orderly transfer of the Goods and Services and Confidential Information to GCS or GCS' successor vendor ("Orderly Transition") and according to the terms of this section.

    a. Scope of Work for Orderly Transition. Within thirty (30) days of notification by GCS that it will transfer Goods and Services to itself or a successor vendor, the parties will create and execute a scope of work document detailing tasks, the responsible parties for individual tasks, and timeframes for completion of tasks necessary to complete an Orderly Transition. The final, executed Orderly Transition scope of work shall be incorporated into this Contract and become subject to its terms. Contractor's failure to (a) cooperate in developing the Orderly Transition scope of work, (b) execute an Orderly Transition scope of work, or (c) abide by the executed Orderly Transition scope of work shall be deemed a material breach of this Contract.
    b. Time Frame. Unless otherwise mutually agreed in an executed Orderly Transition scope of work, Contractor shall continue to provide Goods and Services while GCS migrates its Confidential Information from Contractor's Hosted Software Services in the Orderly Transition process. Contractor agrees that, as part of the Orderly

Transition process and within the specified time frame, it will transfer to GCS all of the Confidential Information provided to Contractor by GCS pursuant to this Contract. Contractor will provide the Confidential Information in commercially reasonable electronic format as agreed in the Orderly Transition scope of work at no additional cost.

c. Destruction of Confidential Information. Unless otherwise mutually agreed in an executed Orderly Transition scope of work, Contractor agrees that after returning all Confidential Information to GCS pursuant to subsection (b) above it will destroy all remaining copies of Confidential Information and back-up Confidential Information in its possession, contained in or on any medium (such as a storage area network or "SAN") or as may be stored offsite, within thirty (30) days of completion of Orderly Transition. Contractor shall provide GCS with a detailed summary of the destruction process and standards to be utilized by Contractor with respect to the Confidential Information, and GCS shall approve such process and standards prior to Contractor commencing such destruction.

7. Additional Indemnification. To the fullest extent permitted by law, Contractor shall indemnify, defend and hold harmless GCS, its and directors, officers, managers, employees and agents, from all suits, claims, costs, damages and other liabilities, including reasonable attorneys' fees as incurred by counsel of GCS' choice, relating to or arising from (a) Contractor's failure to maintain the security and integrity of Confidential Information, the Hosted Software Services and the Hosted Environment; (b) any claim for infringement of any copyright, trade secret, trademark, tradename, service mark, patent, or other law or regulation concerning intellectual and/or proprietary property rights; and (c) any claims by third party interests in the Hosted Software.
8. Data Use. Notwithstanding the foregoing, Contractor acknowledges and agrees that all Confidential Information is proprietary to and owned exclusively by GCS, whether provided in tangible or electronic form and whether entered into any software or Hosted Software Services owned or licensed by Contractor (including without limitation the Hosted Software and Hosted Software Services) or otherwise provided in connection with any products provided and services performed by Contractor (including without limitation the Goods and Services) and whether to, by or through a Contractor-affiliated ASP or other Hosted Software Services. Furthermore, Contractor shall not sell, market, or commercialize Confidential Information, create derivative products or applications based on Confidential Information or otherwise use Confidential Information in any manner unrelated to the performance of Contractor's obligations under the Contract. Contractor shall not share Confidential Information with any parent or subsidiary company of Contractor or any other Contractor-affiliated entity without the express prior written consent of GCS detailing the scope of allowable disclosure. Contractor agrees that if it breaches this section, GCS may, at its option, pursue any or all of the following remedies: (a) immediately terminate this Contract without liability to Contractor; (b) seek an injunction without posting a bond; and (c) pursue whatever other remedies may be available to it at law, in equity or pursuant to this Contract.