AGREEMENT

THIS AGREEMENT is made and entered into as of this ____day of 2017, by and between

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

(hereinafter referred to as "SBBC"), a body corporate and political subdivision of the State of Florida, whose principal place of business is 600 Southeast Third Avenue, Fort Lauderdale, Florida 33301

and

CLOUD 9 WORLD CORP

(hereinafter referred to as "Cloud9World"), a Florida corporation, whose principal place of business is 50 Shore Drive West, Coconut Grove, Florida 33133

WHEREAS, Cloud9World has developed an innovative model in character education which includes 30 traits that impact student behavior, student academics, school climate, social emotional issues, bullying, stress and diversity through a literacy program aligned to Common Core State Standards (CCSS), and which is designed to impact students, staff and has a direct connection with the home.

WHEREAS, Cloud9World will provide fifteen Title I elementary schools based on a developed criteria in the Broward County Public System with the Cloud9World Character Strength Building Program (full immersion).

NOW, THEREFORE, in consideration of the premises and of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

ARTICLE 1 - RECITALS

1.01 **Recitals**. The parties agree that the foregoing recitals are true and correct and that such recitals are incorporated herein by reference.

<u>ARTICLE 2 – SPECIAL CONDITIONS</u>

2.01 <u>Term of Agreement</u>. Unless terminated earlier pursuant to Section 3.05 of this Agreement, the term of this Agreement shall commence upon execution of this Agreement by all parties and conclude on June 30, 2018. SBBC may, at its sole discretion, renew this Agreement for two (2) additional one (1) year periods at the same cost on a funds available basis.

2.02 **Duties of Cloud9World**. Under the Program, Cloud 9 World agrees to:

- a. Provide one-character trait book per student and homeroom teacher per month (7 per student and teacher in all). Students will take the books home and keep them at home.
- b. Provide all home room teachers with the Cloud9World Curriculum
- c. Provide all special area teachers, school counselors, principal and assistant principal with a book and curriculum every month
- d. Provide the school with additional 10% materials for new students
- e. Provide monthly character trait posters for school common areas and each classroom
- f. Provide to all students and school staff monthly vocabulary cards and stickers featuring the character trait of the month
- g. Provide monthly pins for teachers and all staff members
- h. Provide a video and video/book each month to be used by teachers to introduce the character trait of the month
- i. Provide professional development for all staff members before launching the program, twice per year.
- j. Grant access to the Cloud9World resource website to all staff members at all schools
- k. Provide the schools with pre & post testing
- 1. Pre-package all materials per classroom and deliver them to the schools each month
- m. Work with the Schools and Broward County School System to facilitate the smooth implementation of the Program

2.03 <u>Duties of SBBC</u>. SBBC agree to:

- a. Pay Cloud9World \$2.25 per student per trait/month, not to exceed \$142,000.00. Payment is due in the following manner upon proper and appropriate invoice and satisfactory performance:
 - o 33% due on or before November 15, 2017
 - o 33% due on or before February 15, 2018
 - o 34% due on or before May 15, 2018
- b. Schools will be responsible for implementing the program with fidelity as per the guidelines given at the staff training
- c. Schools shall give each student the student materials provided by Cloud9World
- d. Schools should provide all students with the Pre & Post testing given by Cloud9World
- e. School Principals should return the completed "Principal interview" to the third party research provider
- 2.04 <u>Inspection of Cloud9World's Records by SBBC</u>. Cloud9World shall establish and maintain books, records and documents (including electronic storage media) sufficient to reflect all income and expenditures of funds provided by SBBC under this Agreement. All Cloud9World's Records, regardless of the form in which they are kept, shall be open to inspection and subject to audit, inspection, examination, evaluation and/or reproduction, during

normal working hours, by SBBC's agent or its authorized representative to permit SBBC to evaluate, analyze and verify the satisfactory performance of the terms and conditions of this Agreement and to evaluate, analyze and verify any and all invoices, billings, payments and/or claims submitted by Cloud9World or any of Cloud9World's payees pursuant to this Agreement. Cloud9World's Records subject to examination shall include, without limitation, those records necessary to evaluate and verify direct and indirect costs (including overhead allocations) as they may apply to costs associated with this Agreement. Cloud9World's Records subject to this section shall include any and all documents pertinent to the evaluation, analysis, verification and reconciliation of any and all expenditures under this Agreement without regard to funding sources.

- (a) <u>Cloud9World's Records Defined</u>. For the purposes of this Agreement, the term "Cloud9World's Records" shall include, without limitation, accounting records, payroll time sheets, cancelled payroll checks, W-2 forms, written policies and procedures, computer records, disks and software, videos, photographs, executed subcontracts, subcontract files (including proposals of successful and unsuccessful bidders), original estimates, estimating worksheets, correspondence, change order files (including sufficient supporting documentation and documentation covering negotiated settlements), and any other supporting documents that would substantiate, reconcile or refute any charges and/or expenditures related to this Agreement.
- (b) <u>Duration of Right to Inspect</u>. For the purpose of such audits, inspections, examinations, evaluations and/or reproductions, SBBC's agent or authorized representative shall have access to Cloud9World's Records from the effective date of this Agreement, for the duration of the term of this Agreement, and until the later of five (5) years after the termination of this Agreement or five (5) years after the date of final payment by SBBC to Cloud9World pursuant to this Agreement.
- (c) <u>Notice of Inspection</u>. SBBC's agent or its authorized representative shall provide Cloud9World reasonable advance notice (not to exceed two (2) weeks) of any intended audit, inspection, examination, evaluation and or reproduction.
- (d) <u>Audit Site Conditions</u>. SBBC's agent or its authorized representative shall have access to Cloud9World's facilities and to any and all records related to this Agreement, and shall be provided adequate and appropriate work space in order to exercise the rights permitted under this section.
- (e) <u>Failure to Permit Inspection</u>. Failure by Cloud9World to permit audit, inspection, examination, evaluation and/or reproduction as permitted under this Section shall constitute grounds for termination of this Agreement by SBBC for cause and shall be grounds for the denial of some or all of any Cloud9World's claims for payment by SBBC.
- (f) Overcharges and Unauthorized Charges. If an audit conducted in accordance with this Section discloses overcharges or unauthorized charges to SBBC by Cloud9World in excess of two percent (2%) of the total billings under this Agreement, the actual cost of SBBC's audit shall be paid by Cloud9World. If the audit discloses billings or charges to

which Cloud9World is not contractually entitled, Cloud9World shall pay said sum to SBBC within twenty (20) days of receipt of written demand under otherwise agreed to in writing by both parties.

- (g) <u>Inspection of Subcontractor's Records</u>. Cloud9World shall require any and all subcontractors, insurance agents and material suppliers (hereafter referred to as "Payees") providing services or goods with regard to this Agreement to comply with the requirements of this section by insertion of such requirements in any written subcontract. Failure by Cloud9World to include such requirements in any subcontract shall constitute grounds for termination of this Agreement by SBBC for cause and shall be grounds for the exclusion of some or all of any Payee's costs from amounts payable by SBBC to Cloud9World pursuant to this Agreement and such excluded costs shall become the liability of Cloud9World.
- (h) <u>Inspector General Audits</u>. Cloud9World shall comply and cooperate immediately with any inspections, reviews, investigations, or audits deemed necessary by the Florida Office of the Inspector General or by any other state or federal officials.
- 2.05 Notice. When any of the parties desire to give notice to the other, such notice must be in writing, sent by U.S. Mail, postage prepaid, addressed to the party for whom it is intended at the place last specified; the place for giving notice shall remain such until it is changed by written notice in compliance with the provisions of this paragraph. For the present, the Parties designate the following as the respective places for giving notice:

To SBBC:

Superintendent of Schools

The School Board of Broward County, Florida

600 Southeast Third Avenue Fort Lauderdale, Florida 33301

With a Copy to:

Michaelle Pope, Executive Director

Student Support Initiatives

The School Board of Broward County, Florida

Lauderdale Manors Early Learning and Resource Center

1400 NW 14th Ct.

Fort Lauderdale, FL 33311

To Cloud9World:

Andrea Nachtigall Cloud9World Corp. 50 Shore Drive West Coconut Grove, FL 33133

With a Copy to: (which shall not

James P. S. Leshaw 240 Crandon Boulevard

Suite 248

constitute notice)

Key Biscayne, FL 33149

- Background Screening. Cloud9World shall comply with all requirements of Sections 1012.32 and 1012.465, Florida Statutes, and all of its personnel who (1) are to be permitted access to school grounds when students are present, (2) will have direct contact with students, or (3) have access or control of school funds, will successfully complete the background screening required by the referenced statutes and meet the standards established by the statutes. This background screening will be conducted by SBBC in advance of Cloud9World or its personnel providing any services under the conditions described in the previous sentence. Cloud9World shall bear the cost of acquiring the background screening required by Section 1012.32, Florida Statutes, and any fee imposed by the Florida Department of Law Enforcement to maintain the fingerprints provided with respect to Cloud9World and its personnel. The parties agree that the failure of Cloud9World to perform any of the duties described in this section shall constitute a material breach of this Agreement entitling SBBC to terminate immediately with no further responsibilities or duties to perform under this Agreement. Cloud9World agrees to indemnify and hold harmless SBBC, its officers and employees from any liability in the form of physical or mental injury, death or property damage resulting from Cloud9World's failure to comply with the requirements of this Section or with Sections 1012.32 and 1012.465, Florida Statutes.
- 2.07 <u>Insurance Requirements.</u> Cloud9World shall comply with the following insurance requirements throughout the term of this Agreement.
- (a) <u>General Liability.</u> Limits not less than \$1,000,000 per occurrence for Bodily Injury/ Property Damage; \$1,000,000 General Aggregate. Limits not less than \$1,000,000 for Products/Completed Operations Aggregate.
- (b) <u>Acceptability of Insurance Carriers.</u> The insurance policies shall be issued by companies qualified to do business in the State of Florida. The insurance companies must be rated at least A-VI by AM Best or Aa3 by Moody's Investor Service.
- (c) <u>Verification of Coverage.</u> Proof of Insurance must be furnished within 15 days of execution of this Agreement. To streamline this process, SBBC has partnered with EXIGIS Risk Works to collect and verify insurance documentation. All certificates (and any required documents) must be received and approved by SBBC before any work commences to permit Cloud9World time to remedy any deficiencies. Please verify your account information and provide contact details for your company's Insurance Agent via the link provided in the email upon award.
- (d) <u>Required Conditions.</u> Liability policies must contain the following provisions. In addition, the following wording must be included on the Certificate of Insurance:
 - 1. The School Board of Broward County, Florida, its members, officers, employees and agents are added as additional insured.
 - 2. All liability policies are primary of all other valid and collectable coverage maintained by the School Board of Broward County, Florida.

- 3. Certificate Holder: The School Board of Broward County, Florida, c/o EXIGIS Risk Management Services, P. O. Box 4668-ECM, New York, New York 10163-4668
- (e) <u>Cancellation of Insurance</u>. Cloud9World is prohibited from providing services under this Agreement with SBBC without the minimum required insurance coverage and must notify SBBC within two business days if required insurance is cancelled.

ARTICLE 3 – GENERAL CONDITIONS

- 3.01 No Waiver of Sovereign Immunity. Nothing herein is intended to serve as a waiver of sovereign immunity by any agency or political subdivision to which sovereign immunity may be applicable or of any rights or limits to liability existing under Section 768.28, Florida Statutes. This section shall survive the termination of all performance or obligations under this Agreement and shall be fully binding until such time as any proceeding brought on account of this Agreement is barred by any applicable statute of limitations.
- 3.02 No Third Party Beneficiaries. The parties expressly acknowledge that it is not their intent to create or confer any rights or obligations in or upon any third person or entity under this Agreement. None of the parties intend to directly or substantially benefit a third party by this Agreement. The parties agree that there are no third party beneficiaries to this Agreement and that no third party shall be entitled to assert a claim against any of the parties based upon this Agreement. Nothing herein shall be construed as consent by an agency or political subdivision of the State of Florida to be sued by third parties in any matter arising out of any contract.
- 3.03 <u>Independent Contractor</u>. The parties to this Agreement shall at all times be acting in the capacity of independent contractors and not as an officer, employee or agent of one another. Neither party or its respective agents, employees, subcontractors or assignees shall represent to others that it has the authority to bind the other party unless specifically authorized in writing to do so. No right to SBBC retirement, leave benefits or any other benefits of SBBC employees shall exist as a result of the performance of any duties or responsibilities under this Agreement. SBBC shall not be responsible for social security, withholding taxes, contributions to unemployment compensation funds or insurance for the other party or the other party's officers, employees, agents, subcontractors or assignees.
- 3.04 <u>Equal Opportunity Provision</u>. The parties agree that no person shall be subjected to discrimination because of age, race, color, disability, gender identity, gender expression marital status, national origin, religion, sex or sexual orientation in the performance of the parties' respective duties, responsibilities and obligations under this Agreement.
- 3.05 <u>Termination</u>. This Agreement may be canceled with or without cause by SBBC during the term hereof upon thirty (30) days written notice to the other parties of its desire to terminate this Agreement. SBBC shall have no liability for any property left on SBBC's property by any party to this Agreement after the termination of this Agreement. Any party contracting with SBBC under this Agreement agrees that any of its property placed upon

SBBC's facilities pursuant to this Agreement shall be removed within ten (10) business days following the termination, conclusion or cancellation of this Agreement and that any such property remaining upon SBBC's facilities after that time shall be deemed to be abandoned, title to such property shall pass to SBBC, and SBBC may use or dispose of such property as SBBC deems fit and appropriate.

- 3.06 <u>Default</u>. The parties agree that, in the event that either party is in default of its obligations under this Agreement, the non-defaulting party shall provide to the defaulting party (30) days written notice to cure the default. However, in the event said default cannot be cured within said thirty (30) day period and the defaulting party is diligently attempting in good faith to cure same, the time period shall be reasonably extended to allow the defaulting party additional cure time. Upon the occurrence of a default that is not cured during the applicable cure period, this Agreement may be terminated by the non-defaulting party upon thirty (30) days notice. This remedy is not intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to every other remedy now or hereafter existing at law or in equity or by statute or otherwise. No single or partial exercise by any party of any right, power, or remedy hereunder shall preclude any other or future exercise thereof. Nothing in this section shall be construed to preclude termination for convenience pursuant to Section 3.05.
- 3.07 <u>Annual Appropriation.</u> The performance and obligations of SBBC under this Agreement shall be contingent upon an annual budgetary appropriation by its governing body. If SBBC does not allocate funds for the payment of services or products to be provided under this Agreement, this Agreement may be terminated by SBBC at the end of the period for which funds have been allocated. SBBC shall notify the other party at the earliest possible time before such termination. No penalty shall accrue to SBBC in the event this provision is exercised, and SBBC shall not be obligated or liable for any future payments due or any damages as a result of termination under this section.
- 3.08 Excess Funds. Any party receiving funds paid by SBBC under this Agreement agrees to promptly notify SBBC of any funds erroneously received from SBBC upon the discovery of such erroneous payment or overpayment. Any such excess funds shall be refunded to SBBC with interest calculated from the date of the erroneous payment or overpayment. Interest shall be calculated using the interest rate for judgments under Section 55.03, Florida Statutes, applicable at the time the erroneous payment or overpayment was made by SBBC.
- 3.09 <u>Public Records</u>. Pursuant to Section 119.0701, Florida Statutes, any party contracting with SBBC is required to (a) keep and maintain available for public inspection any records that pertain to services rendered under this Agreement; (b) provide the public with access to public records on the same terms and conditions that SBBC would provide such records and at a cost that does not exceed the cost provided in Chapter 119, Florida Statutes or as otherwise provided by law; (c) ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law; and (d) meet all requirements for retaining public records and transfer, at no cost to SBBC, all public records in that party's possession upon termination of its Agreement with SBBC and destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. All of such party's records stored electronically must be provided to SBBC in a format that is compatible with SBBC's information technology systems. Each party

shall maintain its own respective records and documents associated with this Agreement in accordance with the records retention requirements applicable to public records. Each party shall be responsible for compliance with any public documents request served upon it pursuant to Section 119.07, Florida Statutes, and any resultant award of attorney's fees for non-compliance with that law. Each party acknowledges that this Agreement and all attachments thereto are public records and do not constitute trade secrets.

- 3.10 Student Records. SBBC will not be providing any student records to Cloud9World. In the event that Cloud9World receives any student records from SBBC, notwithstanding any provision to the contrary within this Agreement, Cloud9World shall fully comply with the requirements of Sections 1002.22 and 1002.221, Florida Statutes; FERPA, and any other state or federal law or regulation regarding the confidentiality of student information and records. Each such party agrees, for itself, its officers, employees, agents, representatives, contractors or subcontractors, to fully indemnify and hold harmless SBBC and its officers and employees for any violation of this section, including, without limitation, defending SBBC and its officers and employees against any complaint, administrative or judicial proceeding, payment of any penalty imposed upon SBBC, or payment of any and all costs, damages, judgments or losses incurred by or imposed upon SBBC arising out of a breach of this covenant by the party, or an officer, employee, agent, representative, contractor, or sub-contractor of the party to the extent that the party or an officer, employee, agent, representative, contractor, or sub-contractor of the party shall either intentionally or negligently violate the provisions of this section or of Sections 1002.22 and/or 1002.221, Florida Statutes.
- 3.11 <u>Compliance with Laws</u>. Each party shall comply with all applicable federal, state and local laws, SBBC policies, codes, rules and regulations in performing its duties, responsibilities and obligations pursuant to this Agreement.
- 3.12 <u>Place of Performance</u>. All obligations of SBBC under the terms of this Agreement are reasonably susceptible of being performed in Broward County, Florida and shall be payable and performable in Broward County, Florida.
- 3.13 Governing Law and Venue. This Agreement shall be interpreted and construed in accordance with and governed by the laws of the State of Florida. Any controversies or legal problems arising out of this Agreement and any action involving the enforcement or interpretation of any rights hereunder shall be submitted to the jurisdiction of the State courts of the Seventeenth Judicial Circuit of Broward County, Florida.
- 3.14 Entirety of Agreement. This document incorporates and includes all prior negotiations, correspondence, conversations, agreements and understandings applicable to the matters contained herein and the parties agree that there are no commitments, agreements or understandings concerning the subject matter of this Agreement that are not contained in this document. Accordingly, the parties agree that no deviation from the terms hereof shall be predicated upon any prior representations or agreements, whether oral or written.
- 3.15 **Binding Effect**. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

- 3.16 <u>Assignment</u>. Neither this Agreement nor any interest herein may be assigned, transferred or encumbered by any party without the prior written consent of the other party. There shall be no partial assignments of this Agreement including, without limitation, the partial assignment of any right to receive payments from SBBC.
- 3.17 <u>Incorporation by Reference</u>. Exhibits attached hereto and referenced herein shall be deemed to be incorporated into this Agreement by reference.
- 3.18 <u>Captions</u>. The captions, section designations, section numbers, article numbers, titles and headings appearing in this Agreement are inserted only as a matter of convenience, have no substantive meaning, and in no way define, limit, construe or describe the scope or intent of such articles or sections of this Agreement, nor in any way affect this Agreement and shall not be construed to create a conflict with the provisions of this Agreement.
- 3.19 <u>Severability</u>. In the event that any one or more of the sections, paragraphs, sentences, clauses or provisions contained in this Agreement is held by a court of competent jurisdiction to be invalid, illegal, unlawful, unenforceable or void in any respect, such shall not affect the remaining portions of this Agreement and the same shall remain in full force and effect as if such invalid, illegal, unlawful, unenforceable or void sections, paragraphs, sentences, clauses or provisions had never been included herein.
- 3.20 <u>Preparation of Agreement</u>. The parties acknowledge that they have sought and obtained whatever competent advice and counsel as was necessary for them to form a full and complete understanding of all rights and obligations herein and that the preparation of this Agreement has been their joint effort. The language agreed to herein expresses their mutual intent and the resulting document shall not, solely as a matter of judicial construction, be construed more severely against one of the parties than the other.
- 3.21 <u>Amendments</u>. No modification, amendment, or alteration in the terms or conditions contained herein shall be effective unless contained in a written document prepared with the same or similar formality as this Agreement and executed by each party hereto.
- 3.22 <u>Waiver</u>. The parties agree that each requirement, duty and obligation set forth herein is substantial and important to the formation of this Agreement and, therefore, is a material term hereof. Any party's failure to enforce any provision of this Agreement shall not be deemed a waiver of such provision or modification of this Agreement unless the waiver is in writing and signed by the party waiving such provision. A written waiver shall only be effective as to the specific instance for which it is obtained and shall not be deemed a continuing or future waiver.
- 3.23 Force Majeure. Neither party shall be obligated to perform any duty, requirement or obligation under this Agreement if such performance is prevented by fire, hurricane, earthquake, explosion, wars, sabotage, accident, flood, acts of God, strikes, or other labor disputes, riot or civil commotions, or by reason of any other matter or condition beyond the control of either party, and which cannot be overcome by reasonable diligence and without unusual expense ("Force Majeure"). In no event shall a lack of funds on the part of either party be deemed Force Majeure.

- 3.24 <u>Survival</u>. All representations and warranties made herein, indemnification obligations, obligations to reimburse SBBC, obligations to maintain and allow inspection and audit of records and property, obligations to maintain the confidentiality of records, reporting requirements, and obligations to return public funds shall survive the termination of this Agreement.
- 3.25 <u>Contract Administration</u>. SBBC has delegated authority to the Superintendent of Schools or his/her designee to take any actions necessary to implement and administer this Agreement.
- 3.26 <u>Liability</u>. This section shall survive the termination of all performance or obligations under this Agreement and shall be fully binding until such time as any proceeding brought on account of this Agreement is barred by any applicable statute of limitations.
- A. By SBBC: SBBC agrees to be fully responsible up to the limits of Section 768.28, Florida Statutes, for its acts of negligence, or its employees' acts of negligence when acting within the scope of their employment and agrees to be liable for any damages resulting from said negligence.
- B. By Cloud9World: Cloud9World agrees to indemnify, hold harmless and defend SBBC, its agents, servants and employees from any and all claims, judgments, costs, and expenses including, but not limited to, reasonable attorney's fees, reasonable investigative and discovery costs, court costs and all other sums which SBBC, its agents, servants and employees may pay or become obligated to pay on account of any, all and every claim or demand, or assertion of liability, or any claim or action founded thereon, arising or alleged to have arisen out of the products, goods or services furnished by Cloud9World, its agents, servants or employees; the equipment of Cloud9World, its agents, servants or employees while such equipment is on premises owned or controlled by SBBC; or the negligence of Cloud9World or the negligence of Cloud9World's agents when acting within the scope of their employment, whether such claims, judgments, costs and expenses be for damages, damage to property including SBBC's property, and injury or death of any person whether employed by Cloud9World, SBBC or otherwise.
- 3.27 <u>Authority</u>. Each person signing this Agreement on behalf of either party individually warrants that he or she has full legal power to execute this Agreement on behalf of the party for whom he or she is signing, and to bind and obligate such party with respect to all provisions contained in this Agreement.

IN WITNESS WHEREOF, the Parties hereto have made and executed this Agreement on the date first above written.

FOR SBBC

(Corporate Seal)	THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
ATTEST:	ByAbby Freedman, Chair
Robert W. Runcie, Superintendent of Schools	Approved as to Form and Legal Content: Jackelyn Sacycus Apolomy Jackelyn Sacycus Apolomy Digitally signed by Kathelyn Jacques-Adams Esq kathelyn Jacqu

FOR CLOUD9WORLD

(Corporate Seal) Cloud 9 World Corp **ATTES** Name: Andrea Nachtigall Its: President , Secretary -or-Witness Witness STATE OF FLORIDA COUNTY OF MIAMI-DADE The foregoing instrument was acknowledged before me this day of ober, 2017 by Andrea Name of Person on behalf of the corporation/agency. Name of Corporation or Agency He/She is personally known to me or produced identification and did/did not first take an oath. Type of Identification My Commission Expires: (SEAL) ISABEL GALLEGO Notary's Commission No. Notary Public - State of Florida Commission # FF 215128 My Comm. Expires Mar 30, 2019 Bonded through National Notary Assn.