The Service Agreement ("Service Agreement") between KIDS READ NOW, INC. a 501(c)(3) non-profit company is contracted to manage the summer reading program for school / school district, hereafter referred to as CLIENT. The signed Service Agreement and these Terms and Conditions and Addendums, together incorporate the responsibilities of both parties.

1. PROGRAM FEATURES  The 2020 Program Overview denotes specific features that are included with each program version. Features and elements are subject to revision as KRN strives to enhance its services and effectiveness.

2. GENERAL CONDITIONS

2.1. PAYMENT TERMS

a.) Timing of payment. Client will remit payment to KRN by the payment date listed on their Service Agreement. If Client issues payment after the agreed-upon date, Client will forfeit any early payment incentives that may have applied to the agreed-upon payment date and will incur late charges of 1% per month or portion thereof.

b.) Student count adjustments. If the number of students enrolled by Client is more than 4% below committed numbers listed in Service Agreement, KRN will issue a credit for the difference between the student count listed on the Service Agreement and the actual number of students enrolled, to be credited towards future services. For example, if Client lists 500 students on their Service Agreement but only enrolls 450 students, then Client will pay for 500 students and in the following year KRN will deduct the cost of 50 students from the invoice that KRN issues to Client.

c.) If Client enrolls 4% or more students than the number of students listed on the Service Agreement, KRN will increase the number of students to be served and invoice an additional amount over and above service agreement amount. If KRN has already issued an invoice before the final student count is determined, then KRN will issue an additional invoice for any students not included in the original invoice when enrollment closes.

2.2 TERM OF SERVICE AGREEMENT The term of our Service Agreement shall commence upon both parties signing the Service Agreement and continue for the duration listed therein. Client may terminate their Service Agreement with KRN before the end of the term listed therein, with no penalties. If Client’s board declares a fiscal emergency, Client may prematurely terminate their Service Agreement with KRN with no penalties.

2.3 RENEWAL PROCESS

a.) Unless early termination of Service Agreement is requested as defined above, upon completion of the 1 year contract a KRN Account Manager will reach out to the District by October 15th to discuss renewal.

b.) Client will inform KRN of any changes to the Service Agreement by January 31st of the upcoming summer, including but not limited to the total number of students to be served, number of students by grade, payment dates, changes in relevant Client contact information, etc.

2.4 DATA-SHARING OPTIONS

a.) The Parties agree that Client will provide KRN with a CSV file during the enrollment period, including directory information for each student who is eligible to receive services from KRN. Student guardians may provide non-directory information to KRN on a voluntary basis in accordance with FERPA standards.

b.) If the Client wishes to provide non-directory information en masse in order to participate in KRN’s longitudinal research study on student reading score outcomes, then the parties agree that, as a contractor to whom the Client has outsourced institutional services, KRN shall be considered a “school official” under the Family Educational Rights and Privileges Act (“FERPA”) and related laws and regulations for purposes of this Service Contract. See 20 U.S.C. § 1232g; 34 C.F.R. § 99; R.C. 3319.321.

c.) If the Client chooses option (b) above in Section 2.4, then the Parties specifically agree that, for purposes of 34 C.F.R. § 99.31(a)(1)(i)(B) and related laws and regulations, KRN is:
   - Performing an institutional service or function for which the Client would otherwise use employees;
   - Under the direct control of the Client with respect to the use and maintenance of educational records; and
   - Subject to the requirements of 34 C.F.R. § 99.33(a) regarding the redisclosure of personally identifiable information from education records with respect to any record received by KRN from the Client.

   As a school official under FERPA and related laws and regulations, the Client shall disclose to KRN any and all education records—including personally identifiable information contained in those records—that are necessary for KRN to provide the summer reading program, and as defined in the IT/SIS Managers guide in addendum.
- The Client shall disclose these records—including personally identifiable information contained in those records—without the prior written consent of the parent of eligible student.

- The Client shall specify in the annual notification required under 34 C.F.R. § 99.37 and related laws and regulations that the Client utilizes contractors and other parties as school officials to provide institutional services and functions.

- KRN, including its officers, agents, and employees, shall not use or redisclose education records in any manner prohibited by FERPA and related laws and regulations. These obligations shall survive the termination of this Service Contract.

- As a school official subject to the direct control of the Client with respect to the use and maintenance of educational records, KRN shall comply with all policies and administrative guidelines of the Client, if any, with respect to education records.

- KRN will cooperate with Client in order to provide parents and eligible students the opportunity to inspect and review education records consistent with the obligations under FERPA and related laws and regulations.

- KRN will cooperate with Client in order to amend education records consistent with the obligations under FERPA and related laws and regulations.

2.45 DATA SECURITY AND CONFIDENTIALITY KRN will keep all student data secure and confidential in compliance with FERPA standards and related laws and regulations.

2.5. ADHERENCE TO PROGRAM TIMELINE AND RESPONSIBILITIES KRN will provide Client with a program timeline that lists relevant deadlines and tasks to be completed based on the Client’s last day of school. KRN will adhere to the program timeline, providing that Client does the same, especially regarding the most important milestones below.

- Client will complete the Onboarding Document by the requested deadline.

- Client will ensure that District and Building Coordinators complete the online training video series before enrollment begins.

- Client will conclude enrollment by the agreed-upon deadline.

- Client will inform KRN of any changes to the agreed-upon deadlines at least one week before the relevant deadline. Failure to meet agreed-upon deadlines may cause services and shipments to be delayed; or, upon notice to District Coordinator, expediting labor and freight charges to be invoiced to school.

4. LIMITATION OF LIABILITY IN NO EVENT SHALL KRN BE LIABLE FOR ANY CONSEQUENTIAL, INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, OR PUNITIVE DAMAGES, LOST PROFITS OR REVENUES OR DIMINUTION IN VALUE, ARISING OUT OF OR RELATING TO THE SERVICE AGREEMENT, WHETHER OR NOT THE POSSIBILITY OF SUCH DAMAGES HAS BEEN DISCLOSED IN ADVANCE BY BUYER OR COULD HAVE BEEN REASONABLY FORESEEN BY KRN, REGARDLESS OF THE LEGAL OR EQUIitable THEORY (CONTRACT, TORT, OR OTHERWISE) UPON WHICH THE CLAIM IS BASED. IN NO EVENT SHALL KRN’S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THE SERVICE AGREEMENT EXCEED THE TOTAL AMOUNT PAID TO KRN FOR THE ONE YEAR PERIOD PRECEDING THE DATE UPON WHICH THE DISPUTE AROSE.

5. FORCE MAJEURE KRN shall not be responsible or liable for any delays or failures hereunder due to any cause or condition beyond the control of KRN, including without limitation, acts of God or nature, government intervention, power failure, communications failure, unauthorized access or theft, strikes or other labor difficulties, fire, floods, inability to secure transportation facilities, actions of the elements, shortage of goods, riots or other civil commotion, war, and acts of terror.

6. SEVERABILITY In the event that any provision of the Service Agreement is held invalid, then the remaining provisions of this Service Agreement shall not be affected thereby.

7. GOVERNING LAW The rights and obligations of the parties under the Service Agreement shall be governed by laws of the Client’s State without regard to conflicts of laws principles.

8. COMPLETE AGREEMENT This Service Agreement incorporating this document, contains the entire agreement between the parties hereto with respect to the subject matter contemplated hereby and supersedes all previous and all contemporaneous negotiations, commitments, writings, and understandings except s expressly provided herein. The Service Agreement may be modified, changed or added to only by an agreement in writing executed by both parties. Specific program elements and role responsibilities may change and will be updated in modified addendums issued to Client; any additional or inconsistent terms, understandings, and conditions contained in any written document (including without limitation Client’s order forms or purchase acknowledgment) supplied by Client are objected to by KRN and will not be effective or binding as to KRN.