

AGREEMENT

This agreement made this _____ day of _____ 2016, by and between the **Southern Lehigh School District**, with its principal place of business located at 5775 Main Street, Center Valley, PA 18034 (hereinafter referred to as "Client") and **School Operation Services Group Inc.** whose principal place of business is maintained at 31 Glenloch Way, Malvern, PA 19355 (hereinafter referred to as "Contractor").

1. DESCRIPTION OF SERVICES

Contractor will assign its employee(s) to provide substitute custodial personnel at Client's location(s). Contractor will provide trained and qualified employees as necessary to fulfill the hours requested by Client.

2. TERM

The term of this Agreement shall be from the date above through June 30, 2017. This Agreement may be renewed annually as of July 1st of each year, under the terms and conditions as set forth in these documents, if both parties agree in writing to such an extension no later than sixty (60) days prior to the expiration of the last contract term. Either party may terminate this Agreement, or an extension thereof, at any time, for any reason with sixty (60) days written notice. Contractor reserves the right, however, to terminate this Agreement immediately in the event of non-payment for services rendered. In the event of any termination, this Agreement will continue to govern the parties' rights and obligations with respect to services performed prior to termination.

3. RATE

The rate billed to Client will be \$16.88 for each hour of assigned substitute personnel. Any hours beyond 40 hours per week per employee will be as requested by the client and billed at 1.75 times the normal hourly billed rate. Expenses that are a result of requests by Client will be billed as additional expenses, such as mileage, travel, training, etc.

4. CONTRACTOR'S RESPONSIBILITIES

(a) Generally

Contractor will recruit, interview, select, hire and assign its employee(s) to Client to provide custodial services. Contractor shall ensure that all individuals who are selected, hired, and assigned to provide services under this Agreement are adequately trained, experienced, competent and otherwise qualified to provide said services.

As the employer, Contractor will: (i) maintain all necessary personnel and payroll records for its employees; (ii) calculate their wages and withhold taxes and other government mandated charges, if any; (iii) remit such taxes and charges to the appropriate government entity; (iv) pay net wages and fringe benefits, if any, (i.e., vacation and holiday pay) directly to its employees; (v) provide for liability and fidelity insurance as specified herein, and (vi) provide workers' compensation insurance coverage in amounts as required by law.

Contractor will provide its employees with a uniform consisting of a work shirt. Client will provide Contractor with its expectation as to the rest of the employees' dress.

Any issues regarding the performance of Contractor's employees will be addressed by Client and Contractor. At Client's request, Contractor will remove any of its employees assigned to Client immediately and replace the employee within two weeks. The client will not be charged for any days in the interim where services are interrupted. This agreement will in no way affect the right of Contractor, in its sole discretion as employer, to hire, assign, reassign, discipline and/or terminate any of its own employees.

(b) Compliance

In connection with the performance of this Agreement, Contractor will comply with all applicable laws, regulations and orders, including, but not limited to, equal opportunity employment laws and regulations, the Fair Labor Standards Act, the Immigration Reform and Control Act, and criminal history record check laws. Specifically, Contractor warrants that all individuals who provide services under this Agreement shall be properly screened and vetted pursuant to Pennsylvania law as follows:

(1) Contractor shall ensure that any and all employees furnished by Contractor, or contractors enlisted by Contractor, including employees of said contractors, and any other individuals providing any services under this Agreement, who may in any manner come in contact with the students of Client, shall have appropriate criminal background clearances as provided for in Section 1-111 of the Pennsylvania School Code and Sections 6354-6358 of the Pennsylvania Public Welfare Code (Acts 134, 151, and 114). Contractor agrees to bear any and all costs associated with acquiring the required background clearances.

(2) Contractor shall make copies of the clearances available to Client prior to the commencement of any services provided by Contractor and/or said individuals' presence on Client's premises.

(3) Contractor shall notify Client immediately upon becoming aware that any of its employees, contractors or contractor's employees, who previously were certified as completing the background clearances, and as meeting the statutory standards, are subsequently arrested or convicted of any disqualifying offense under State or federal law. Failure by Contractor to notify Client of such an arrest or conviction within seventy-two (72) hours of Contractor's knowledge of such arrest or conviction shall constitute grounds for immediate termination of this Agreement by Client.

(4) Contractor shall assure that each of its employees or contractors who provide any services pursuant this Agreement shall comply with all applicable Client policies and all applicable local, state and federal laws and regulations.

(5) Contractor agrees that neither it nor any of its employees, agents or officers will at any time, either during or subsequent to the term of this Agreement, disclose to any third party any confidential student information, personal health information or other confidential information accessed or obtained by virtue of entering into this Agreement and providing services herein, except where expressly required by law or where such disclosure is expressly approved by Client in writing.

(6) Contractor agrees that the failure by Contractor to perform or enforce any of the duties described in this paragraph (b) inclusive shall constitute a material breach of the contract entitling Client to terminate this Agreement immediately with no further responsibility to make payment or perform any other duties under this Agreement.

(c) Employees

All employees assigned to Client by Contractor under this Agreement shall at all times and for all purposes be deemed employees of Contractor. Employees assigned to Client by Contractor under this Agreement shall not be eligible to receive, nor shall they receive, any compensation or benefits from Client nor shall they derive any employment related rights or entitlements as related to Client.

Contractor shall be solely responsible for the hiring, compensation, management and evaluation of its employees, agents or contractors who shall provide services pursuant to this Agreement. Contractor shall be solely responsible to pay for any compensation and/or benefits provided to its employees, as applicable, and to provide for workers' compensation insurance coverage in amounts as required by law as to such employees. Contractor shall be solely responsible for paying any federal, state, and/or local withholding taxes and any and all other payments and payroll related taxes resulting from services rendered under this Agreement by said employees. Contractor expressly shall hold Client harmless against the payment of any compensation or benefits and all taxes, contributions, or premiums which may be payable under federal, state, or local laws related to said employees arising out of the performance hereunder.

Its status as independent contractor notwithstanding, Contractor agrees that the employees furnished to provide the services outlined shall perform the services outlined herein and all of the duties and responsibilities required

of them as set forth herein within the stated parameters established by Client and in accordance with all policies and procedures and directions of Client. In particular, Client will be responsible for the specific daily assignment of work. In addition, the days of work and the scheduled work day shall be determined by Client. While serving under this Agreement, Contractor's employees shall provide said services at the direction of Client's applicable administrators and shall report directly to Client's applicable administrators. Contractor's employees shall be responsible for the provision of such services and attainment of the specified results as are specifically communicated by Client's applicable administrators. Contractor guarantees that the employees it assigns to Client will satisfactorily perform the services ordered by Client.

5. CLIENT'S RESPONSIBILITIES

(a) Generally

The services to be performed by employees provided by Contractor will be performed under the direction, and supervision of Client. Client will provide Contractor's employees with: (i) a suitable workplace which complies with all applicable safety and health standards, statutes and ordinances, (ii) all necessary information, training and safety equipment with respect to any hazardous substances, and (iii) adequate instructions, assistance, supervision and time to perform the services requested of them. Client will also provide Contractor's employee(s) with access to a computer with internet access. Contractor's employee(s) will utilize tools already on site as provided by the Client which will be inventoried prior to the start of the Agreement. The Contractor's employee(s) may also utilize their own tools, which will be clearly labeled. Client will provide the employee with an identification badge, and applicable keys, access card or fob, etc. Should Contractor's employee(s) lose the keys or access cards, Contractor will reimburse Client for the replacement cost.

Client shall also provide Contractor's employees with all necessary site-specific information such as emergency procedures, school rules and protocols, policies and procedures.

Client agrees to give Contractor prompt written notice of any concern or complaint about the conduct of a Contractor employee assigned to Client. Client will give such notice no later than the end of the same day that it learns of the concern or complaint. Client also agrees to cooperate with Contractor with respect to Contractor's independent investigation of such a concern or complaint.

6. PAYMENT FOR SERVICES

Contractor will invoice Client every fourth week at the address set forth herein. Payment will be due within thirty (30) days following receipt of the Contractor invoice. In the event of termination of this Agreement, Client will pay Contractor promptly for services performed up to the time of termination. Client will set up the Contractor employee(s) in the time clock system and will remit the employee(s) time cards to Contractor.

7. HIRING OF CONTRACTOR'S EMPLOYEES

Contractor's employees may become eligible to be hired by the Client. A Contractor's employee will become eligible when he/she has worked a minimum of 520 hours at the Client's Location(s).

8. INSURANCE

Contractor will provide a certificate of liability insurance which names the Client as an additional insured. The amount of insurance will be \$1,000,000 for injuries, including accidental death, to any one person, and subject to the same limit for each person in an amount not less than \$1,000,000 on account of one accident, and property damage insurance in an amount of \$100,000. Contractor neither owns or operates any vehicles and therefore, has no automobile insurance. Should Contractor's employees be asked to drive a Client vehicle, he/she shall be covered under Client's automobile insurance. Contractor will, at its own expense, provide and keep in full force and effect during the term of this Agreement Workers' compensation statutory coverage as required by the laws of the jurisdiction in which the services are performed;

9. INDEMNIFICATION BY CONTRACTOR

Contractor will indemnify, defend and hold harmless Client and its directors, officers, employees and agents, from and against all demands, claims, actions, losses, judgments, costs and expenses (including reasonable attorney fees) (collectively "Damages") imposed upon or incurred by Client to the extent arising out of any of the following:

- (a) Contractor's failure to comply with its obligations under any applicable laws, regulations or orders;
- (b) Contractor's breach of any obligation contained in this Agreement;
- (c) any negligent act or omission or intentional misconduct of Contractor, its officers, employees or agents; or
- (d) Any direct claim for workers' compensation benefits for job-related bodily injury or death asserted against Client by any Contractor employees or, in the event of death, by their personal representatives.

10. INDEMNIFICATION BY CLIENT

To the extent permitted by law, Client will indemnify, defend and hold harmless Contractor and its directors, officers, employees and agents from and against all demands, claims, actions, losses, judgments, costs and expenses (including reasonable attorney fees) (collectively "Damages") imposed upon or incurred by Contractor (excluding job-related bodily injury or death of Contractor's employees on assignment to Client) arising out of any of the following:

- (a) Client's failure to comply with its obligations under applicable laws, regulations or orders;
- (b) Client's breach of any obligation contained in this Agreement; or
- (c) any negligent act or omission or intentional misconduct of Client, its officers, employees or agents.

Client shall not be responsible or liable for any Damages to the extent they are based on the negligence or intentional acts of Contractor or the failure of Contractor to fulfill its obligations under this Agreement.

11. LIMITATION OF LIABILITY

Neither Contractor nor Client will be liable for special, indirect, or consequential damages, or loss of profits, revenues, or goodwill arising out of this Agreement regardless of the basis of the claim.

12. NOTIFICATION OF CLAIMS

In conjunction with the indemnity clauses set forth above, Client and Contractor agree (a) to notify each other in writing of any asserted claim within ten (10) days of learning of the claim, and (b) to permit Contractor or Client, as the case may be, to defend the claim at the option of the party against whom the claim is asserted, with counsel acceptable to such party, which consent will not be unreasonably refused. Neither party will pay or agree to pay any asserted claim under this Agreement without prior written approval from the party against whom the claim is asserted, which approval will not be unreasonably withheld.

13. PERMITS AND LICENSES

Each party will maintain in effect during the term of this Agreement any and all Federal, State and/or local licenses and permits which may be required with respect to the respective business in which each party is engaged.

14. FORCE MAJEURE

Contractor will not be responsible for failure or delay in assigning its employees to Client if the failure or delay is due to labor disputes and strikes, fire, riot, war, acts of God or any other causes beyond the control of Contractor.

15. NOTICES

Any notices, consents or other communications required or permitted under this Agreement must be in writing (including telecommunications) and delivered personally or sent by telex, telecopy or other wire transmission (with request for assurance in a manner typical with respect to communication of that type), overnight air courier (postage prepaid), registered or certified mail (postage prepaid with return receipt requested), addressed as shown on the first page of this Agreement. Unless otherwise stated in this Agreement, notices, consents or other communications will be deemed received (a) on the date delivered, if delivered personally or by wire transmission; (b) on the next business day after mailing or deposit with an overnight air courier; or (c) three business days after being sent, if sent by registered or certified mail.

16. SECTION HEADINGS

The Section headings of this Agreement are for the convenience of the parties only and in no way alter, modify, amend, limit, or restrict the contractual obligations of the parties.

17. SEVERABILITY; WAIVER

The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement. Any delay or waiver by a party to declare a breach or seek any remedy available to it under this Agreement or by law will not constitute a waiver as to any past or future breaches or remedies.

18. ASSIGNMENT

Neither Contractor nor Client may assign this Agreement without the prior written consent of the other party. This Agreement will be binding upon the parties hereto, and their successors, heirs and assigns, as permitted.

19. INDEPENDENT CONTRACTOR

In its performance of this Agreement, Contractor will at all times act in its own capacity and right as an independent contractor, and nothing contained herein may be construed to make Contractor an agent, partner or joint venturer of Client.

Client may, during the term of this Agreement, engage other persons, entities or independent contractors to perform the same services that Contractor shall perform hereunder as needed. Likewise, this Agreement does not preclude Contractor from marketing or selling its services to other entities.

20. AUTHORITY TO CONTRACT

Client represents and warrants that it has the right, power, and any requisite authorization to enter into this Agreement. The client represents that it has satisfied any applicable procedural requirements necessary for it to be authorized to enter into this Agreement. The Client representative who is signing this Agreement represents that he/she has been delegated authority by the subject school board/district to execute this Agreement for the school board/district.

Contractor represents that it has satisfied any applicable procedural requirements necessary for it to enter into this Agreement and that the contractor representative who is signing this Agreement represents that he/she has been delegated authority by Contractor to execute this Agreement on its behalf.

21. ENTIRETY

This Agreement and its Exhibit(s) are the entire understanding and agreement between the parties with respect to the subject matter covered, and all prior agreements, understandings, covenants, promises, warranties and representations, oral or written, express or implied, not incorporated in this Agreement are superseded. This Agreement may not be amended or supplemented in any way except in writing, dated and signed by authorized

representatives of both parties. Both parties further represent that the Agreement's terms are clear and unambiguous. To the extent that in the future any term of the Agreement is deemed ambiguous, the parties expressly agree that neither party shall be deemed the drafter of the Agreement such that the ambiguity would be interpreted in favor of the other party.

22. GOVERNANCE

This Agreement shall be governed by and construed in accordance with the laws of Pennsylvania. Any suit or action filed to enforce or contest any provision of this Agreement, or the obligations imposed herein shall be brought and prosecuted in a court of competent jurisdiction sitting in the County of Chester.

IN WITNESS WHEREOF, the parties have caused this Agreement to be signed by their respective duly authorized representatives as of the day and year shown above.

School Operation Services Group Inc.:

By: Richard H. Krumrine



Title: Vice President / Treasurer

Date: 3/22/16

Southern Lehigh School District:

By: _____

Title: _____

Date: _____

ATTEST:

By: _____

Title: _____

Date: _____