

This Master Subscription Agreement (“Agreement”) governs Your use of Our Services. If you register for a free trial of our Services, this Agreement shall also govern that free trial. You agree to be bound by the terms of this Agreement either by clicking a box indicating Your acceptance or by executing an Order Form that references this Agreement.

1. DEFINITIONS

1.1. Unless otherwise defined in this Agreement, the capitalized terms herein shall have the following meaning:

“Authorized User” means any employee, contractor, representative, or other person acting on Your behalf who is authorized by You to use the Services and who has been supplied with access to the Services by either You or Us at Your written request.

“Customer Data” means any information uploaded to Our systems by Subscriber or an Authorized User.

“Order Form” means the order form provided by MasterLibrary.com, LLC (“MasterLibrary.com”) to You which includes, without limitation, the Services to be provided to You, the term of Your subscription, and the cost for the Services.

“Our”, “Us” or “We” refers to MasterLibrary.com“

“Party” means MasterLibrary.com and/or the Subscriber.

“Portal” means Our interface by which a Subscriber or an Authorized User uses the Services.

“Services” means the software as a service product(s) provided by Us to You pursuant to a signed Order Form and this Agreement.

“Subscriber” means the person or entity that contracts for Our Services.

“Term” means the time period in which You are authorized to use the Services.

“Website” means any web site that We have setup for You or website that the You have been granted access to by Us.

“You” or “Your” shall refer to the Subscriber.

“Subcontractor” shall refer to any of the Subscriber’s component districts.

2. LICENSE

2.1 License to the Services and MasterLibrary.com Content. Upon full payment for the Services, We hereby grant to Subscriber a limited, non-transferable, non-exclusive license to access and use the Services during the Term, subject to Subscriber’s compliance with this Agreement and the Order Form.

2.2 Use of MasterLibrary.com Content. As part of the Services, Authorized Users shall have access to information, communications, photos, text, video, graphics, music, sounds, images and other material and services posted by Us onto Our Website (collectively, “MasterLibrary.com Content”). Neither Subscriber nor its Authorized Users shall modify, publish, transmit, participate in the transfer or sale of, reproduce, create derivative works from, distribute, perform, or display the MasterLibrary.com Content, incorporate the MasterLibrary.com Content into another website, or mirror the Services, without Our prior written permission.

2.3 Ownership of Services and MasterLibrary.com Content. Notwithstanding anything to the contrary herein, title to and ownership of the Services and the MasterLibrary.com Content shall at all times remain with MasterLibrary.com. We reserve all rights to the Services and MasterLibrary.com Content not expressly granted to You. You acknowledge that the Services and MasterLibrary.com Content are protected by United States and foreign intellectual property laws, and thus, unauthorized use of the Services or the MasterLibrary.com Content may violate copyright, trademark, and other laws.

2.4 License to Use Subscriber’s Name. So long as We are not in default under this Agreement, Subscriber hereby grants to MasterLibrary.com. for the duration of this Agreement or any extension thereof a royalty-free, worldwide, non-exclusive license to use Subscriber's name and logo to identify Subscriber as a customer of MasterLibrary.Com on Our Website and in promotional and corporate materials. Additionally, Subscriber agrees that MasterLibrary.com, may issue a press release (i) identifying the Subscriber as a current customer and (ii) explaining the Subscriber's intended use of MasterLibrary.Com and the benefits we expect the Subscriber to receive by using the Services and (iii) MasterLibrary.com’s right to list the subscriber shall not survive termination of the agreement.

2.5 Suggestions. Subscriber hereby grants to MasterLibrary.com, a royalty-free, worldwide, irrevocable, perpetual license to use and incorporate into the Services, Portal and/or Website any suggestions, enhancement requests, recommendations, or other feedback provided by You, including Authorized Users, relating to the operation of the Services.

2.6 License and Ownership of Subscriber information. Subscriber shall retain all rights, title and interest in all information, data and other materials uploaded by it and its Authorized Users to any non-public areas of the Services (“Subscriber Information”). During the term, you grant Us a limited, non-exclusive license to utilize, display and manipulate the Subscriber Information solely as necessary to provide You with the Services.

3. SERVICES

3.1 Modification of the Services. We reserve the right, at Our sole and absolute discretion, to modify the functionality of the Portal, the Website, or the Services at any time for any reason. If, however, such modification of the functionality of the Portal, the Website or the Services results in a material adverse impact on Subscriber’s ability to use the Services, and such impact cannot be cured through commercially reasonable efforts, Subscriber shall be entitled to terminate this Agreement with written notice to MasterLibrary.com and MasterLibrary.com shall promptly refund to Subscriber any prepaid but unearned fees through the date of termination.

3.2 Third Party Equipment and Software. You acknowledge that We are not responsible for the purchase, licensing, or maintenance of any third-party equipment and/or software necessary for the performance of the Services.

4. TERM

4.1. The initial term of this Agreement shall be set forth in the Order Form. Unless either party terminates the Term pursuant to Section 12 below, the Term shall automatically renew for a term of equal length as the initial term or one (1) year (whichever is shorter). The initial term and all successive renewal terms shall be referred to, collectively, as the “Term.” The pricing for the Services during any automatic renewal term will be the same as that during the immediately prior term unless We have given You written notice of a pricing increase at least thirty (30) days before the end of the then-current term, in which case the pricing increase shall become effective upon renewal. The cost for any services which Subscriber wishes to add to its subscription at any time shall be at the then current rate for such service(s) unless otherwise provided in a new Order Form.

5. TAXES

5.1 Taxes. Except for taxes imposed on our income, Subscriber shall pay all applicable taxes, including personal property taxes or sales or use taxes, resulting from its purchase and use of the Services.

6. USERNAME AND PASSWORD

6.1 Username and Password. Each Authorized User shall be required to select a username and password. Subscriber is solely responsible for maintaining the confidentiality of Authorized Users' usernames and passwords. Subscriber shall immediately notify Us of any unauthorized use of an Authorized User's username or password.

7. SUBMITTING CONTENT; WARRANTIES

7.1 Restrictions. Subscriber is responsible for its Authorized Users' use of the Services. Subscriber and its Authorized Users shall not: communicate or upload material that is copyrighted, unless Subscriber is the copyright owner or has legal right from the copyright owner to communicate or upload it; communicate or upload material that reveals trade secrets, unless Subscriber owns them or has legal right from the owner of the trade secret to communicate or upload it; communicate or upload material that infringes any intellectual property right or privacy or publicity right of any third party; communicate or upload material that is obscene, defamatory, threatening, harassing, abusive, or hateful to another user or any other person or entity; communicate or upload a sexually-explicit image or statement; communicate or upload advertisements or solicitations for business without prior approval from MasterLibrary.com; communicate or upload chain letters, pyramid schemes, or similar content; or impersonate another person. We reserve the right to investigate complaints or reported violations of this Agreement and to take any action We deem appropriate including, but not limited to, reporting any suspected unlawful activity to law enforcement officials, regulators, or other third parties and disclosing any information necessary or appropriate to such persons or entities relating to Your or any Authorized User's profile, email addresses, usage history, posted materials, IP addresses, and/or traffic information.

7.2 Non-Infringement. Subscriber warrants and represents to MasterLibrary.com, that all information, communications, software, photos, text, video, graphics, music, sounds, images and other materials transmitted or uploaded by Authorized Users to MasterLibrary.com are solely owned by Subscriber or are transmitted or uploaded with the express authority of the applicable owner(s) and do not infringe upon any third party's rights (including, without limitation, intellectual property rights), or contain any material or information that is obscene, defamatory, libelous, slanderous, that violates any personal right of publicity or privacy, or that will otherwise result in any tort, injury, damage or harm to any person. MasterLibrary.com warrants and represents to Subscriber that software and other intellectual property it provides to Subscriber or Subscriber's subcontractors pursuant to this Agreement is lawfully owned or licensed by, or otherwise legally available to, MasterLibrary.Com for such purposes.

7.3 Links to other Websites. MasterLibrary.com may contain links to other websites. We are not responsible for the content, accuracy or opinions express in such websites, and we do not investigate, monitor or check such websites for accuracy or completeness. Inclusion of any linked website on Our Website does not imply approval or endorsement of the linked website by MasterLibrary.com. If any Authorized User decides to leave Our Website and access such third-party sites, they do so at their own risk.

7.4 Third Party Content. Third party content may appear on MasterLibrary.Com or may be accessible via links from MasterLibrary.Com. MasterLibrary.com is not responsible for and assumes no liability for any mistakes, misstatements of law, defamation, omissions, falsehood, obscenity, pornography or profanity in the statements, opinions, representations or any other form of content on MasterLibrary.com transmitted or uploaded by third parties.

7.5 Privacy. MasterLibrary.com collects basic contact information (phone numbers, email addresses and company names and addresses) for use within the Website only, so that others can communicate with You on projects and processes based on access privileges. We do not store complete credit card data. We only store the last 4 number of a credit card number for reference and Your credit card expiration date, so that We can alert You to an expiring card. We do not share or sell Your personal data with any third party. You are responsible for managing Your contact information via Your user profile settings.

7.6 Data Storage Limits. File storage is limited to the amounts set forth on the Order Form.

8. LIMITATIONS ON USE

8.1 Limitations on Use. Subscriber agrees that neither it nor its Authorized Users shall (i) rent, sell, lease or otherwise transfer the Services, (ii) use the Services in a manner that violates applicable law, (iii) violate or attempt to violate the security of the Services or use the Services to violate the security of other websites by any method, including, without limitation, (a) accessing data not intended for Subscriber or Authorized Users or logging into a server or account which Authorized Users are not authorized to access, (b) attempting to probe, scan or test the vulnerability of a system or network or to breach security or authentication measures without proper authorization, (c) attempting to interfere with the service(s) to any user or subscriber of the Services including, without limitation, by uploading or transmitting a virus to the Website or Our server, overloading, "flooding," "spamming," "mail bombing," attempting "denial of service" attacks, or "crashing," (d) send unsolicited e-mail including promotions and/or advertising of products or services, (e) forge any MasterLibrary.com or MasterLibrary.com packet header or any part of the header information in any e-mail or newsgroup posting, or (f) access the Portal, Our Website, and/or the Services for purposes of monitoring their availability, performance, or functionality, or for any other benchmarking or competitive purposes. Subscriber may monitor the Portal, the Website and the Services under this agreement for purposes of its own and any subcontractors use and satisfaction with the Portal, Website and Services provided. Subscriber shall be liable to MasterLibrary.com, for any failure by its Authorized Users to comply with the terms of this Agreement.

9. CONFIDENTIALITY

9.1 Confidential Information. "Confidential Information" shall mean any information relating to or disclosed in connection with this Agreement, including technical processes, formulas, product designs, sales, cost and other unpublished financial information, product and business plans, and projections and marketing data, that is marked as confidential or proprietary or should be reasonably understood to be confidential or proprietary to the disclosing party.

9.2 Confidentiality Obligation. All Confidential Information shall be retained by the receiving party in confidence for the term of this Agreement and for a period of three (3) years thereafter and shall not be used except in connection with performance under this Agreement.

9.3 Exceptions; Permitted Disclosures. Confidential Information shall not include any information that (i) was already known to the receiving party at the time of disclosure as evidenced by written documents in the receiving party's possession prior to disclosure; (ii) was generally available to the public or becomes publicly known through no wrongful act of the receiving party; (iii) was received by the receiving party from a third party who had a legal right to provide it; or (iv) was developed independently of knowledge of Confidential Information received by the

receiving party from the disclosing party. Nothing in this Agreement shall prevent a receiving party from disclosing information as may be required by law, regulation or order of any court or regulatory commission, department or agency, provided that the receiving party gives prompt notice of such requirement to the disclosing party to enable the disclosing party to seek an appropriate protective order. Notwithstanding any language in this Agreement to the contrary both Parties understand that if the Subscriber is a public school district subject to the *Freedom of Information Act* (“FOIA”) of the Subscriber’s State, Subscriber may disclose that Confidential Information which it is legally required to disclose under a FOIA request, without liability hereunder, provided that Subscriber shall, to the extent permitted by law, provide MasterLibrary.com with prior notice of any FOIA request which obligates Subscriber to disclose Confidential Information of MasterLibrary.com

10. DISCLAIMERS AND LIMITATIONS

10.1 Acknowledgment. You expressly acknowledge and agree that to the extent permitted by applicable law Your use of the Services is at your sole risk and that the entire risk as to satisfactory quality, performance, accuracy, and effort. You further acknowledge that the Service(s) are not intended or suitable for use in situations or environments where the failure or time delays of, or errors or inaccuracies in the MasterLibrary.com Content and/or Service(s) or information provided by the Services could lead to personal injury (including death) or damage to property.

10.2 Disclaimer. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, THE SERVICES ARE PROVIDED “AS IS”, WITH ALL FAULTS AND WITHOUT WARRANTY OF ANY KIND. MASTERLIBRARY.COM DISCLAIMS ALL WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY WARRANTIES AS TO THE SUITABILITY, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF THE SERVICES. MASTERLIBRARY.COM, DOES NOT WARRANT THAT THE MASTERLIBRARY.COM CONTENT, THE WEBSITE OR THE SERVICES WILL OPERATE UNINTERRUPTED OR ERROR-FREE, OR THAT THE SERVICES AND WEBSITE WILL WORK WITH OR BE COMPATIBLE WITH SUBSCRIBER’S HARDWARE, SOFTWARE, AND/OR NETWORK. NO REPRESENTATION OR OTHER AFFIRMATION OF FACT, INCLUDING WITHOUT LIMITATION STATEMENTS REGARDING CAPACITY, SUITABILITY FOR USE OR PERFORMANCE OF MASTERLIBRARY.COM OR THE SERVICES, WHETHER MADE BY MASTERLIBRARY.COM, EMPLOYEES OR OTHERWISE THAT ARE NOT CONTAINED IN THIS AGREEMENT SHALL BE DEEMED TO BE A WARRANTY BY MASTERLIBRARY.COM, FOR ANY PURPOSE, OR GIVE RISE TO ANY LIABILITY OF MASTERLIBRARY.COM, WHATSOEVER.

10.3 Limitation. IN NO EVENT SHALL MASTERLIBRARY.COM OR SUBSCRIBER BE LIABLE FOR ANY LOST OR ANTICIPATED PROFITS, OR ANY INDIRECT, INCIDENTAL, EXEMPLARY, SPECIAL, RELIANCE OR CONSEQUENTIAL DAMAGES, INCLUDING WITHOUT LIMITATION DAMAGES FOR LOST DATA OR ECONOMIC DAMAGE, REGARDLESS OF THE FORM OF ACTION AND REGARDLESS OF WHETHER MASTERLIBRARY.COM OR SUBSCRIBER HAS BEEN ADVISED OR HAS REASON TO KNOW OF THE POSSIBILITY OF SUCH DAMAGES. NOTWITHSTANDING ANY PROVISION CONTAINED HEREIN TO THE CONTRARY, THE MAXIMUM LIABILITY OF MASTERLIBRARY.COM, ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR ANY USE OF OR INABILITY TO USE THE SERVICES, WHETHER SUCH LIABILITY ARISES FROM ANY CLAIM BASED UPON CONTRACT, WARRANTY, TORT, OR OTHERWISE, SHALL IN NO EVENT EXCEED THE ACTUAL AMOUNT PAID TO MASTERLIBRARY.COM, BY THE SUBSCRIBER HEREUNDER DURING THE THREE (3) MONTHS PRECEDING THE EVENT WHICH TRIGGERED THE LOSS OR \$100, WHICHEVER IS GREATER.

11. INDEMNITY AND INSURANCE

11.1 Indemnification. Subscriber agrees to defend, indemnify, and hold harmless MasterLibrary.com and its respective members, managers, officers, employees, and agents (collectively, “Indemnitees”), from and against any and all actual or alleged third-party claims, lawsuits, actions, demands, damages, penalties, costs, expenses and liability whatsoever (“Claims”), including reasonable attorneys’ fees, accounting fees, and costs, to the extent arising out of Subscriber’s, including its officers, employees, agents, and other representatives’ willful misconduct, negligence, or breach of the representations, warranties, or covenants under this Agreement. To make an indemnification claim hereunder, MasterLibrary.com shall timely notify Subscriber of any such claim, suit, or proceeding threatened or filed against MasterLibrary.com and shall cooperate with Subscriber in defending any such claim, suit or proceeding; provided, however, MasterLibrary.com shall have the right to select its own legal counsel and control the defense and/or settlement of any Claim. The obligations of this Section 11.1 shall survive the expiration or earlier termination of this Agreement.

11.2 Insurance. MasterLibrary.com shall maintain the types and levels of insurance during the Term of this Agreement and any extension thereof as are set forth on Exhibit A attached hereto and incorporated by reference herein. All insurers shall be licensed by the State in which Services are delivered and have a Best’s Financial Strength Rating of at least A+VII or comparable rating from a similar service. MasterLibrary.com shall name the Subscriber as an additional insured on all insurance required hereunder on a primary and non-contributory basis, with the sole exception being the workers compensation insurance. Upon request, MasterLibrary.com shall provide the Subscriber with certificates of insurance evidencing the existence of the coverage described above.

12. TERMINATION

12.1 This Agreement may be terminated

- i. by either Party by giving the other party written notice at least thirty (30) days before but not more than ninety (90) days prior to the scheduled end of the Term,
- ii. by MasterLibrary.com, in the event of nonpayment by Subscriber within thirty (30) days of the applicable payment due date,
- iii. by MasterLibrary.com, at any time, without notice, if (a) Subscriber is in violation of any material term or condition of this Agreement or the Order Form, or (b) Subscriber’s use of the Services disrupts, or if MasterLibrary.com determines in its sole and absolute discretion that Subscriber could disrupt, MasterLibrary.com’s business operations.
- iv. by Subscriber on 30 days’ notice if a breach of this Agreement by MasterLibrary.com continues uncured for 30 days from the date of Subscriber’s notice to MasterLibrary.com.

12.2 If You cancel or terminate this Agreement prior to the end of the Term for any reason other than pursuant to Section 12.1(iv) above, You shall be obligated to pay all fees and charges due to MasterLibrary.com, through the end of the Term. If this Agreement is terminated by the Subscriber pursuant to Section 12.1(iv) above, MasterLibrary.com shall promptly return to the Subscriber any prepaid and unearned fees.

13. MISCELLANEOUS

13.1 Return/Destruction of Customer Data. Upon expiration of the term of the Agreement, upon the earlier termination of the Agreement for any reason, or upon the Subscriber's request, MasterLibrary.com shall return to the Subscriber all Customer Data. If the Subscriber is unable or unwilling to receive Customer Data within a reasonable time (not to exceed 6 months) then MasaterLibrary.com may destroy the Customer Data without further notice to Subscriber.

13.2 Data Storage MasterLibrary.com shall not transmit to or store any Customer Data on a server or other data storage medium located outside the United States of America.

13.3 Access to Data by the Subscriber. Any Customer Data in the possession or under the control of MasterLibrary.com shall be made available to the Subscriber upon the written request of the Subscriber. MasterLibrary.com shall provide copies of or access to Customer Data in the possession or under the control of MasterLibrary.com to the Subscriber within a reasonable time frame and shall use commercially reasonable efforts to provide such Customer Data within time frames that will allow timely compliance by the Subscriber with any statutorily or court ordered deadline.

13.4 Independent Contractors. MasterLibrary.com, and Subscriber are independent contractors, and nothing in this Agreement shall create or imply any agency relationship between the parties, nor shall the Agreement be deemed to constitute a joint venture or partnership between the parties. Neither party shall have authority to bind or otherwise obligate the other in any manner whatsoever.

13.5 Force Majeure. MasterLibrary.com, shall not be liable for its failure to perform hereunder due to contingencies beyond its reasonable control, including, but not limited to, strikes, riots, wars, fire, power failure, hardware failure, acts of God, third-party actions, or acts in compliance with any law or government regulation.

13.6 Governing Law and Forum. Except as otherwise specifically provided herein, this Agreement and all rights of the parties shall be governed by, and construed in accordance with, the laws of the State of Illinois without reference to conflict of laws principles. The parties hereto agree that the exclusive venue and place of trial for the resolution of any disputes arising in connection with the interpretation or enforcement of this Agreement shall be the state and federal courts located in Cook County, Illinois. The parties hereby consent to the personal jurisdiction of the abovementioned courts.

13.7 No Third-Party Beneficiaries. There are no third-party beneficiaries to this Agreement. The parties do agree that any subcontractors of the subscriber are intended third-party beneficiaries not withstanding and other language in agreement to the contrary.

13.8 Assignment. Subscriber may not assign any of its rights or obligations under this Agreement without the prior written consent of MasterLibrary.com. MasterLibrary.com, may assign any of its rights or obligations under this Agreement without the written consent of Subscriber. MasterLibrary.com, may subcontract any or all of its obligations under this Agreement. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties, their successors and their permitted assigns.

13.9 Notices. Any notice required or permitted to be given under this Agreement shall be given by a party and shall be sent (i) by personal delivery, (ii) electronically (e-mail or facsimile), (iii) by certified or registered mail, return receipt requested and postage prepaid or (iv) using a nationally recognized United States overnight courier service, fee prepaid, return receipt or other confirmation of delivery requested. Notices to Subscriber shall be sent to the Administrative Contact set forth in the Order Form and notices to MasterLibrary.com, shall be sent to Us at 1340 Ridgeview Drive, McHenry, IL 60050 to the attention of President, or at such other addresses as may be furnished in writing to You. Any notice or communication sent by personal delivery shall deemed received upon the earlier of receipt or first refusal of delivery. Any notice or communication sent electronically (e-mail or facsimile) hereunder shall be deemed to have been received as of the date the sender of such communication receives a delivery receipt. Any notice or communication sent by certified or registered mail shall be deemed to have been received on the fifth (5) day following delivery to the U.S. Postal Service postage prepaid. Any notice or communication sent by a nationally recognized United States overnight courier service shall be deemed to have been received as of the date following the date so mailed postage prepaid; provided, however, that if the date following mailing shall be Saturday, Sunday, or a legal holiday, then the date of the notice shall be the next regular business day.

13.10 Waiver. No modification or waiver of this Agreement or any part hereof shall be effective unless in writing and signed by the party sought to be charged therewith. No waiver of any breach or condition of this Agreement shall be deemed to be a waiver of any other or subsequent breach or condition, whether of like or different nature. No waiver of any breach or condition of this Agreement by or with respect to a party hereto shall be deemed to be a waiver of the same breach or condition with respect to the other party hereto. No course of dealing between the parties hereto will be deemed effective to modify, amend, or discharge any part of this Agreement or the rights or obligations of either party hereunder.

13.11 Severability. In the event that any of the provisions of this Agreement or the application of any such provisions to the parties hereto with respect to their obligations hereunder are held by a court of competent jurisdiction to be unlawful or unenforceable, the remaining provisions of this Agreement shall remain in full force and effect, and shall not be affected, impaired, or invalidated in any manner.

13.12 Paragraph Headings. The paragraph headings contained herein are for reference only and shall not be considered as substantive parts of this Agreement.

13.13 Compliance with Laws. Both Parties shall comply with all applicable laws and regulations of governmental bodies or agencies in their performance under this Agreement.

13.14 Entire Agreement. This Agreement, together with the terms of any applicable Order Form, contains the entire and only understanding between the parties and supersedes all prior agreements, either written or oral, relating to the subject matter hereof. Except as expressly provided herein, no modifications or waivers of this Agreement shall be binding on either party unless made in a writing that specifically references this Agreement and is signed by persons authorized to sign agreements on behalf of Subscriber and MasterLibrary.com.

13.15 Authority. If you signed the Order Form on behalf of the Subscriber, you represent that you have the authority to bind such Subscriber to this Agreement.

Exhibit A**Insurance**

During the term of this Agreement, ML will maintain the following insurance coverage at its expense:

- a. Workers Compensation Insurance required by statute which provides for coverage for all employees of ML performing services.
- b. General Liability Insurance in an amount not less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate to protect agency and Follett from all claims for damages due to bodily injury, personal injury, or property damage arising about this Agreement.
- c. Automobile Liability Insurance in an amount not less than \$1,000,000 for claims for damages due to bodily injury or property damages arising from or in any way connected with the ownership, possession, operation, use, maintenance or repair of owned, non-owned or hired motor vehicles utilized to perform duties hereunder.
- d. Umbrella Liability in an amount of not less than \$5,000,000.