

## AMENDMENT NUMBER FOUR

THIS AMENDMENT NUMBER FOUR is dated March 23, 2017 and is between Hillsboro Independent School District (the "School Food Authority" or "SFA") and Compass Group USA, Inc. by and through its Chartwells Division ("FSMC") (collectively the "Parties").

WHEREAS, SFA and FSMC are parties to a certain agreement, dated August 9, 2013, as amended by Amendment Number One dated March 6, 2014, Amendment Number Two dated April 16, 2015, and Amendment Number Three dated March 10, 2016 (collectively, the "Agreement"), pursuant to which FSMC manages SFA's food service operation and facilities; and

WHEREAS, the Parties now desire to amend the aforesaid Contract;

NOW, THEREFORE, in consideration of the promises contained herein and for other good and valuable consideration, the Parties hereto agree as follows:

1. Section III Standard Terms and Conditions; Sub-Section B(1).

This section will be replaced in its entirety by the following:

Unless it is terminated in accordance with Section III, paragraph L, this Contract will be in effect for a period of one year commencing on July 1, 2017, and terminating on June 30, 2018, and may be renewed for one (1) additional term of one year each upon mutual agreement between SFA and FSMC.

2. Section III Standard Terms and Conditions; Sub-Section J

For the 2017-2018 school year, SFA shall pay FSMC the following fixed price per meal/meal equivalent rates:

Breakfast - \$1.8016  
Lunch - \$3.1728  
A la Carte - \$3.1728

3. Exhibit I Schedule of Terms for FSMC Guaranty

This section will be replaced in its entirety by the following:

FSMC guarantees the return to the SFA from the food service operations for the 2017-2018 school year will be a break-even. If the annual operating statement shows a profit less than break-even, FSMC will pay the difference between the actual and the guaranteed amount, but in no event shall the reimbursement obligation exceed the amount of \$10,000.00. The guaranteed return is based on the following conditions and assumptions remaining in effect for the 2017-2018 school year:

- i. Reimbursement rates for the National School Lunch Program meals shall increase a minimum of 2% over prior school year rates. Should the reimbursement rate be less than 2%, then adjustments will be made to adjust to the actual increase.
- ii. The value of government donated commodities and/or cash in lieu thereof shall not be less than the value of government-donated commodities and/or cash in lieu thereof received during the prior school year.
- iii. The number of days meals are served during the school year shall be no less than 172 days.
- iv. The number of serving periods, locations, serving times and types of service shall not change materially.
- v. The average student enrollment for the term of the contract period shall be no less than 1,900 students.
- vi. The level of wages, salaries and fringe benefits shall not exceed those proposed and listed in the original proposal and stated in Chart 7 of the RFP.
- vii. The selling prices of Menu Pattern Meals and A-la-carte selections will be no less than those included in the prior agreement year.
- viii. SFA's direct cost given in the TDA budget is not to exceed \$92,528.00.
- ix. SFA and FSMC shall mutually agree the annual operating budget and determine the appropriate program financial performance in years three through five of this Agreement. Changes in SFA cost experience will be used to determine the program financial performance to include but not limited to SFA direct cost and labor cost.
- x. Service will not be interrupted as a result of fire, work stoppage, strike or school closing.

In the event the foregoing conditions are not met during the 2017-2018 school year, FSMC's guarantee obligation shall be reduced by an amount equivalent to any increased cost or loss of revenue attributable to the changes in such conditions. The guarantee for each extension term shall be mutually agreed upon by the parties.

4. This Amendment is effective July 1, 2017 and thereafter, unless otherwise amended. All other terms and conditions contained in the Agreement shall remain unchanged and in full force and effect.

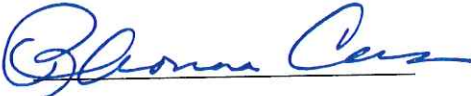
5. Confirmation and Integration. Except as expressly amended by this Amendment, the parties hereby confirm and ratify the Agreement in its entirety. The Agreement, as amended hereby, constitutes the entire agreement between the parties and their predecessors pertaining to the subject matter of the Agreement, as so amended, and supersedes all prior and contemporaneous agreements and understandings of the parties and their predecessors in connection therewith.
6. Counterparts. This Amendment may be executed in any number of counterparts, each of which shall constitute an original and all of which together shall constitute but one and the same original document.
7. Headings. The section headings herein are for convenience only and do not define, limit or construe the contents of such sections.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be signed by their duly authorized officers, all done the day and year first above written.

Hillsboro Independent School District

Compass Group USA, Inc.  
by and through its Chartwells Division

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_  
Date: \_\_\_\_\_

By:   
Name: Rhonna Cass  
Its: CEO, Chartwells K-12  
Date: 3/24/17