



## MASTER SERVICE AGREEMENT

This Master Service Agreement ("Agreement") is made and entered into this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ by and between the Board of Education of Winfield School District 34, 0S150 Winfield Rd, Winfield, IL 60190 (hereinafter "Customer"), and Net56, Incorporated, 21805 W Field Pkwy, Suite 125, Deer Park, IL 60010 (hereinafter "Net56"), an Illinois corporation (each, a "Party," and together, the "Parties").

### WITNESSETH:

WHEREAS Net56 represents that it has expertise in the area of IT (defined below) and is ready, willing, and able to provide assistance to Customer subject to the terms and conditions set forth herein; and

WHEREAS , Customer, in reliance on Net56's representations, is willing to engage Net56 as an independent contractor, and not as an employee, on the terms and conditions set forth herein; and

WHEREAS the Parties are entering into this Master Service Agreement to establish the general parameters for providing the Services (defined below); however, the specific Services shall be set forth in Exhibit A to this Agreement; and

WHEREAS, all subsequent Services shall be identified in Exhibits A-1, A-2 etc., which shall be mutually agreed upon, executed by the Parties and shall become a part of this Agreement.

NOW, THEREFORE, in consideration of the obligations herein made and undertaken, the Parties, intending to be legally bound, covenant and agree as follow:

### Section 1

#### DEFINITION OF TERMS

"IT" means Information Technology, including without limitation, hosted and managed infrastructure services, cybersecurity services, VoIP phone system installation, set-up, management and maintenance, firewall and data security design, management and maintenance, monitoring, and data back-up and disaster recovery design, management and maintenance.

### Section 2

#### SERVICES

a.) This Agreement shall remain in force unless terminated in writing by either Party hereto in accordance with the express provisions of this Agreement. Either Party may terminate this Agreement pursuant to Section 10 ("Default") of this Agreement or as provided in Section 2 (Terms and Conditions) of Exhibit A. Net56 shall provide services described in Exhibit A attached hereto, and thereafter Exhibits A-1, A-2 etc. (Exhibit A and all successive Exhibit A's are collectively referred to as "Exhibit A"), which exhibits shall once executed by both Parties become part of this Agreement. Net56 shall render such services and deliver the required reports and other deliverables ("Services") in Exhibit A in accordance with the timetable and milestones set forth in Exhibit A. In the event Net56 anticipates at any time that it will not reach one or more milestones or complete one or more assignments within a timetable established by Exhibit A or pursuant to this section, Net56 shall promptly so inform Customer by written notice, submit proposed revisions to the timetable and milestones that reflect Net56's estimates of what realistically can be achieved, and continue to work under the original timetable and milestones until otherwise directed by Customer. Net56 shall also prepare and submit such further reports of its performance and its progress as the Customer may reasonably request from time to time. If not included in Exhibit A, and a timetable is applicable to the Services being provided by Net56, the Parties shall, within thirty (30) days after executing the relevant Exhibit, mutually agree to a timetable and milestones for completion of the project. Until the timetable and milestones are agreed upon, Net56 shall proceed in a diligent manner to meet Customer's



reasonable expectations for completion of the particular project and providing the applicable Services.

- b.) Net56 shall provide and make available to Customer such resources as shall be necessary to perform the Services called for by this Agreement. If any services, functions or responsibilities not specifically described in this Agreement or the Exhibit A are reasonably required for the proper performance and provision of the Services that are specifically described in Exhibit A or are an inherent part of or necessary sub-task included within such Services, they will be deemed to be implied by and included within the scope of the Services to be provided by Net56.
- c.) All Services shall be performed at Net56's offices or at Customer's facilities unless otherwise mutually agreed and shall be performed in a competent and professional manner by employees of Net56 having a level of skill in the area commensurate with requirements of the scope of work to be performed.
- d.) No relationship of employer and employee is created by this Agreement between Net56 (or the individuals performing Services through Net56) and the Customer, it being understood that Net56 and such individuals will provide the Services as an independent contractor. Net56, through its individuals performing Services, shall have the responsibility to comply with all applicable laws and standards of care in the provision of Services. Anything herein to the contrary notwithstanding, the Parties hereby acknowledge and agree that Customer shall have no right to control the manner, means, or method by which Net56 performs the Services called for by this Agreement.
- e.) Net56 agrees that it will pass through to Customer any rights it obtains under any assignments, warranties and indemnities given by its third-party subcontractors or suppliers in connection with any Services, products or deliverables provided by Net56 pursuant to this Agreement or Exhibit A.

### **Section 3**

#### **GENERAL PROVISIONS**

- a.) This Agreement together with all Exhibits, which are incorporated herein by reference, is the sole and entire Agreement between the Parties relating to the subject matter hereof with no Party relying upon any statement or representation made by any party not embodied in this Agreement. This Agreement supersedes all prior understandings, agreements, and documentation relating to such subject matter. In the event of conflict between the provisions of the main body of the Agreement and any attached Exhibits, the Exhibits shall take precedence.
- b.) Nothing contained herein shall be construed as creating any agency, partnership, joint venture or other form of joint enterprise between the Parties.
- c.) This Agreement shall be governed by the laws of the State of Illinois. Any lawsuit relating to this Agreement shall be instituted in the Lake County, Illinois, Circuit Court or the U.S. District Court, Northern District, Eastern Division.
- d.) Headings used in this Agreement are provided for convenience only and shall not be used to construe meaning or intent or otherwise affect the interpretation of any of the provisions of this Agreement. Whenever the context so requires, the singular shall include the plural and vice versa. All words and phrases shall be construed as masculine, feminine or neuter gender, according to the context. Whenever the term "include," "including," or "included" is used in this Agreement, it shall mean including without limiting the foregoing.
- e.) Net56 agrees to complete criminal background checks and employment history reviews for all Net56 employees or consultants who will be on site at the Customer's premises, as required by law or as otherwise requested by the Customer. To the extent permitted by applicable law, Net56 will provide relevant records reflecting the results of such criminal background checks and employment history reviews upon Customer's request.

### **Section 4**

#### **PAYMENTS**



- a.) In consideration of the Services performed by Net56, Customer shall pay Net56 the fees set forth in Exhibit A attached hereto.
- b.) The Illinois Local Government Prompt Payment Act (50 ILCS 505/1 et seq.) expressly applies.

## **Section 5**

### **RIGHTS IN DATA**

- a.) All intellectual property rights in the programs, systems, data, or material produced by Net56 in the performance of the Services called for in this Agreement shall remain the property of Net56.
- b.) All right, title and interest in and to any programs, systems, data, and materials furnished to Net56 by Customer are and shall remain the property of the Customer.

## **Section 6**

### **WARRANTIES**

- a.) To its knowledge, Customer warrants that either it owns all right, title, and interest in and to any programs, systems, data, or materials furnished by Customer to Net56 hereunder or has obtained the necessary licenses to utilize any programs, systems data or materials furnished by Customer to Net56 hereunder.
- b.) Net56 warrants that:
  - i Its performance of the Services called for by this Agreement does not and shall not violate any applicable law, rule, or regulation; any contracts with third parties, or, to the best of its knowledge, any third-party rights in any patent, trademark, copyright, trade secret, or similar right;
  - ii It is the lawful owner or licensee of any software programs or other materials used by Net56 in the performance of the Services called for by this Agreement ; and
  - iii For all licensed third-party software or other third-party intellectual property utilized by Net56 hereunder, Net56 has provided either (1) that Customer is an additional licensed user for such software or intellectual property, or (2) that in the event of a Default by Net56, as defined by Section 10 herein, Customer shall acquire such license rights. At Customer's request, Net56 shall provide satisfactory evidence of such actual or contingent license rights.
- c.) Customer agrees that except as set forth in Section 6(b), the services are provided by Net56 on an "as is" or "as available" basis and that Net56 does not warrant that the service will be without failure, delay, interruption, error, degradation of quality or loss of content, data or information, and specifically disclaims any and all express or implied warranties as to any services, including without limitation any implied warranties of merchantability, fitness for a particular purpose, or title or noninfringement of third party rights.
- d.) While Net56 intends to employ commercially reasonable means, methods, and manners to secure and protect the Customer's network from unauthorized access by third parties, and from malicious, hostile, or intrusive software, Net56 does not warrant that its services will prevent unauthorized access to the Customer's network by third parties or that it will prevent malicious, hostile, or intrusive software on Customer's network or other cybersecurity incidents. Net56 shall promptly notify Customer of knowledge of any unauthorized access to Customer's network and of the presence of any malicious, hostile or intrusive software and attempt to remediate unauthorized access and the presence of any malicious, hostile, or intrusive software as soon as practicable. Customer may provide an email address for the notifications under this section in lieu of the notice contacts in this Agreement.

## **Section 7**

### **LIMITATION OF LIABILITY**

- a.) THE AGGREGATE LIABILITY FOR EITHER PARTY UNDER THIS AGREEMENT FOR ANY CLAIM WHATSOEVER SHALL NOT EXCEED THE GREATER OF THE INSURANCE LIMITS SET FORTH IN SECTIONS 11(a)i, 11(a)ii, 11(a)iii, 11(a)v and 11(a)vi. This limitation of damages shall not apply to damages incurred due to willful misconduct and gross negligence or to the Parties' indemnification obligations.
- b.) Neither Party will be liable for any delay, failure in performance, loss or damage due to fire, explosion, power blackout, cable cuts by third parties, flood, weather, strike, embargo, labor dispute, war, act of God, act or omission of carriers or suppliers, act of regulatory or governmental agencies, or other causes beyond their reasonable control, except that Customer must pay for any Services provided. The liability of Net56 for damages arising out of the furnishing of the Services, including for any service failure, shall be limited to a repair of the Service and a pro-rata refund of any prepaid fees for continuous service outages in excess of 24 hours that are not caused by Customer or conditions on Customer's premises. Neither Party shall be liable for any incidental, indirect, punitive, special or consequential damages, including loss of use, revenue, profits or goodwill. Neither Party shall be liable for any direct or indirect damages or losses of any kind arising from a cybersecurity incident, including data breaches, except where such incident results directly from the Party's gross negligence or willful misconduct.
- c.) Customer acknowledges and agrees that no system or network is completely secure and that cybersecurity threats, including but not limited to malware, ransomware, data breaches, unauthorized access, and similar risks, may still occur despite Net56's precautions. Customer is responsible for implementing appropriate internal security controls, data protection measures, access policies, and disaster recovery plans. Net56 shall not be liable for any damages, losses, or claims arising from unauthorized access by third parties or access gained by malicious, hostile, or intrusive software or other cybersecurity incidents, including without limitation loss of data, unauthorized disclosure, business interruption, or reputational harm.
- d.) Any claim against either Party arising under this Agreement must be made within one year of the event giving rise to the claim or ninety days from Customer's last use of Service, whichever is earlier.

## **Section 8**

### **ASSIGNMENT**

This Agreement may not be assigned by either Party or by operation of law to any other person or entity without the express written approval of the other Party. This Agreement may, however, be assigned to a successor entity by either Party or by operation of law without the written approval of the other Party upon written notice in the event that the successor entity succeeds to substantially all of the assets or business of either Party. Subject to the foregoing, this Agreement shall be binding on the successors and assigns of each Party.

## **Section 9**

### **CONFIDENTIALITY**

#### **CONFIDENTIAL INFORMATION AND MATERIALS**

- a.) "Confidential Information" means any tangible or intangible information or material, which is proprietary to either Party or designated by either Party as Confidential Information. Customer hereby designates all information regarding or relating to its financial information, students, and employees as Customer's Confidential Information. Such information shall be deemed Confidential Information whether or not owned or developed by either Party and which the other Party may obtain knowledge of through or as a result of the relationship established hereunder, access to each other's premises, or communications with the



other Party's employees or independent contractors.

b.) Confidential Information does not include information, technical data, or know-how which (i) became known to the receiving Party prior to disclosure of such information by the disclosing Party; (ii) is or subsequently becomes publicly available without either Party's breach of any obligation owed to the other Party; (iii) is subsequently disclosed to the receiving Party from a third-party source without an obligation of confidentiality to the disclosing Party; or (iv) is independently developed by the receiving Party without reliance upon the disclosing Party's Confidential Information.

## RESTRICTIONS

c.) Each Party understands and acknowledges that Confidential Information has been developed or obtained by the other Party by investment of significant time, effort and/or expense, and that Net56's Confidential Information provides it with a significant competitive advantage in its business.

d.) During the Parties' business relationship, and for a period of one (1) year following the termination of the Parties' business relationship, each Party shall take reasonable security precautions, at least as great as the precautions it takes to protect its own confidential information, to prevent the disclosure of any Confidential Information to any third party. Dissemination of Confidential Information shall be limited to only those employees or consultants of the receiving Party as are necessary to perform the limited purpose for which the Confidential Information was provided.

e.) Each Party agrees to return all materials, including software or documents which have been furnished as part of this Agreement, together with any copies thereof, promptly upon the request of the other Party, or, if not requested earlier, promptly after the limited purpose for which they were furnished has been accomplished or abandoned, except that each Party may retain such Confidential Information as may be reasonably required by it for performance of any agreements between the Parties.

f.) Neither Party shall disclose Confidential Information, except as required by law, court order, or to enforce or defend an action between the Parties.

g.) All Confidential Information is and shall remain the property of the disclosing Party. Nothing in this Agreement, or any disclosure of Confidential Information, shall grant any express or implied right to the receiving Party to or under disclosing Party patents, copyrights, trademarks, or trade secret information.

h.) Each Party agrees that its obligations here under are necessary and reasonable to protect the other Party, and expressly agrees that monetary damages would be inadequate to compensate the other Party for any breach of the requirements and covenants set forth herein. Accordingly, each Party agrees and acknowledges that any such violation or threatened violation shall cause irreparable injury to the other Party and that, in addition to any other remedies that may be available, in law, in equity, or otherwise, the other Party shall be entitled to obtain injunctive or equitable relief as may be deemed proper by a court of competent jurisdiction.

i.) All confidentiality obligations hereunder shall survive change or termination of the Parties' business relationship.

j.) Net56 agrees and understands that in the course of its performance of its services hereunder, Net56 may be provided access to records of Customer relating to individual employees or that constitute student records under the Illinois School Student Records Act or the Family Educational Rights and Privacy Act of 1974 ("Student Records"). Net56 acknowledges that for the purposes of this Agreement it will be designated as a "school official" with "legitimate educational interests" in the education records, as those terms have been defined under FERPA and its implementing regulations, and Net56 agrees to abide by the FERPA limitations and requirements imposed on school officials. Net56 agrees to abide by the applicable provisions of the Illinois Student Records Act (ISSRA). Net56 agrees and understands that it shall have access to such records only as Customer's agent, that its employees shall have no right to access or view records from which individual students may be identified except as necessary to perform its services hereunder, and that in no event shall Net56 cause such records to be published, transmitted or otherwise disclosed to any third party except upon Customer's specific direction or as otherwise required by law. All information that qualifies as a student record under Family and Educational Rights Privacy Act and the Illinois School Student Records Act shall be handled by Net56 in accordance with those laws. If there is a breach of such information (i.e. disclosure to a third party by Net56 or agent of Net56), Net56 shall, within two hours of knowledge of the incident, or sooner if required in order to comply with state or federal law regarding data privacy breaches, inform the Customer of the breach and the data affected. Net56 further agrees to comply with all state and federal laws, including, but not limited to, the Illinois School Student Records Act, the Illinois Mental Health Act and Developmental Disabilities



Confidentiality Act, the federal Family Educational Rights and Privacy Act, the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”) and all rules and regulations governing the release of student, personnel, and medical records. Net56 also shall abide by all other records confidentiality obligations of the Customer and all Customer policies and procedures applicable to same. Upon termination of the Agreement with or without cause, including, but not limited to, termination under the provisions of this Agreement or Amendment or expiration of its term, any Customer employee or student record information in possession of Net56 or individuals performing Services shall be returned to the Customer and all copies of such information in all formats destroyed in accordance with all applicable laws and U.S. Department of Education and Privacy Technical Assistance Center guidelines within thirty (30) days of termination unless the Agreement provides for Net56 to maintain the records for a longer period of time.

To the extent Net56 receives and maintains Customer’s data or information on its own systems or facilities, Net56 shall maintain such data and information using data security software, hardware and administrative and physical protocols sufficient to protect such data and information from inadvertent disclosure or breach in accordance with law and commercial best practices, which shall include, but not be limited to, data security practices set forth by the United States Department of Education Privacy

Technical Assistance Center and any data security rules of the Illinois State Board of Education. Net56 shall notify the Customer by telephone or email within two hours of becoming aware of the potential breach or disclosure of any of the Customer’s documents or information in its possession or sooner if required in order to comply with state or federal law regarding data privacy breaches. In such event, Net56 shall promptly, after notice to and consultation with the Customer, provide notices to the Customer’s employees and former employees affected by a breach, and shall further comply with any notification requirements of state or federal law including, but not limited to the Illinois Personal Information Protection Act, 815 ILCS 530 et seq. Net56 shall bear the costs of both the Customer and Net56 in investigating and remediating the breach, including, but not limited to, the costs itemized in the Student Online Personal Protection Act, 105 ILCS 85/5 et seq.

k.) Net56 understands that Customer is a political subdivision of the State of Illinois and is subject to the Illinois Freedom of Information Act. Net56 agrees that any disclosure of Confidential Information pursuant to an appropriate Illinois Freedom of Information Act request shall not violate the terms of this Agreement.

## **Section 10**

### **DEFAULT**

a.) For purposes of this Agreement, a Default by Net56 shall be deemed to have occurred if: (i) Net56 initiates or threatens to initiate bankruptcy or insolvency proceedings or is otherwise declared or adjudged to be bankrupt or insolvent; (ii) Net56 ceases its business operations in substantial part; or (iii) subject to Section 10(c), Net56 breaches any term or condition of this Agreement or materially fails to provide the Services and, if capable of cure, such breach or material failure continues for thirty (30) days after written notice thereof. terminate this Agreement, and receive from Net56 any prepaid fees for services that were not provided to the Customer.

b.) For purposes of this Agreement, a Default by Customer shall be deemed to have occurred if: (i) Customer initiates or threatens to initiate bankruptcy or insolvency proceedings or is otherwise declared or adjudged to be bankrupt or insolvent; (ii) Customer ceases its business operations in substantial part; or (iii) subject to Section 10(c), Customer fails to remit full payment for Services as required under this Agreement pursuant to a properly issued and undisputed invoice and such breach continues for thirty (30) days after written notice thereof. In the event of a Default by Customer, Net56 shall have, in addition to the rights otherwise set forth herein, the right to cease providing services and equipment to Customer.

c.) If the performance of any obligation is interfered with by reason of any circumstances beyond the reasonable control of the Party affected, including but not limited to acts of God, fire, flood, earthquake, explosion, power blackout, cable cut, war, terrorist or criminal act, pandemic, acts of regulatory or governmental agencies, unavailability of right-of-way, or unavailability of services or materials upon which the Services rely, then the Party affected shall be excused from such performance to the extent necessary, except that Customer’s obligation to pay for Services provided shall not be excused, and provided that the Party so affected shall use reasonable and diligent efforts to remove such causes of nonperformance. Net56 shall not be liable for any loss or damage sustained by reason of any failure in or breakdown of the telecommunications facilities associated with the Service or for any interruption of the Service or delay in the provision or restoration of the Service, provided that such failure, breakdown, interruption or delay is not caused by gross negligence of Net56.



## Section 11

### INSURANCE AND INDEMNIFICATION

- a.) Net56 shall maintain, at its own expense, the following insurance coverages on an occurrence and claims made basis insuring Net56, its employees, and agents, and the Indemnities as required herein, and shall add Customer, its employees, agents, board members, and students as additional insureds on all policies required. Net56's insurance shall be primary and non-contributory to any insurance held by Customer.
- i. Professional Liability Insurance in the minimum amount of at least One Million Dollars (\$1,000,000) per claim, and in the aggregate, including economic loss.
  - ii. Commercial General Liability Insurance (including contractual liability), covering personal injury, bodily injury, and property damages in the amount of at least One Million Dollars (\$1,000,000), per occurrence and in the aggregate.
  - iii. Comprehensive Automobile Liability Insurance, including hired and non-owned vehicles, if any, in the amount of One Million Dollars (\$1,000,000) covering personal injury, bodily injury, and property damage.
  - iv. Workers' Compensation Insurance in the amount of the statutory maximum with an Employer's Liability coverage of at least One Million Dollars (\$1,000,000).
  - v. Umbrella or excess liability insurance of not less than Three Million Dollars (\$3,000,000) for any one occurrence and in the aggregate. The umbrella or excess insurance maintained by Net56 shall follow the form of the general liability policy.
  - vi. Cyber insurance covering data breaches and disclosure of private and confidential information, on a claims made basis, of at least One Million Dollars (\$1,000,000) per claim and Three Million Dollars (\$3,000,000) in the aggregate.
- b.) Net56 shall submit valid certificates and, if requested, policies, in form and substance satisfactory to Customer evidencing the effectiveness of the foregoing insurance policies along with copies of the amendatory riders to any such policies to Customer for Customer's approval.
- c.) Net56 shall indemnify, defend and hold harmless Customer, its employees, agents, board members, and students from any and all third party claims, including losses, costs (including attorneys' fees, court costs and expert witness fees), damages, fees, fines and liabilities to the extent directly caused by Net56's breach of this Agreement.
- d.) Customer shall indemnify, defend and hold harmless Net56, its employees and agents from any and all third-party claims, including losses, costs (including attorneys' fees, court costs and expert witness fees), damages, fees, fines and liabilities resulting from third party claims arising from any user's use or attempted use of Services or any equipment or software associated with such Services or any breach of this Agreement by Customer.

## Section 12

### NOTIFICATION

All notices which are required to be given hereunder shall be in writing and delivered either by an overnight delivery service or by United States registered or certified mail, return receipt requested, postage prepaid, addressed to the Parties at their respective addresses below and shall be deemed provided upon deposit in the U.S. Mail. Email transmission of notices required under this Agreement will be deemed sufficient for purposes of this Section (12), and deemed delivered when sent.

Net56 shall comply with all laws, rules, regulations and ordinances applicable to the Services provided hereunder. Further, Net56 certifies hereby that it is not barred from entering into this Agreement as a result of violations of either Section 33E-3 or Section 33E-4 of the Illinois Criminal Code of 2012, or any other applicable law, rule or regulation and that it has a written sexual



harassment policy in full compliance with 775 ILCS 5/2-105(A)(4). Net56 also covenants and represents that it will comply with the Illinois Human Rights Act, 775 ILCS 5/1-101 et seq. and the provision of sexual harassment policies and procedures pursuant to Section 2-105 of that Act, with all federal Equal Employment Opportunity Laws, including, but not limited to, the Americans With Disabilities Act, 42 U.S.C. Section 12101 et seq., and rules and regulations promulgated thereunder.

Acceptance

**Net56**

**Winfield School District 34**

A handwritten signature in blue ink, appearing to read 'Bruce Koch', is written over a horizontal line.

Signature

Signature

Bruce Koch

Name

Name

President & CEO

Title

Title

01/28/2026

Date

Date