

SERVICE AGREEMENT

Denton Independent School District AND Specialized Education of Texas, Inc.

This Service Agreement (“**Agreement**”), is entered into this August 1st, 2024, by and between Denton Independent School District (“**District**”), and Specialized Education of Texas, Inc. (“**SESI**”), referred to herein together with SESI as the “Parties” and each, a “Party”, in order for SESI to provide special education services to District students in furtherance of District fulfilling its legal obligations to deliver free and appropriate public education (“FAPE”) pursuant to 34 CFR §104.33 and Section 504 of the Rehabilitation Act; and

WHEREAS, SESI agrees to provide special education services to students referred by District and accepted into SESI’s In-District Special Education Program (the “**Program**”), as described herein; and

NOW, THEREFORE, pursuant to and in consideration of the mutual promises set forth below, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. **Term.** This Agreement is effective for a period of one year, commencing on the Effective Date through July 31st, 2025 (the “Initial Term”). This Agreement will automatically renew for successive one-year terms (each a “Renewal Term” and together with the “Initial Term,” the “Term”).
2. **The Program.**
 - A. **Program Details.** SESI will provide the Program during the 2024-2025 Regular School Year (“RSY” or “ESY”) to accepted and enrolled District students as follows:

Program Start Date	August 7th, 2024
Number of Classrooms	3
Type of Classrooms	Intensive Behavioral Needs
Grades Per Class	Elementary School, Middle School, High School
District Location	Blanton Elementary School at 9501 Stacey Lane, Lantana, TX 76226 Calhoun Middle School at 1125 Crescent Street, Denton, TX 76201
Total Program Student Limit	30
Per Classroom Student Limit	10
Additional Student Limit Per Class	1

Additional Services	Comprehensive Clinical Mental Health Support will be provided through a subcontract with Effective School Solutions.
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- B. Grade Placement. Students placed in the same classroom must be within the age range prescribed by Texas law.

3. **Placement of Students in the Program.** Upon a student referral by the District, the District will provide SESI with an established Functional Behavioral Assessment (“FBA”) & Behavior Intervention Plan (“BIP”) or provide an FBA and BIP within thirty (30) days if student is approved by SESI for enrollment in Program. SESI will evaluate each District-referred student (including but not limited to the student record, IEP, student observations, and Program visits) and determine whether the Program can meet the needs of the student as outlined in the student’s current IEP, FBA and BIP. After such evaluation, SESI has final discretion to determine if a student is accepted into the Program and may decline acceptance by providing written notification to the District of its reason(s) for decline. Upon acceptance by SESI of a student into the Program, such student’s placement must be initiated by written notice from the District and SESI will agree on a commencement date for each student. To the extent SESI determines a Student’s placement is no longer in the best interest of the Student after enrollment in the Program, SESI will notify District in writing and the parties will convene a meeting within thirty (30) days of SESI notification to discuss student transition and alternate placement.

4. Program Fees:

- A. INTENSIVE BEHAVIORAL NEEDS CLASSROOM FEE. The fee for three (3) classrooms is One Million, Seven Hundred Fourteen Thousand, Two Hundred Ninety-Two Dollars, Fifty-Eight Cents (\$1,714,292.58). The Per Student fee for the Intensive Behavioral Needs Classroom is Fifty-Seven Thousand, One Hundred Forty-Three Dollars, Nine Cents (\$57,143.09). Up to one (1) additional student may be placed in each classroom, the additional Per Student fee will be Fifty-Seven Thousand, One Hundred Forty-Three Dollars, Nine Cents (\$57,143.09). The District agrees to pay SESI the Intensive Behavioral Support Classroom Fee during the Term even if District fails to place the maximum student limit per classroom.

B. Related Services Fees:

- i. 1:1 Aide Fees. If a one-to-one aide is required for a student enrolled in the Program, SESI will provide the aide for a cost of Two Hundred Nineteen Dollars, Forty-Five Cents (\$219.45) per day such student is enrolled and will add the additional fee to each monthly invoice.

- C. Invoicing and Payment. SESI shall submit an invoice to District by the fifteenth (15th) day of each calendar month following each month of service for the Program

Fees for the Services described herein. Such invoices shall be due and payable by District within thirty (30) days after receipt.

- D. Monthly Installments. The Classroom Fees to be paid under this Agreement are payable in equal monthly installments: For the 2024-2025 Regular School Year, payments will be 10 equal monthly installments plus any additional fees for 1:1 services (if applicable) beginning in August of 2024. beginning in August of 2024.
- E. Renewal Term Program Fees. Unless otherwise stated herein and after the first regular school year is complete, the Classroom Fees and Related Services Fees will increase annually by 6 percent, or the Consumer Price Index for all Urban Consumers (“CPI-U”) most recently published as of the end of the Term preceding the Renewal Term, whichever is greater.

5. **Duties for SESI.**

- A. Each classroom in the Program will be staffed in accordance with state laws and regulations, including any provisions for alternative licensure for special education programs for K-12 students. Provided however, in recognition of the current national and state teacher shortages, SESI may use substitute teachers available to perform the Services until SESI permanently fills such teacher vacancies.
- B. Except for the duties which the District shall perform as detailed in paragraph 3, SESI will deliver the Program as described herein including the implementation of services and education plans consistent with each student’s, individualized education plan (“**IEP**”). Due to government or unforeseen circumstances preventing SESI from conducting in-person classes, SESI may, in consultation with the District, deliver the Program, in whole or in part, via distance learning to the extent practicable, using programs, systems, teaching techniques, diagnostic tests, evaluation, academic courses and materials adapted for distance learning at the level of service reasonably practical under the circumstances, at the fees, rates and payment schedules as set forth in this Agreement. In circumstances where the only option to deliver FAPE on behalf of the District is through distance learning, SESI and the District will meet and mutually agree upon a distance learning plan.
- C. SESI will provide special education services in a professional manner. If SESI believes that a change in educational programming or placement is necessary for any student placed by District SESI will notify the District special education director to initiate meetings and conferences pursuant to IDEA and Section 504 (defined below) for re-placement of the student.
- D. Except as otherwise agreed herein, the SESI Program shall comply with all applicable federal, state, and local, laws, rules, and regulations in relation to the provision of special education services for students participating in the Program, as well as all Policies and Procedures of District. SESI services will meet the requirements of IDEA, the Family Educational Rights and Privacy Act (“**FERPA**”), and Section 504 of the Rehabilitation Act

(“**Section 504**”), and that it has policies and procedures in place related to the procedural safeguards, confidentiality, and non-discrimination requirements of these laws.

- E. At District’s request, SESI Program teacher(s) or other appropriate representatives from SESI will participate in evaluations and IEP meetings for students participating in the Program.
- F. SESI will maintain the interior of the classrooms in good condition, that includes reasonable wear and tear for specialized education classrooms.
- G. Upon request of the District, SESI will provide the District with copies of grade reports, transcripts, progress reports, and any other educational records or other documents necessary to evaluate and develop IEPs.

6. Duties for District.

- A. District Facilities. District will deliver to SESI classroom space, office space, standard school internet and technology infrastructure, standard furniture/fixtures, and other space/equipment necessary for SESI to deliver the Program including access to gymnasium, playgrounds. (“Program Facility”). District will provide daily janitorial and cleaning services to the facilities and classrooms used by the SESI Program. The District will be responsible for repairing any damage, including but not limited to the facility, infrastructure, furniture, fixtures, and technology, etc., directly or indirectly caused by students enrolled in the Program.
- B. Transportation. Unless otherwise stated in Paragraph 4, District will transport students to/from the Program and equip each vehicle with a ride-along aide. During student transport and while students are on the District transportation vehicles, the students are in the custody of the District and the District is responsible for all students and any incidents that occur during the student transportation to and from school, including any damages caused to property or persons. Should a behavioral issue arise during student transport, the District will promptly notify SESI of any incident that occurs while SESI Program students are in transit or on District transportation vehicles.
- C. Related Services. Unless otherwise stated in Paragraph 4, the District will provide 1:1 Aides, speech language therapy, physical therapy, adapted physical education, or occupational therapy, or other individualized services, and will bear the cost of such related services. District shall also provide a school psychologist to participate in the assessments and meetings, if required.
- D. Food Service. Unless otherwise stated in Paragraph 4, District will provide appropriate food services for SESI Program students.
- E. Student Records. District will provide to SESI all relevant student records, files, or access to District personnel necessary for SESI to perform its duties under this Agreement.

- F. Safety and Security. District will provide safety and security resources to the Program and SESI staff to protect the safety and wellbeing of SESI Program students and staff, including threats of violence or emergency. District will inform SESI of District procedures related to COVID-19.
- G. District Curriculum. District will provide SESI Program staff with the District's standard grade level curriculum materials for each student placed in the Program. This will include, but not be limited to, information technology and textbooks. Parties will collaborate to ensure that SESI has the appropriate curriculum supports and requirements.
- H. The parties understand and agree that the District retains responsibility to provide FAPE to its students.

7. **SESI Services.**

A. Classrooms.

- i. SESI will equip the Program classrooms with equipment specific to the Program, including applicable technology and hardware.
- ii. SESI will provide verbal de-escalation and student restraint training to all SESI staff. All SESI staff will be trained on District policies and procedures provided by the District to SESI. Further SESI staff will receive training on instructional practices, behavior management practices, reporting procedures, and safety/security protocols, all of which will be based upon SESI proprietary methodologies (the “**Model**”).
- iii. District's Special Education Director, or other appointed designee, will be the main point of contact for SESI with respect to the program proposed in this Agreement.
- iv. The SESI Program Representative will be the main point of contact for the District.
- v. Applicable SESI Program staff will be licensed in accordance with state laws and regulations, except in circumstances addressed in 2.A. above.
- vi. Executive supervision of the Program will be provided by SESI's Program Director or designee.

B. Classroom Initiatives. SESI staff will deliver the following services in the SESI classrooms:

- i. Delivery of the Program in accordance with the Model and each student's IEP, except for any IEP components that are the responsibility of the District;
- ii. Timely notification to the District representative if SESI identifies any IEP component it cannot deliver;

- iii. Respond to District requests for student information and records in a prompt and reasonable manner;
 - iv. Communicate any concerns about student's education to District;
 - v. Respond to parent requests for information in a prompt and reasonable manner;
 - vi. Allow District reasonable access to Program Facility to evaluate the Program, observe students, and provide parent tours; such access shall be permitted at a mutually agreed date and time;
 - vii. Voluntarily appear at due process hearings and otherwise cooperate with District for any due process hearing or other investigation;
 - viii. Immediately notify District of any complaints or incidents that pose a threat of imminent harm or may cause a due process hearing;
 - ix. Immediately notify District of any issues or incidents involving students that require SESI to make a mandatory report;
 - x. An intensive behavior modification system designed to minimize classroom disruptions and maximize learning; and
 - xi. End-of-year outcome measures relating to pre- and post-test academic progress, attendance, behavioral level summary, incidents, etc.
 - xii. SESI will provide input as requested or required by District for student evaluations, IEP development, location of service/placement or other educational purposes.
- C. School Day/Year. The SESI Program services will be provided during regular school days. The school day will meet the daily and annual requirements under Texas law with regard to public schools. SESI will provide a full regular school year program in accordance with the District regular school year calendar (not to exceed a full 180 teacher days, 180 student days in a full, regular school year program).
- D. IEP Meetings. Prior to enrolling a District student in the Program, an IEP meeting will be held to develop an initial IEP for implementation by SESI. A representative from the District and SESI will attend the IEP meeting. Subsequent IEP meetings may be held to revise a student's IEP as determined necessary by the District and SESI.
8. **Material Adverse Changes**. At the request of SESI and in the event that certain material changes occur during the Term that negatively impact the operations, financial conditions, and expected performance of SESI under this Agreement including but not limited to i) an increase of inflation of 2 percent or more than the inflation rate as of the Effective Date, ii) any increase by the District of the salaries of District employees performing the same or similar services as SESI employees assigned to the Program, iii) an increase in the state or local minimum wage

(“Material Adverse Change”), the parties agree to negotiate in good faith the Program Fees to increase the Fees to be paid to SESI in proportion to the adverse impact suffered by SESI by the Material Adverse Change.

9. **Assignment.** This Agreement is not transferable or assignable, and the responsibilities of either party may not be reassigned without the prior written consent of the other party, such consent not to be unreasonably withheld. Provided, however, the foregoing written consent of the District is not required and SESI may (i) assign this Agreement to any entity that acquires all or substantially all of SESI’s assets or equity or its business that is the subject hereof, or (ii) assign this Agreement to any entity that is owned by or an affiliate of SESI.

10. **Termination.**

- A. **Termination for Cause.** During the Initial Term, this Agreement may only be terminated by either Party if the other Party is in breach of any material provision of this Agreement, but only after written notice of breach and an opportunity to cure has been given to the breaching party. The notice of breach must give the breaching party an opportunity to cure at least thirty (30) days in the case of a non-monetary breach and at least ten (10) days in the case of a monetary breach (“Cure Period”). If the breaching party has not cured the breach by the Cure Period, the party giving notice may terminate this Agreement immediately by giving the breaching party written notice of termination that includes a stated termination date. Upon termination, no further performance, including payment pursuant to Paragraph 7 herein, will be required of either Party, except that District must pay any fees then due for services rendered and for authorized expenses.
- B. **Termination for Convenience.** After the Initial Term, either party may elect to terminate the Agreement by providing written notice to the other party no less than one hundred and eighty (180) days prior to the date of termination. Upon termination, no further performance, including payment pursuant to Paragraph 7 herein, will be required of either Party, except that District must pay any fees then due for services rendered and for authorized expenses up to the date of termination.

11. **Confidential Information.**

- A. **Student Information.** SESI agrees that all student records are confidential education records under FERPA (collectively “Confidential Information”). SESI acknowledges it will have access to, and knowledge of, said Confidential Information, and that access to, and knowledge of, Confidential Information is essential to the performance of its duties under this Agreement. SESI agrees that, except as specifically authorized by District or permitted under FERPA, SESI shall not, directly or indirectly, (i) disclose any Confidential Information to any person or entity, or (ii) make use of any Confidential Information for its own purposes or for the benefit of any other person or entity, other than District. To the extent that any Confidential Information accessed by or provided to SESI is considered an “education record” under FERPA, SESI agrees that: (1) it is performing an institutional service or function for which District would otherwise use its own employees; (2) SESI is under the direct control of District with respect to the use and maintenance of education

records; and (3) SESI is subject to and will adhere to the requirements of 34 C.F.R. § 99.33(a) governing the use and re-disclosure of personally identifiable information from education records.

B. Program is Proprietary. District acknowledges that the Program (which includes but is not limited to, SESI's proprietary systems, teaching techniques, diagnostic tests, diagnostic and academic courses and materials) are proprietary in nature and the confidential and exclusive property of SESI and that District has no right, by virtue of this Agreement or otherwise, to have access to or to disclose said property, except as may be required for monitoring purposes, in which case, prior written approval of disclosure must be obtained from an officer of SESI.

- i. In the event that any proprietary or confidential information is disclosed, intentionally or otherwise to District, its employees, agents or assigns, District agrees to hold same in strictest confidence and not to disclose same to any other person for any reasons nor utilize same within the public school District without prior written approval by SESI.
- ii. District agrees to use all efforts at its disposal to assure that its employees, agents or assigns are aware of the confidential and proprietary nature of the subject matter, and do not disclose same to any other person for any reasons nor utilize same without prior written approval by SESI. District acknowledges that unauthorized disclosure of SESI's proprietary and confidential information may cause SESI irreparable harm and may entitle SESI to injunctive relief in a court of competent jurisdiction. Upon expiration or early termination of this Agreement, District shall return all proprietary and/or confidential information in its possession, custody or control to SESI, including, but not limited to, any and all originals and/or copies of instructional materials, training materials, curriculum plans, and lesson plans provided to District by SESI for or in connection with the Program.
- iii. District shall notify SESI in advance of a compelled disclosure to a third party, unless legally prohibited.

C. Agreement Confidential. This Agreement is confidential, and it shall not be communicated, or delivered to a third party without the express prior written authorization of District and SESI, unless such disclosure is permitted or required by law.

12. No Conflict. SESI represents that, to the best of SESI's knowledge, there is no other contract or duty on SESI's part that conflicts with or is inconsistent with this Agreement. SESI may represent, perform services for, or be employed by any additional persons, or companies as it sees fit so long as obligations do not result in a conflict of interest pursuant to this paragraph.

13. Independent Contractors. In providing special education services pursuant to this Agreement, SESI is an independent contractor and will at all times operate as an independent entity and has no authority to act as an agent of the District, make any agreements or incur any liabilities on behalf of District. All SESI Program staff report solely to SESI. SESI pays and provides for the compensation and other benefits of such personnel, including salary, health,

accident and worker's compensation benefits, sick leave, and all taxes and contributions that an employer is required to pay for its employees. SESI Program staff shall have a duty of loyalty to SESI. SESI shall determine the terms of employment for its employees in accordance with its standard practices, including hiring and firing.

14. **Background Checks.** SESI employees providing services pursuant to this agreement shall have passed all criminal background checks required by District pursuant to its policies and procedures. District will process such background checks and provide SESI with all relevant information and forms to facilitate these criminal background checks. SESI shall bear all costs associated with these criminal background checks and in circumstances where SESI runs the background checks for SESI Program staff, SESI represents and warrants that all SESI Program staff have a satisfactory background check as dictated by state law governing teacher background checks.
15. **E-Verify.** SESI represents and warrants that it is enrolled and participates in a federal work authorization program regarding the employees working with this Agreement. SESI affirms it does not knowingly employ any person who is an unauthorized alien with services provided under this Agreement.

16. **Insurance and Indemnification**

- A. SESI shall obtain, pay for, and maintain throughout the Term of the Agreement a policy of comprehensive liability insurance with coverage of not less than the coverage limits set forth below:
 - i. **Worker's Compensation and Employer's Liability.** Worker's Compensation limits shall be the statutory limits and employers' liability insurance, with limits of (1) \$100,000.00 Each Accident-Bodily Injury by Accident; (2) \$100,000.00 Each Employee-Bodily Injury by Disease; and (3) \$500,000 Policy Limit Bodily Injury by Disease.
 - ii. **General Liability Insurance.** Limit of Liability: \$1,000,000.00 per occurrence combined single limit for bodily injury (including death) and property damage liability; \$1,000,000.00 advertising injury; \$3,000,000 general aggregate and \$3,000,000.00 aggregate for products and completed operations. The general liability insurance shall cover: premises operations; blanket contractual liability, personal injury liability; products and completed operations; independent contractors, employees and volunteers as additional insureds; cross liability; broad form property damage (including completed operations).
 - iii. **Automobile Liability Insurance.** Limit of Liability: \$1,000,000.00 per occurrence combined single limit for bodily injury (including death) and property damage liability arising from owned, non-owned, and hired vehicles when any motor vehicle is used in connection with the Program.

- iv. Professional Liability Insurance. Limit of Liability: \$1,000,000.00. The professional liability insurance shall cover errors and omissions, including professional liability assumed under this Agreement, which may be written on a claims-made basis.
- B. To the extent permitted by law, the District shall indemnify SESI, its officers, directors, affiliates and employees (“**SESI Indemnitees**”), from and against claims, losses, expenses, including reasonable attorney’s fees brought by a third party on account of: actual loss of life, bodily injury, personal injury, damage to property, or claims that arise out of or are related to the gross negligence or willful misconduct of the District (“**SESI Claims**”) provided, however, that the District’s indemnification obligations to the SESI Indemnitees will be several and not joint, and the SESI may only seek indemnification from the District’s proportionate share of the SESI Claims incurred based on degree of fault as finally determined by a court of competent jurisdiction. In no circumstance shall the District be liable for incidental, consequential, special, punitive or indirect damages or lost profits of any kind.
- C. SESI shall indemnify the District, its officers, directors and employees (“**District Indemnitees**”), from and against claims, losses, expenses, including reasonable attorney’s fees brought by a third party on account of: actual loss of life, bodily injury, personal injury, damage to property, or claims that arise out of or are related to the gross negligence or willful misconduct of SESI (“**District Claims**”) provided, however, that SESI’s indemnification obligations to the District Indemnitees will be several and not joint, and the District may only seek indemnification from SESI for SESI’s proportionate share of the District Claims incurred based on degree of fault as finally determined by a court of competent jurisdiction. In no circumstance shall SESI be liable for incidental, consequential, special, punitive or indirect damages or lost profits of any kind.
- D. If a claim for indemnification (a “Claim”) is to be made by a Party entitled to indemnification hereunder against the indemnifying party, the party claiming such indemnification shall give written notice (a “Claim Notice”) to the indemnifying party as soon as practicable after the party entitled to indemnification becomes aware of any fact, condition or event which may give rise to damages for which indemnification may be sought under this Section. Such Claim Notice shall specify the nature and amount of the Claim asserted, if actually known to the party entitled to indemnification hereunder. If any lawsuit or enforcement action is filed against any party entitled to the benefit of indemnity hereunder, written notice thereof shall be given to the indemnifying party as promptly as practicable and in any event within fifteen (15) days after the service of the citation or summons. Subject to the limitations of this Section, the failure of any indemnified party to give timely notice hereunder shall not affect rights to indemnification hereunder, except to the extent that the indemnifying party demonstrates actual damage caused by such failure. After such notice, if the indemnifying party shall acknowledge in writing to the indemnified party that the indemnifying party shall be obligated under the terms of its indemnity hereunder in connection with such lawsuit or action, then the indemnifying party shall be entitled, if it so elects at its own cost and expense, (A) to take control of the defense and investigation of such lawsuit or action, (B) to employ and engage attorneys of its own choice, who shall be reasonably satisfactory to the indemnified party, to handle and defend

the same unless the named parties to such action or proceeding include both the indemnifying party and the indemnified party and the indemnified party has been advised in writing by counsel that there may be one or more legal defenses available to such indemnified party that are different from or additional to those available to the indemnifying party, in which event the indemnified party shall be entitled, at the indemnifying party's cost and expense, to separate counsel of its own choosing, and (C) to compromise or settle such claim, which compromise or settlement shall be made only with the written consent of the indemnified party, such consent not to be unreasonably withheld or delayed; provided, however, that any such compromise or settlement shall give each indemnified party a full, complete and unconditional release of any and all liability by all relevant parties relating thereto. If the indemnifying party fails to assume the defense of such claim within thirty (30) calendar days after receipt of the Claim Notice, the indemnified party against which such claim has been asserted shall (upon delivering notice to such effect to the indemnifying party) have the right to undertake, at the indemnifying party's cost and expense, the defense, compromise or settlement of such claim on behalf of and for the account and risk of the indemnifying party; provided, however, that such Claim shall not be compromised or settled without the written consent of the indemnifying party, which consent shall not be unreasonably withheld or delayed. In the event the indemnified party assumes the defense of the claim, the indemnified party will keep the indemnifying party reasonably informed of the progress of any such defense, compromise or settlement. The indemnifying party shall be liable for any settlement of any action effected pursuant to and in accordance with and subject to the limitations of this Section and for any final judgment (subject to any right of appeal).

- E. In the event that any action, suit, proceeding or investigation relating hereto or to the transactions contemplated by this Agreement is commenced, the parties hereto agree to immediately notify each other in writing of the pending action, suit, proceeding or investigation, and to cooperate to the extent possible to defend against and respond thereto and make available to each other such personnel, witnesses, books, records, documents or other information within its control that are reasonably necessary or appropriate for such defense.
- F. Notwithstanding any other provision, the total liability of SESI for any and all claims arising under this agreement is limited to the lesser of fees paid to SESI during the 12 months preceding the action that gave rise to the claim or Seven Hundred and Fifty Thousand Dollars. In no circumstance shall SESI be liable for incidental, consequential, special, punitive or indirect damages or lost profits of any kind.

17. Miscellaneous.

- A. This Agreement shall be performed and construed under the laws of the State of Texas without regard to its conflict of law provisions.
- B. The undersigned Parties jointly and severally agree to execute the terms and conditions of this Agreement in good faith and to the best of their ability. The Parties agree that no assent or waiver, express or implied, to any breach of any one or more of the covenants of this

Agreement shall be construed as or deemed to be an assent to or a waiver of any subsequent breach.

- C. Consistent with the applicable laws and regulations governing the use of cooperative purchasing agreements (often referred to as “piggyback”) and with the consent of SESI, the District and other public agencies and school districts within or outside the state may use applicable Agreement terms to support the purchase of SESI services in other jurisdictions, during the Agreement Term, including renewal terms and extensions.
- D. Enforcement of the terms and conditions of this Agreement, and all rights of action relating to such enforcement, shall be strictly reserved to the parties. Nothing contained in this Agreement shall give or allow any claim or right of action whatsoever by any third person. It is the express intent of the Parties that any person receiving services or benefits pursuant to this Agreement shall be deemed an incidental beneficiary only.
- E. This Agreement constitutes the entire Agreement of the parties regarding the subject matter addressed herein and supersedes all prior agreements, whether oral or written, pertaining to said subject matter. No amendment or modification of this Agreement shall be valid unless set forth in writing and executed by SESI and District in the same manner and with the same formality as was done for this Agreement.
- F. Neither Party will be liable to the other Party hereunder or in default under this Agreement for failures of performance resulting from acts or events beyond the reasonable control of such Party, including, by way of example and not limitation, weather, widespread illness or disease outbreak, pandemic, computer virus or infiltration, acts of God, civil disturbances, war, and strikes.
- G. Any changes to this Agreement, including changes to the Program, shall be in the form of a written amendment to this Agreement, mutually agreed to and signed by both parties, specifying in detail any such changes, fee adjustments, any adjustment in time of performance or any other significant factors arising from the change in the scope of services.
- H. Notices shall be deemed effective when delivered by certified mail to the following addresses: (i) for the District: Denton Independent School District, 1307 N. Locust St. , Denton, Texas, 76201, United States; (ii) for SESI: SESI President, 150 Rouse Blvd, Suite 210, Philadelphia, PA 19112; with a copy to General Counsel at PO Box 444, Elmsford, NY 10523, and a courtesy email to contracts@fullbloom.org.
- I. During the Term of this Agreement and for a period of twelve (12) months thereafter (the “**Non-Solicitation Period**”), the District will not directly or indirectly hire, attempt to hire, nor solicit for employment any SESI Program staff without the prior written consent of SESI. District agrees SESI will suffer substantial economic injury that would be difficult and time-consuming to calculate with precision, and therefore the parties agree that SESI will be entitled to recover from the District fifty thousand dollars for each SESI Program staff member hired or solicited, as liquidated damages and not as a penalty. Nothing

contained herein will prohibit any party from employing an individual who responds to a general advertisement for employment (whether or not made by a professional search firm).

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first written above.

Denton Independent School District

Name:

Title:

Date:

Specialized Education of Texas, Inc.

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Name:

Title:

Date: