



June 7, 2021

Coughlan Companies LLC dba Capstone Attn: Rick Beale 1710 Roe Crest Drive North Mankato, MN 56033

Reference: RFP#2000003265 – PreK-12 Library Databases and eBook Collections

Dear Rick Beale:

Acceptance Agreement

Contract Number: 4400010488

This acceptance agreement signifies a contract award to Coughlan Companies LLC dba Capstone for PreK-12 Library Databases and eBook Collections. The period of the contract shall be from date of award through June 30, 2026 with the option to renew for three (3) one-year periods.

The contract award shall be in accordance with:

- 1. This Acceptance Agreement;
- 2. The Terms and Conditions of RFP#2000003265, and all addenda;
- 3. Your proposal dated January 22, 2021;
- 4. The Memorandum of Negotiations and
- 5. The attached summarized Pricing Schedule.

Please note that this is not an order to proceed. A purchase order, which constitutes your notice to proceed, will be issued to your company. Please provide your Insurance Certificate according to Special Provisions Paragraph 20 within ten (10) days after receipt of this letter. Contract award documents may be viewed on the Fairfax County, Department of Purchasing and Supply Management website at: www.fairfaxcounty.gov/cregister.

Sincerely,

Michelle R. Pratt

Wichollo Prott.

Director

MRP/trf

Acceptance Agreement Contract 44000010488 Page 2 of 3

MEMORANDUM OF NEGOTIATION

RFP 2000003265 PreK-12 Library Databases and eBook Collections

The County of Fairfax, Fairfax County Public Schools (hereinafter called the County or FCPS) and Coughlan Companies LLC dba Capstone (hereinafter called the Contractor) hereby agree to the following in the execution of Contract 4400010488. The final contract contains the following items:

- a. Fairfax County's Request for Proposal 2000003265 and all Addenda;
- b. Coughlan Companies LLC dba Capstone Technical and Business proposal as amended by this Memorandum of Negotiations;
- c. Coughlan Companies LLC dba Capstone revised Pricing Schedule dated April 8, 2021;
- d. The Memorandum of Negotiations; and
- e. All subsequent amendments to the contract.

The following are to be included in the contract:

- 1. Contractor guarantees 99% uptime of all services, excluding scheduled maintenance. If 99% uptime is not maintained, the Contractor will compensate FCPS appropriately to the downtime.
- The Contractor will give FCPS three days advanced notice of any scheduled downtime of services.
- 3. Attached User License Agreement.
 - a. 11. General Provisions, a. Entire Agreement is removed.

All other prices, terms, and conditions remain the same.

Doug Smith	
Nama: Dave Costela	Duning and Considiat

ACCEPTED BY:

Name: Doug Smith, Proposal Specialist Coughlan Companies LLC dba Capstone

Noel Klimenko

Noel Klimenko, Director

PreK-12 Curriculum & Instruction

Michelle R. Pratt. Director

Michelle R. Pratt, Director
Office of Procurement Services

5/11/21 Date

5/24/21 Date

6/7/2021

Date

PRICING SCHEDULE

Item No.	Item Description	Unit Price
1.	Current four databases, district purchase	\$90,058.00
2.	Current four databases with 1 add-on (PebbleGO Next or Spanish), district purchase	\$117,075.00
3.	Current four databases with 2 add-on (PebbleGO Next and Spanish), district purchase	\$135,087
4.	PebbleGo Health, school purchase	\$200.00
5.	PebbleGo Spanish, school purchase	\$499.00
6.	PebbleGo Read More, school purchase	\$499.00
7.	PebbleGo Next, school purchase	\$499.00
8.	PebbleGo Health, Spanish, and Next combo, school purchase	\$800.00
9.	PebbleGo Health, Spanish, Read More, and Next combo, school purchase	\$1,200.00
10.	Capstone Connect, school purchase	\$1,000.00

Annual price increase capped at 2% based on CPI starting in the 2022-23 school year.

PebbleGo Credit with district subscription package Bronze = \$1,299.00 Credit = \$1,700 (per school for Connect) Silver = \$1,799.00 Credit = \$1,200.00 (per school for Connect) Gold = \$1,999.00 Credit = \$1000.00 (per school for Connect)



USER LICENSE AGREEMENT

Please read this Agreement carefully. You must agree to the terms of this Agreement to access Capstone Digital Products.

The terms and conditions contained in this document (the "Standard Terms") and the additional terms of use listed in Capstone Digital Products ("Terms of Use") apply to any sales made by Coughlan Companies, LLC, d/b/a Capstone of license rights to Capstone Digital Products. These Standard Terms will be binding upon electronic or written acceptance by You or an authorized representative at Your organization.

User License Agreement (the "Agreement") is a legal Agreement between You and Coughlan Companies, Inc. d/b/a Capstone, on behalf of itself, its subsidiaries, affiliated companies, joint venturers, business partners, licensors, employees, agents, and third-party information providers ("Capstone"). The parties agree as follows:

AS USED IN THIS AGREEMENT, "YOU" AND "YOUR" REFER TO THE ENTITY RECEIVING THE RIGHT TO USE CAPSTONE DIGITAL PRODUCTS. THE INDIVIDUAL EXECUTING THIS AGREEMENT DOES SO ON BEHALF OF SUCH ENTITY AND NOT IN HIS OR HER INDIVIDUAL CAPACITY. YOU REPRESENT THAT THE PERSON EXECUTING THIS AGREEMENT IS DULY AUTHORIZED TO BIND YOU TO THE TERMS OF THIS AGREEMENT.

As used in this Agreement, "Capstone Digital Products" or "Capstone Digital Product" shall include all software, text, diagrams, images, photographs, audio, video, compilations or other works of authorship of any kind that are made available to you by Capstone existing now or created in the future via any of Capstone's Digital Products or services, including, but not limited to, Capstone Connect, PebbleGo, PebbleGo Next, Capstone Interactive (CI), and any derivatives of the Capstone's Digital Products now in existence or created by Capstone in the future.

- 1. Acceptance of Terms. The terms set forth in this Agreement shall be deemed accepted by the parties upon the earliest of: (i) your installation, access, or use of Capstone Digital Products, its Product, and any related documentation (in whole or in part, "Capstone Digital Products") or; (ii) Your execution of this Agreement.
- **2. Grant of License.** Capstone grants to You, Your students, Your faculty and building Guests, for the term of this Agreement, a non-exclusive, non-transferable and non-assignable Building Specific Site License to access and view Capstone Digital Products solely for Your internal, non-commercial use in connection with their studies and work at the Building and in accordance with the terms of this Agreement, in the United States and worldwide. "Building Specific Site License" shall mean that this license is strictly limited to a site license granted to you on a per building basis. This Building Specific license allows all Your students that attend and faculty that work in the licensed Building identified by You when purchasing this license, to access and view Capstone Digital Products. Those students and faculty of the identified Building may also view and access Capstone Digital Products at home. Individuals who do not remain students or faculty of



the Building shall have no ongoing right to view or access Capstone Digital Products. In the case of consortium, district, regional center, state, or other entities consisting of multiple institutional Buildings of any type, a site license is required for each Building with students or faculty accessing or viewing Capstone Digital Products. For the purposes of clarity, a "Building" is defined as having a unique mailing address and principal, director, or manager. You are solely responsible for providing the required facilities, hardware, software (including third-party software), services and systems (including telecommunications and bandwidth, electrical and physical systems), for You, Your students and Your faculty to access and view Capstone Digital Products. If this user agreement is executed by a representative of a district or multi-site entity, this license applies to all the sites contracted for.

- 3. Payment. By entering into this Agreement, you agree to be bound by the payment terms set forth by Capstone for the license granted to Capstone Digital Products. Failure to abide by the payment terms set forth by Capstone may, at Capstone's discretion, automatically terminate this Agreement including without limitation all your license rights to Capstone Digital Products. Any acceptance of partial payment, reduced payment, or late payment by Capstone shall not constitute a waiver as to Capstone's right to recover full amounts due under the payment terms and Capstone's right to terminate this Agreement for non-payment.
- **4.** Restrictions on Use. You may not do any of the following, nor may you permit any of your students or faculty, or any third party, to do any of the following: (i) exceed the limited license rights granted in this Agreement including, without limitation, the sharing of passwords or other login credentials with those not given explicit rights to access and view Capstone Digital Products under this Agreement; (ii) remove any proprietary notices, labels, or marks from Capstone Digital Products, (iii) sell, transfer, lend, lease, license, or sublicense Capstone Digital Products, (iv) copy, distribute, display, perform, modify, or create derivative works from Capstone Digital Products or circumvent any digital rights management or copyright management protection associated with Capstone Digital Products, or (v) translate, reverse engineer, decompile or disassemble Capstone Digital Products or the hardware, executable software, software source code, or any other technology used as a means for delivering the Capstone Digital Products or securing Capstone's rights in the Capstone Digital Products including without limitation any digital rights management or copyright protection. In addition, you agree and are responsible for ensuring that neither you nor your students or faculty will use any website, ftp site, media, or other methods or materials provided by Capstone for your access and viewing of Capstone Digital Products for any purpose beyond that which is explicitly contemplated in this Agreement.
- **5. Ownership.** As between you and Capstone, Capstone is the owner of all Intellectual Property rights in and to Capstone Digital Products and any information, suggestions, comments, or other materials You, Your students, or Your faculty submit to Capstone. "Intellectual Property" shall mean all of the following, arising under equity or law, whether or not filed, perfected, registered or recorded anywhere in the world: all patents and applications for patents; all copyrights, copyright registrations and copyright



applications, copyrightable works, and all other corresponding rights; all trade dress and trade names, logos, trademarks and service marks and related registrations and applications, all other indicia of commercial source or origin, and all goodwill associated with any of the foregoing; and, all trade secrets and confidential information of any kind. The license granted under this Agreement is not a sale of Capstone Digital Products or any copy of Capstone Digital Products and does not grant you any ownership rights to or in any copies of Capstone Digital Products. Ownership of Capstone Digital Products and copies thereof will at all times remain with Capstone (or its licensors), regardless of who may be deemed the owner of the tangible media in or on which Capstone Digital Products may be copied, encoded or otherwise fixed.

- **6. Duration of Access to Capstone Digital Products.** Capstone will provide access to Capstone Digital Products in a form and format that is in the sole discretion of Capstone. Due to licensing restrictions, Capstone reserves the right to remove, modify or replace the Products of Capstone Digital Products in its sole discretion.
 - **a.** Under a Subscription License: In the event that content must be removed from Capstone Digital Products, You, the customer, will remain whole and in possession of that content until the end of Your annual subscription, at which time the content will be removed from the Capstone Digital Product.
 - **b. Under a Perpetual License:** In the event that content must be removed from the Capstone Digital Product, You, the customer, will remain whole.
- 7. Term & Termination. This Agreement will terminate automatically and immediately in the event that You violate any provision of this Agreement. On termination, You must destroy all copies of the Capstone Digital Products in Your possession or control, cease any and all attempts at accessing or viewing Capstone Digital Products by You, Your students and Your faculty, and upon Capstone's request, you shall provide written and signed certification of such destruction.
 - **a.** Under a Subscription License: This Agreement will begin on the Order Date and will, unless earlier terminated in accordance with this section, continue in effect until, with respect to Subscription Software, the end of the last Subscription Term covered by this Agreement. You shall be responsible for any and all fees charged by Capstone for the license granted under this Agreement and for any subsequent renewals.
 - **b.** Under a Perpetual License: The material contemplated under this Agreement shall be granted to You as a Perpetual License. For purposes of this Agreement, a 'Perpetual License' to the Capstone Digital Products shall mean that the material will be made available to You for as long as said material is owned, maintained and made available by Capstone in the form of the Capstone Digital Products purchased under this Agreement.
- 8. Disclaimer of Warranties. CAPSTONE DIGITAL PRODUCTS AND ALL METHODS AND MEDIA THROUGH OR ON WHICH IT IS PROVIDED INCLUDING WITHOUT LIMITATION ANY HOSTING OR PROVISION OF CAPSTONE DIGITAL PRODUCTS THROUGH THE INTERNET IS PROVIDED BY CAPSTONE



AND ACCEPTED BY YOU "AS IS," "WITH ALL FAULTS," AND WITHOUT ANY WARRANTY WHATSOEVER. ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR ANY PARTICULAR PURPOSE, TITLE OR NONINFRINGEMENT, ARE SPECIFICALLY EXCLUDED AND DISCLAIMED BY CAPSTONE. CAPSTONE DOES NOT WARRANT THAT THE ACCESS TO CAPSTONE DIGITAL PRODUCTS OR CAPSTONE DIGITAL PRODUCTS WILL BE UNINTERRUPTED OR ERROR-FREE, THAT DEFECTS WILL BE CORRECTED, OR THAT ANY WEBSITE OR SERVER THAT MAKES CAPSTONE DIGITAL PRODUCTS AVAILABLE IS FREE OF VIRUSES OR OTHER HARMFUL COMPONENTS. CAPSTONE DOES NOT WARRANT OR MAKE ANY REPRESENTATION REGARDING USE, OR THE RESULT OF USE, OF THE CAPSTONE DIGITAL PRODUCTS IN TERMS OF ACCURACY, RELIABILITY, OR OTHERWISE. THE CAPSTONE DIGITAL PRODUCTS MAY INCLUDE TECHNICAL INACCURACIES OR TYPOGRAPHICAL ERRORS.

- 9. Limitation of Liability. TO THE GREATEST EXTENT PERMITTED BY APPLICABLE LAW, CAPSTONE WILL NOT BE LIABLE FOR ANY LOSS OR DAMAGE ARISING EITHER DIRECTLY OR INDIRECTLY FROM ANY USE OF OR INABILITY TO USE, ACCESS, OR VIEW CAPSTONE DIGITAL PRODUCTS. YOU UNDERSTAND AND AGREE THAT UNDER NO CIRCUMSTANCES WILL CAPSTONE BE LIABLE FOR ANY DAMAGES WHATSOEVER, INCLUDING, BUT NOT LIMITED TO, ANY DIRECT, INDIRECT, INCIDENTAL, CONSEQUENTIAL, OR EXEMPLARY DAMAGES ARISING OUT OF THE USE OF OR INABILITY TO USE CAPSTONE DIGITAL PRODUCTS, EVEN IF CAPSTONE HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, REGARDLESS OF THE LEGAL CAUSE OF ACTION ASSERTED. BECAUSE SOME STATES DO NOT ALLOW THE EXCLUSION OR LIMITATION OF LIABILITY FOR CONSEQUENTIAL OR INCIDENTAL DAMAGES, SOME OF THE ABOVE LIMITATIONS MAY NOT APPLY TO YOU. IN SUCH STATES, CAPSTONE'S LIABILITY IS LIMITED AND WARRANTIES ARE EXCLUDED TO THE GREATEST EXTENT PERMITTED BY LAW AND IN NO EVENT SHALL EXCEED THE AMOUT PAID BY YOU FOR THE LICENSE GRANTED HEREIN.
- 10. Indemnification. To the extent permitted by applicable law, You are legally responsible for any inappropriate access, viewing, or other misuse of Capstone Digital Products that occurs in violation of, or outside of, the rights granted in this Agreement whether by you, your students, your faculty, or any third party that gains access to the Capstone Digital Products by or through your, your students', or your faculties' actions or inactions (collectively "Inappropriate Behavior"). Unless You are a publicly funded, non-profit educational institution and therefore unable to legally indemnify Capstone, to the extent permitted by applicable law, You agree to indemnify, defend and hold harmless Capstone, its officers, directors, and employees from and against any and all claims, losses, expenses, damages (including, but not limited to, direct, indirect, incidental, consequential, and exemplary damages), liabilities, and costs (including reasonable attorneys' fees, expert fees, and other litigation or investigation costs), whether for



defense or prosecution of any of Capstone's, or Capstone's licensors', Intellectual Property rights or other rights under this Agreement resulting from or arising out of your use of or inability to use Capstone Digital Products, any violation by you of this Agreement, and any Inappropriate Behavior.

11. General Provisions.

a. Entire Agreement. This Agreement and the related documents referenced herein constitute the entire agreement of the parties with respect to the subject matter hereof, and supersedes all previous written or oral agreements between the parties with respect to such subject matter.

DS 5/11/21

- **b.** No Waiver. No waiver by either party of any breach or default hereunder shall be deemed to be a waiver of any preceding or subsequent breach or default.
- **c. Severability.** If any provision of this Agreement is found to be invalid or unenforceable, that provision will be enforceable to the maximum extent permissible, and the other provision of the Agreement will remain in force.
- **d. Force Majeure.** Either party will not be liable for, nor will be considered to be in breach of or default under, this Agreement on account of any delay or failure to perform as required by this Agreement as a result of any causes or conditions that are beyond the party's reasonable control and that either party is unable to overcome through the exercise of commercially reasonable diligence. If any force majeure event occurs, Capstone will give prompt notice to you and will use commercially reasonable efforts to minimize the impact of the event. This clause in no way abrogates or limits the Disclaimer of Warranty, Limitation of Liability, and Indemnification provisions otherwise set forth in this Agreement.
- **e. Enforcement.** If You are a publicly funded, non-profit educational institution, this Agreement will be governed by the internal laws of the State in which You are situated, without regard to its 'conflicts of laws' rule. In all other cases, this Agreement will be governed by the internal laws of the State of Minnesota.
- **f. Assignment.** Your rights under this Agreement are not assignable or transferable (by operation of law or otherwise). This Agreement will be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns. No third-party beneficiaries are intended or shall be construed as created by virtue of this Agreement, including without limitation, the parties agree that Your students and faculty are not third-party beneficiaries to this Agreement.
- **g. Student Data.** Capstone does not collect any personally identifiable information (PII) or data through the Capstone Digital Products contemplated under this Agreement.
- **h. Modifications to Agreement.** Capstone reserves the right to make any necessary changes, modifications, or updates to this Agreement. Should Capstone make any changes to this Agreement, customer will be required to agree to the updated terms and accept the updated Agreement before continued use of the product.
- **i. General Contact Information.** If you have any questions about this Agreement, you may contact Capstone as the following address:



1710 Roe Crest Drive North Mankato, MN 56003

Email: support@capstonepub.com; legal@capstonepub.com

Fax: 1-888-262-0705

Pursuant to section 1 above, the terms set forth in this Agreement shall be deemed accepted by the parties upon the earliest of:

- i. Your installation, access, or use of Capstone Digital Products or.
- ii. Your execution of this Agreement.

You/Your (subscriber acknowledgment):

Signed: Michelle Pratt
Printed Name: Michelle Pratt
Title: Director, Office of Procurement Services
Entity: Fairfax County Public Schools
Date: 6/7/2021