

#### **Staffing Service Agreement**

This Staffing Service Agreement ("Agreement") is entered into as of the 23rd day of May, 2023 (the "Effective Date"), by and between 3Chords Inc and TherapyTravelers LLC collectively DBA Epic Special Education Staffing (each, a "Company Party" and, together, "Epic Special Education Staffing", herein referred to as ESES), and Tracy Joint Unified School District (the "Client"). The Agreement supersedes all other agreements and or contracts in place between the Clientand Company Party. Client acknowledges the representative who signs any contract with ESES on behalf of the Client has full signing authority and by doing so, this Agreement and each Staffing Confirmation Agreement (in the form attached hereto as Exhibit A) shall be binding.

# 1. Services and Staffing Confirmation (Exhibit A)

- (a) Subject to availability, ESES will provide the services of one or more Special Education Professional Associates (each an "Associate") on request from the Client on an as needed and as available basis (the "Services"). ESES will promptly reply to each such request and indicate whether it has an Associate available to provide the requested Services. If ESES elects to provide requested Services from Client, a confirmation of and detailed terms of the assignment will be provided to the Client in a "Staffing Confirmation Agreement" in substantially the form attached hereto as Exhibit A (one form per assigned Associate). Each such Staffing Confirmation Agreement shall designate the Company Party with rights and obligations under this Agreement and under the Staffing Confirmation Agreement in connection with the applicable Services, and Client expressly acknowledges and agrees that the other Company Party shall have no such rights or obligations in connection with such Services.
- (b) Each Staffing Confirmation Agreement entered into or to be entered into in connection with this Agreement is hereby incorporated herein by reference as if fully set forth in this Agreement. If there is a conflict between the terms of this Agreement and a Staffing Confirmation Agreement, the terms of this Agreement shall prevail. The Client acknowledges that by acceptance of this Agreement, no further contract is required per individual contractor, regardless of the specific details of the assignment, hours, rate, etc. Electronic timekeeping will be provided to the Client on a weekly basis. ESES will use commercially reasonable efforts to obtain signed timecards from Client however, signed timecards are not required for approval to process and bill. By signing this Agreement, Client acknowledges that all hours worked by the contractor will be billed to Client's district to be paid in full in accordance with the agreed upon payment terms, regardless of approval of the timecard submitted. A rejected timecard will be subject for review by ESES, Associate, and Client.

The Client acknowledges and agrees that any claim related to the Services provided hereunder must be reported in writing to ESES by the earlier of (1) ninety (90) days after the claim arises, or (2) thirty (30) days after termination of the Associate's assignment pursuant to the Staffing Confirmation Agreement. ESES will not be responsible for, and the Client hereby waives the right to assert, any claims not reported in accordance with the foregoing.

#### Associates

- (a) ESES will refer qualified candidates without regard to race, sex, color, religion, national origin, marital status, veteran status, non-job-related medical condition, or any other statutorily protected category. The Client shall have the right of refusal regarding the Associate assigned by ESES, consistent with the other terms of this Agreement, but agrees that no refusal will be made on account of race, gender, color, religion, national origin, marital status, veteran status, or any other statutorily protected category. The Client understands and agrees that any Associate assigned to the Client by ESES, pursuant to this Agreement, shall perform all Services as an independent contractor to the Client and not as an employee, agent, partner, or ventureparticipant of the Client.
- (b) Associates shall perform Services at the work site of the Client or remotely and during the normal work hours of the Client. The Client will provide, at no cost to ESES, working space facilities, and related services and supplies necessary to support each Associate engaged by the Client. Associates will work under the supervision and direction of the Client.
- (c) The Client acknowledges that ESES typically checks Associates' references only by posing specific questions to certain past employers regarding skills and work history before placing an Associate on assignment. ESES typically conducts a limited background check but does not engage in any additional verification process (e.g., ESES does not screen for drug use, administer a medical exam, or conduct credit checks). Should the Client have additional compliance needs, Client is required to provide a written request with clear instructions at the time of requesting Services. ESES shall not be liable for any losses, damages, liabilities, costs or expenses, including attorneys' fees and other legal expenses, arising directly or indirectly from failure toobtain additional compliance verification, except where ESES has agreed in writing to obtain such verification.
- (d) The Client is responsible for supervising the assigned Associates(s). The Client will not permit or require an Associate: (1) to perform Services outside of the scope of his or her assignment (2) to sign contracts on behalf of the Client, (3) to make any management decisions, (4) to sign, endorse, wire, transport or otherwise convey cash, securities, checks or any negotiable instruments or valuables, (5) to operate machinery (other than office machines) or automotive equipment, (6) to perform Services remotely (on premises other than the Client's premises), or (7) to use computers or other electronic devices, software or network equipment owned or licensed by the Associate.
- (e) The Client agrees to provide safe working conditions and will orient all ESES employees at the start of any work engagement to the policies of the district including safety, hazard and emergency. If any assignment under this Agreement is for work to be performed under a government contract or subcontract, the Client will notify ESES immediately: (1) of any obligations in the government contract or

subcontract relating to wages, and (2) if ESES is legally required to initiate E Verify verification procedures for any Associate. ESES reserves the right to re-assign any assigned Associate. The Client further agrees that it is fully responsible for, and that ESES will not be responsible for any injuries, claims, damages, or losses that may result from the Client's failure to comply with the foregoing.

(f) Assigned Associates will execute any confidentiality agreement that the Client may reasonably require. The Client is responsible for obtaining the assigned Associate's signature. The Client agrees to hold in confidence the identity of any assigned Associate and the assigned Associate's resume, social security number and other legally protected personal information, and further agrees to implement and maintain reasonable security procedures and practices to protect such information from unauthorized access, use modification or disclosure.

# 3. Compensation and Payment Terms

- (a) The Client shall pay ESES an agreed hourly bill rate for each hour worked by an Associate as set forth in the applicable Staffing Confirmation Agreement, which will also specify the duration and location of the assignment. Overtime and Holiday hours worked will be billed at least 1.5 times the normal hourly bill rate, and in a greater amount if required by applicable State or local law. Holidays in consideration will be listed on the Staffing Confirmation Agreement. Overtime hours will be determined in accordance with applicable Federal, state, and local laws. Federal law defines overtime as hours more than 40 hours per week, and state laws vary. If state law requires double timepay, the double time hours will be billed at 2.0 times the normal hourly bill rate.
- (b) Assigned Associates will present a time sheet record to the Client or its designated representative and use good faith efforts to verify hours at the end of each week. ESES will bill the Client for the total hours worked, including applicable sales and service taxes all of which are payable by the Client. ESES invoices are due and payable [upon receipt] [within thirty (30) days of the billing date]. If the Client fails to pay any invoice when due, the Client agrees to pay all of ESES' costs of collection, including reasonable attorney's fees, whether legal action is initiated. Additionally ESES may, at its option, charge interest on any overdue amounts at arate equal to the lesser of one- and one-half percent (1.5%) per month or the highest rate allowed by applicable law from the date the amount first became due.
- (c) ESES may increase its rates for the Services provided under this Agreementto reflect increases in its costs of doing business, including costs associated with higher wages for workers and/or related tax, benefit, and other costs. ESES will provide written or verbal notice of any increase in its rates for the Services, which shall be prospective only, which notice shall specify the proposed effective date of the increase.
- (d) In the event the Client's school or school system is physically closed (i.e., physical closures due to inclement weather, public health emergencies), including days on which the school or school system is physically closed but continues operating or providing educational instruction virtually or through online services to students ("Remote Learning Days") or days on which the school or school system is otherwise closed to students ("Closure"), Client shall remain fully obligated to remit payment to ESES for the full amount (at the agreed upon bill rate) of the total typical hours worked and contracted for each applicable consultant for each day of the Client's Closure. Associate shall be ready, willing, and

able to work his or her regularly scheduled hours during all Remote Learning Days via virtual instruction/meetings or online instruction/meetings.

Remittance address:

**Epic Special Education Staffing** 

PO Box 840053

Los Angeles, CA 90084

# 4. Client Hiring of Associates and Conversion Fees

- (a) If the Client, after evaluating the performance and potential of an Associate on the job, desires to employ the Associate directly, the Client agrees to abide by certain restrictions and to pay any applicable "Conversion Fee" as provided hereinbelow. The Conversion Fee, if applicable, is payable if the Client hires an assigned Associate, regardless of the employment classification on either a full time, temporary (including temporary assignments through another agency) or consulting basis within twelve (12) months after the last day of such Associate's assignment hereunder. The Client acknowledges that a Conversion Fee, if applicable, is also payable if the assigned Associate is hired by a subsidiary or other related company or business of the Client.
- (b) The Client may elect to hire any Associate subject to payment of a fee equal to thirty-five percent (35%) of the Associate's annual total compensation, including bonuses (the "Conversion Fee"). The Client will pay the Conversion Fee to ESES within 30 days of billing. In order for an Associate to be hired on as the Client's employee, the Client must have a zero balance on all outstanding invoices. The foregoing hiring restriction and Conversion Fee obligations shall survive until one (1) year after the last date of service by the subject Associate at the Client's facility. ESES agrees to waive its right to a Conversion Fee after an Associate has completed 2,700 hours over the course of two (2) school years.
- (c) The Client shall provide ESES thirty (30) days prior written notice of its intention to offer employment to any Associate and shall immediately confirm in writing when it has extended the offer (in writing, verbally or otherwise), and when the ESES Associate accepts the offer (in writing, verbally, or otherwise). ESES will bill Client for the Conversion Fee after the ESES Associate accepts Client's offer. Conversion payment must be paid in full and have no outstanding balances prior to the Associate's scheduled first day as a district hire.
- (d) Commencing on the first day that the Client includes on its payroll any Associate formerly referred to Client by ESES, that Associate immediately ceases to be an independent contractor with respect to Client, ESES is no longer the Associate's employer, and is in no way liable in any way for that person's actions or omissions, tax deductions, workers' compensation insurance, unemployment compensation taxes or any other legally required taxes and withholdings.

# 5. **Direct Hire Fees**

- (a) Should the Client wish to use ESES as a headhunter for permanent assignments, a "Contingency Direct Hire Fee" equal to thirty five percent (35%) of the candidate's annual salary will become payable to ESES when an offer, verbal or otherwise, is made bythe Client and accepted by the candidate. Payment is due in full within thirty (30) days of invoice.
- (b) Replacement Policy: If the candidate placed with Client voluntarily terminates his/her employment or is terminated for cause within sixty (60) days from the candidate's start date, ESES will offer a replacement courtesy for that candidate. ESES does not guarantee a replacement will be provided as it is contingent on candidate availability. However, the replacement policy is contingent upon full payment of the direct hire fee by Client within thirty (30) days of invoice.

# 6. Right To Counsel: Coaching and Dismissals

In instances of unsatisfactory performance of duties by an Associate, the Client agrees to make a good faith effort to rectify the issue, including a notice, in writing, to ESES outlining the issue at hand so that the Associate may modify behavior through counsel and coaching by ESES staff. Should the issue not be resolved within a reasonable amount of time, the Client may request that the Associate be removed from the assignment. ESES will make every effort possible to comply with the Client's request as quickly as possible. Client agrees to honor the terms of this Agreement and pay invoices for hours performed by any Associate up to the time of dismissal from the Client's assignment.

## 7. Cancellations

Client must provide twenty (20) in-session school days (workdays) written notice of cancellation to ESES. A cancellation fee equal to the scheduled hours for any shift cancelled is payable to ESES for all cancellations made with notice less than twenty (20) in-session school days (i.e. Associate work days). For assignments ESES must be granted at least forty (40) hours per week of work (unless the Client's full time business schedule is only thirty-five (35) hours per week, or (37.5) thirty-seven and a half hours per week). If an Associate's travel staffing assignment ends prematurely, the Client agrees to pay to ESES, upon presentment of an invoice, all remaining housing costs for the Associate, including apartment and furniture leasing costs, until the expiration of the applicable lease(s).

# 8. Contract Termination

This Agreement remains in effect until terminated by either Party. This Agreement shall be terminable by either Party upon thirty (30) days prior written notice. Termination of this Agreement will also result in the termination of each Staffing Confirmation Agreement between ESES and the Client. In addition, each Staffing Confirmation Agreement shall be subject to immediate termination if ESES reasonably determines that the assigned Associate's professional license or code of ethics has been compromised.

## 9. Notices

For the purposes of this Agreement, notice shall be effective to the Parties at the following addresses:

Client:

Tracy Joint Unified School District

1875 W. LOWELL AVE. TRACY, CA 95376

ESES:

**Epic Special Education Staffing** 

2041 Rosecrans Avenue

Suite 245

El Segundo, CA 90245

# 10. <u>Insurance, Indemnification and Limitation of Liability</u>

- (a) ESES shall maintain and provide to the Client, upon written request, proof of any assigned Associate's valid professional license, if applicable, and proof of Worker's Compensation Insurance (which will be maintained per statutory requirements). Additionally, ESES shall procure and maintain insurance and upon written request, shall provide the Client with Certificates of such insurance covering the following risks:
  - Professional Liability \$2,000,000 per Occurrence, \$4,000,000 Aggregate
  - General Liability \$2,000,000 per Occurrence, \$4,000,000 Aggregate
- (b) To the extent permitted by law, ESES will defend, indemnify, and hold the Client and its parent, subsidiaries, directors, officers, agents, representatives, and employees harmless from all claims, losses, and liabilities (including reasonable attorneys' fees) to the extent caused by ESES' breach of this Agreement; its failure to discharge its duties and responsibilities set forth herein or in a Staffing Confirmation Agreement; or the negligence, gross negligence, or willful misconduct of ESES or its officers, employees, or authorized agents in the discharge of those duties and responsibilities.

- (c) To the extent permitted by law, the Client will defend, indemnify, and hold ESES and its parent, subsidiaries, directors, officers, agents, representatives, and employees harmless from all claims, losses, and liabilities (including reasonable attorneys' fees) to theextent caused by the Client's breach of this Agreement; its failure to discharge its duties and responsibilities set forth herein or in a Staffing Confirmation Agreement; or the negligence, gross negligence, or willful misconduct or unlawful act of the Client or its officers, employees, or authorized agents in the discharge of those duties and responsibilities.
- (d) Circumstances may arise where, because of a default on the part of ESES, the Client is entitled to recover damages from ESES. Regardless of the basis on which the Client is entitled to claim damages from ESES (including fundamental breach, negligence, misrepresentation, or other contract or tort claim) ESES' liability, if any, will (in the aggregate for all claims, causes of action, or damages) be limited to any actual direct damages up to anamount equal to the fees actually paid to ESES for the Services that are the subject of the claim.

#### 11. Miscellaneous

- (a) <u>Entire Agreement</u>. This Agreement contains the complete agreement between the Parties with respect to the subject matter thereof and may not be modified except by written agreement signed by both Parties. This Agreement supersedes all previous written or oral agreements between the Parties.
- (b) <u>Assignment</u>. This Agreement may not be assigned by either Party without the written consent of the other Party. Consent for one assignment does not waive the consent requirement for any subsequent assignment, but, subject to the foregoing limitation, will inure to the benefit of and be binding on the successors and assigns of the respective Parties.
- (c) Arbitration. Any dispute, claim or controversy arising out of or relating to this Agreement or the breach, termination, enforcement, interpretation, or validity thereof, including the determination of the scope or applicability of this Agreement to arbitrate, shall be determined by arbitration in Los Angeles, California before one arbitrator. The arbitration shall be administered by JAMS pursuant to its Comprehensive Arbitration Rules and Procedures and in accordance with the Expedited Procedures in those Rules. Judgment on the Award may be entered in any court having jurisdiction. This clause shall not preclude Parties from seeking provisional remedies in aid of arbitration from a court of appropriate jurisdiction. In any arbitration arising out of or related to this Agreement, the arbitrator is not empowered to award punitive or exemplary damages, except where permitted by statute, and the Parties waive any right to recover any such damages. In any arbitration arising out of or related to this Agreement, the arbitrator may not award any incidental, indirect or consequential damages, including damages for lost profits.

In the event of any arbitration or other action arising out of or related to this Agreement, or a Staffing Confirmation Agreement, the prevailing Party in such arbitration or other action shall be entitled to receive an award of all costs and expenses of such arbitration or other action, including reasonable attorneys' fees and costs, and all other expenses in connection therewith, in addition to any

other award or remedy provided in such arbitration or action, and the same shall be included in the award and any judgment.

The venue for all actions, including arbitration, arising out of this Agreement, shall be in Los Angeles, California unless otherwise agreed by the Parties in writing.

- (d) <u>Governing Law</u>. The validity and interpretation of any terms or provisions of this Agreement of the rights and duties of the Parties hereunder shall be governed and construed in accordance with the laws of the State of California, exclusive of conflict or choice of law rules.
- (e) <u>Severability</u>. The Parties agree that each of the provisions included in this Agreement is separate, distinct, and severable from the other and remaining provisions of the Agreement; and that the invalidity or unenforceability of any Agreement provision shall not affect the validity or enforceability of any other provision or provisions of this Agreement.
- (g) <u>Authority</u>. The Client signatory, herein below, specifically warrants that such individual has the capacity and authority to represent, contract on behalf of and bid the Client with respect to the obligations, rights, and duties contained herein.

[Signature Pages Follow]

IN WITNESS WHEREOF, the Parties have executed and delivered this Agreement as of the Effective Date.

Once signed by the President of Epic Special Education Staffing, no further revisions or changes can be made or accepted.

| "Epic Special Education Staffing"   |    |         |    |     |
|-------------------------------------|----|---------|----|-----|
| TherapyTravelers LLC                |    |         |    |     |
| By: 22D2D10C6B8842F 4/24/2023       | -l | 9:32:23 | АМ | PD  |
| Carol Cheney, President             |    |         |    |     |
| 3Chords Inc.                        |    |         |    |     |
| By: Carol Cheney 4/24/2023          |    | 9:32:23 | АМ | PDT |
| Carol Cheney, President             |    |         |    |     |
|                                     |    |         |    |     |
|                                     |    |         |    |     |
|                                     |    |         |    |     |
| "Client"                            |    |         |    |     |
| Tracy Joint Unified School District |    |         |    |     |
| Ву:                                 |    |         | _  |     |
| Name, Title:                        |    |         | -  |     |



## **Staffing Confirmation Agreement**

This Staffing Confirmation Agreement ("Agreement - Exhibit A") is entered into on (date) by and between 3Chords Inc and TherapyTravelers LLC collectively DBA Epic Special Education Staffing and (Client) collectively referred to herein as "the Parties." The Parties agree to the below:

| Therapist Name:                            | Assignment Dates:       |
|--|-------------------------|
| District Name and Address:                 | Schedule:               |
| District Telephone Number:                 | Guaranteed Hours:       |
| District Department Director Name:         | Estimated Caseload:     |
| Billing Address:                           | Approved Time Off:      |
| Billing Telephone Number:                  | Bill Rate:              |
| Billing Contact Info:                      | Overtime/Holiday Rate:  |
| Billing Email Address:                     | *Mileage Reimbursement: |
| Timesheet Approver Email Address and Name: | First Day Details:      |

Supervision/Materials/Equipment/Hours and Enrollment: Client will provide appropriate supervision, materials and equipment to therapist. Hours are guaranteed regardless of student(s), District Employee(s) or District Contractor(s) absences, enrollment, or employment status. Should the caseload change due to any reason, Client acknowledges that the Contractor is guaranteed these hours. Upon mutual agreement, Client may reassign Contractor to another caseload.

\*Mileage Reimbursement: billed and reimbursed at IRS rate. Applicable when Contractor commutes to more than 1 working location per day.

**Cancellation of Services:** A minimum 20 working day written notice must be given to Epic Special Education Staffing directly for cancellation or early termination of contract.

Payment Terms: Payment is due in full within thirty (30) days of invoice. Failure to pay will result in Client being responsible for all collections costs, including, but not limited to, attorney's fees and costs.

All time over 40 hours in a workweek will be paid at time and one half (1.5) (CA – anything over 8 hours in a day will be paid at time and one half (1.5))

Conversion Terms: Client acknowledges the Therapist named herein is an employee of Epic Special Education Staffing and that any hiring or employment scenario - permanent hire, interim, contract or otherwise - within 12 months of this placement, will be arranged through Epic Special Education Staffing and Client agrees to pay a conversion fee of 35% of the subject Therapist's annual salary as liquidated damages to Epic Special Education Staffing within 30 days of being invoiced for the same. Contract conversion terms available upon request.



Client acknowledges and agrees that this Staffing Confirmation Agreement contains the specific terms of the individual contractor's assignment for services in accordance with the terms of the Epic Special Education Staffing, Staffing Services Agreement. If there is a conflict between the terms of this Staffing Confirmation Agreement and the Epic Special Education Staffing, Staffing Services Agreement, the terms of the Epic Special Education Staffing's Staffing Services Agreement shall prevail. Unless the Client provides written notice of any objection or correction needed within the earlier of (i) ten (10) business days.

Upon receipt of this Staffing Confirmation Agreement from Epic Special Education Staffing, or (ii) five (5) business days prior to the start of such assignment, this Exhibit A shall be deemed accepted by the Client and be deemed a binding agreement in all respects.



#### **District Business Agreement**

This Staffing Service Agreement ("Agreement") is entered into as of the 23rd day of May, 2023 (the "Effective Date"), by and between 3Chords Inc and TherapyTravelers LLC collectively DBA Epic Special Education Staffing solely for Special Education Teacher Contractors, herein known as "ESES" and Tracy Joint Unified School District\_(the "Client"). This Agreement supersedes all other agreements for and or contracts in place, solely for Special Education Teacher Contractors, between the Client and Company Party. All other agreements between Client and Company party for NPA services, Company Party supersedes separately from this agreement. Client acknowledges the representative who signs any contract with ESES on behalf of the Client has full signing authority and by doing so, this Agreement and each Staffing Confirmation Agreement (in the form attached hereto as Exhibit A) shall be binding.

### 1. Services and Staffing Confirmation (Exhibit A)

- (a) Subject to availability, ESES will provide the services of one or more Special Education Teacher(s) (herein referred to as each an "Associate") on request from the Client on an as needed and as available basis (the "Services"). ESES will promptly reply to each such request and indicate whether it has an Associate available to provide the requested Services. If ESES elects to provide requested Services from Client, a confirmation of and detailed terms of the assignment will be provided to the Client in a "Staffing Confirmation Agreement" in substantially the form attached hereto as Exhibit A (one form per assigned Associate). Each such Staffing Confirmation Agreement shall designate the Company Party with rights and obligations under this Agreement and under the Staffing Confirmation Agreement in connection with the applicable Services, and Client expressly acknowledges and agrees that the other Company Party shall have no such rights or obligations in connection with such Services.
- (b) Each Staffing Confirmation Agreement entered into or to be entered into in connection with this Agreement is hereby incorporated herein by reference as if fully set forth in this Agreement. If there is a conflict between the terms of this Agreement and a Staffing Confirmation Agreement, the terms of this Agreement shall prevail. The Client acknowledges that by acceptance of this Agreement, no further contract is required per individual contractor, regardless of the specific details of the assignment, hours, rate, etc. Electronic timekeeping will be provided to the Client on a weekly basis. ESES will use commercially reasonable efforts to obtain signed timecards from Client however, signed timecards are not required for approval to process and bill. By signing this Agreement, Client acknowledges that all hours worked by the contractor will be billed to Client's district to be paid in full in accordance with the agreed upon payment terms, regardless of approval of the timecard submitted. A rejected timecard will be subject for review by ESES, Associate, and Client.

The Client acknowledges and agrees that any claim related to the Services provided hereunder must be reported in writing to ESES by the earlier of (1) ninety (90) days after the claim arises, or (2) thirty (30) days after termination of the Associate's assignment pursuant to the Staffing Confirmation Agreement. ESES will not be responsible for, and the Client hereby waives the right to assert, any claims not reported in accordance with the foregoing.

#### 2. Associates

- (a) ESES will refer qualified candidates without regard to race, sex, color, religion, national origin, marital status, veteran status, non-job-related medical condition, or any other statutorily protected category. The Client shall have the right of refusal regarding the Associate assigned by ESES, consistent with the other terms of this Agreement, but agrees that no refusal will be made on account of race, gender, color, religion, national origin, marital status, veteran status, or any other statutorily protected category. The Client understands and agrees that any Associate assigned to the Client by ESES, pursuant to this Agreement, shall perform all Services as an independent contractor to the Client and not as an employee, agent, partner, or ventureparticipant of the Client.
- (b) Associates shall perform Services at the work site of the Client or remotely and during the normal work hours of the Client. The Client will provide, at no cost to ESES, working space facilities, and related services and supplies necessary to support each Associate engaged by the Client. Associates will work under the supervision and direction of the Client.
- (c) The Client acknowledges that ESES typically checks Associates' references only by posing specific questions to certain past employers regarding skills and work history before placing an Associate on assignment. ESES typically conducts a limited background check but does not engage in any additional verification process (e.g., ESES does not screen for drug use, administer a medical exam, or conduct credit checks). Should the Client have additional compliance needs, Client is required to provide a written request with clear instructions at the time of requesting Services. ESES shall not be liable for any losses, damages, liabilities, costs or expenses, including attorneys' fees and other legal expenses, arising directly or indirectly from failure toobtain additional compliance verification, except where ESES has agreed in writing to obtain such verification.
- (d) The Client is responsible for supervising the assigned Associates(s). The Client will not permit or require an Associate: (1) to perform Services outside of the scope of his or her assignment (2) to sign contracts on behalf of the Client, (3) to make any management decisions, (4) to sign, endorse, wire, transport or otherwise convey cash, securities, checks or any negotiable instruments or valuables, (5) to operate machinery (other than office machines) or automotive equipment, (6) to perform Services remotely (on premises other than the Client's premises), or (7) to use computers or other electronic devices, software or network equipment owned or licensed by the Associate.
- (e) The Client agrees to provide safe working conditions and will orient all ESES employees at the start of any work engagement to the policies of the district including safety, hazard and emergency. If any assignment under this Agreement is for work to be performed under a government contract or

subcontract, the Client will notify ESES immediately: (1) of any obligations in the government contract or subcontract relating to wages, and (2) if ESES is legally required to initiate E Verify verification procedures for any Associate. ESES reserves the right to re-assign any assigned Associate. The Client further agrees that it is fully responsible for, and that ESES will not be responsible for any injuries, claims, damages, or losses that may result from the Client's failure to comply with the foregoing.

(f) Assigned Associates will execute any confidentiality agreement that the Client may reasonably require. The Client is responsible for obtaining the assigned Associate's signature. The Client agrees to hold in confidence the identity of any assigned Associate and the assigned Associate's resume, social security number and other legally protected personal information, and further agrees to implement and maintain reasonable security procedures and practices to protect such information from unauthorized access, use modification or disclosure.

# 3. Compensation and Payment Terms

- (a) The Client shall pay ESES an agreed hourly bill rate for each hour worked by an Associate as set forth in the applicable Staffing Confirmation Agreement, which will also specify the duration and location of the assignment. Overtime and Holiday hours worked will be billed at least 1.5 times the normal hourly bill rate, and in a greater amount if required by applicable State or local law. Holidays in consideration will be listed on the Staffing Confirmation Agreement. Overtime hours will be determined in accordance with applicable Federal, state, and local laws. Federal law defines overtime as hours more than 40 hours per week, and state laws vary. If state law requires double timepay, the double time hours will be billed at 2.0 times the normal hourly bill rate.
- (b) Assigned Associates will present a time sheet record to the Client or its designated representative and use good faith efforts to verify hours at the end of each week. ESES will bill the Client for the total hours worked, including applicable sales and service taxes all of which are payable by the Client. ESES invoices are due and payable [upon receipt] [within thirty (30) days of the billing date]. If the Client fails to pay any invoice when due, the Client agrees to pay all of ESES costs of collection, including reasonable attorney's fees, whether legal action is initiated. Additionally, ESES may, at its option, charge interest on any overdue amounts at arate equal to the lesser of one- and one-half percent (1.5%) per month or the highest rate allowed by applicable law from the date the amount first became due.
- (c) ESES may increase its rates for the Services provided under this Agreementto reflect increases in its costs of doing business, including costs associated with higher wages for workers and/or related tax, benefit, and other costs. ESES will provide written or verbal notice of any increase in its rates for the Services, which shall be prospective only, which notice shall specify the proposed effective date of the increase.
- (d) In the event the Client's school or school system is physically closed (i.e., physical closures due to inclement weather, public health emergencies), including days on which the school or school system is physically closed but continues operating or providing educational instruction virtually or through online services to students ("Remote Learning Days") or days on which the school or school system is otherwise closed to students ("Closure"), Client shall remain fully obligated to remit payment to ESES for the full amount (at the agreed upon bill rate) of the total typical hours worked and contracted

for each applicable consultant for each day of the Client's Closure. Associate shall be ready, willing, and able to work his or her regularly scheduled hours during all Remote Learning Days via virtual instruction/meetings or online instruction/meetings.

Remittance address:

**Epic Special Education Staffing** 

PO Box 840053

Los Angeles, CA 90084

# 4. Client Hiring of Associates and Conversion Fees

- (a) If the Client, after evaluating the performance and potential of an Associate on the job, desires to employ the Associate directly, the Client agrees to abide by certain restrictions and to pay any applicable "Conversion Fee" as provided hereinbelow. The Conversion Fee, if applicable, is payable if the Client hires an assigned Associate, regardless of the employment classification on either a full time, temporary (including temporary assignments through another agency) or consulting basis within twelve (12) months after the last day of such Associate's assignment hereunder. The Client acknowledges that a Conversion Fee, if applicable, is also payable if the assigned Associate is hired by a subsidiary or other related company or business of the Client.
- (b) The Client may elect to hire any Associate subject to payment of a fee equal to thirty-five percent (35%) of the Associate's annual total compensation, including bonuses (the "Conversion Fee"). The Client will pay the Conversion Fee to ESES within 30 days of billing. In order for an Associate to be hired on as the Client's employee, the Client must have a zero balance on all outstanding invoices. The foregoing hiring restriction and Conversion Fee obligations shall survive until one (1) year after the last date of service by the subject Associate at the Client's facility. ESES agrees to waive its right to a Conversion Fee after an Associate has completed 2,700 hours over the course of two (2) school years.
- (c) The Client shall provide ESES thirty (30) days prior written notice of its intention to offer employment to any Associate and shall immediately confirm in writing when it has extended the offer (in writing, verbally or otherwise), and when the ESES Associate accepts the offer (in writing, verbally, or otherwise). ESES will bill Client for the Conversion Fee after the ESES Associate accepts Client's offer. Conversion payment must be paid in full and have no outstanding balances prior to the Associate's scheduled first day as a district hire.
- (d) Commencing on the first day that the Client includes on its payroll any Associate formerly referred to Client by ESES, that Associate immediately ceases to be an independent contractor with respect to Client, ESES is no longer the Associate's employer, and is in no way liable in any way for that person's actions or omissions, tax deductions, workers' compensation insurance, unemployment

compensation taxes or any other legally required taxes and withholdings.

# Direct Hire Fees

- (a) Should the Client wish to use ESES as a headhunter for permanent assignments, a "Contingency Direct Hire Fee" equal to thirty five percent (35%) of the candidate's annual salary will become payable to ESES when an offer, verbal or otherwise, is made bythe Client and accepted by the candidate. Payment is due in full within thirty (30) days of invoice.
- (b) Replacement Policy: If the candidate placed with Client voluntarily terminates his/her employment or is terminated for cause within sixty (60) days from the candidate's start date, ESES will offer a replacement courtesy for that candidate. ESES does not guarantee a replacement will be provided as it is contingent on candidate availability. However, the replacement policy is contingent upon full payment of the direct hire fee by Client within thirty (30) days of invoice.

# 6. Right To Counsel: Coaching and Dismissals

In instances of unsatisfactory performance of duties by an Associate, the Client agrees to make a good faith effort to rectify the issue, including a notice, in writing, to ESES outlining the issue at hand so that the Associate may modify behavior through counsel and coaching by ESES staff. Should the issue not be resolved within a reasonable amount of time, the Client may request that the Associate be removed from the assignment. ESES will make every effort possible to comply with the Client's requestas quickly as possible. Client agrees to honor the terms of this Agreement and pay invoices for hours performed by any Associate up to the time of dismissal from the Client's assignment.

# 7. Cancellations

Client must provide twenty (20) in-session school days (workdays) written notice of cancellation to ESES, A cancellation fee equal to the scheduled hours for any shift cancelled is payable to ESES for all cancellations made with notice less than twenty (20) in-session school days (i.e.Associate work days). For assignments ESES must be granted at least forty (40) hours per week of work (unless the Client's full time business schedule is only thirty-five (35) hours per week, or (37.5) thirty-seven and a half hours per week). If an Associate's travel staffing assignment ends prematurely, the Client agrees to pay to ESES, upon presentment of an invoice, all remaining housing costs for the Associate, including apartment and furniture leasing costs, until the expiration of the applicable lease(s).

# 8. Contract Termination

This Agreement remains in effect until terminated by either Party. This Agreement shall be terminable by either Party upon thirty (30) days prior written notice. Termination of this Agreement will also result in the termination of each Staffing Confirmation Agreement between ESES and the Client. In addition, each Staffing Confirmation Agreement shall be subject to immediate termination if ESES reasonably determines that the assigned Associate's professional license or code of ethics has been compromised.

# 9. Notices

For the purposes of this Agreement, notice shall be effective to the Parties at the following addresses:

Client:

Tracy Unified School District

1875 W. LOWELL AVE. TRACY, CA 95376

**Epic Special Education Staffing:** 

**Epic Special Education Staffing** 

2041 Rosecrans Avenue

Suite 245

El Segundo, CA 90245

# 10. <u>Insurance, Indemnification and Limitation of Liability</u>

- (a) ESES shall maintain and provide to the Client, upon written request, proof of any assigned Associate's valid professional license, if applicable, and proof of Worker's Compensation Insurance (which will be maintained per statutory requirements). Additionally, ESES shall procure and maintain insurance and upon written request, shall provide the Client with Certificates of such insurance covering the following risks:
  - Professional Liability \$2,000,000 per Occurrence, \$4,000,000 Aggregate
  - General Liability \$2,000,000 per Occurrence, \$4,000,000 Aggregate
- (b) To the extent permitted by law, ESES will defend, indemnify, and hold theClient and its parent, subsidiaries, directors, officers, agents, representatives, and employees harmlessfrom all claims, losses, and liabilities (including reasonable attorneys' fees) to the extent caused by ESES breach of this Agreement; its failure to discharge its duties and responsibilities set forth herein or in a Staffing Confirmation Agreement; or the negligence, gross negligence, or willful misconduct of ESES or its officers, employees, or authorized agents in the discharge ofthose duties and responsibilities.
  - (c) To the extent permitted by law, the Client will defend, indemnify, and hold ESES and its parent, subsidiaries, directors, officers, agents, representatives, and employees harmless from all claims, losses, and liabilities (including reasonable attorneys' fees) to theextent caused by the Client's breach of this Agreement; its failure to discharge its duties and responsibilities set forth herein or in a Staffing Confirmation Agreement; or the negligence, gross negligence, or willful misconduct or unlawful act of the Client or its officers, employees, or authorized agents in the discharge of those duties and responsibilities.
    - (d) Circumstances may arise where, because of a default on the part of ESES, the Client is

entitled to recover damages from ESES, Regardless of the basis on which the Client is entitled to claim damages from ESES (including fundamental breach, negligence, misrepresentation, or other contract or tort claim) ESES liability, if any, will (in the aggregate for all claims, causes of action, or damages) be limited to any actual direct damages up to anamount equal to the fees actually paid to ESES for the Services that are the subject of the claim.

#### 11. Miscellaneous

- (a) <u>Entire Agreement</u>. This Agreement contains the complete agreement between the Parties with respect to the subject matter thereof and may not be modified except by written agreement signed by both Parties. This Agreement supersedes all previous written or oral agreements between the Parties.
- (b) <u>Assignment</u>. This Agreement may not be assigned by either Party without the written consent of the other Party. Consent for one assignment does not waive the consent requirement for any subsequent assignment, but, subject to the foregoing limitation, will inure to the benefit of and be binding on the successors and assigns of the respective Parties.
- (c) <u>Arbitration</u>. Any dispute, claim or controversy arising out of or relating to this Agreement or the breach, termination, enforcement, interpretation, or validity thereof, including the determination of the scope or applicability of this Agreement to arbitrate, shall be determined by arbitration in Los Angeles, California before one arbitrator. The arbitration shall be administered by JAMS pursuant to its Comprehensive Arbitration Rules and Procedures and in accordance with the Expedited Procedures in those Rules. Judgment on the Award may be entered in any court having jurisdiction. This clause shall not preclude Parties from seeking provisional remedies in aid of arbitration from a court of appropriate jurisdiction. In any arbitration arising out of or related to this Agreement, the arbitrator is not empowered to award punitive or exemplary damages, except where permitted by statute, and the Parties waive any right to recover any such damages. In any arbitration arising out of or related to this Agreement, the arbitrator may not award any incidental, indirect or consequential damages, including damages for lost profits.

In the event of any arbitration or other action arising out of or related to this Agreement, or a Staffing Confirmation Agreement, the prevailing Party in such arbitration or other action shall be entitled to receive an award of all costs and expenses of such arbitration or other action, including reasonable attorneys' fees and costs, and all other expenses in connection therewith, in addition to anyother award or remedy provided in such arbitration or action, and the same shall be included in the award and any judgment.

The venue for all actions, including arbitration, arising out of this Agreement, shall be in Los Angeles, California unless otherwise agreed by the Parties in writing.

(d) <u>Governing Law</u>. The validity and interpretation of any terms or provisions of this Agreement of the rights and duties of the Parties hereunder shall be governed and construed inaccordance with the laws of the State of California, exclusive of conflict or choice of law rules.

- (e) <u>Severability</u>. The Parties agree that each of the provisions included in this Agreement is separate, distinct, and severable from the other and remaining provisions of the Agreement; and that the invalidity or unenforceability of any Agreement provision shall not affect the validity or enforceability of any other provision or provisions of this Agreement.
- (g) <u>Authority</u>. The Client signatory, herein below, specifically warrants that such individual has the capacity and authority to represent, contract on behalf of and bid the Client with respect to the obligations, rights, and duties contained herein.

[Signature Pages Follow]

IN WITNESS WHEREOF, the Parties have executed and delivered this Agreement as of the Effective Date.

Once signed by the President of Epic Special Education Staffing, no further revisions or changes can be made or accepted.

| Epic Special Education Staffing      |           |         |     |     |  |
|--------------------------------------|-----------|---------|-----|-----|--|
| By:                                  | 4/24/2023 | 9:32:23 | АМ  | PDT |  |
| Carol Cheney, President              |           |         |     |     |  |
|                                      |           |         |     |     |  |
| Client<br>Tracy Unified School Distr | ict       |         |     |     |  |
| Ву:                                  |           |         | · · |     |  |
| Name, Title:                         |           |         |     |     |  |



# Direct Business Staffing Confirmation Agreement

This Direct Business Staffing Confirmation Agreement ("Agreement - Exhibit A") is entered into on (date) by and between 3Chords Inc and TherapyTravelers LLC collectively DBA Epic Special Education Staffing and (Client) collectively referred to herein as "the Parties." The Parties agree to the below:

| Special Education Teacher(s) Name:         | Assignment Dates:       |
|--|-------------------------|
| District Name and Address:                 | Schedule:               |
| District Telephone Number:                 | Guaranteed Hours:       |
| District Department Director Name:         | Estimated Caseload:     |
| Billing Address:                           | Approved Time Off:      |
| Billing Telephone Number:                  | Bill Rate:              |
| Billing Contact Info:                      | Overtime/Holiday Rate:  |
| Billing Email Address:                     | *Mileage Reimbursement: |
| Timesheet Approver Email Address and Name: | First Day Details:      |

**Supervision/Materials/Equipment/Hours and Enrollment:** Client will provide appropriate supervision, materials and equipment to Associate. Hours are guaranteed regardless of student(s), District Employee(s) or District Contractor(s) absences, enrollment, or employment status. Should the caseload change due to any reason, Client acknowledges that the Associate is guaranteed these hours. Upon mutual agreement, Client may reassign Contractor to another caseload.

\*Mileage Reimbursement: billed and reimbursed at IRS rate. Applicable when Contractor commutes to more than 1 working location per day.

**Cancellation of Services:** A minimum 20 business working days written notice must be given to Epic Special Education Staffing directly for cancellation or early termination of contract.

**Payment Terms:** Payment is due in full within thirty (30) days of invoice. Failure to pay will result in Client being responsible for all collections costs, including, but not limited to, attorney's fees and costs.

All time over 40 hours in a workweek will be paid at time and one half (1.5) (CA – anything over 8 hours in a day will be paid at time and one half (1.5))



Conversion Terms: Client acknowledges the Associate named herein is an employee of Epic Special Education Staffing and that any hiring or employment scenario - permanent hire, interim, contract or otherwise - within 12 months of this placement, will be arranged through Epic Special Education Staffing and Client agrees to pay a conversion fee of 35% of the subject Associate annual salary as liquidated damages to Epic Special Education Staffing within 30 days of being invoiced for the same. Contract conversion terms available upon request.

Client acknowledges and agrees that this Direct Business Staffing Confirmation Agreement contains the specific terms of the individual contractor's assignment for services in accordance with the terms of the Epic Special Education Staffing Services Agreement. If there is a conflict between the terms of this Direct Business Staffing Confirmation Agreement and the Epic Special Education Staffing Services Agreement, the terms of the Epic Special Education Staffing Services Agreement shall prevail. Unless the Client provides written notice of any objection or correction needed within the earlier of (i) ten (10) business days upon receipt of this Direct Business Staffing Confirmation Agreement from Epic Special Education Staffing, or (ii) five (5) business days prior to the start of such assignment, this Exhibit A shall be deemed accepted by the Client and be deemed a binding agreement in all respects.