

AGREEMENT #13COSC012

This Agreement is entered into as of the latest signature date of the parties and the signature date of the office of the Attorney General for the State of Connecticut (the "Effective Date") by and between **Charter Oak State College**, 55 Paul J. Manafort Drive, New Britain CT 06053 ("Institution", or "Agency"), and **AKADEMOS, INC.**, a Delaware corporation, with a principal office address at 200 Connecticut Ave., Norwalk, Connecticut 06854 (the "Company", or "Contractor"), collectively "the Parties".

In consideration of the terms and conditions contained herein and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, the Parties, intending to be bound legally, agree as follows:

I. Website. The Company will design, produce and operate a co-branded Website ("the Website") which will: (1) provide the Institution's students and faculty with the ability to purchase all books or other materials designated and assigned by the Institution's faculty and administrators for use by the Institution's student population and available for sale on the Website or by phone ("Course Materials"); (2) provide access to the Company's broad base of other educational texts and materials online; and (3) permit the faculty to modify the course information and required Course Materials for courses offered by the Institution and included on the Website. Such materials may include, but are not limited to, new, used, rental, eBooks, web texts, virtual lab resources, course-specific materials/curriculum materials by request, custom course-packs, etc. The Institution hereby engages the Company as an independent contractor to design and implement the Website, which will be promoted to students, faculty and administrators of the Institution. The Institution also authorizes the Company to publicize the completed Website to Web search engines, as well as other Web Directories and indexes.

II. Company Obligations. The Website design will provide the Institution's students and faculty with access to all titles contained in the Company's title data base inventory, as may be modified or updated from time to time by Company. The Website design will permit the Institution's faculty to load, maintain and modify course information. The Website also will provide an editable graphical interface through which the Institution's administrators and faculty can add or change messages to the Institution's students. The Website will provide the Users with the ability to locate and purchase from Company ("Retail Transactions") and/or from third party sellers ("Marketplace Transactions") the Course Materials and other items available through the Website.

III. Order Processing. The Company will process all orders received from each person who makes a purchase through the Website ("Users") through its consumer website TextbookX.com, regardless of the source of the materials being purchased by Users. Users shall pay for such purchases in accordance with accepted payment options acceptable on the Website. The Company will provide the ability for a User to pay via vouchers or other credits funded by the Institution in lieu of cash or credit card payments (i.e.: financial aid). The Company shall invoice the Institution on or before the 10th day of each calendar month for all purchases made by Users using such Alternative Payment Plan (the "Alternative Plan") on the Website during the immediately preceding calendar month, and the Institution shall pay such invoice within forty-five (45) days of receipt thereof. During the start of each of the Institution's academic terms, the Company shall have the option of invoicing the Institution on a weekly basis for all such Alternative Plan purchases during a calendar week, and such invoices shall be paid within forty-five (45) days of receipt thereof. The Institution hereby covenants that it will not issue vouchers or credits to any User for the purpose of making purchases on the Website if and to the extent such voucher or credit amounts are not the subject of currently available appropriations for payment hereunder by the Institution to the Company. Uncontested invoices forty-five (45) day past due will incur an interest charge of one-and-one-half percent (1.5%) per month, retroactive to the first day the invoice is past due.

III-A. Invoicing. Company will process all invoices to the attention of:
Charter Oak State College
Attn: Business Office
85 Alumni Road
Newington, CT 06111
Email: businessoffice@charteroak.edu

III-B. Pricing. The Pricing of materials is in accordance with the pricing policy of the Company:

- New Textbooks are priced at 25% over net price (which equates to list price)

- Used Textbooks (from the Company's warehouse) are priced no greater than 75% of the value of the new book list price
- Used Textbooks (from the Marketplace) are on average 60% off the new book list price. Since the Marketplace consists of third party sellers, pricing is subject to change and fluctuates with market demand.
- Textbook Rentals are on average 50% off of new book list price, depending on the length of the rental.
- eBooks that are licensed by their copyright owners under terms requiring them to be distributed free of charge ("Open Source") are 100% free
- eBooks that are not "Open Source" are 30-60% off the new book list price
- Course Packs: pricing includes any copyright royalty costs, printing, and binding; all of which is unique to the content of each Course Pack. Company is responsible to secure all copyrights on behalf of Institution.
- All orders totaling more than \$49.00 are shipped free, even if parts of the order are backordered.
- The Institution is not back-charged by the Company for any unsold materials
- Any retail book returned within the first 30 days after the order date will be refunded 100%.

The Company will process all orders, returns and refunds in accordance with the terms of the Website included herein as Attachment "B" and incorporated by reference. The Parties understand such terms may change from time to time and Company agrees to notify Institution whenever any such changes or modifications occur by providing a written copy of any new terms thirty (30) days in advance, with changes identified accordingly. The Parties further agree that wherever there may be a conflict between the terms of this Agreement and the website, this Agreement shall prevail.

III-C. Customer Service Hours. The Company shall be responsible for maintaining commercially reasonable customer service capabilities in relation to the purchase of materials from the Website by Users. Company agrees to work with the Institution to support their 4 different start-dates during a semester with reasonable evening support call hours before and during the start of the course start dates in accordance with schedules as mutually agreed upon by the Parties.

III-D. Marketplace. Company agrees to restrict User access only to Marketplace sellers who maintain a 3-star rating or higher.

III-E. Account Management. Company agrees to assign a dedicated Account Manager to provide assistance to Institution with day-to-day operations, User complaints, and general administrative issues relating to website operation to ensure optimal website functionality and Customer Service.

III-F. Reporting. Company agrees to provide versatile reporting options within its website to Institution Administrators, in addition to providing access to specialized reporting capabilities as reasonably requested from time to time by the Institution. Such Company reporting will include details of all User disputes and their subsequent resolution.

III-G. Dispute Resolution. The Company agrees to process and attempt to resolve all User complaints and disputes that are directly related to the Website, and to advise Institution of any such User disputes not resolved within 48 hours. Company will use commercially reasonable efforts to assist in the resolution of unresolved disputes between Users and the Company's Marketplace sellers.

III-H. Commitment toward Systems Integration. The Parties agree, after the Institution-branded website is successfully launched and on a schedule mutually agreed upon by the Parties, to commit to work together to integrate the Company's Institution-branded website together with the Institution's Student Information System utilizing agreed-upon fields intending to promote the ease of use to system's Users for the acquisition of materials referred to within this Agreement.

III-I. Use of Alternate Outside Book Supplier. Company recognizes the Institution will utilize other suppliers from time to time on a limited basis to secure preliminary books and materials for experimental use in courses and/or course development work. The Parties agree the evaluative and exploratory provision of such materials is not a breach of this Agreement as long as Institution advises Company in advance of such use. Institution further commits that any long term adoption and provision of such materials will be handled by the Company.

IV. Commissions. Company shall pay to the Institution a commission payment of five (5%) percent based on Gross Sales. Gross Sales are defined as all sales less any customer returns, order cancellations, freight charges, taxes, marketing and or disputes, processed during the Term of this Agreement. The Company shall make commission payments to Institution on April 30th, August 31st, and December 31st during the Term.

V. Institution Obligations. Except as otherwise provided herein, the Institution agrees that during the Term the Company shall be the exclusive provider of Course Materials and other products of the type sold on or through the Website to students, faculty and administrators of the Institution. The Institution shall not promote, sponsor or enter into