

**PROCUREMENT SERVICES
SYSTEMWIDE PRICE SCHEDULE AGREEMENT
NUMBER 088/OP/242
STUDENT FINANCIAL SUPPORT SERVICES**

THIS PRICING SCHEDULE AGREEMENT ("Agreement") for Student Financial Support Services is made and entered into this 12th day of November, 2013, by and between The Regents of the University of California ("University" or "UC"), and FM Systems, LLC d/b/a Tuition Management Systems or "TMS" ("Seller") with its principal place of business at 171 Service Avenue, Suite 200, Warwick, Rhode Island, 02886.

1. **DEFINITIONS:** As used in this Agreement and its attachments and exhibits which become a part of it, the following terms have the following meanings:
 - 1.1 "Account Manager:" means the Seller's employee, satisfactory to UC, whom Seller designates to UC as the person with overall responsibility to Seller to manage the UC/Seller relationship under this Agreement. Seller's Account Management team is included as an attachment to this Agreement. This team includes Seller's representatives responsible for managing the entire relationship between UC and Seller and representatives responsible for managing a specific UC Locations. Seller must provide UC a written notification thirty (30) days prior to any change(s) to its Account Management team.
 - 1.2 "Business Day:" shall mean Monday through Friday, between 8:00am - 5:00pm, excluding UC and Seller observed holidays. Seller shall provide UC a Seller holiday schedule on or before September 1 for the following calendar year.
 - 1.3 "Delivery:" shall mean delivery by Seller directly to the UC Students as requested by UC Departments ordering Services. The appropriate UC Students will be determined by UC authorized personnel.
 - 1.4 "Disbursement:" means the remittance of a Refund from TMS to Student.
 - 1.5 "Good Funds:" mean the Refunds that are successfully transmitted to TMS by School.
 - 1.6 "Prepaid Card:" means a prepaid debit card issued to a Student under the Refund Management Service.
 - 1.7 "Refund:" means the refund of a credit balance that remains after the Student's loans and/or other remittances are applied by the School to tuition and other expenses.
 - 1.8 "Refund Management Service" means that Service outlined in Attachment #14 to this Agreement.
 - 1.9 "Requirements of Law" means all administrative, local, state, and federal laws, rules, and regulations that are applicable to a party to this Agreement.

- 1.10 "Services:" shall mean the Student Financial Services outlined in Attachment #1 of this Agreement.
- 1.11 "School Portal:" means a web page owned and maintained by TMS via which School may interactively manage information pertaining to Refunds.
- 1.12 "Student" means an individual that is enrolled or considering enrollment in UC.

2. SCOPE:

- 2.1 University of California Locations: Seller agrees to extend the terms and conditions of this Agreement, including pricing, to all current and future UC locations.
- 2.2 California State University System: An Agreement of Understanding exists between The Regents of the University of California and The Trustees of the California State University (CSU), establishing the California Higher Education Consortium (CHEC). Through a collaborative relationship, the Consortium seeks to combine procurement and contracting activities and efforts to obtain best value goods and services while reducing total acquisition costs. Accordingly, the Agreement resulting from this solicitation shall recognize the participation of the 23 campuses of the Trustees of the California State University with the following understandings:
- 2.2.1 Seller agrees to extend the product Pricing and Services to the CSU Institutions on the same terms included in this Agreement for as long as this Agreement remains in effect. Further, any change to the Pricing and Services that may be negotiated from time to time between Seller and CSU shall also be made available to UC. The obligations set forth in this Section 2.1.1. shall cease upon termination of this Agreement for any reason. Termination of this Agreement shall have no effect on the continuing validity of Agreement between Seller and CSU unless otherwise stated herein.
- 2.2.2 Operational issues, fiduciary responsibility, payment issues, performance issues and liabilities, and disputes involving individual CSU Campuses shall be addressed, administered, and resolved by each CSU campus and UC shall neither be responsible for nor involved in the negotiation or execution of any such terms and conditions. The University of California and the California State University are separate and distinct governmental entities. As such, each administrative unit and Campus therein is financially separate and shall be responsible for individual financial commitments. No fiduciary responsibility for performance liability, unless otherwise expressed, exists between The University of California and California State University and their respective campuses.

3. DESCRIPTION OF PROGRAM:

- 3.1 Purchase and Sale of Services: During the term of this Agreement, and any extension(s) of such term, Seller agrees to provide UC the Services

as designated by UC, either at no charge to the University or at the cost and by mutual agreement of the University and the Seller, subject to the terms and conditions set forth in this Agreement.

4. PROGRAM REQUIREMENTS:

- 4.1 On-Time Delivery Rate: During the term of this Agreement and any extension(s) of such term, Seller agrees to maintain a minimum of ninety nine percent (99%) on-time delivery rate for Refunds in accordance with the delivery requirements set forth in Section 4.6 herein, and shall provide the Services in accordance with the service levels set forth in Section 5.1 herein.
- 4.2 Minimum Order: There shall be no minimum order requirement for any of the Services during the term of this Agreement and any extension(s) of such term.
- 4.3 Order Packaging and Labeling: Seller agrees that any Refunds mailed pursuant to the Refund Management Service will be individually wrapped and labeled with the following information:
- Student name and address only with no identifiable markings from Seller or the issuing financial institution;
 - The appropriate inserts outlining the terms and conditions of use for the Student and any directions for proper use of a Prepaid Card, if applicable;
 - Other information, as may be requested by the Student or UC or provided by Seller.
- 4.4 Environmentally Responsible Packaging: Seller agrees to use good faith efforts to utilize environmentally responsible envelopes for the Prepaid Cards, and other documents delivered pursuant to the Services and recycling practices in their offices to minimize the adverse effects of the envelopes and other paper, water, and energy items on the environment. Please refer to the University of California's Sustainable Practices Policy for more information about requirements related to Environmentally Preferable Purchasing.
- 4.5 Receiving Students:
- 4.5.1. Seller agrees to provide the Services to all of UC current and future UC students, as applicable, for as long as this Agreement is in effect; provided; however, that Seller reserves the right to refuse to establish a payment plan, distribute a Prepaid Card or open an account pursuant to the Refund Management Service, to reject or block any transaction, or to terminate any payment plan, if Seller determines that such action is necessary, advisable, or required by law or regulation.
- 4.5.2. In the event that a Student enrolled in a payment plan under this Agreement has remaining payment plan payments due at the time that this Agreement terminates for any reason, Seller shall

continue to accept and remit payment plan payments until the term of such payment plan ends.

4.5.3 If UC desires to utilize an alternate carrier for delivery of Refunds or other documentation to UC Students, the Seller will work with UC to ensure a successful transition. Any other materials delivered to the campuses to the authorized departmental delivery points, as requested by UC, will be delivered by the common carrier of the University's choosing with FOB the Destination and the cost to be borne by the Seller.

4.6 Standard Delivery Requirements:

4.6.1. Seller agrees to deliver all documents and materials delivered under the Services via the United States Postal Service (USPS) except that if UC, Student, or any individual receiving documents or materials on Student's behalf requests overnight or rush delivery, an alternative carrier may be used.

4.6.2. Seller agrees to mail Prepaid Cards to Students who pass all legally required account opening procedures and all other Refunds within 1 (one) week of receiving Good Funds from the University of California Student Financial Services Office at any UC Campus.

4.6.3. All deliveries shall be FOB Destination. Delivery charges and risk of loss will be borne by the Seller.

4.7 Invoicing: All invoices must clearly indicate the following information, to the extent applicable:

4.7.1. California sales tax as a separate line item.

4.7.2. Order or release number and the Agreement number;

4.7.3. Description, quantity, catalog number and manufacturer number of the item ordered;

4.7.4. Net cost for each Service provided;

4.7.5. Any applicable discount;

4.7.6. Reference to original order number for all credit invoices issued.

4.7.7. Invoices will be submitted directly to UC Accounts Payable Departments on each campus at the address listed on the Participating Campus Addendum, unless the Seller is notified otherwise by amendment to the Agreement.

4.7.8. Invoices will be paid within thirty (30) days of receipt of correct invoice. UC shall promptly notify Seller of any payment dispute. Any invoice received but not disputed within ninety (90) days of

the date of the invoice shall be deemed correct unless subject to an audit as stated in Section 4.7.9., below or Section 9.5 of this Agreement.

4.7.9. Invoicing disputes related to audits by UC In-House Staff, Contracted Auditing firms, The Office of Naval Research, the Comptroller of the United States Government, or the Auditor General of the State of California or outside Contractors that the University of California retains for the purpose of auditing invoices, billing rates, or performing comparisons of billing and paid rates must occur as stated in Section 9.5. The University of California is subject to these audits and does not control the timing.

4.7.10. Seller must complete a W-9 at the inception of this Agreement and forward to Lesley Clark; Lesley.Clark@ucop.edu to ensure UC Locations a smoother transition for Seller to be entered into UC's Accounts Payable Systems.

4.8 Time: Time is of the essence with respect to the performance of each and every condition, covenant and agreement contained herein. UC has the option to accept or reject all Services delivered after promised delivery time, and, in addition, may hold Seller liable for all direct damages caused by Seller's failure to meet the service levels and delivery requirements set forth herein; provided, however, in no event shall the amount of such direct damages exceed UC's documented reasonable replacement/substitution cost for Services ordered. Seller will report any delays other than those that are reported in real-time via the administrative tools provided to UC and their authorized users to the applicable UC Campus, as well as its cause, within two (2) hours after Seller is able to reasonably determine there will be such a delay. Such report will be provided to UC by telephone or e-mail. Seller shall keep designated UC Student Financial Services staff (as designated by UC) and UC Students fully informed and shall take all reasonable action in eliminating the cause of delay. Seller will keep an updated report of any late deliveries and forward that report to the Systemwide Agreement Commodity Manager on a monthly basis not later than the tenth (10th) of the following month for the previous calendar month's deliveries. The report will include Student Name, Delivery Due-Date, Actual Delivery Date, and the Reason for the Delay. Despite any previous language to the contrary, if Seller's failure to meet service level or delivery requirements due to causes beyond the reasonable control and without the fault or negligence of Seller, including but not limited to: acts of God, war, civil commotion, governmental action, fire, floods, unusually severe weather, explosions, earthquakes, strikes, walkouts, quarantine restrictions, or any other causes beyond reasonable control of Seller, Seller shall not have any late-delivery liability to UC.

UC's failure to take, or delay in taking delivery of Services ordered, when due to causes beyond the reasonable control and without the fault or negligence of UC, including but not limited to: acts of God, war, civil commotion, governmental action, fire, floods, unusually severe weather, explosions, earthquakes, strikes, walkouts, quarantine restrictions, or any other causes beyond reasonable control of UC, shall not result in any liability of UC to Seller.

	Days
5.1.5. On-time delivery rate	98%
5.1.6. Delivery accuracy	98%
5.1.7. Delivery, on-time	98%
5.1.8. Invoice/billing accuracy	98%
5.1.9. Customer service satisfaction	98%

5.2 Maintenance of Service Levels: The minimum service standards set forth above recognize that occasional errors are likely however, Seller further agrees to use best efforts to achieve 100% of required service level. Should however, the service levels fall below the minimum standards and Seller does not take corrective actions within 14 days following UC written notification, UC reserves the right to terminate the Agreement.

6. PRICING AND APPLICABLE TAXES:

6.1 Pricing Standards: The prices of the Services included in this Agreement shall be the prices recited on Attachment One (#1) (Per Campus or Cohort Pricing for Services) and the prices of Services included in Seller's offering and shall not increase for the first twelve (12) month period of this Agreement.

6.2 Price Increases: Price increases shall be subject to adjustments no more than once in each successive twelve (12) month period on July 29th of each year, if any, as negotiated by both parties. Any price increase requires a thirty (30) day prior written notification and no price increase shall exceed at any one time three percent 3(%) or Consumer Price Index (CPI) whichever is less.

6.3 Extraordinary Pricing Exceptions: In the event that any of the Services has an associated price increase in excess of five percent (5%), those prices shall be negotiated individually between both parties.

6.4 Documentation Requirement and Price Reductions: Price increases must be supported by documented evidence of Seller's operational price increases. UC shall benefit from any lower price offered to other Universities, hospitals, government agencies or entities where the economic and service requirements are substantially similar. If pricing on Seller's offering of Services is reduced, UC shall benefit from a corresponding price reduction(s). Seller shall guarantee that Seller price decreases be passed on to UC immediately. Any lower price offered to a UC location shall be made available to all other UC locations under similar terms and conditions.

6.5 Use Policy: Seller was advised that there is no mandatory use policy at UC, and Seller must compete with other suppliers for UC orders.

7. REPORTING:

- 7.1 Quarterly Reports: Seller will provide UC quarterly summary sales reports to UC's Procurement Services Department. Seller will be contacted by UC's Procurement Services Department regarding these reports.
- 7.2 Ad Hoc Reporting: Seller agrees to provide other reports as reasonably requested by UC during the term of the Agreement and any extension(s) to such term if the information is not available to UC Location Student Financial Services Staff through the Seller's portal at no additional cost to UC.

8. SURVEYS:

- 8.1 Customer Surveys: Seller shall, at UC's request, conduct customer surveys of UC orders through questionnaires via online applications or inserted into delivery envelopes, as permitted by law. The content of these surveys shall be approved by UC. UC shall be responsible for the tabulation of these surveys.

9. GENERAL TERMS AND CONDITIONS:

- 9.1 University of California Terms and Conditions: University of California Terms and Conditions, Appendix "A"; University of California Special Terms and Conditions for Cost-Reimbursement for Purchases or services or Non-Commercial Items Under Federal Government Contracts, Supplement 5.2 (with e-Verify) as attached, are hereby incorporated and shall govern this Agreement.
- 9.2 Insurance Requirements: Seller shall furnish a Certificate of Insurance as specified in Appendix "A". All certificates shall name the Regents of the University of California as an additional insured. The certificate must be submitted to the University of California Office of the President (UCOP) Strategic Sourcing Department prior to the commencement of services. Certificates of insurance should be delivered to:

University of California, Office of the President
Attn: Lesley Clark
1111 Franklin St., 10th Floor
Oakland, CA 94607-5200

This certificate may also be scanned and forwarded to Lesley Clark; Lesley.Clark@uocp.edu .

- 9.3 Product Certification: Seller hereby certifies and warrants that all products provided to UC under this Agreement, as applicable:
- 9.3.1. Shall be new and genuine;
- 9.3.2. Shall be provided to UC in the manufacturer's original packaging unless otherwise requested by UC;

- 9.3.3. Shall be manufactured and sold or distributed to the supplier for retail sales in the United States;
- 9.3.4. Shall be sold to the supplier from legal and reputable channels, which are understood to be the manufacturer or authorized representatives of the manufacturer;
- 9.3.5. Shall not be altered or misbranded within the meaning of the Federal and State laws applicable to such products.
- 9.3.6. Shall not be produced in whole or in part by forced labor, convict labor, or indentured labor under penal sanction.

9.4 Auditing Requirements: This agreement shall be subject to the examination and audit of the Auditor General of the State of California or the Office of Naval Research for a period of three (3) years after final payment under the Agreement.

The University, and if the applicable contract or grant so provides, the other contracting party or grantor (and if that be the United States, or an services or instrumentality thereof, then the Comptroller General of the United States) shall have access to and the right to examine any pertinent books, documents, papers, and records of the Contractor involving transactions and work related to any such agreement until the expiration of five years after final payment hereunder.

The examination and audit will be confined to those matters connected with the performance of the agreement, including, but not limited to, pertinent books, documents, papers, and records of the Contractor involving transactions and work related to the agreement as well as the costs of administering the agreement.

9.5 UC Whistleblower Policy: The University has a responsibility to conduct its affairs ethically and in compliance with the law. Please click on the referenced link above for complete details and information regarding this University of California policy.

9.6 Term of Agreement: Unless terminated as provided below, this Agreement shall be effective for a period of three (3) years, commencing November 12, 2013 and ending November 11, 2016. UC reserves the right to renew or extend the Agreement for up to two (2) additional one-year periods at the same terms and conditions at UC's sole discretion.

9.7 Termination of Agreement:

9.7.1. UC may terminate this Agreement for convenience at any time, in whole or campus-by-campus, in accordance with the terms of Article 4 of University of California Terms and Conditions, Appendix "A", as attached. In the event of such termination, UC agrees to provide Seller at least thirty (30) days prior written notice of the effective date of termination and the extent thereof without penalty.

- 9.7.2 If, in the opinion of Seller's counsel, any applicable Requirement of Law renders Seller unable to perform a Service, in whole or in part, Seller may either (i) come into compliance with such Requirement of Law within a period of time agreed to by UC, or (ii) cease providing such Service, or, if possible, the contravening aspect of such Service within a period of time agreed to by UC without breaching the terms of this Agreement. If Seller must cease providing such Service or any aspect thereof under this Section 9.8.2, UC may terminate this Agreement without penalty.
- 9.7.3. If any termination of this Agreement takes place, Seller shall extend to UC, upon UC's request, an additional ninety (90) day period to properly implement a smooth transition. Fees for the services performed during the additional ninety (90) days will be negotiated in good faith between UC and Seller.
- 9.7.4. If within five (5) working days of receipt of written notice from UC of Seller's breach of any term or condition of the Agreement, Seller shall fail to remedy such breach, then UC may at any time, by written notice, terminate the Agreement in whole or in part.
- 9.8 Order of Precedence: In matters of conflicts of terms, the order of precedence shall be as follows: 1.) Final Agreement awarded; 2.) The Agreement Attachments incorporated herein, any subsequent Addenda; 3.) The University of California Standard Terms and Conditions of Sale – Appendix "A," and 4) Seller's Terms and Conditions as outlined in their Cardholder Agreement document, Attachment thirteen (13) of this Agreement.
- 9.9 Marketing References: Seller is prohibited from making any reference to the University of California, in any literature, promotional material, brochures or sales presentations without the express written consent of the University of California Office of the Senior Vice President, CFO, Procurement Services.

The University of California trademarks are protected by Federal Trademark and California State laws. Any use, therefore, of any UC Trademarks is prohibited, in whole or in part, without the prior written consent of the University of California, as applicable.

Seller will not use the name of The University of California, or any abbreviation thereof, or any name of which "University of California" is a part, or any Trademarks of the UC, in any commercial context, such as may appear on products, in media, including web sites and print advertisements in cases when such use may imply an endorsement or sponsorship of its products or services. All uses of the University's name and Trademarks, therefore, must first receive prior written consent from The Regents of the University of California through the Office of Marketing & Business Outreach . This policy is in compliance with the State of California Education Code Section 92000.

In addition to the above; if the reference only concerns specific UC Locations, then the express written consent of a duly authorized officer of

that location is required. In addition, neither party grants the other the right to use its trademarks, trade names, or other designations in any promotion or publication without prior written consent.

To secure University approval, marketing materials should be submitted to Lesley Clark (Lesley.Clark@ucop.edu) for coordination of the approval process.

- 9.10. Amendments: Except as otherwise set forth herein, any changes to the Agreement requested by either party shall be effective only if mutually agreed in writing by duly authorized representatives of UC and Seller. This Agreement shall not be modified or amended or any right of a party waived except by such written amendment.
- 9.11. Failure to Enforce: Failure by either party at any time to require performance by the other party or to claim a breach of any provision of this Agreement shall not be construed as affecting any subsequent breach or the right to require performance with respect thereto or to claim a breach with respect thereto.
- 9.12. Partial Invalidity: Any provisions of this Agreement that shall prove to be invalid, void, or illegal shall in no way impair, or invalidate any other provisions hereof, and such other provisions shall remain in full force and effect.
- 9.13. Governing Law: The rights and obligations of the parties, and all interpretations and performance of this Agreement shall be governed in all respects by the laws of the State of California, without regard to any conflict of law's provisions.
- 9.14. Relationship: Seller shall have no power to bind UC and shall not, under any circumstances, be considered to be an agent, representative or fiduciary of any or all of the proceeding. Instead, Seller is an independent contractor and neither it nor its employees, agents, contractors or subcontractors are or will be an employee, agent or representative of UC during the period it and/or they are performing services under this Agreement. Seller acknowledges its responsibility for the full payment of the wages or other compensation of, as well as any benefits for employees, agents, contractors or subcontractors engaged by it in the performance of this Agreement
- 9.15. Notices: Except as otherwise indicated in this Agreement, all notices in connection with the Agreement shall be deemed given (i) three days after being deposited in the U.S. Mail, postage prepaid, certified or registered, return receipt requested; or (ii) one business day after being sent by an express delivery service with guaranteed next business day delivery, charges prepaid; or (iii) hand delivered to the party; or (iv) upon receipt of written confirmation of delivery if sent by e-mail at the e-mail address below. Notices to be delivered to a specific UC campus shall be subject to this section.

Notices to TMS:

Tuition Management Systems
Attn.: Contracts Department
171 Service Ave., Suite 200
Warwick, RI 02886
contracts@afford.com

Notices to the University of California:

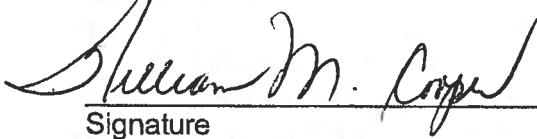
University of California Office of the President
Attn.: Procurement Services Department
1111 Franklin Street, 10th Floor
Oakland, California 94607
(510) 987-0472
Lesley.Clark@ucop.edu

This Agreement, together with the above and below-named instruments, constitute the entire agreement between the UC and Seller with respect to the subject matter hereof and supersedes all previous negotiations, proposals, commitments, writings, advertisements, publications, and understandings.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first above written, such parties acting by their officers being thereunto duly authorized.

**THE REGENTS OF THE UNIVERSITY
OF CALIFORNIA:**

**TUITION MANAGEMENT SYSTEMS
(TMS):**



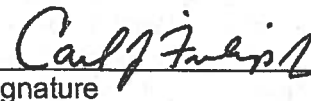
Signature

William Cooper

Associate Vice President and CPO

12/9/13

Date



Signature

Carl J. Firlings, Jr.

Name, printed or typed

Managing Director

Title

12/5/2013

Date

UNIVERSITY OF CALIFORNIA
PROCUREMENT SERVICES PRICE SCHEDULE AGREEMENT

APPENDICES, EXHIBITS, and ATTACHMENTS

- Attachment #1: Tuition Management Systems University of California Pricing
- Attachment #2: University of California Terms & Conditions of Purchase (Appendix A)
- Attachment #3: University of California Additional Terms & Conditions – Data Security (Appendix DS)
- Attachment #4: University of California Special Terms & Conditions for Cost Reimbursement for Purchases or Services on Non-Commercial Items Under Federal Government Contracts (Supplement 5.2 (with e-Verify))
- Attachment #5: Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions (Exhibit A) (NEEDS SIGNATURE)
- Attachment #6: Certification And Disclosure Regarding Payments to Influence Certain Federal Transactions (Exhibit B) (NEEDS SIGNATURE)
- Attachment #7: Certification Regarding Debarment, Suspension, Proposed Debarment, And Other Responsibility Matters (Exhibit C) (NEEDS SIGNATURE)
- Attachment #8: Business Information Form (BIF) (NEEDS INFORMATION AND SIGNATURE)
- Attachment #9: University of California W-9 Form (NEEDS INFORMATION AND SIGNATURE)
- Attachment #10: Roster of University of California Contacts in Student Financial Services
- Attachment #11: Roster of Tuition Management System's Contacts for Each UC Location (FORM WILL BE PROVIDED BY UC)
- Attachment #12: Tuition Management Systems (Seller)'s Cardholder Agreement.
- Attachment #13: Tuition Management System (Seller's) Refund Management Program Guide Language.
- Attachment #14: Participating Campus Addendum
- Attachment #15: Tuition Management System's Certificate of Insurance

