

Office of the Superintendent of Schools
MONTGOMERY COUNTY PUBLIC SCHOOLS
Rockville, Maryland

June 8, 2010

MEMORANDUM

To: Members of the Board of Education

From: Jerry D. Weast, Superintendent of Schools 

Subject: Approval of Contract with Pearson Education, Inc.

Recommendation in Brief

Approval is requested to enter into a contract with Pearson Education, Inc. (Pearson) to jointly develop an online integrated elementary curriculum for the benefit of students in Montgomery County and across the nation. Together, Montgomery County Public Schools (MCPS) and Pearson will produce a Kindergarten through Grade 5 elementary curriculum based upon the Integrated Kindergarten Curriculum MCPS has already created and deployed this school year. Pearson will provide development funds to MCPS to pay for positions in the Office of Curriculum and Instructional Programs (OCIP) to accelerate the development of the new curriculum. Pearson will market and sell the curriculum and MCPS will receive royalties from the sale of the curriculum.

Background Information

MCPS and Pearson are creating an unprecedented public-private partnership that will greatly accelerate the development of a unique integrated curriculum aligned to the Common Core Standards and based on the proven, successful and highly rigorous MCPS curriculum. The partnership with Pearson, the world's largest education company, is called *Project North Star* and the shared goal is to develop and implement the MCPS Online Elementary Integrated Curriculum and to share this innovative program with other schools and school districts through Pearson's sales and marketing capability.

During the January 12, 2010 Board of Education meeting, you received an update on the development and initial implementation of the integrated kindergarten curriculum developed over the last two years with stakeholder feedback. Teachers and administrators provided extremely positive feedback on this integrated model of our existing curriculum and professional development and requested an accelerated implementation schedule. However, in light of current budget circumstances, MCPS could implement only one grade level per year, extending the implementation schedule to 2015. In addition, due to limited resources, it would be challenging for MCPS to fully develop the assessment and professional development components of the integrated curriculum without additional professional expertise. In partnership with Pearson, MCPS will be able to accelerate the implementation schedule, fully develop instructional, assessment, and professional development resources, and share best practices beyond Montgomery County.

Project North Star includes development of integrated content and processes in an innovative manner that improves instruction and saves teachers and students valuable instructional time. Critical and creative thinking skills, and academic success skills form the nucleus around which the delivery of reading, writing, mathematics, science, social studies, the arts, health and physical education content is carefully planned by marking period. The power of making connections among content areas will help unleash the natural curiosity of young children and the habits of that mark the academic mind—persistence, questioning, and collaboration.

Pearson will also bring its considerable assets and expertise to help develop the first generation of Common Core Standards assessments that measure achievement of challenging academic standards alongside the skills that develop advanced learners. The final key design feature of this project will be curriculum-aligned, just-in-time professional development offered in a collaborative Web 2.0 environment. Teachers will be able to harness the power of their peers and instructional experts to solve the complex and commonplace challenges they face every day.

Project North Star recognizes that the crucial habits that affect life-long learning are most easily developed in elementary school. Further, this project is based on the research-backed notion that these habits are teachable and not part of a predetermined life-pattern based on race, neighborhood, gender, or income. Well-supported teachers who have high expectations for all students, backed by high standards, open the doors to those traditionally under-prepared for a college education. By complementing the college level trajectory reflected in the Common Core Standards and MCPS curriculum, *Project North Star* promises to help change the face of education in Montgomery County and across the United States.

Project North Star provides MCPS with much needed resources during a historically lean budgetary era. Through this partnership MCPS will be able to fully develop the integrated curriculum for implementation in Grades K-2 for school year 2011-2012, and implementation of Grades 3-5 for 2012-2013, two years ahead of schedule. To meet this accelerated timeline MCPS is using resources from Pearson in the areas of curriculum development, professional development, and assessments to form collaborative teams in OCIP. The teams will be managed by a Pearson and MCPS Leadership Team comprised of managers with extensive experience in complex curriculum, assessment, professional development, and online platform production. *Project North Star* will be hosted on *myMCPS* in Montgomery County and on the Pearson technology platform to purchase and implementation in other school districts.

In accordance with the Agreement, Pearson will contribute up to \$4,500,000 and its expertise in assessments, professional development, and publishing. One-half of these development funds will be considered an advance against future royalties. With this collaborative effort, MCPS will get a professional and fully developed integrated curriculum for Grades K-5 within two years and a minimum 2.5% in royalties on domestic sales. MCPS has applied for a federal Investing in Innovation Fund grant to facilitate the development of the program with Pearson providing the required private matching contribution. The Agreement requires MCPS and Pearson each to contribute pre-existing materials and collaboratively developed materials to the joint project and, consistent with industry practice, vests copyright ownership in the joint project to Pearson.

This is an exciting, groundbreaking opportunity that will benefit Montgomery County students and students across the nation for years to come.

Recommended Resolution

WHEREAS, Montgomery County Public Schools has demonstrated the capacity to positively impact students through high academic standards, high quality instruction, and data-driven decision making; and

WHEREAS, Montgomery County Public Schools has built a foundation for continued success through the development and creation of an integrated model of the existing Montgomery County Public Schools curriculum where the disciplines are not isolated from each other, but tied to the critical and creative thinking and academic success skills that help students form an academic identity; and

WHEREAS, Montgomery County Public Schools brings the foundational materials, instructional experience, and vision that can be utilized to fully develop an integrated curriculum program that can be used across the nation; and

WHEREAS, Pearson is a leading international education company in the development of instructional programs and assessments and brings a wealth of development expertise that can ensure a more rapid development of the integrated curriculum as well as more robust and complete assessments, curriculum materials, and professional development; and

WHEREAS, In partnership, Montgomery County Public Schools and Pearson can combine targeted resources to support an accelerated implementation of the elementary integrated curriculum that will reduce teacher instructional preparation time, expand curricular focus to include all disciplines, provide just-in-time professional development experiences, and host an online professional learning community through *myMCPS*, all designed to improve instruction in the various content areas and focus on high expectations, continued academic achievement, and the development of an academic identity in all students; now therefore be it

Resolved, That the Montgomery County Board of Education enters into a contractual agreement with Pearson to secure financial resources, services and professional expertise necessary to accelerate, fully develop and implement all components of the elementary integrated curriculum by 2013.

JDW:BKE:spm

Attachment

AGREEMENT

AGREEMENT made this 8th day of June, 2010 between the **BOARD OF EDUCATION OF MONTGOMERY COUNTY and MONTGOMERY COUNTY MARYLAND PUBLIC SCHOOLS** (“MCPS” collectively), located at 850 Hungerford Drive, Rockville, MD 20850, and **PEARSON EDUCATION, INC.**, publishing as **PEARSON EDUCATION, INC.** (“Publisher”), with offices at One Lake Street, Upper Saddle River, NJ 07458.

WHEREAS, MCPS is a high achieving urban school district that has demonstrated the capacity to positively impact student achievement through high academic standards, high quality instruction, connected assessments, data-driven decision making, and supported use of differentiated instruction and supporting instructional materials; and

WHEREAS, MCPS brings the foundational materials, instructional experience, and vision to the creation of an integrated curriculum that can be utilized in connection with the creation and development of a fully-developed integrated curriculum program for Grades K-5 to be marketed and sold nationally by Publisher; and

WHEREAS, Publisher is a leading international education company in the development of instructional programs, assessments, technology and professional development and brings a wealth of development expertise that can ensure a more rapid completion of a fully-developed integrated curriculum program for Grades K-5 as well as ensuring that the end result is market-ready on a national basis and ready for delivery on platforms consistent with the needs of the market;

NOW THEREFORE, MCPS and Publisher desire to collaborate with each other on the development of a fully-developed integrated curriculum program for Grades K-5 and in connection thereto, now further agree:

1. OBJECTIVE

The objective of the parties' collaboration under this Agreement is to create fully-developed integrated curriculum materials for K-5 grade levels primarily for use in an online, web-based format, and secondarily for use in print or other formats. For purposes of this Agreement, the term "Program" shall mean the complete fully-developed integrated curriculum for K-5 grade levels ready for market that includes all of the following components (each a "Component"): (i) a fully-developed integrated curriculum, including, but not limited to a curriculum guide, marking period overviews, content weekly planners, integrated weekly planners, and personal weekly planners; (ii) assessments; (iii) professional development materials; (iv) Student Companion (comprising consumable student workbooks); (v) student libraries (comprising leveled readers and trade book libraries); (vi) ancillary materials created by either party pursuant to the requirements of this Agreement in support of one or more of the other Components; and (vii) an implementation guide. For purposes of further clarification, the term "Program" can mean all Components for grade level "K" only or grade levels K and 1 or all grade levels K-5 or any combination of completed grade level packages. For purposes of further clarification, with the exception of the student libraries referenced above in this Section, the term "Program" does not include any pre-existing materials such as textbooks, curriculum materials, ancillary materials, readers or other content of either party unless expressly included in the Program under the Program Development Plan (as hereinafter defined) or in this Agreement and then only to the extent authorized in the Program Development Plan or in this Agreement.

2. PRE-EXISTING WORKS

A. MCPS

Publisher hereby acknowledges that MCPS has previously developed and owns all rights in and to: (i) an integrated kindergarten curriculum (“MCPS IKC”); (ii) a graphical user interface comprised of one or more arrangements of various elements of its MCPS IKC including easy access to the integrated curriculum content, assessments, professional development materials and other content resources (“IKC GUI”); (iii) an online platform known as MyMCPS (“MCPS Platform”) that currently hosts and serves up MCPS IKC content via its IKC GUI; (iv) certain other non-integrated curriculum materials, assessments, professional development materials, teacher’s guides, student guides and other traditional educational materials and resources, as more specifically described in the Program Development Plan (“MCPS Pre-existing Works”).

B. Publisher

MCPS hereby acknowledges that Publisher has previously developed and owns all rights in and to: (i) textbooks, assessments, professional development materials, ancillary materials, readers, and a vast array of related educational materials and resources, including a number of educational/learning platforms, such as Successnet and Successnet Plus, as described in the Program Development Plan (“Publisher Pre-existing Works”).

3. PROGRAM DEVELOPMENT PLAN

A. General Guide

The Program shall be developed in accordance with the pedagogy, ideas, approaches, and general specifications as specified in the Program Development Plan (as defined below).

B. Detailed Development Plan

The parties shall in good faith mutually agree upon the Program specifications and budget in a reasonably detailed written development plan (“Program Development Plan”) within fourteen (14) days after this Agreement is signed by both parties (“Planning Phase”). If the parties fail to agree upon a written Program Development Plan within the Planning Phase, then either party may terminate this Agreement upon written notice to the other without liability to the other. The Program Development Plan may be modified from time to time during the Development Period but only by a written amendment to the Program Development Plan that is signed by each party’s duly authorized representative. The Program Development Plan shall initially cover the development of an online, web-based version of the Program, and any print version of the Program or any of its individual Components that Publisher may desire to publish. The Program Development Plan shall include the Program development costs, budget and allocation of costs for development and creation of each Component among the parties as well as a development schedule for deliverables and associated acceptance criteria. The Development Funds payable to MCPS under this Agreement shall be used to develop the Program in accordance with the performance milestones and acceptance criteria specified in the Program Development Plan.

4. PROGRAM DEVELOPMENT PROCESS

A. Development and Implementation Periods

Unless otherwise extended by a written amendment that is signed by each party’s duly authorized representative: (i) the time period to develop the complete Program shall be two years from the date of the initial Program Development Plan (“Development Period”); and the initial Program implementation period shall commence no later than the end of the Development Period and shall extend for one year (“Program

Implementation Period”) during which time the parties shall collaborate and modify the Program as appropriate.

B. Program Development Responsibilities

Each party shall cooperate and collaborate with the other on all aspects of the development of the Program. Each party shall be responsible for performing its Program development tasks and duties separately or collaboratively as indicated in the Program Development Plan. MCPS shall be primarily responsible for authoring and delivering the integrated curriculum Components of the Program and the implementation guide. Publisher shall be primarily responsible for authoring and delivering the assessments, professional development and student material Components supporting the integrated curriculum Components of the Program. Each party’s additional Program development responsibilities shall be set forth in detail in the Program Development Plan, including: (i) responsibilities for providing access to any pre-existing works that are identified in the Program Development Plan for inclusion in the Program; (ii) the make-up and leadership of each collaboration team for each Component; (iii) each party’s specific deliverables (including, but not limited to, authorship of content, whether text or otherwise) related to each Component; (iv) performance schedules for all deliverables due from each party; (v) Publisher’s Development Fund installment payments to MCPS tied to completion of MCPS’s performance milestones; and (vi) Component-level and final Program-level acceptance criteria (including but not limited to writing guidelines provided by Publisher to MCPS). Each party shall provide sources for all data cited or used in the Components for which the party is primarily responsible for delivering and shall provide answers to all problems, questions and exercises, if any, as specified in the Program Development Plan. MCPS shall retain a complete duplicate copy of all Components submitted to the Publisher. Within the framework of the Program Development Plan, Publisher will have final discretion over Program decisions, and control on content, editing, format, pricing, marketing and distribution of the commercially developed

Program on a nationwide basis, subject to MCPS approval (which shall not be unreasonable withheld) as to overall pedagogy and learning philosophy and objectives of the Program. To meet the requirements of a national market on a timely basis and on budget, if MCPS does not deliver any of the required Components in accordance with the Program Development Plan, or if any of the Components are not acceptable in length, form, style or content to the Publisher in its reasonable editorial or marketing judgment, the Publisher may, at its option and upon written notice to MCPS, (a) return the Components to MCPS, specifying necessary revisions and the schedule for re-submission; (b) have the Components properly prepared by such other person(s) as the Publisher, in its sole discretion, may select if MCPS is unable or unwilling to make the revisions, and deduct the entire reasonable fees or royalties for such services from any amounts payable to MCPS under this Agreement; or (c) terminate this Agreement.

C. Management of Program Development

(i) General Cooperation

The parties shall work together to build cross organizational development teams to create the Program in accordance with the specifications set forth in the Program Development Plan. MCPS will perform its duties under this Agreement and as further specified in the Program Development Plan in cooperation and collaboration with Publisher and other persons designated by Publisher, whether as authors, editors, consultants, advisors, or otherwise, and Publisher agrees to cooperate with MCPS in the same regard. MCPS will, at the reasonable request of Publisher confer with Publisher or its other designated authors or representatives in connection with MCPS's performance of such duties, at such times and places as Publisher may reasonably specify.

(ii) Appointment of Managers

Publisher and MCPS will each appoint a project manager to manage each party's respective responsibilities under this Agreement and the Program Development Plan and who will have shared responsibility for

leading the Program development including overseeing staffing, schedules and budgets, and responsibility for communicating any proposed changes to the Program Development Plan. Either party may replace its own project manager with a new project manager with equivalent skills and abilities upon written notice to the other party.

(iii) MCPS Staffing

MCPS shall provide staff resources with expertise in curriculum and professional development along with its expertise in developing and integrating elementary curriculum. The number of MCPS staff, duties, and allocation of time MCPS staff are to dedicate to Program development under this Agreement are specified in the Program Development Plan.

(iv) Publisher Staffing

Publisher shall provide staff resources with expertise in curriculum and integrated curriculum, professional development, editorial, Program design and development, project management, assessments, platform expertise and such other skills and abilities as may be required under the Program Development Plan. The number of Publisher staff, duties, and allocation of time Publisher staff are to dedicate to Program development duties under this Agreement are specified in the Program Development Plan.

(v) Platforms

Publisher intends to integrate the Program with its proprietary software platforms for online delivery to the national market in an Electronic Version (“National Version”). Publisher shall cooperate with MCPS to enable MCPS to host a copy of Publisher’s National Version on the MCPS Platform under MCPS’s name; provided that any additional costs incurred to modify Publisher’s National Version or the MCPS Platform to enable MCPS to host a copy of the Publisher’s National Version on the MCPS Platform shall be at MCPS’s cost. Publisher shall not incur any additional costs to modify the Publisher’s National Version without first obtaining MCPS’s written approval of the planned technical modifications required to enable

the Publisher's National Version to be hosted and used on the MCPS Platform. All work performed on such modifications shall be at rates that are at those billed for the same or similar work performed on the development of Publisher's National Version. Mutual access to the appropriate technical staff of MCPS and Publisher will be provided for purposes of performing the conversion work necessary to enable MCPS to host the Publisher's National Version on the MCPS Platform.

5. MCPS GRANT OF RIGHTS

In consideration of Publisher's performance of its promises under this Agreement, and subject to all of the other provisions of this Agreement, including each party's reservation of rights:

A. MCPS Pre-existing Works

Subject to Section 14 hereto, MCPS hereby grants Publisher a non-exclusive license to use, in whole or in part, MCPS Pre-existing Works that are authorized in the Program Development Plan for use in the development of the Program including, but not limited to, modifying, altering, editing, abridging, expanding and blending MCPS Pre-existing Works with Publisher Pre-existing Works and with newly created works, or any of them; and, to use the same, as incorporated into the Program, in a manner consistent with the rights MCPS is granting to Publisher under Section 5B below.

B. Rights in Final Program

Although the final Program shall be comprised of copyrightable contributions from both MCPS and Publisher, making the Program a joint work subject to joint ownership of copyright, for purposes of this Agreement, MCPS hereby grants and assigns exclusively to Publisher all of MCPS's rights and interests as a co-author of the Program. Subject to all other provisions of this Agreement, as between MCPS and Publisher, Publisher shall be the sole and exclusive owner of all rights in and to the Program, in whole or in part, in all forms, formats, and versions that are now in existence or are created hereafter throughout the world, which shall include, but not be limited to, all copyrights and all extensions of

copyright in the Program, including all exclusive rights granted to an author under the copyright laws of the United States, foreign countries, and international copyright conventions and the exclusive right to exercise, license, assign, sell or otherwise dispose of these rights or any part of them to third parties. Without limiting the foregoing, and by way of example and not limitation, but subject to MCPS's reservation of rights, Publisher shall have the exclusive right to print, reproduce, publish, sell copies, and grant access to the Program in any and all versions, revisions, new editions or derivative works thereof, in whole or in part, separately or as part of any publication of Publisher, under Publisher's own name or any other name Publisher elects, in all markets and languages, and in all forms or media, whether now known or later developed, including but not limited to, foreign language translations, abridged editions, localized adaptations for export markets, reprints by Publisher's foreign affiliates for sale in export markets, large print editions, custom editions created primarily for governmental educational materials adoption authorities ("Subsidiary Rights"), and Electronic Versions (as such term is defined below) throughout the world, in all channels of distribution and by all means of transmission whether now known or hereafter developed.

(i) Electronic Versions

"Electronic Versions" shall mean versions of all or part of the Program reproduced, recorded, or stored, alone or in combination with other work(s), by any electronic means now known or hereafter devised, including, but not limited to, in a database, in any multimedia work or electronic book, by electronic or electromagnetic means, whether in sequential or non-sequential order, on any and all physical media, including magnetic tape, floppy disks, CD-I, CD-ROM, laser disk, optical disk, IC card or chip and any other human or machine readable medium, whether or not permanently affixed in such media, and made available by broadcast, display, performance, transmission or delivery by any means now known or

hereafter created, including without limitation, via the Internet or a local or wide area network or by analog or digital broadcast signal thereof.

(ii) Disability

Without limiting the foregoing, this grant shall also include but not be limited to the right to reproduce and distribute the Program in any form for access by individuals with disabilities or to permit schools or school districts to do so, including in versions created to comply with state and federal laws and regulations, and policies regarding accessible versions of the Program to be made available for use by individuals with disabilities that would otherwise prevent them from using the standard instructional format.

C. MCPS Name, Marks and Other Indicia

Subject to the provisions of this Agreement, any applicable provisions of law, and MCPS's prior written approval in each instance: (i) Publisher shall be able to use MCPS's name, marks, logos and other indicia ("MCPS Mark") on the Program to identify MCPS as one of the authors of the Program; and (ii) Publisher may use MCPS Marks in connection with advertising, promotion, and sale of the Program. MCPS shall have the right to review and approve Publisher's planned form of use of any and all MCPS Marks and all versions of the Program on which Publisher desires to apply any MCPS Mark for compliance with the Program specifications as set forth in the Program Development Plan which specifications shall embody MCPS's standards of quality and goodwill associated with its MCPS Marks.

D. Program Related Materials

(i) Independent Ancillary Materials

Publisher shall have the right, in its sole discretion, to prepare, or to arrange for the preparation of, independent ancillary materials that may be used in conjunction with or to enhance the sale of the Program. Any materials authored solely by Publisher, or third-parties at Publisher's sole expense, that

are not derived from materials described in the Program Development Plan, and that are independent of and not intended for inclusion as content in the Program, shall be considered independent ancillary materials (“Independent Ancillary Materials”). If Publisher desires to engage MCPS to write, prepare or otherwise contribute to any Independent Ancillary Materials, Publisher shall do so under a separate written agreement the terms and conditions of which are mutually satisfactory to Publisher and MCPS. Notwithstanding anything expressed or implied to the contrary in this Agreement, if Publisher desires to display, market and exploit any Independent Ancillary Material that includes any MCPS Pre-existing Works or bears any MCPS Mark, Publisher must obtain a separate written agreement signed by an authorized representative of MCPS, under terms and conditions mutually satisfactory to MCPS and Publisher, authorizing Publisher’s use of either MCPS Pre-existing Works, any MCPS Mark, or both, on or in connection with the Independent Ancillary Material.

(ii) Program Alignment Materials

Subject to any requirements or limitations set forth in the Program Development Plan, Publisher intends to align one or more Program Components with one or more of Publisher’s Pre-existing Works, Independent Ancillary Materials or other Publisher products that have been developed and published independent of the Program and this Agreement, and/or other pre-existing works of third-parties (“Alignment Materials”). If a third party publisher notifies Publisher that it desires to officially align its materials to the Program, Publisher shall notify MCPS and the parties hereto shall mutually agree on the terms of such arrangement with such third party.

E. Proprietary Rights

While collaborating on the development of the Program, MCPS and Publisher jointly may discover or invent a new and useful means to create, assess or present to teachers or students integrated curriculum materials which may be patentable subject matter. The parties’ collaborative efforts will likely involve the

sharing and creating of information that one or both parties will consider proprietary trade secret information. All patentable intellectual property that derives from the collaborative effort of the parties shall be deemed jointly owned unless it is clearly identified as a pre-existing work of one party or unless the party claiming sole rights has definitive documentation evidencing its independent creation of the intellectual property. Both parties shall share equally all proceeds derived from the exploitation of any jointly owned patentable intellectual property, and both parties shall cooperate with each other in good faith to protect and preserve all rights in and to any jointly owned patentable intellectual property.

F. Reservation of Rights

Neither MCPS Pre-existing Works nor Publisher Pre-existing Works shall be exclusively licensed, assigned, transferred or otherwise encumbered or impaired by this Agreement. Nothing in this Agreement is intended to license, grant, assign, transfer or otherwise convey to Publisher any ownership or other rights in the MCPS Platform, nor to license, grant, assign, transfer or otherwise convey to MCPS any ownership or other rights in the Publisher's proprietary software platforms. Except as set forth in Section 14, nothing in this Agreement shall prevent either party from using, modifying, updating or improving any of its pre-existing works independent of the Program for use independent of this Agreement. Except as set forth in Section 14, MCPS reserves all rights in and to the use of the MCPS Platform, MCPS IKC, IKC GUI, and MCPS Marks independent of and separate from the Program and this Agreement. Publisher's use of any one or more MCPS Marks in connection with the Program under this Agreement shall inure to the benefit of MCPS. Publisher shall not make any claim of ownership or other rights in and to the MCPS IKC, IKC GUI, or MCPS Marks or any of them, except for the use rights expressly described in this Agreement. Notwithstanding anything expressed or implied to the contrary in this Agreement, Publisher reserves all rights in and to the use of its Publisher Pre-existing Works,

textbooks, proprietary software platform, assessments, professional development materials, and its name, marks, logos and other indicia independent of and separate from the Program and this Agreement.

6. COPYRIGHT REGISTRATION

All published copies of the Program published hereunder shall bear copyright notice or notices required by applicable law in Publisher's sole name or names Publisher elects; provided that if Publisher desires to use a name other than Publisher's name, Publisher shall give written notice to MCPS of the other name or names that will appear in such copyright notice and a reasonably detailed explanation for Publisher's use of such other name or names in the copyright notice. MCPS shall, at Publisher's sole expense, execute such further instruments as Publisher may request to establish, maintain or protect its rights in and ownership of the Program.

7. POST DEVELOPMENT OBLIGATIONS

A. Program Affirmation and Promotion

Subject to all applicable legal, regulatory and ethical requirements, MCPS representatives schedules, and all other provisions of this Agreement, MCPS representatives will, upon the reasonable request of Publisher, be present at such times and places as Publisher may reasonably specify in order to attest to the efficacy and quality of the Program, without additional compensation. MCPS shall actively participate and consult with Publisher, as specified in the Program Development Plan, to (i) explain the Program pedagogy and its vision and (ii) promote the adoption of the Program in other school systems nationwide. MCPS shall be reimbursed for all reasonable expenses incurred in connection therewith.

B. Piloting and Validation: It is anticipated that Publisher will pilot and validate the Program within MCPS and in other schools and school districts outside MCPS. The parties hereto will collaborate and establish mutually agreeable schedules, protocols and standards for such pilots and validation. MCPS agrees to actively participate with Publisher in this pilot phase and will host visits from pilot school districts

and participants at no cost to MCPS. Publisher may use MCPS specified classrooms to (i) demonstrate or showcase the Program and (ii) to validate/field test the Program as further specified in the Program Development Plan; provided however, that MCPS may impose reasonable advance notice requirements and other reasonable restrictions on Publisher's use of its classrooms to avoid disruption of the education of the children in the classroom and to maintain the confidentiality of personally identifiable student information and otherwise as may be required by law. The parties hereto agree to develop a process of collecting data about the impact of the Program on the performance of MCPS students ("Student Performance Data"), subject to all applicable law on protection of personally identifiable student information. MCPS shall provide the Student Performance Data to Publisher twice a year as long as the Program is being used by MCPS and marketed by Publisher but no longer than three (3) years after Publisher's initial release of the final Program. All Student Performance Data shall at all times be owned by MCPS, and Publisher shall not use any Student Performance Data for any purposes other than to evaluate the impact of the Program on student performance. Publisher shall not disclose any Student Performance Data to any third-party or publicly at any time without MCPS's prior written consent in each instance, not to be unreasonably withheld. During the Program Development Period and Implementation Period, MCPS will also provide input and collaboration on how to evaluate the usage of the Program in selected districts outside of MCPS all in accordance with the Program Development Plan.

C. Program Updates and Revisions

(i) Definitions

For purposes of this Agreement, the following terms shall have the meaning assigned to them below:

a. "Updates" shall mean nominal incremental additions, or modifications and adjustments, to the content of the existing Program Components.

b. “Revision” shall mean adding substantial amount of new content that is not derived from the existing Program or any Components and not otherwise contemplated in the Program Development Plan, or abridging, altering, or adapting no less than twenty-five percent (25%) of the existing content of the overall Program, including all Components.

(ii) Program Updates

After the final Program has been delivered and approved for commercial release and all Development Funds have been paid in accordance with the Program Development Plan, MCPS shall have no obligation to provide Publisher with any further Updates or modifications to the Program or any Component under this Agreement. Publisher shall have the right, in its sole discretion, to prepare, or to arrange for the preparation of, any Updates to the Program or any Component. Updates to the Program or any Components prepared or arranged by Publisher shall not have any bearing on MCPS’s rights under this Agreement.

(iii) Program Revisions

MCPS recognizes that Publisher may, in its sole discretion, find it advisable to make Revisions to the Program. Publisher in its sole discretion, and at any time, shall have the right to give a ninety (90) day advance written notice (“Revision Notice Period”) to MCPS of its desire to prepare or arrange for the preparation of a Revision, which notice shall explain in reasonable detail why Publisher believes a Revision is warranted and the specific Components or other elements of the Program that need to be revised and how Publisher would like them revised. Publisher shall give MCPS the opportunity to participate in each Revision, and MCPS may, in its sole discretion, determine whether it desires to participate by giving Publisher written notice of its desire to participate within the Revision Notice Period. If Publisher does not receive MCPS’s written notice of its desire to participate in Publisher’s proposed Revision, then Publisher may proceed with the Revision without MCPS’s participation. Subject to the provisions of

Section 5C, and provided that any Revision does not materially alter the pedagogy, ideas, approaches, and general specifications embodied in the Program Development Plan, Publisher reserves the right to display a MCPS Mark and the name of the person(s) who prepared the Revision in the revised Program and in related promotional materials for so long as royalties are payable hereunder to MCPS. Publisher shall not make any material changes to the Program or any Component that affect the instructional integrity or overarching pedagogy, learning philosophy and objectives embodied in the Program Development Plan without MCPS' prior written consent, which consent shall not be unreasonably withheld.

(iv) For the first Revision prepared without the MCPS' participation, MCPS' royalty shall be reduced by one-half the amounts that would otherwise have been payable hereunder. For the second Revision prepared without the MCPS' participation, MCPS' royalty shall be reduced to twenty-five percent (25%) of the amounts that would otherwise have been payable hereunder. After the second such Revision prepared without MCPS' participation, the Publisher shall have no further obligation to pay royalties to MCPS under this Agreement and shall have no further right to use any MCPS Marks in connection with the Program or any Program or Component marketing materials.

8. CONSIDERATION

In consideration of MCPS's grant of rights and performance of its promises under this Agreement:

A. Contribution Toward Development Costs

Subject to the Program Development Plan, Publisher shall contribute to the development costs by paying to MCPS the sum of \$4,500,000 United States Dollars in the aggregate ("Development Funds") and shall pay to MCPS, as the first installment of the Development Funds, the sum of \$625,000 United States Dollars within thirty (30) days of the date hereof. The schedule of the payment of the remainder of the Development Funds shall be detailed in the Program Development Plan, and shall be payable in installments on a quarterly basis based on completion of specified milestones. As further detailed in the

Program Development Plan, one-half of the aggregate Development Funds payable to MCPS shall be considered an advance on royalties (the “Advance”) and recoupable by Publisher as set forth in Section 8E below.

B. MCPS’s Use of Program

Notwithstanding anything expressed or implied to the contrary in this Agreement, MCPS shall have the right, without payment or any other obligation to Publisher but solely within and for the benefit of MCPS’s school district, to use the Program independent of Publisher, and may exercise all rights in and to the Program, in whole or in part, in all forms, formats, and versions that are now in existence or that are created hereafter. Without limiting the foregoing, MCPS shall have the right to print, reproduce, publish, and grant access to the Program in any and all versions, revisions, new editions or derivative works thereof now in existence or created hereafter, in whole or in part, separately or as part of any publication of MCPS, under MCPS’s own name, in all languages, and in all forms or media, whether now known or later developed, including but not limited to, foreign language translations, abridged editions, large print editions, custom editions created solely for MCPS educational materials, and all Electronic Versions throughout MCPS’s school district, in all channels of distribution and by all means of transmission whether now known or hereafter developed.

C. Publisher Discounts. MCPS shall have the right to purchase any quantity of copies of any printed Components or Electronic Versions (made available in tangible media) of the Program at a discount of fifty percent (50%) off of Publisher’s current catalog price. MCPS shall have access in any and all MCPS schools, at no charge, to the Publisher’s National Version throughout the Development Period, Implementation Period, the piloting and assessment validation period, and for twelve (12) months after the termination of Publisher’s piloting and assessment validation activities (“Free Access Period”). If MCPS desires to use Publisher’s National Version after the Free Access Period, then MCPS shall have the right to

purchase access at sixty percent (60%) discount off of Publisher's current catalog price but in no event less than Publisher's cost to provide such access.

D. Royalties

Except as otherwise stated in this Section, Publisher's exploitation of the Program, including each Component of the Program as defined in this Agreement, shall be subject to royalties as provided in this Agreement. Royalties due MCPS shall be payable subject to the following:

(i) Program and Component Pricing.

Publisher shall establish a price for each version of the Program as a whole and for each individually saleable version of each Component that Publisher intends to offer for sale both as part of the Program and as an independent Component, such pricing to be determined by Publisher in its sole discretion.

(ii) Royalties: Publisher will pay to MCPS the following royalties based on the Publisher's Net Receipts (as defined in Section 8 (D)(vi) below) from sales of the Program and from sales of all Components thereto that are sold as part of the Program, except as otherwise stated in this Section 8 (the "Royalty Bearing Components").

(a) Domestic Sales: two and one-half percent (2.5%) of the Publisher's Net Receipts from the Royalty Bearing Components of the Program sold by the Publisher within the United States and to Department of Defense Schools outside the United States, except as otherwise stated in this Section 8.

(b) Foreign Sales: one and one quarter (1.25%) percent (one-half the royalty provided in Section 8D(ii)(a)) of the Publisher's Net Receipts from the Royalty Bearing Components of the Program sold by the Publisher outside the United States, and to parties other than Department of Defense Schools, except as stated in this Section 8.

(c) Translations; Subsidiary Rights: Royalties at the same rate provided in Section 8D (ii) (b), for and based on the Publisher's Net Receipts from:

(1) Translations: the Publisher's sales of any of the Royalty Bearing Components of the Program in translation;

(2) Exercise of Subsidiary Rights: the Publisher's exercise of any subsidiary right (such as those described in Section 5 hereto) to the Royalty Bearing Components of the Program or the Publisher's sale, assignment or license to others, excluding the Publisher's affiliates, of any right to the Program (except as stated above). Any Program and individual Component sales made via any of Publisher's affiliates shall bear royalties on the Net Receipts of Publisher's affiliate.

(d) Other Uses of the Program: Royalties at the same rate provided in Section 8D (ii) (a) for and based on Publisher's Net Receipts from any other uses of the Program for which no specific royalty rate has been assigned.

(iii) Report of Royalties: Publisher will provide a reasonably detailed report on all exploitation of the Program, including, but not limited to, all sales of copies of the Program in all forms and versions, all sales of end-user licenses, all sales of third-party license and related revenues, by March 31 and September 30 of each year, for the six-month period ending the prior December and June respectively. With each report of sales, Publisher will make settlement for all balances due.

(iv) Proration: If Publisher sells the Program or any Component, in combination with other materials which Publisher lists in its product catalog and regularly sells as an independent product, Publisher's Net Receipts upon which a royalty is paid shall be prorated in accordance with the proportion the Program's price (or a Component's price, whichever is being sold) bears to the regular price of all combined products being sold in the combination, and the applicable royalty shall be computed on this

prorated allocation of Publisher's Net Receipts. For example, if a copy of the Program has a list price of \$100 and is combined with two other non-royalty bearing products each with list prices of \$50, then MCPS's applicable royalty rate will be applied to fifty percent (50%) of the Publisher's Net Receipts from the sale of the combination ($\$100 + \$50 + \$50 = \200 and $\$100/\$200 = 50\%$).

(v) No Royalties Payable: No royalties or other payments will be due to either party with respect to (a) any copies of the Program or Royalty Bearing Components thereof (print, electronic or otherwise) furnished by Publisher to others for the purposes of promotion, publicity or for any other promotional purpose deemed appropriate by Publisher in its reasonable discretion, (b) free samples, (c) any distribution of, licensing or access/viewing rights to the Program or adaptations or selections from the Program that, in Publisher's judgment, may benefit the sale of the Program, (d) Independent Ancillary Materials or Alignment Materials or (e) copies given or sold to MCPS. No royalties or other payments will be due to MCPS on copies of the Program or Royalty Bearing Components that are provided or licensed for use by individuals with disabilities, including versions created to comply with state and federal laws and regulations regarding accessible versions and other not for profit publication, such as the recording, photographing, microfilming, and creation of special editions, in Braille or other media for use by the physically, mentally, or visually handicapped or disabled. Furthermore, no royalties will be paid on (i) one-time installation, system integration or data conversion work associated with preparing the Program for use on a learning or enterprise platform, (ii) on leveled readers or trade libraries sold with or outside of the Program or (iii) sales of the professional development and assessment Components sold independently of the Program without any use of the MCPS name.

(vi) Definition of Net Receipts: As used in this Agreement, the term "Publisher's Net Receipts" shall mean Publisher's gross actual receipts in United States currency, less actual freight, transportation, insurance in connection with transportation, sales taxes, returns, discounts, credits and

allowances and not including depository commissions with respect to distribution, applicable to such receipts.

E. Advance

As per Section 8A, the Advance shall be recoupable from royalties first payable under this Agreement by Publisher withholding fifty percent (50%) of royalties due to MCPS until any Advance is recouped. Should the Advance not be recouped from royalties earned under this Agreement due to lack of sufficient sales of the Program, MCPS will not be liable for repayment to Publisher of any un-recouped Advance.

F. Royalty Escalation

Notwithstanding anything expressed or implied to the contrary in this Agreement, the royalty rates set forth in this Agreement shall increase from 2.5% to 3.0% for domestic sales and from 1.25% to 1.5% for foreign sales in accordance with the terms set forth in the Program Development Plan.

G. Audit

MCPS shall have the right, itself or via a professional representative, upon reasonable notice to Publisher, to examine and make copies and extracts of Publisher's books and records relating to Publisher's performance under this Agreement, including the manufacture and sale of copies of the Program or any portion thereof, all revenues received, royalty statements, royalties paid, reserves held, returns, and similar records relating to the Program and Publisher's exploitation of the Program, and all books and records relating to Publisher discounts and other consideration due MCPS under this Agreement. MCPS's audit shall be performed during Publisher's regular business hours and not more than once each year for so long as Publisher is obligated to make royalty payments to MCPS under this Agreement. Publisher shall promptly pay any funds that are reasonably determined to be due MCPS as a result of an audit, plus interest at the rate of five percent (5%) per annum beginning on the date that

any unpaid funds were due and payable up through the date of payment. If an audit reveals that Publisher has under paid royalties due MCPS by five percent (5%) or more for the audited period, then Publisher shall also reimburse MCPS for all reasonable costs associated with MCPS's audit.

H. Grant Funding

MCPS has applied for a US DOE Investing in Innovation I3 grant ("Grant") to facilitate the development of the Program, which Grant contemplates Publisher's participation in the Program development process. Prior to MCPS's submission of the Grant application, MCPS and Publisher reviewed the final guidelines and mutually determined that the Program is eligible for Grant funding and that conditions of the Grant were acceptable for both Publisher and MCPS.

9. WARRANTIES, INDEMNITIES AND LIMITATION ON LIABILITY

A. MCPS warrants that the Board of Education has full authority to enter into agreements and contracts and has adopted a resolution approving entry into this contract with Publisher; that MCPS's contribution to the Program will be original; that MCPS is the sole owner of MCPS's contribution to the Program and has full power and authority to grant the rights herein; that MCPS's contribution to the Program will not infringe any copyright, trademark, patent, trade secret or any other third party intellectual property rights, or contain any scandalous, libelous, or unlawful matter or any formula or instruction that is inaccurate or injurious to the user.

B. Subject to MCPS's limitation on liability, MCPS will indemnify and hold harmless Publisher against all demands, claims, suits, costs, damages, and expenses, including reasonable attorneys' fees, and reasonable settlements, that Publisher may sustain or incur solely by reason of any breach or alleged breach of the foregoing warranties. Publisher will have the right to assume and control the defense of any such claim, provided however, that Publisher may not settle any such claim that adversely affects the rights of MCPS without MCPS's consent (which consent will not be unreasonably withheld), and until such

claim or suit has been settled or withdrawn, Publisher may withhold any sums due MCPS (but only up to the amount of the claim) under this Agreement between MCPS and Publisher. Publisher and MCPS will cooperate with each other and provide reasonable assistance to each other in defending against any such claim. Notwithstanding anything expressed or implied to the contrary in this Agreement, MCPS shall not be liable to Publisher under this indemnity provision for any amount in excess of the amount of money MCPS has actually received from Publisher.

C. Publisher warrants that Publisher has full authority to enter into this Agreement; that Publisher's contributions to the Program will be original; that Publisher is the sole owner of the Publisher's contributions to the Program and has full power and authority to grant the rights herein; that Publisher's contribution to the Program will not infringe any copyright, trademark, patent, trade secret or any other third party intellectual property rights, or contain any scandalous, libelous, or unlawful matter or any formula or instruction that is inaccurate or injurious to the user.

D. Publisher will indemnify and hold harmless MCPS against all demands, claims, suits, costs, damages, and expenses, including reasonable attorneys' fees, and reasonable settlements, that MCPS may sustain or incur by reason of any breach or alleged breach of the foregoing warranties. MCPS will have the right to assume and control the defense of any such claim, provided however, that MCPS may not settle any such claim that adversely affects the rights of Publisher without Publisher's consent (which consent will not be unreasonably withheld), and until such claim or suit has been settled or withdrawn, MCPS may withhold any sums due Publisher under this Agreement (but only up to the amount of the claim). MCPS and Publisher will cooperate with each other and provide reasonable assistance to each other in defending against any such claim.

E. Publisher and MCPS shall give each other prompt notice of any claims, actions or circumstances likely to give rise to any claims that are subject to indemnification under this Section.

10. COPYRIGHTED MATERIAL

A. Non-Original Material: Except for the trade libraries, neither party will include in the Program or any Components thereto any material from third-party copyrighted works (“Non-Original Material”) unless such party identifies such material as set forth in subparagraph B below.

B. Identification and Costs: Each party will promptly identify to the other party any Non-Original Material it desires to include in the Program or any Components thereto and will deliver to the other party any documentation in its possession related to the grant of permission to include such Non-Original Material in the Program or any Component. Publisher shall have the right to decide whether to use such Non-Original Material. If Publisher decides to use such material in the Program, Publisher shall be responsible for obtaining the consent of the copyright owners and for paying all necessary fees to the copyright owners for such materials.

11. PUBLISHING THE PROGRAM/DISCONTINUANCE OF PUBLICATION

A. Publishing Details

After the writing, creation, and preparation for publication of the Program have been completed in accordance with the Program Development Plan, Publisher will prepare the Program for publication in such form and at such time as Publisher deems appropriate or advisable, in the sole discretion of Publisher; provided, however, that once the Program is completed in accordance with the Program Development Plan, MCPS may in its sole discretion proceed with implementing and using the Program on the MCPS Platform independent of Publisher’s publication of the Program. Publisher will have the right to make final determinations concerning its publication and marketing of the Program based upon editorial and marketing concerns, including selecting suitable styles of paper, printing, and binding; fixing or altering the cover content and presentation; and fixing or altering the title, price and other terms of sale.

B. Decision Not to Develop Program

MCPS and Pearson will jointly develop a prototype of selected materials at two grades that will be used with focus groups to determine the appeal of the program to a national market. While MCPS and Pearson fully expect that this program will meet a national need for a standards-based integrated program, either party shall have the right, upon written notice to the other by no later than September 30, 2010, to elect not to complete the Program if (i) supervening events or circumstances since the date hereof have, in its good faith judgment, adversely changed economic expectations with respect to such Program or (ii) the research data formulated during such time does not support the creation of the national Program (“Program Termination”). If either party elects not to complete the Program as a result thereof, such party will so notify the other in writing. The party that has received notice of the decision to terminate by the other party shall have 60 days to cure the cause of the termination by revising the affected material to the satisfaction of the notifying party for one round of further market testing. If at the conclusion of this second market test the research data does not support the creation of the national program, either party may terminate without further revision or review. Except as stated herein, this Agreement shall thereupon be terminated without any further liability of either party to the other except as stated in Section 11C below. If either party elects under this Section to terminate further work on the Program, each party shall retain the right to develop its own integrated elementary curriculum without any use of the other parties pre-existing works materials.

C. Program Termination

If this Agreement is terminated as a Program Termination as provided in Section 11 B above:

- (i) All collaborative work shall cease on the Program with MCPS.
- (ii) All prior licenses and authorizations allowing use of each party’s respective pre-existing works in the collaborative development of the Program shall terminate.

(iii) All rights in and to each party's pre-existing works shall revert to each respective party.

(iv) Any Program elements or components that constitute jointly developed works that were completed prior to termination shall be distributed to MCPS and may be used solely and exclusively by MCPS, without any obligation to Publisher, but only within MCPS school system. MCPS shall not commercialize any jointly developed works without Publisher's express prior written consent.

(v) If MCPS terminates the Program as a Program Termination, MCPS shall reimburse Publisher for Publisher's documented share of Publisher's development costs directly attributable to the completed Program elements or Components.

(vi) If Publisher terminates the Program as a Program Termination, Publisher shall reimburse MCPS for MCPS' documented share of MCPS's development costs directly attributable to the completed Program elements or Components, less any Development Funds or Advance previously paid to MCPS.

D. Discontinuance of Publication

When Publisher decides that the public demand for the Program no longer warrants its continued publication, Publisher may discontinue or suspend publication, and destroy any or all film, books, sheets or other forms of the Program without liability to MCPS, and without prejudice to any license or other arrangement; provided however, that MCPS shall have the opportunity to purchase any inventory remaining of the Program at a price to be agreed upon.

12. NOTICE OF DEFAULT

If either party believes that the other party has breached this Agreement, then the non-breaching party shall give the breaching party written notice describing in reasonable detail the breach, and the party receiving a notice of breach shall have thirty (30) days ("Cure Period") to correct the breach. If the party receiving a

notice of breach fails to correct the breach within the Cure Period, then the receiving party shall be in breach of this Agreement and the non-breaching party shall have the right to terminate this Agreement and to pursue any and all applicable remedies available at law or in equity subject to applicable limitations set forth in this Agreement.

13. DISTRICT'S COPIES

Publisher will furnish ten copies of the print Components of the Program and ten copies of each Electronic Version prepared for sale on tangible electronic media to MCPS without charge for use in MCPS and not for resale.

14. COMPETING PUBLICATIONS

While this Agreement is in effect and until the published Program, including any Revisions, or any portion thereof, is no longer available for sale by Publisher or its assignees or licensees, and provided that Publisher has paid all royalties due MCPS and otherwise performed its obligations under this Agreement, MCPS will not publish or license the same materials, or agree to publish or license to any other publisher, or allow MCPS's name to be used in connection with other materials on the same subject matter for the same market as the Program which competes with the sale or exploitation of the Program. Nothing herein shall prohibit MCPS from using the Program or any other publication of any kind, whether developed by MCPS or acquired from any other source and whether competitive with the Program or not, for its own internal use in connection with its educational programs.

15. NOTICES

All notices shall be in writing and sent by first-class mail, facsimile, hand delivery, or courier service to the address of the respective party as first above written, with a copy of notices (but not deliverables or invoices) to Publisher to:

Legal Department
Pearson Education, Inc.
One Lake Street
Upper Saddle River, NJ 07458
Attn: Vice President and Divisional General Counsel
Facsimile: (201) 818-8749

With a copy of notices (but not deliverables or invoices) to MCPS to:

Montgomery County Maryland Public Schools
850 Hungerford Drive
Rockville, MD 20850
Attn: Chief Operating Officer
Facsimile: (301) 279-3428

Notice shall be effective when received, or if received on a non-business day, on the next business day.

16. ASSIGNMENT AND DELEGATION

Neither party hereto shall assign this Agreement or delegate or subcontract any of the duties to be performed by it hereunder without the prior written consent of the other (not to be unreasonably withheld), except that Publisher may assign this Agreement in its entirety in connection with a change of control, corporate reorganization, or the sale of all or substantially all of its assets.

17. CONFIDENTIALITY

Except as may be required by law, MCPS shall keep confidential and shall not disclose any information regarding the Program to any person until after the initial publication and distribution of the final Program. Information obtained by MCPS while performing under this Agreement and relating to Publisher, its affiliates, employees, marketing plans, sales projections or figures, business plans or prospects, or other

confidential proprietary or commercially valuable information shall be held confidential by MCPS in perpetuity or until such information becomes publicly disclosed through no fault of MCPS or is required to be disclosed in accordance with applicable law. Nothing herein shall prohibit MCPS from complying with any lawful public information requests for information concerning the Program.

18. GENERAL

A. No Waiver

No waiver of any term or condition of this Agreement, nor any breach of this Agreement or any part hereof, nor a finding by a court that any term or condition is unenforceable, shall be deemed a waiver of any other term or condition of the Agreement or of any similar or later breach of the Agreement or any part hereof.

B. Governing Law and Forum

This Agreement shall be governed by the statutes and common laws of the State of Maryland applicable to contracts made and performed in that State; provided however, that the parties hereby agree to opt out of the Maryland Uniform Computer Information Transaction Act.

C. Construction

Headings for the various Sections of this Agreement are not a binding description of the contents and are not a part of this Agreement. This Agreement shall be binding upon the parties hereto, their heirs, successors, permitted assigns, and personal representatives; and references to MCPS and to Publisher shall include their heirs, successors, permitted assigns, and personal representatives.

D. Surviving Terms

Following any expiration or termination of this Agreement, the terms and conditions of Sections 2, 5, 6, 8, 9, 11, 17, and 18, as well as any term, provision or condition required for the interpretation of this Agreement or for the full observation and performance by each party of all rights and obligations arising prior to the date of expiration or termination, shall survive such expiration or termination.

E. No Injunctive Relief

The parties hereto waive any and all right to injunctive relief against the other in the event of any dispute, and the parties' sole remedy in such a dispute shall be at law, provided that in no event shall either party be entitled to consequential or special damages and/or lost profits. Notwithstanding the foregoing provision, nothing in this Agreement shall prevent MCPS from terminating this Agreement for breach of contract and pursuing a claim for monetary damages for copyright infringement if Publisher commits a material breach of its obligations under the Agreement.

F. No Implied Agreement

The parties hereto intend to be bound upon execution of a written agreement and no exchange of draft, partial performance or negotiation shall be construed to imply an agreement.

G. Entire Agreement

This Agreement contains the entire understanding of the parties with respect to the subject matter hereof and may not be modified except by a writing executed by each party's duly authorized officer.

**MONTGOMERY COUNTY MARYLAND
PUBLIC SCHOOLS**

By: _____
Name: _____
Title: _____

PEARSON EDUCATION, INC.

By: _____
Name: _____
Title: _____