

March 18, 2002

David L. Boliek
CEO
ExplorNet
4909 Windy Hill Drive
Raleigh, NC 27609

Dear Mr. Boliek:

We are pleased to advise you of the Mississippi Development Authority's (MDA) commitment to support a Computer Engineering Technology class "Blitz Build" to be held on March 28, 2002. The MDA will grant \$67,500 of the state's Workforce Investment Act Statewide Activities allocation to ExplorNet for this event whereby up to 50 students and 24 teachers selected throughout the State will build 100 computers, which in turn will be distributed to schools across Mississippi. The participating students will build as many computers as possible on or before March 28, 2002. Any kits that remain will be distributed to participating CPR/CET classes to be built and delivered to recipient schools by April 15, 2002. Distribution and tracking of the computers to recipient schools is the responsibility of the State Department of Education's Office of Educational Technology and the Governor's Task Force on Computers in Classrooms. To ensure unparalleled quality for the computers, a computer industry certified specialist will inspect each unit. Local technical volunteers will be recruited to assist. MDA's grant will provide funding for the computer kits, which meet and/or exceed the Mississippi Department of Education requirements for computers in public schools. Other than that, the computers are accepted in an AS IS state and come with no other warranty, express or implied. ExplorNet and other contributors will provide the curriculum, industry experts and experienced CPR teachers and students.

ExplorNet will maintain accurate financial records on the receipt and use of these funds. Documentation will be kept for three years including invoices, receipts, canceled checks, ledgers, and other similar accounting records. Documentation is to be collected on receipt and acceptance of each computer by each participating school by the Mississippi Department of Education's Office of Educational Technology (OET) and the Governor's

Task Force on Computers in Classrooms and the records sent to ExplorNet by June 1, 2002. Federal regulations require each sub-recipient provide the attached assurances.

We request that a report be provided to MDA no later than June 30, 2002. The report shall provide an accounting of the \$67,500 grant funds expended, the school location of each of the 100 computers as reported to ExplorNet by OET and the Governor's Task Force and the measurable benefits to the State as a result of this initiative.

Any questions regarding this grant agreement may be directed to James Lott at 359-9265. Please indicate your acceptance of these terms and the attached assurances by returning this original letter, signed and dated below. Upon its receipt, we will request a state warrant payable to ExplorNet in the amount of \$67,500. Payment shall be made by April 15, 2002. In the event payment is late, interest accrues at a rate of 18% per annum or the highest legal rate. In the event of non-payment or default, ExplorNet is entitled to recover collection costs, including attorney fees.

Sincerely,

Michael L. Larsen
Chief Administrative Officer

Accepted this the ____ day of _____, 2002.

David Boliek
Chief Executive Officer