

Prepared By: Alex Harrison
 Customer Name: Perris Union High School District
 Enrollment: 12,000
 Contract Term: 12 Months
 Start Date: 7/1/2017
 End Date: 6/30/2018

Customer Contact:
 Title:
 Address: 155 E 4th St
 City: Perris
 State/Province: California
 Zip Code: 92570-2124
 Phone #:

Product Description	Quantity	Unit	Unit Price	Extended Price
---------------------	----------	------	------------	----------------

License and Subscription Fees				
--------------------------------------	--	--	--	--

PS Learning Management Subscription	12,000.00	User	USD 5.19	USD 62,280.00
-------------------------------------	-----------	------	----------	---------------

License and Subscription Totals: **USD 62,280.00**

Year One Total	USD 62,280.00
-----------------------	----------------------

On-Going PowerSchool Subscription/Maintenance & Support Fees are invoiced at then current rates & enrollment per terms of the Licensed Product and Services Agreement, which may be subject to an annual increase after the first year for non-multi-year contracts and/or enrollment increases.

Any applicable state sales tax has not been added to this quote. Subscription Start and expiration Dates shall be as set forth above, which may be delayed based upon the date that PowerSchool receives your purchase order.

In the event that this quote includes promotional pricing, said promotional pricing may not be valid for the entire period, as stated herein, that governs this quotes validity.

All invoices shall be paid within thirty (30) days of the date of invoice.

All purchase orders must contain the exact quote number stated within.



IMPORTANT: DO NOT ALLOW LICENSED PRODUCT (AS DEFINED BELOW) TO BE INSTALLED OR USED WITHOUT READING THE TERMS AND CONDITIONS OF THIS AGREEMENT. IF YOU ARE NOT WILLING TO ACCEPT THESE TERMS AND CONDITIONS, YOU MUST RETURN THE LICENSED PRODUCT TO POWERSCHOOL WITHIN TEN (10) DAYS OF RECEIPT. BY INSTALLING AND USING THE LICENSED PRODUCT AS PERMITTED BY THIS LICENSE OR ORDERING SERVICES (AS DEFINED BELOW), YOU ARE AGREEING TO BE BOUND BY THE TERMS OF THIS AGREEMENT.

LICENSED PRODUCT AND SERVICES AGREEMENT

Last updated as of August 2, 2016

1. **DEFINITIONS. PowerSchool Group LLC**, the licensor of Licensed Product pursuant to this Agreement, is referred to herein as “PowerSchool” The school, school district or other entity licensing Licensed Product is referred to herein as “Licensee.” This Licensed Product and Services Agreement is referred to herein as the “Agreement.” In addition, the following definitions shall apply:

1.1 **Documentation** means all written user information, whether in electronic, printed or other format, delivered or made available to Licensee by PowerSchool with respect to Licensed Product, now or in the future, including instructions, manuals, training materials, and other publications that contain, describe, explain or otherwise relate to Licensed Product.

1.2 **Embedded Applications** means software developed by third parties that may be embedded in or bundled with the software developed by PowerSchool as part of Licensed Product.

1.3 **Hosting Services** means the hosting of the Licensee’s license to the Licensed Product and Third Party Software by PowerSchool or its hosting providers from a server farm that is comprised of application, data and remote access servers used to store and run the Licensed Product and Third Party Software, including associated offline components.

1.4 **Licensed Product(s)** means all software (including Embedded Applications) and subsequent versions provided under Support Services and all related Documentation licensed to Licensee pursuant to this Agreement, now or in the future; provided, however, that Licensed Product shall not include any Third Party Software.

1.5 **Licensed Sites** means Licensee’s schools, administrative offices, and other locations at which Licensee conducts its school administrative functions.

1.6 **Professional Services** means data conversion, implementation, site planning, configuration, integration and deployment of the Licensed Products or Hosting Services, application development, training, project management and other consulting services.

1.7 **Support Services** is defined in section 3.1. of the Support and Services Policies attached hereto.

1.8 **Services** means Support Services, Hosting Services and Professional Services collectively.

1.9 **State Reporting Code (or SRC)** means Licensed Product that may be available to Licensee to assist Licensee in meeting specific state reporting requirements and that is designated as State Reporting Code by PowerSchool.

1.10 **Third Party Software** means any software product designated as Third Party Software by PowerSchool, and any related documentation supplied to Licensee. Any product designated as Third Party Software is licensed by an entity other than PowerSchool, under different license terms than those set forth herein. Third Party Software is different from Embedded Applications in that PowerSchool licenses the Embedded Applications to Licensee as part of Licensed Product (but in some cases, such Embedded Applications may be subject to additional license terms as identified herein). PowerSchool is not the licensor of Third Party Software.

2. LICENSE GRANT

2.1 **Basic Terms.** Subject to the terms and conditions of this Agreement and the Privacy Policy located at <http://www.powerschool.com/customer-contract-privacy-policy>, PowerSchool grants to Licensee a restricted, personal, non-exclusive, non-transferable license to use the

Licensed Product specified in the PowerSchool’s quotation or acceptance of License purchase order solely to support its school administrative functions, only at the Licensed Sites, not to exceed the maximum student enrollment as set forth in Section 1 of the Supplemental Terms and Conditions. Such license shall be perpetual, unless it is specified in PowerSchool’s price quotation or proposal to Licensee that Licensee’s license will be limited to a specified length of time, or unless this license is terminated under the provisions of this Agreement. In no event may Licensed Product be: (a) used other than at the Licensed Sites; (b) made available via a network or otherwise to any school, school district or third party other than the Licensed Sites; or (c) used to perform service bureau functions for third parties or to process or manage data for locations other than the Licensed Sites. Licensed Product will be provided by PowerSchool and may be used by Licensee in executable code form only; source code to Licensed Product will not be provided. Licensed Product shall only be used as expressly authorized by this Agreement.

2.2 **Copies.** Licensee shall not make copies of, otherwise reproduce, or allow any unauthorized and/or third-party access to any Licensed Product, except that: (a) Licensee may make copies of the software component of any Licensed Product, in executable code form, only for backup or archival purposes; and (b) Licensee may make unlimited printed copies for Licensee’s internal use of any Documentation delivered by PowerSchool to Licensee. Licensee shall retain and include all of PowerSchool’s or any third parties’ copyright and other proprietary rights notices on all copies of Licensed Product. Licensee shall not otherwise reproduce Licensed Product.

2.3 **Supplemental Terms and Conditions.** The product-specific terms and conditions set forth in the Supplemental Terms and Conditions attached hereto are incorporated herein by reference. These additional terms and conditions are applicable to the extent that Licensee licenses any of the specific products or modules listed therein.

3. PROPRIETARY RIGHTS

3.1 **Restrictions on Use of the Licensed Product and Services.** Licensee shall use the Licensed Products and Services only for the internal business purposes of Licensee. Licensee shall not itself, or through any affiliate, employee, consultant, contractor, agent or other third party: (i) sell, resell, distribute, host, lease, rent, license or sublicense, in whole or in part, the Licensed Products or Services; (ii) decipher, decompile, disassemble, reverse assemble, modify, translate, reverse engineer or otherwise attempt to derive source code, algorithms, tags, specifications, architecture, structure or other elements of the Licensed Products or Services, in whole or in part, for competitive purposes or otherwise; (iii) write or develop any derivative works based upon the Licensed Product or Services; (iv) modify, adapt, translate or otherwise make any changes to the Licensed Products or Services or any part thereof; (v) use the Licensed Products or Services to provide processing services to third parties, or otherwise use the same on a ‘service bureau’ basis; (vi) disclose or publish, without PowerSchool prior written consent, performance or capacity statistics or the results of any benchmark test performed on the Licensed Products or Services; or (viii) otherwise use or copy the same except as expressly permitted herein. Licensee shall not transfer, assign, provide or otherwise make Licensed Products, Services or this Agreement available to any other party without the prior written consent of PowerSchool. Any attempted sublicense, assignment or transfer of any rights, duties or obligations by Licensee in violation of this Agreement shall be void. Licensee shall hold PowerSchool harmless from claims for damages resulting from Licensee’s misuse of the

Licensed Products and Services, including PowerSchool's intellectual property.

3.2 Intellectual Property Rights. Licensed Product is proprietary to PowerSchool and/or third parties and is protected by copyright, trade secret, and other intellectual property rights. The placement of a copyright notice on any portion of Licensed Product does not mean that such portion has been published and will not derogate any claim of trade secret protection for the same. Title to all complete or partial copies, and all applicable rights to copyrights, patents, trademarks and trade secrets in Licensed Product, are and shall remain the property of PowerSchool or their other owners, as applicable.

3.3 Confidentiality. Licensee agrees to keep Licensed Product confidential and to prevent unauthorized disclosure or use of Licensed Product in Licensee's possession. Licensee shall notify PowerSchool immediately in writing of any unauthorized use or distribution of Licensed Product of which Licensee becomes aware and shall take all steps necessary to ensure that such unauthorized use or distribution is terminated. For any Licensed Product for which PowerSchool makes available passwords or other user identification technology to access such Licensed Product, Licensee shall advise all users of such passwords or other user identifications that such passwords or user identifications must be maintained in confidence and not transmitted or shared.

4. SUPPORT AND OTHER SERVICES. Any Support and/or Professional Services and/or Hosting Services ordered from PowerSchool by Licensee in connection with the license of Licensed Product shall be provided by PowerSchool pursuant to PowerSchool's terms, conditions and policies applicable at the time of order to the particular Services purchased. PowerSchool's current terms, conditions and policies for delivery of Support and Services, which are subject to change from time to time, are attached hereto as the Support and Services Policies. Licensee's license of Licensed Product does not, by itself, entitle Licensee to any support, upgrades, patches, fixes or the like for Licensed Product; Licensee must maintain a current Support subscription and pay any applicable Support fees to be eligible for Support Services. Support Services must be purchased for all licenses in Licensee's possession. Support may not be purchased or renewed for a subset of such licenses only. Support Services may not be used as a substitute for Professional Services.

5. FEES AND TAXES. Licensee agrees to pay PowerSchool, in accordance with PowerSchool's invoice terms, the fees charged for the Licensed Products and related Services and/or other items ordered by Licensee, together with any other charges made in accordance with this Agreement, and all applicable sales, use or other taxes or duties, however designated, except for taxes based on PowerSchool's net income. Licensee agrees to also pay for PowerSchool's reasonable travel and lodging expenses for Services performed at Licensee's premises, at actual cost. If Licensee claims tax exempt status, Licensee agrees to provide evidence of such tax exemption upon PowerSchool's request. To the extent that such tax exemption cannot be properly claimed or does not extend to certain taxes or transactions, Licensee shall be responsible for any and all taxes and assessments that arise from this Agreement and related transactions (except for taxes based upon PowerSchool's net income). Licensee shall pay a monthly charge of 1.5% (18% annually) on all amounts not paid when due, or, if a lower maximum rate is established by law, then such lower maximum rate. All pricing set forth in any PowerSchool quotation or invoice is in United States dollars unless otherwise specified.

6. THIRD PARTY SOFTWARE LICENSE TERMS; EMBEDDED APPLICATIONS; OPEN SOURCE SOFTWARE. Any software designated by PowerSchool as Third Party Software is provided to Licensee pursuant to a separate license agreement between Licensee and the third party supplier, which will be provided to Licensee by the third party supplier. All support, warranties, and services related to Third Party Software are provided by the supplier of the Third Party Software under such third party's terms and conditions, and not by PowerSchool, unless otherwise specifically provided under this Agreement. Only Sections 5, 6, 9 and 12 of this Agreement apply to Third Party Software and any related support and services set forth in this Agreement. In addition, Licensed Product may contain Embedded Applications. If any additional license terms are identified in the Supplemental Terms and Conditions with respect to any Embedded Applications, Licensee shall

comply with such conditions with respect to such applications. Certain Embedded Applications may also be subject to "open source" licensing terms. In some cases, the open source licensing terms may conflict with portions of this Agreement, and to the extent of any such conflict, the open source licensing terms shall govern, but only as to the software components subject to those terms. Notwithstanding the foregoing, Licensee acknowledges that if any open source software component is licensed under terms that permit Licensee to modify such component, and if Licensee does so modify such component, then PowerSchool will not be responsible for any incompatibility with such modifications and the remainder of the Licensed Product.

7. COMPATIBLE PLATFORMS/HARDWARE. Licensee is responsible for obtaining and maintaining an appropriate operating environment with the necessary hardware, operating system software and other items required to use and access Licensed Product. PowerSchool will not be responsible for any incompatibility between Licensed Product and any versions of operating systems, hardware, browsers or other products not specifically approved by PowerSchool for Licensee's use with Licensed Product. PowerSchool will make written requirements available to Licensee at Licensee's request.

8. LIMITED MEDIA WARRANTY. PowerSchool warrants that the media on which Licensed Product is recorded shall be free from defects in materials and workmanship under normal use for a period of ninety (90) days from the date of purchase. Licensee's exclusive remedy under this Section shall be replacement of the defective media.

9. DISCLAIMER OF OTHER WARRANTIES. LICENSED PRODUCT AND SERVICES ARE PROVIDED "AS IS" AND WITHOUT WARRANTY OF ANY KIND (EXCEPT AS PROVIDED IN SECTION 8), AND POWERSCHOOL AND ITS LICENSORS EXPRESSLY DISCLAIM ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, POTENTIAL IMPLEMENTATION DELAYS, AND NON-INFRINGEMENT. POWERSCHOOL DOES NOT WARRANT THAT THE FUNCTIONALITY CONTAINED IN THE LICENSED PRODUCT WILL MEET LICENSEE'S REQUIREMENTS, OR THAT THE OPERATION OF THE LICENSED PRODUCT OR HOSTING SERVICES WILL BE UNINTERRUPTED OR ERROR-FREE, OR THAT DEFECTS IN THE LICENSED PRODUCT WILL BE CORRECTED. FURTHERMORE, POWERSCHOOL DOES NOT WARRANT OR MAKE ANY REPRESENTATIONS REGARDING THE USE OR THE RESULTS OF THE USE OF THE LICENSED PRODUCT OR SERVICES IN TERMS OF CORRECTNESS, ACCURACY, RELIABILITY, SECURITY OR OTHERWISE. LICENSEE AGREES THAT THE USE OF LICENSED PRODUCT AND SERVICES IS AT LICENSEE'S OWN RISK. NO ORAL OR WRITTEN INFORMATION OR ADVICE GIVEN BY POWERSCHOOL OR A POWERSCHOOL REPRESENTATIVE SHALL CREATE A WARRANTY OR IN ANY WAY INCREASE THE SCOPE OF ANY WARRANTY. SOME JURISDICTIONS MAY NOT ALLOW THE EXCLUSION OF CERTAIN IMPLIED WARRANTIES, SO THE ABOVE EXCLUSION MAY NOT FULLY APPLY TO LICENSEE.

10. STATE REPORTING CODE. Unless PowerSchool specifically offers SRC for Licensee's state, PowerSchool makes no representation that Licensed Product includes any SRC designed to meet the reporting requirements of Licensee's state. If PowerSchool does offer SRC for Licensee's state, Licensee acknowledges that the SRC is intended as a tool to assist Licensee in complying with state regulatory requirements; however, PowerSchool does not warrant that the SRC conforms to, or that use of the SRC will ensure Licensee's compliance with, all state regulatory requirements that may apply or that the SRC will be maintained to conform to such requirements now or in the future. It is Licensee's, and not PowerSchool's, responsibility to understand and comply with all such requirements.

11. TERMINATION

11.1 Termination for Breach. PowerSchool shall have the right to suspend performance under this Agreement in the event that Licensee is in breach of any of its obligations under this Agreement. In addition, either party shall have the right to terminate this Agreement in whole or in part upon thirty (30) days written notice to the other party, in the event

the other party materially breaches this Agreement and fails to correct such breach within such thirty (30) day period; provided that PowerSchool shall have the right to terminate this Agreement immediately upon written notice in the event that Licensee breaches any of its obligations under Section 3. Licensee further acknowledges that, as breach of the provisions of Section 3 could result in irreparable injury to PowerSchool, PowerSchool shall have the right to seek equitable relief against any actual or threatened breach thereof, without proving actual damages.

11.2 Effects of Termination. In the event of any termination of all or any portion of this Agreement, Licensee shall not be relieved of any obligation to pay any sums of money that have accrued prior to the date of termination. In addition, the provisions of Sections 3, 5, 6, 9, 11, 12 and 13 shall survive termination of this Agreement. Immediately upon any termination of a license for any Licensed Product under this Agreement, Licensee shall, at its own expense, either return to PowerSchool or destroy all copies of such Licensed Product and associated Third Party Software in its possession or control, and shall forward written certification to PowerSchool that all such copies of such Licensed Product and Third Party Software have either been destroyed or returned to PowerSchool.

11.3 Liquidated Damages. In the event that Licensee enters into a multi-year contract with PowerSchool and Licensee terminates the contract or any portion thereof, Licensee agrees to pay PowerSchool the remaining sum due to PowerSchool through the stated term of the contract as liquidated damages, as actual damages being impossible to calculate. This clause shall not apply in the event Licensee terminates this Agreement as a result of PowerSchool's breach in accordance with Subsection 11.1 herein. Notwithstanding the foregoing, Licensee shall not be liable for said liquidated damages in the event that: (i) Licensee provides PowerSchool at least thirty (30) days' advance notice of termination prior to the effective date anniversary; and (ii) said termination is a result of the non-appropriation of funds for Licensee's contract. Licensee shall not utilize this clause as a right to terminate the contract for convenience. PowerSchool reserves the right to seek documentation evidencing the non-appropriation of funds.

12. LIMITATION OF LIABILITY. POWERSCHOOL SHALL NOT BE LIABLE TO LICENSEE FOR ANY SPECIAL, EXEMPLARY, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES; OR LOST PROFITS, LOST FUNDING, LOST SAVINGS, OR LOST OR DAMAGED DATA; OR FOR CLAIMS OF A THIRD PARTY; ARISING OUT OF THIS AGREEMENT, LICENSED PRODUCT, THIRD PARTY SOFTWARE, SUPPORT, SERVICES, OR OTHER ITEMS PROVIDED, OR THE USE OR INABILITY TO USE ANY OF THE FOREGOING, EVEN IF POWERSCHOOL HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES OR THEY ARE FORESEEABLE. IN ANY EVENT, IN RESPECT OF ANY CLAIM, DEMAND OR ACTION ARISING OUT OF THIS AGREEMENT, LICENSEE SHALL BE LIMITED TO RECEIVING ACTUAL AND DIRECT DAMAGES IN A MAXIMUM AGGREGATE AMOUNT EQUAL TO THE CHARGES PAID BY LICENSEE TO POWERSCHOOL HEREUNDER FOR THE APPLICABLE LICENSED PRODUCT, ITEM OR SERVICE ON WHICH THE CLAIM IS BASED IN THE PREVIOUS TWELVE (12) MONTHS. IN ADDITION, IN NO EVENT WILL THE LIABILITY OF POWERSCHOOL RELATING TO SUPPORT SERVICES OR HOSTING SERVICES EXCEED THE TOTAL AMOUNT OF MONEY PAID BY LICENSEE TO POWERSCHOOL DURING THE IMMEDIATELY PRECEDING TWELVE (12) MONTH PERIOD WITH RESPECT TO THE PARTICULAR SUPPORT SERVICES OR HOSTING SERVICES ON WHICH THE CLAIM IS BASED.

13. GENERAL

13.1 Governing Law. THIS AGREEMENT SHALL BE GOVERNED BY THE LAWS OF THE STATE OF CALIFORNIA. The United Nations Convention on Contracts for the International Sale of Goods shall not apply to this Agreement. This Agreement shall not be subject to the Uniform Computer Information Transactions Act.

13.2 Compliance Verification. During the term of the Agreement and for a period of one year following its termination, PowerSchool shall have the right to verify Licensee's full compliance with the terms and requirements of the Agreement. Licensee shall (A) provide any assistance

reasonably requested by PowerSchool or its designee in conducting any such audit, including installing and operating audit software, (B) make requested personnel, records, and information available to PowerSchool or its designee, and (C) in all cases, provide such assistance, personnel, records, systems access and information in an expeditious manner to facilitate the timely completion of such compliance verification. If such verification process reveals any noncompliance, Licensee shall reimburse PowerSchool for the reasonable costs and expenses of such verification process incurred by PowerSchool (including but not limited to reasonable attorneys' fees), and Licensee shall promptly cure any such noncompliance; provided, however, that the obligations under this section do not constitute a waiver of PowerSchool's termination rights and do not affect PowerSchool's right to payment for Services and interest fees related to usage in excess of the quantities purchased.

13.3 General Provisions. Neither party shall be held liable to the other party for failure of performance where such failure is caused by supervening conditions beyond that party's control, including acts of God, civil disturbance, strikes or labor disputes. If any provision of this Agreement is invalid or unenforceable under any applicable statute or rule of law, this Agreement shall be enforced to the maximum extent possible to effectuate the original express intent of the parties. Licensee may bring no action arising out of this Agreement, regardless of form, more than one (1) year after the cause of action has arisen. In the case of notices to PowerSchool, such notices shall be sent to: PowerSchool Group LLC, Attn General Counsel, 150 Parkshore Drive, Folsom, CA 95630. In the case of notices to Licensee, such notices shall be sent to PowerSchool's address of record for Licensee. Either party may change its notice address by notifying the other in like manner. Licensee agrees that the terms of this Agreement, including all pricing for PowerSchool's products and services, shall be kept confidential and not disclosed to any third party without the prior written consent of PowerSchool.

13.4 Facilities. Licensee acknowledges that certain Services are intended to be performed by PowerSchool off-site (e.g., through remote communication capabilities). If any portion of the work will be performed on Licensee's premises, Licensee agrees to provide appropriate access to utilities, work space and other on-site accommodations reasonably necessary to enable PowerSchool to perform such work.

13.5 Confidentiality. PowerSchool agrees to use commercially reasonable efforts to maintain the confidentiality of Licensee confidential information that is disclosed to PowerSchool in connection with the performance of services, and to use such Licensee confidential information solely for purposes of performing services hereunder. PowerSchool shall require its employees, agents and subcontractors performing work hereunder to do likewise. For purposes of this Section, "Licensee confidential information" shall mean any student or personnel data belonging to Licensee, or any other Licensee information or data labeled or identified as confidential at the time of disclosure, provided, however, that this definition and the obligations of this Section shall not extend to any information that: (a) is or becomes publicly known through no fault or negligence of PowerSchool; (b) is or becomes lawfully available from a third party without restriction; (c) is independently developed by PowerSchool; or (d) is disclosed without restriction by Licensee to any third party at any time.

13.6 Limited License. Licensee grants to PowerSchool a non-exclusive, royalty free license, to use equipment, software, Licensee data or other material of Licensee solely for the purpose of performing its obligations under the Agreement. However, PowerSchool may use and distribute the Licensee data for any lawful purpose outside the scope of the Agreement, provided always that such Data must be aggregated and/or de-identified.

13.7 Export. Without in any way limiting the restrictions on transfer set forth elsewhere in this Agreement, Licensee specifically agrees that Licensee will not, directly or indirectly, export or transfer any export-controlled commodity, technical data or software: (a) in violation of any laws, regulations, rules or other limitations imposed by any government authority; or (b) to any country for which an export license or other governmental approval is required at the time of export, without first obtaining all necessary licenses or other approvals.

13.8 U.S. Government Restricted Rights. Licensed Product is a "commercial item" as that term is defined in 48 C.F.R. §2.101,

consisting of "commercial computer software" and "commercial computer software documentation" as such terms are defined in 48 C.F.R. §12.212 and 48 C.F.R. §227.7202, as applicable, and all as amended from time to time. Consistent with 48 C.F.R. §12.212, 48 C.F.R. §227.7202 and 48 C.F.R. §52.227-19, and other relevant sections of the Code of Federal Regulations, as applicable, and all as amended from time to time, all U.S. Government end users acquire Licensed Product only with those rights set forth herein.

13.9 Entire Agreement. This Agreement, inclusive of the Supplemental Terms and Conditions and the Support and Services Policies incorporated herein, or any addendums, amendments, and/or exhibits mutually executed and attached hereto, constitutes the complete

and entire agreement between the parties with respect to its subject matter, and supersedes all prior discussions, understandings, arrangements, proposals and negotiations with respect to same. The terms and conditions of this Agreement shall prevail notwithstanding any variance with the terms and conditions of any purchase order or other documentation submitted by Licensee with respect to Licensed Product or any related support or services, and PowerSchool hereby refuses any such different or additional provisions in purchase orders or other documents. By mutual agreement of the parties, this Agreement is effective upon receipt and supersedes all prior Agreements entered into by the parties, the parties' agents, and/or the parties' previous affiliates. This Agreement shall not be modified or amended without the written agreement of both parties.

SUPPLEMENTAL TERMS AND CONDITIONS

1. PRICING; ENROLLMENT INCREASES. License pricing for Licensed Product is based on student enrollment at the Licensed Sites. If an increase in student enrollment in excess of five percent (5%) occurs at the Licensed Sites, then Licensee shall pay additional license fees to PowerSchool in accordance with PowerSchool's invoice. Such additional license fees shall be computed by multiplying the then-current per student license fee for Licensed Product by Licensee's additional enrollment. Licensee's subsequent Support invoices will be based on the increased enrollment as well.

2. TERMS RELATING TO EMBEDDED APPLICATIONS

2.1 Oracle. The following terms are applicable to a certain Embedded Application known as Oracle Database Enterprise Edition (the "Oracle Software"):

- (a) The Oracle Software may only be used in conjunction with the Licensed Product and solely for Licensee's internal business purposes.
- (b) Oracle USA, Inc. ("Oracle") shall have no liability whatsoever to Licensee for any damages, whether direct, indirect, incidental, or consequential arising from Licensee's use of Licensed Product or the Oracle Software.
- (c) Licensee is prohibited from publishing the results of any benchmark tests run on the Oracle Software.
- (d) Licensee shall be prohibited from timesharing, rental, facility management, or service bureau use of the Oracle Software.
- (e) Licensee's records may be audited, by PowerSchool or Oracle, during normal business hours to verify compliance with the terms of this Agreement.
- (f) Oracle shall be a third party beneficiary of this Agreement.
- (g) Oracle shall have no performance obligation or liability to Licensee in connection with this Agreement.
- (h) Should the Oracle Software contain any source code provided by Oracle, such source code shall be governed by the terms of this Agreement.

2.2 GPL Software. Certain Embedded Applications included with the Licensed Product may be free software licensed under the terms of the GNU General Public License (GPL). Licensee may obtain a complete machine-readable copy of the source code for such free software under the terms of the GPL, without charge except for the cost of media, shipping, and handling, upon written request to PowerSchool. The GPL software is distributed in the hope that it will be useful, but WITHOUT ANY WARRANTY, including even the implied warranties of MERCHANTABILITY or FITNESS FOR A PARTICULAR PURPOSE. A complete copy of the GPL is included within the Licensed Product.

3. HARDWARE. If, in conjunction with Licensee's licensure of Licensed Product, Licensee is purchasing any hardware through PowerSchool, Licensee acknowledges that such hardware purchase is being facilitated by PowerSchool as an accommodation to Licensee only. The warranties on any hardware not manufactured by PowerSchool will be limited to those provided by the manufacturers of such hardware and/or the vendors through which such hardware is being supplied. PowerSchool will pass through any manufacturer's or other vendor's warranty to the extent permitted by the manufacturer or other vendor, as applicable. Licensee agrees to look solely to the applicable manufacturer or other vendor, and not to PowerSchool, to fulfill any such warranties and any maintenance, repair, support, or other service obligations related to such hardware. Unless otherwise specifically agreed to in writing by PowerSchool, PowerSchool does not provide support for any of the hardware or third party software being purchased by Licensee through PowerSchool. Any requests for such support should be directed to the applicable hardware or software manufacturer. Licensee further agrees that any claims related to any such hardware, whether for breach of warranty or otherwise, must be made directly against the applicable manufacturer or other vendor, and not against PowerSchool, and that PowerSchool shall have no liability whatsoever in connection with such claims.

SUPPORT AND SERVICES POLICIES

I. SUPPORT SERVICES

1. Definitions. Capitalized terms not defined herein shall have the meanings assigned to them in the applicable Licensed Product Agreement ("Agreement") between Licensee and PowerSchool to which these Support and Services Policies ("Policies") are attached. In addition, for purposes of these Policies, the following definitions shall apply:

Errors shall mean a reproducible failure of Licensed Product to operate in accordance with its standard Documentation, despite the proper installation and use of Licensed Product in a proper operating environment and on hardware and system software sufficient to meet PowerSchool's then-current minimum requirements, which are subject to change as New Versions are released. User mistakes are not Errors within the meaning of these Policies. Errors may be due to problems in Licensed Product, the Documentation, or both.

Fix shall mean a patch, service pack or corrective update of Licensed Product that PowerSchool may prepare in its discretion on an interim basis, prior to issuance of a New Version, to correct programming Errors that prevent or obstruct normal operation of Licensed Product in accordance with the applicable then-current Documentation.

New Products shall mean new products, programs or modules developed by PowerSchool that provide features, functions or applications not included in the Licensed Product originally licensed by Licensee and for which additional license fees apply as determined by PowerSchool. A New Product may be usable with or in addition to the Licensed Product originally licensed by Licensee. New Products will be licensed to Licensee under the terms of PowerSchool's then-current license agreement only after payment of applicable fees.

New Version shall mean an updated version of Licensed Product issued by PowerSchool, which may include Fixes, together with such other modifications, updates, enhancements and improvements to Licensed Product that PowerSchool may, in its discretion, develop and deem ready for distribution and that PowerSchool standardly provides to all customers with a current support subscription to such Licensed Product.

Support Services shall mean those support services described in Section 3.1 below that will be provided hereunder with respect to Licensed Product during Licensee's Support Term.

Support Term shall mean the length of time Support Services are to be provided hereunder and for which Licensee has paid any applicable

Support Services fees, including any initial Support Term and any renewal Support Terms.

Telephone and E-mail Support shall mean telephone and e-mail support services, available Monday through Friday, during PowerSchool's normal business hours, exclusive of PowerSchool's holidays, regarding Licensee's use of Licensed Product and any problems that Licensee experiences in using Licensed Product.

2. **Support Term; Fees.** Support Services for Licensed Product are available at an additional cost. For Support Services purchased concurrently with Licensee's license to Licensed Product, Licensee's initial Support Term will begin upon shipment of Licensed Product (or, in the case of Licensed Product made available for download electronically, upon PowerSchool's provision of the necessary licensing information to enable Licensee to download Licensed Product) and terminate one (1) year thereafter, unless a different Support Term is specified in PowerSchool's written acknowledgment of Licensee's order, or unless terminated earlier in accordance with the terms of these Policies or the Agreement. Either party may terminate the provision of Support Services as of the end of the then-current Support Term by providing written notice to the other party prior to the end of the then-current Support Term that such party does not wish to renew the Support Term. Licensee shall provide written notice of non-renewal at least thirty (30) days prior to the applicable Support Term. If no notice of non-renewal is given by either party, the Support Term will automatically renew for the applicable renewal term stated on PowerSchool's renewal invoice at the then current Support fees; otherwise, Licensee's Support Term will terminate at the end of Licensee's current paid-up Support Term. If Licensee's Support Term is so terminated due to non-payment, and then PowerSchool subsequently reinstates Licensee's access to support, such reinstated access shall remain subject to the terms of these Policies and payment of applicable reinstatement fees. PowerSchool reserves the right to charge reinstatement fees in the event deactivated licenses are reactivated. For the initial Support Term, Licensee shall pay the charges specified in PowerSchool's initial invoice. For renewal Support Terms, Licensee shall pay PowerSchool's then-current annual Support Services fees. PowerSchool may supply new or modified Support and Services Policies or other terms and conditions to Licensee related to the provision of Support Services in a renewal term, in which event such new or modified Support and Services Policies or other terms and conditions will govern PowerSchool's provision of Support Services in such renewal term.

3. **Support Services Scope.** PowerSchool, or an entity under contract with and authorized by PowerSchool to provide Support Services, will provide Support Services for Licensed Product during the Support Term. The scope of Support Services shall be as follows:

3.1 **Support.** Support Services shall include: (a) Telephone and E-mail Support; (b) access to an online support website, as maintained by PowerSchool for customers maintaining a current support subscription; (c) Fixes, as developed and made generally available by PowerSchool in its discretion to address Errors that Licensee is experiencing in using Licensed Product; and (d) New Versions, as developed and made generally available by PowerSchool. Support Services do not include New Products. PowerSchool determines, in its sole discretion, what constitutes a New Product (for which additional license fees apply), and what improvements and enhancements to existing Licensed Product functionality are to be included in a New Version (and are therefore provided at no charge to customers with a current support subscription).

3.2 **Custom Programs.** For any custom programs developed for Licensee by PowerSchool, Support Services are available only on a time and materials basis at PowerSchool's current rates and charges for these services; support for custom programs is not included in Support Services. In addition, to the extent that Licensed Product includes any functionality that allows Licensee to customize screens or reports, PowerSchool will support the application infrastructure utilized to create such customizations but will not be responsible for supporting any such customizations.

3.3 **Requisite Training.** In order to receive Support Services described herein, Licensee must purchase appropriate training regarding the use and operation of Licensed Product. Telephone and E-mail Support may be limited to a specified number of authorized representatives of Licensee who have been appropriately trained.

3.4 **Enhancements to SRC.** PowerSchool may provide certain enhancements to SRC to customers that are current in their payment of annual Support fees for the SRC to PowerSchool. However, PowerSchool reserves the right, in its discretion: (a) to require that additional fees be paid by customers desiring that SRC be updated in connection with new reporting requirements in their state, in the event that such state's education department or equivalent entity makes changes to the state's reporting requirements that were not anticipated at the time PowerSchool determined its applicable Support fees for the SRC in that state; or (b) not to make further changes or enhancements to SRC in a given state based on lack of market demand, the nature and scope of the changes required, or other factors.

4. **Authorized Representatives.** If Licensee has purchased Support Services for the Licensed Product from PowerSchool, then in order to receive such Support Services, Licensee shall identify to PowerSchool up to two (2) people who will contact PowerSchool with any technical and product questions ("Authorized Representatives"). If it is desired that additional Authorized Representatives be permitted to contact PowerSchool for Support, Licensee must pay additional Support fees for such additional Authorized Representatives. All such Authorized Representatives shall complete, at a minimum, PowerSchool's Initial Product Training for the Licensed Product. Licensee shall provide PowerSchool with a written list of its Authorized Representatives as part of the implementation process for the Licensed Product, and shall keep PowerSchool informed of replacements for Authorized Representatives as soon as possible after the replacements occur.

5. **Licensee's Other Responsibilities.** To receive Support Services, Licensee shall: (a) report Errors or suspected Errors for which Support Services are needed, and supply PowerSchool with sufficient information and data to reproduce the Error; (b) procure, install, operate and maintain hardware, operating systems and other software that are compatible with the most current supported version of Licensed Product; (c) establish adequate operational back-up provisions in the event of malfunctions or Errors; (d) maintain an operating environment free of any modifications or other programming that might interfere with the functioning of Licensed Product; (e) maintain hardware and system software consistent with PowerSchool's minimum requirements; and (f) timely install all Fixes and New Versions supplied by PowerSchool in the proper sequence, and have the most current version of Licensed Product installed. Licensee acknowledges that Fixes and New Versions may be made available electronically, and that, in some cases, PowerSchool may maintain e-mail distribution lists that are used to notify customers of the availability of Fixes and New Versions and to provide other information to customers that are maintaining a current support subscription. Licensee shall be responsible for including the appropriate Licensee personnel on any such e-mail distribution lists of PowerSchool so that Licensee receives such notifications and other information.

6. **Support For Prior Versions.** Licensee must timely install all Fixes and New Versions to receive Support Services. In some cases, it may not be practical for certain customers to install a New Version immediately upon release. Therefore, PowerSchool may, in its discretion, continue to provide Telephone and E-mail Support for the prior version of Licensed Product for a period of time after release of a New Version. Licensee acknowledges that Fixes and other code maintenance will not be available for prior versions of Licensed Product (including SRC) after the release of a New Version.

II. PROFESSIONAL SERVICES

1. **Fees and Expenses.** In addition to providing Support Services during the Support Term, PowerSchool will perform such other Professional Services (training, installation, consulting, project management, etc.) as may be specified in PowerSchool's written

acknowledgment of Licensee's order, or as may be subsequently agreed upon by the parties; provided that PowerSchool may, at its option, arrange for any such services to be performed by another entity on behalf of PowerSchool. Licensee agrees to pay for such services at the rates and charges specified in PowerSchool's written acknowledgment of Licensee's order, or, for work subsequently requested, at the rates agreed upon by Licensee and PowerSchool for such subsequent work. PowerSchool reserves the right to require a purchase order or equivalent documentation from Licensee prior to performing any such Services, or to require prepayment of certain Services. Unless otherwise specified, all rates quoted are for services to be performed during PowerSchool's normal business hours; additional charges may apply for evenings, weekends or holidays. Licensee shall also pay PowerSchool for travel expenses (lodging, meals, transportation and other related expenses) incurred in the performance of services. All such additional charges will be due and payable concurrently with payment for services. PowerSchool reserves the right to impose a minimum labor charge for each on-site visit. The rates and charges specified in PowerSchool's acknowledgment of Licensee's order shall apply to those services originally ordered; however, PowerSchool reserves the right to change service rates or other terms as a condition of entering into any subsequent service engagement. In the event that Licensee pays in advance for any services, all services must be scheduled and delivered within twelve (12) months of such payment, unless otherwise agreed in writing by PowerSchool; any portion of any prepaid services amount that has not been used by Licensee toward services actually rendered within such twelve (12) month period shall be forfeited.

2. **Training.** PowerSchool reserves the right to limit the number of persons permitted to attend any training class in accordance with PowerSchool's training standards.

3. **Services Cancellation.** Licensee shall pay a cancellation charge equal to fifty percent (50%) of the services fee and any non-refundable expenses incurred by PowerSchool if Licensee cancels any scheduled professional services less than fourteen (14) days before the occurrence of any service dates that PowerSchool has scheduled at Licensee's request.

4. **Ownership Of Materials.** PowerSchool shall be the owner of all copyrights, patent rights and other intellectual property rights in any software code, documentation, reports or other deliverables (collectively, "Deliverables") created for or provided to Licensee pursuant to Professional Services. Provided that Licensee pays PowerSchool all fees and expenses associated with the development and provision of such Deliverables, Licensee shall have a paid-up, royalty-free license to use such Deliverables for Licensee's internal use only, solely for the purpose for which such Deliverables were provided. Nothing in this Agreement shall prevent PowerSchool from providing any Deliverables to PowerSchool's other customers or third parties. Notwithstanding the foregoing, PowerSchool acknowledges and agrees that any Licensee confidential information (as defined in Section 13.5 of these Policies) that is incorporated into any Deliverable remains subject to the provisions of such Section.

III. HOSTING SERVICES

1. **Term; Fees.** Hosting Services are available at an additional cost. For Hosting Services purchased concurrently with Licensee's license to Licensed Product, Licensee's initial Hosting Term will begin upon PowerSchool's written acknowledgment of Licensee's order and terminate one (1) year thereafter, ("Hosting Term") unless a different Hosting Term is specified in PowerSchool's written acknowledgment of Licensee's order, or unless terminated earlier in accordance with the terms of these Policies or the Agreement. Either party may terminate the provision of Hosting Services with effect as of the end of the then-current Hosting Term by providing written notice to the other party prior to the end of the then-current Term that such party does not wish to renew the Hosting Term. PowerSchool will provide Licensee with at least sixty (60) days' notice if PowerSchool determines that it will no longer offer Hosting Services to Licensee (but in any event will continue providing Hosting Services for the balance of the current term

for which Licensee has prepaid for such Services). If no notice of non-renewal is given by either party, then PowerSchool will invoice Licensee for the applicable renewal fees for a subsequent Hosting Term. If Licensee's Hosting Term is so terminated due to non-payment, and then PowerSchool subsequently reinstates Licensee's access to Hosting Services, such reinstated access shall remain subject to the terms of these Policies and payment of applicable reinstatement fees. For the initial Hosting Term, Licensee shall pay the charges specified in PowerSchool's initial invoice. For renewal Terms, Licensee shall pay PowerSchool's then-current annual Hosting Services fees. PowerSchool may supply new or modified Support and Services Policies or other terms and conditions to Licensee related to the provision of Hosting Services in a renewal term, in which event such new or modified Support and Services Policies or other terms and conditions will govern PowerSchool's provision of Hosting Services in such renewal term. Should Licensee decide to terminate hosting services, Licensee will retain its license to Licensed Product, subject to the terms of this Agreement.

2. **Availability.** Licensee acknowledges and agrees that the Licensed Product may be inaccessible or inoperable from time to time due to planned maintenance or to causes that are beyond the control of PowerSchool or are not reasonably foreseeable by PowerSchool, including, but not limited to: the interruption or failure of telecommunication or digital transmission links; hostile network attacks; network congestion; or other failures (collectively "Downtime"). PowerSchool shall use commercially reasonable efforts to minimize any disruption, inaccessibility and/or inoperability of the Licensed Product caused by Downtime, whether scheduled or not.

3. **Acceptable Use Policy.** Licensee acknowledges and agrees that PowerSchool does not monitor or police the content of communications or data of Licensee or its users transmitted through the Services, and that PowerSchool shall not be responsible for the content of any such communications or transmissions. Licensee shall use the Services exclusively for authorized and legal purposes, consistent with all applicable laws and regulations and PowerSchool's policies. Licensee agrees not to post or upload any content or data which (a) is libelous, defamatory, obscene, pornographic, abusive, harassing or threatening; (b) violates the rights of others, such as data which infringes on any intellectual property rights or violates any right of privacy or publicity; or (c) otherwise violates any applicable law. PowerSchool may remove any violating content posted or transmitted through the Hosting Services, without notice to Licensee. PowerSchool may suspend or terminate any user's access to the Hosting Services upon notice in the event that PowerSchool reasonably determines that such user has violated the terms and conditions of this Agreement.

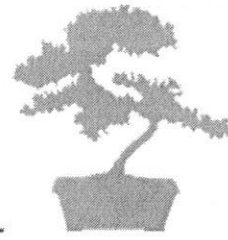
4. **Security.** Licensee will not: (a) breach or attempt to breach the security of the Hosting Services or any network, servers, data, computers or other hardware relating to or used in connection with the Hosting Services, or any third party that is hosting or interfacing with any part of the Hosting Services; or (b) use or distribute through the Hosting Services any software, files or other tools or devices designed to interfere with or compromise the privacy, security or use of the Hosting Services or the operations or assets of any other customer of PowerSchool or any third party. Licensee will comply with the user authentication requirements for use of the Hosting Services. Licensee is solely responsible for monitoring its authorized users' access to and use of the Hosting Services. PowerSchool has no obligation to verify the identity of any person who gains access to the Hosting Services by means of an access ID. Any failure by any authorized user to comply with the Agreement shall be deemed to be a material breach by Licensee, and PowerSchool shall not be liable for any damages incurred by Licensee or any third party resulting from such breach. Licensee must immediately take all necessary steps, including providing notice to PowerSchool, to effect the termination of an access ID for any authorized user if there is any compromise in the security of that access ID or if unauthorized use is suspected or has occurred.

5. **Data.** Licensee has sole responsibility for the legality, reliability, integrity, accuracy and quality of the data it processes through and submit to the Hosting Services.



haiku

Learning Management System



*The K-12 Learning Management System
E-Rate Proposal and Agreement*

Perris Union High School District
155 East Fourth Street
Perris, CA 92570

Total Cost of Haiku Web Hosting Service: \$52,000 for 11,000 users and Domain Registration
Total Cost of E-Rate Eligible Web Hosting Service: \$42,595
E-Rate Discount Percentage (Based on last year's rate): 78%

Net Cost of Web Hosting Service: \$20,175.90

Start Date: July 1, 2013

Term of Service: One year with four voluntary one-year extensions.

Please note that the USAC require this contract to be executed before you file a completed FCC Form 471. Please fax or email a completed contract to Haiku for our records.

Email: support@haikulearning.com • Fax: 888-827-6074

E-Rate Eligibility

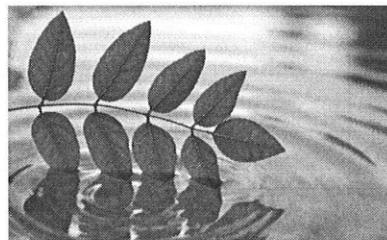
Priority One

2013-2014

Web Hosting

In the category of Internet Access, Web Hosting includes things like:

- Storage
- Access
- Administration tools for Website creation and maintenance
- Password protected pages
- Interactive communication features like blogging and messaging
- Realtime communication features like instant messaging and chat
- Domain Registration



81% of Haiku LMS is covered under the Eligible Service List

What is NOT eligible?

The parts of a web hosting service including, but not limited to, any portion of tools, capabilities or integration with other systems such as Student Information

Systems (SIS); databases; student attendance, grades, or grade management; course scheduling; tests or testing systems; on-line/ interactive education systems; and learning/ education management systems.

These include Haiku features like AD/LDAP/SIS/Google Apps Integration, Homework Annotator, Attendance and Gradebook, Role-based Rosters and Sections, and Reporting.

E-Rate Eligible Fees

Description	Quantity	Price per User	Cost
User Licenses for 1 year	11000	\$ 4.50	\$ 49,500.00
Optional Domain Name Registration	1	\$ 2,500.00	\$ 2,500.00
Less E-Rate Portion	N/A	\$ (31,824.10)	\$ (31,824.10)
Sub Total (includes ineligible services and eligible services after E-Rate discount)			\$ 20,175.90

Setup & Training Fees (Ineligible)

Description	Quantity	Price	Cost
Haiku Basic Package Setup	1	\$ 2,500.00	\$ 2,500.00
Optional: Class Registration & Payment Processing	0	\$ 3,000.00	\$ 0.00
Optional: Day(s) of On-site Training - All Inclusive (U.S. Only)	0	\$ 2,500.00	\$ 0.00
Setup Total			\$ 2,500.00

Total

Description	Cost
E-Rate Eligible Fees Sub Total	\$ 20,175.90
Setup & Training Fees Sub Total	\$ 0.00
Total	\$ 20,175.90

Description of Internet Access Services for Funding Year 2013-14

Applicant's Entity Number:	143755
Applicant's Name:	Perris Union High School District
Service Provider:	Haiku Learning Systems, Inc. • SPIN 143034807 • FRN 0020582771

Haiku Services

Service	Start Date	Non-recurring Cost	Monthly Cost	Recurring Annual Cost
Web Hosting Eligible Portion (81%)	July 1, 2013	\$ 0.00	\$ 3,341.25	\$ 40,095.00
Ineligible Portion (19%)	July 1, 2013	\$ 0.00	\$ 783.75	\$ 9,405.00
Domain name registration (100%)	July 1, 2013	\$ 0.00	\$ 208.33	\$ 2,500.00

Web Hosting Services

Haiku (SPIN 143034807, FRN 0020582771) shall provide website hosting services to the customer with full access to Haiku LMS. Customer agrees and acknowledges that Haiku provides web hosting services and does not provide website content. Customer acknowledges that Customer is responsible for creating and providing all website content.

Term of Service

The term of service shall be one year starting July 1, 2013 with four voluntary one year extensions. The parties agree that unless either party provides written (letter, facsimile, email) notice of intent not to extend the contract for an additional year within 30 days of the applicable termination date to the authorized representative contact below, the contract will be extended for a term of one year.

Customer agrees to the Terms for Institutional Contracts found at the Haiku Learning corporate website: <http://www.haikulearning.com/terms> with the following changes:

1. Add provision requiring 60-day written notice of change of terms, and opportunity to terminate contract within such time frame if unacceptable to the District.
2. "You" should be expressly defined as the "Perris Union High School District."
3. Account Terms, page 3/19: Add "or a legal entity" after "human."
4. Late Fee: 10 percent interest per annum, or the maximum legal rate of interest, whichever is less.
5. Termination and Cancellation: Clause 2: Add "You shall not be responsible for costs of Service during periods in which Service is suspended by Haiku Learning, unless the suspension of service (a) occurred after written notice to you of the violating activity and such activity is not cured within 10 business days, or (b) is the result of intentional and malicious activity by you, or your officers, employees, or agents."
6. Termination and Cancellation: Perris Union High School District may terminate Service under this agreement by providing 30 days notice to Haiku Learning, in the event Haiku Learning makes any changes to the applicable Terms of Service that are not acceptable to the district, provided the notice of termination sets forth your specific objections to the changed Terms of Service. If Haiku Learning provides the district with written notice of any change to the applicable Terms of Service, the district's right to terminate Service must be exercised within 60 days of such notice. Haiku Learning shall have the right to cure the grounds for termination under this Section by resolving the objection with 20 days of the notice of termination, in which case the agreement shall remain in full force and effect."
7. Prices are subject to change at the end of the 1 year contract term (i.e., at renewal).
8. These Terms of Service will be governed by and construed in accordance with the laws of the State of California, without giving effect to its conflict of laws provisions or your actual state or country of residence. Any claims, legal proceeding or litigation arising in connection with the Service will be brought solely in Riverside County, California, and you consent to the jurisdiction of such courts.

Cost of Service & Growth Clause

Haiku LMS is 81% eligible. The cost of service is \$52,000 and includes 11,000 users and domain name registration. Parent accounts do not count toward paid users. For your convenience, paid users in excess of the contracted number may be added at anytime the cost of which will be prorated and invoiced accordingly. At each contract renewal date, the number of users may be adjusted up to reflect the increase. This contract shall cover any users under these terms in excess of the initial contracted amount.

Service Limitations

There are no limits to the number of websites or classes that the Customer may publish. However, the total file storage and monthly bandwidth limits are 2.62 Tb and 1.57 Tb, respectively. Overages will be charged monthly at \$2/Gb in the event that Customer exceeds these limits.

SLD/USAC Approval

The parties agree that if Customer's Form 470 was posted by the initial 2013-2014 filing deadline, that Customer will pay the ineligible and non-discounted portions of this contract on or before August 1, 2013. In the event that the Schools and Libraries Division (SLD) of the Universal Service Administrative Company (USAC) denies funding for the web hosting solutions provided pursuant to this agreement, Customer agrees to exhaust all remedies through the appeals process. Customer shall be responsible for the entire Cost of Service if funding is ultimately denied by the SLD/USAC.

The parties agree that if Customer's Form 470 was not posted by the initial 2013-2014 filing deadline that Customer will pay the entire Cost of Service in the event that funding is denied by the SLD/USAC.

Additional Terms and Conditions

Customer agrees to comply with any applicable local and or state procurement requirements.

Customer agrees to file its FCC Form 486 for Haiku Learning's Funding Request Number within two weeks of receipt of a positive Funding Commitment Decision Letter from USAC.

Billing Method Preference

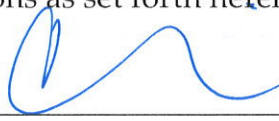

Select one:

- Form 474 Discounted Bill
- Form 472 Un-discounted Bill and Reimbursement

Complete the following if applicable:

http:// puhsd .haikulearning.com or if you are ordering a custom domain: http:// _____

Customer acknowledges that Haiku Learning was awarded this Contract pursuant to its FCC Form 470 Application for Funding Year 2013-14 for web hosting services. Customer agrees to provision of solutions as set forth herein:

 _____	<u>Assistant Superintendent Business Svcs</u>	<u>3.14.13</u>
Signature	Title	Date
 _____	<u>President, Haiku Learning Systems</u>	<u>03/12/2013</u>
Signature	Title	Date

C O M P L E T E B I L L I N G I N F O O N N E X T P A G E

Please complete and return to:

support@haikulearning.com (email)

-or-

888.827.6074 (fax)

-or-

PO Box 893875
Temecula, CA 92589-3875 (mail)

Billing Information

Accounts Payable Contact: _____
Accounts Payable Email: _____

Company/Org. Name: _____
 Dept. / Office: _____
 Address: _____
Address: _____
City: _____
State/Province: _____
Postal Code: _____

Phone: _____
 Alternate Phone: _____
 Fax: _____

 Purchase Order Number: _____

Please complete and return to:

join@haikulearning.com (email)

-or-

888.827.6074 (fax)

-or-

PO Box 893875
Temecula, CA 92589-3875 (mail)

General Terms

TERMS OF SERVICE

Signatory agrees to the Terms for Institutional Contracts found at our corporate website. See <http://www.haikulearning.com/terms>.

SUBSCRIPTION

A "Subscription," "User Subscription," "User," or "Subscriber" refers to every account EXCEPT for parent accounts. This includes all educator accounts and students with an account in an active class.

STORAGE & BANDWIDTH

File storage is pooled for the entire domain to simplify storage management. Bandwidth use is also pooled and is tallied month by month.

UPGRADES

Haiku will add functionality and upgrades to our software on a regular basis. Some new features may only be available to users who pay an additional fee. You will have access to all free upgrades. Any features that carry an additional charge will be offered to you at the standard fee for each.

CUSTOM INTEGRATION

Haiku may outsource custom development to automate the integration of Haiku LMS with your extant technologies. Every Haiku client is unique, as are custom projects. Haiku will work with you to properly estimate these associated costs and will manage the relationship with our outsource providers. Haiku may also work with your in-house staff or the outsource provider of your choice on custom technology integration projects.

Item 21 Description of Internet Access Services

Applicant's Entity Number:	143755
Applicant's Name:	Perris Union High School District
Service Provider:	Haiku Learning Systems, Inc. • SPIN 143034807 • FRN 0020582771

To be completed by customer:

Form 471 Application Number:	
Funding Request Number:	
Attachment Number:	

Haiku Services

Service	Start Date	Non-recurring Cost	Monthly Cost	Recurring Annual Cost
Web Hosting Eligible Portion (81%)	July 1, 2013	\$ 0.00	\$ 3,341.25	\$ 40,095.00
Ineligible Portion (19%)	July 1, 2013	\$ 0.00	\$ 783.75	\$ 9,405.00
Domain name registration (100%)	July 1, 2013	\$ 0.00	\$ 208.33	\$ 2,500.00

The Haiku Web Hosting Service is 81% eligible. The annual cost of service is \$52,000 including domain name registration.

Detailed Service Description

Web Hosting Services (Eligible portion)

The Haiku web hosting service provides for an unlimited number of websites or classes that the Customer may publish. No design services or content are provided as part of this service and all such content must be published and managed by the customer.

Ineligible portion

The parts of our web hosting service that include, but are not limited to, any portion of tools, capabilities or integration with other systems such as: Student Information Systems (SIS); databases; student attendance or grades or grade management; course scheduling; tests or testing systems; on-line/interactive education systems; and learning/education management systems. (An eligible web hosting service will also not include support for the applications necessary to run online classes or collaborative meetings). These include Haiku features like AD/LDAP/SIS/Google Apps Integration, Homework Annotator, Attendance and Gradebook, Role-based Rosters and Sections, and Reporting.

Notes Regarding Online and Manual Filing of the Item 21 Attachment

To facilitate E-rate review and approval, Haiku encourages applicants to use the online Item 21 Attachment system that is a part of the online Form 471 process. Information for submitting the online Item 21 Attachment can be obtained at <http://www.usac.org/sl/applicants/step07/form471-attachments.aspx>.

Alternatively, a copy of Exhibit B can be used as a manually-filed Item 21 Attachment. If filed manually, provide the Form 471 Application Number, Funding Request Number and Attachment Number that is a part of the FCC Form 471 filing.

Applicants should consider completing their Item 21 Attachment online to facilitate E-Rate review and approval. This form can be found under the Form 472 section on the SLD/USAC website at <http://www.sl.universalservice.org/menu.asp>

Alternatively, a copy of the above can be used as a manually-filed Item 21 Attachment. If filed manually, do not forget to include the Form 471 Application Number, Funding Request Number and Attachment Number that is a part of the FCC Form 471 filing.

Modifications to the Service and Prices:

1. Haiku Learning reserves the right at any time and from time to time to modify or discontinue, temporarily or permanently, the Service (or any part thereof) with or without notice.
2. Prices of all Services, including but not limited to monthly subscription plan fees to the Service, are subject to change upon 30 days notice from us. Such notice may be provided to individual paying customers at any time by posting the changes to the Haiku Learning website (www.haikulearning.com and myhaikuclass.com) or the Service itself or to corporate customers in writing.
3. Haiku Learning shall not be liable to you or to any third party for any modification, price change, suspension or discontinuance of the Service.

Copyright and Content Ownership:

1. Haiku Learning claims no intellectual property rights over the material you provide to the Service. Your profile and materials uploaded remain yours.
2. Haiku Learning does not pre-screen Content, but Haiku Learning and its designees have the right (but not the obligation) in their sole discretion to refuse or remove any Content that is available via the Service.
3. You shall not upload, post or otherwise make available on the Haiku LMS site any material protected by copyright, trademark or other proprietary right without the express permission of the owner of the copyright, trademark or other proprietary right and the burden of determining that any material is not protected by copyright rests with you. You shall be solely liable for any damage resulting from any infringement of copyrights, proprietary rights, or any other harm resulting from such a submission, and hereby agree to indemnify, defend and hold harmless Haiku Learning for any and all claims, liabilities, damages and expenses arising from such infringement, including, but not limited to attorneys' fees.

General Conditions

1. Your use of the Service is at your sole risk. The Service is provided on an "as is" and "as available" basis.
2. Technical support is only provided to paying account holders and is only available via email to individual paying account holders and by email and phone to corporate accounts
3. You must not modify, adapt or hack the Service or modify another website so as to falsely imply that it is associated with the Service, Haiku Learning, or any other Haiku Learning service.
4. You agree not to reproduce, duplicate, copy, sell, resell or exploit any portion of the Service, use of the Service, or access to the Service without the express written permission by Haiku Learning.
5. Haiku Learning may, but has no obligation to, remove Content and Accounts containing Content that we determine in our sole discretion are unlawful, offensive, threatening, libelous, defamatory, pornographic, obscene or otherwise objectionable or violates any party's intellectual property or these Terms of Service.
6. Verbal, physical, written or other abuse (including threats of abuse or retribution) of any Haiku Learning customer, employee, member, or officer will result in immediate account termination.
7. You understand that the technical processing and transmission of the Service, including your Content, may be transferred unencrypted and involve (a) transmissions over various networks; and (b) changes to conform and adapt to technical requirements of connecting networks or devices.
8. You must not upload, post, host, or transmit unsolicited email, SMSs, or "spam" messages.
9. You must not transmit any worms or viruses or any code of a destructive nature.
10. If your bandwidth usage exceeds 1 GB/month, or significantly exceeds the average bandwidth usage (as determined solely by Haiku Learning) of other Haiku Learning customers, we reserve the right to immediately disable your account or throttle your file or image hosting until you can reduce your bandwidth consumption.
11. Haiku Learning does not warrant that (i) the Service will meet your specific requirements, (ii) the Service will be uninterrupted, timely, secure, or error-free, (iii) the results that may be obtained from the use of the Service will be accurate or reliable, (iv) the quality of any products, services, information, or other material purchased or obtained by you through the service will meet your expectations, and (v) any errors in the Service will be corrected.
12. You expressly understand and agree that Haiku Learning shall not be liable for any direct, indirect, incidental, special, consequential or exemplary damages, including but not limited to, damages for loss of profits, goodwill, use, data or other intangible losses (regardless of whether Haiku Learning has been advised of the possibility of such damages), resulting from: (i) the use or the inability to use the Service; (ii) the cost of procurement of substitute goods and services resulting from any goods, data, information or services purchased or obtained or messages received or transactions entered into through or from the Service; (iii) unauthorized access to or alteration of your transmissions or data; (iv) statements or conduct of any third party on the Service; (v) termination of your account; or (vi) any other matter relating to the Service.
13. The failure of Haiku Learning to exercise or enforce any right or provision of the Terms of Service shall not constitute a waiver of such right or provision. The Terms of Service constitutes the entire agreement between you and Haiku Learning and govern your use of the Service, superceding any prior agreements between you and Haiku Learning (including, but not limited to, any prior versions of the Terms of Service).
14. You agree to hold harmless and indemnify Haiku Learning, and its subsidiaries, affiliates, officers, agents, and employees from and against any third party claim arising from or in any way related to your use of the Service, including any liability or expense arising from all claims, losses, damages (actual and consequential), suits, judgments, litigation costs and attorneys' fees, of every kind and nature. In such a case, Haiku Learning will provide you with written notice of such claim, suit or action.
15. These Terms of Service will be governed by and construed in accordance with the laws of the State of Indiana, without giving effect to its conflict of laws provisions or your actual state or country of residence. Any claims, legal proceeding or litigation arising in connection with the Service will be brought solely in Elkhart County, Indiana, and you consent to the jurisdiction of such courts.

Terms for Institutional Contracts

Haiku Learning reserves the right to update and change the Terms of Service from time to time without notice. Any new features that augment or enhance the current Service, including the release of new tools and resources, shall be subject to the Terms of Service. Continued use of the Service after any such changes shall constitute your consent to such changes. You can review the most current version of the Terms of Service at any time at: <http://www.haikulearning.com/terms>.

Violation of any of these agreements will result in the termination of your account. You agree to use the Service at your own risk and understand that

Haiku Learning cannot and is not responsible for any information or data posted by users ("Content") posted on the Service and you nonetheless may be exposed to such materials.

Service

This Service provides users with online access to information such as assignments and student grades, as well as acting as a communications medium to facilitate interaction between educators/teachers, students, and parents. The teacher determines the scope and nature of the information to make available to students and parents through the Service.

Account Terms

1. You are responsible for complying with TITLE XIII- Children's Online Privacy Protection Act (COPPA).
2. You agree to hold Haiku Learning harmless in the event that you are found in violation of Section 1303 of TITLE XIII- Children's Online Privacy Protection Act (COPPA).
3. You must be a human. Accounts registered by "bots" or other automated methods are not permitted.
4. You are responsible for maintaining the security of your account and password. Haiku Learning cannot and will not be liable for any loss or damage from your failure to comply with this security obligation.
5. You are responsible for all Content posted and activity that occurs under your account.
6. You may not use the Service for any illegal or unauthorized purpose. You must not, in the use of the Service, violate any laws in your jurisdiction (including but not limited to copyright laws).
7. Haiku Learning charges a late fee of 2% per month for any unpaid balance more than 30 days past due.
8. In accordance with the Family Educational Rights and Privacy Act (FERPA) you stipulate that Haiku Learning 1) provides a service for the institution that it would otherwise provide for itself using employees; 2) has "legitimate educational interests" in the information disclosed if the service were performed by employees; and 3) is under the direct control of the educational agency or institution with respect to the use and maintenance of information from education records.

Cancellation and Termination

1. If/when a contract is not renewed Haiku Learning will provide the institutional administrator with access to your saved content and data for at least 120 days, after which your content and data will be permanently and irrevocably removed from our servers.
2. Haiku Learning reserves the right to suspend service to anyone who, at our discretion, participates in activity that is detrimental, illegal, and/or dangerous to the experience of other Haiku LMS users and/or jeopardizes the content, data and applications on our servers. In the event that HAIKU exercises this right, we will make efforts to remedy the situation by alerting the institutional administrator. If necessary, Haiku Learning further reserves the right terminate a suspended account permanently.
3. Accounts with outstanding invoices more than 90 days past due may be deactivated at Haiku Learning's sole discretion.

Modifications to the Service and Prices

1. If your total number of licenses exceeds the initial contracted amount, Haiku Learning will bill you for the overage at your contracted, annual per license amount. This is calculated as the number of excess user licenses each month, summed daily and divided by number of days left on your annual contract. This charge applies to any and all user accounts in excess of the contracted number if active at any point for any period of time.
2. Haiku Learning reserves the right at any time and from time to time to modify or discontinue, temporarily or permanently, the Service (or any part thereof) with or without notice.
3. Prices of all Services, including but not limited to monthly subscription plan fees to the Service, are subject to change upon 30 days notice. Such notice may be provided to individual paying customers at any time by posting the changes to the Haiku Learning website (www.haikulearning.com) or the Service itself or to institutional customers in writing.
4. Haiku Learning shall not be liable to you or to any third party for any modification, price change, suspension or discontinuance of the Service.
5. If your total bandwidth usage exceeds the amount stated by contract, you will be charged \$2/month for each 1 GB of excess monthly bandwidth.
6. If your total file space used exceeds the amount stated by contract, you will be charged \$2/month for each 1 GB of excess file storage.

Copyright and Content Ownership

1. We claim no intellectual property rights over the material you provide to the Service. Your profile and materials uploaded remain yours.
2. Haiku Learning does not pre-screen Content, but Haiku Learning and its designee have the right (but not the obligation) in their sole discretion to refuse or remove any Content that is available via the Service.
3. You shall not upload, post or otherwise make available on the Haiku LMS site any material protected by copyright, trademark or other proprietary right without the express permission of the owner of the copyright, trademark or other proprietary right and the burden of determining that any material is not protected by copyright rests with you. You shall be solely liable for any damage resulting from any infringement of copyrights, proprietary rights, or any other harm resulting from such a submission, and hereby agrees to indemnify, defend and hold harmless Haiku Learning for any and all claims, liabilities, damages and expenses arising from such infringement, including, but not limited to attorneys' fees.

General Conditions

1. Your use of the Service is at your sole risk. The Service is provided on an "as is" and "as available" basis.
2. Technical support is only provided to paying account holders and is only available via email to individual paying account holders and by email and phone to corporate accounts.
3. You must not modify, adapt or hack the Service or modify another website so as to falsely imply that it is associated with the Service, HAIKU, or any other Haiku Learning service.
4. You agree not to reproduce, duplicate, copy, sell, resell or exploit any portion of the Service, use of the Service, or access to the Service without the express written permission by Haiku Learning.
5. We may, but have no obligation to, remove Content and Accounts containing Content that we determine in our sole discretion are unlawful,

offensive, threatening, libelous, defamatory, pornographic, obscene or otherwise objectionable or violates any party's intellectual property or these Terms of Service.

6. Verbal, physical, written or other abuse (including threats of abuse or retribution) of any Haiku Learning customer, employee, member, or officer will result in immediate account termination.
7. You understand that the technical processing and transmission of the Service, including your Content, may be transferred unencrypted and involve (a) transmissions over various networks; and (b) changes to conform and adapt to technical requirements of connecting networks or devices.
8. You must not upload, post, host, or transmit unsolicited email, SMSs, or "spam" messages.
9. You must not transmit any worms or viruses or any code of a destructive nature.
10. Haiku Learning does not warrant that (i) the Service will meet your specific requirements, (ii) the Service will be uninterrupted, timely, secure, or error-free, (iii) the results that may be obtained from the use of the Service will be accurate or reliable, (iv) the quality of any products, services, information, or other material purchased or obtained by you through the service will meet your expectations, and (v) any errors in the Service will be corrected.
11. You expressly understand and agree that Haiku Learning shall not be liable for any direct, indirect, incidental, special, consequential or exemplary damages, including but not limited to, damages for loss of profits, goodwill, use, data or other intangible losses (regardless of whether Haiku Learning has been advised of the possibility of such damages), resulting from: (i) the use or the inability to use the Service; (ii) the cost of procurement of substitute goods and services resulting from any goods, data, information or services purchased or obtained or messages received or transactions entered into through or from the Service; (iii) unauthorized access to or alteration of your transmissions or data; (iv) statements or conduct of any third party on the Service; (v) termination of your account; or (vi) any other matter relating to the Service.
12. The failure of Haiku Learning to exercise or enforce any right or provision of the Terms of Service shall not constitute a waiver of such right or provision. The Terms of Service constitutes the entire agreement between you and Haiku Learning and govern your use of the Service, superceding any prior agreements between you and Haiku Learning (including, but not limited to, any prior versions of the Terms of Service).
13. You agree to hold harmless and indemnify Haiku Learning, and its subsidiaries, affiliates, officers, agents, and employees from and against any third party claim arising from or in any way related to your use of the Service, including any liability or expense arising from all claims, losses, damages (actual and consequential), suits, judgments, litigation costs and attorneys' fees, of every kind and nature. In such a case, Haiku Learning will provide you with written notice of such claim, suit or action.
14. These Terms of Service will be governed by and construed in accordance with the laws of the State of Indiana, without giving effect to its conflict of laws provisions or your actual state or country of residence. Any claims, legal proceeding or litigation arising in connection with the Service will be brought solely in Elkhart County, Indiana, and you consent to the jurisdiction of such courts.

Terms for Parent Accounts

Haiku Learning reserves the right to update and change the Terms of Service from time to time without notice. Any new features that augment or enhance the current Service, including the release of new tools and resources, shall be subject to the Terms of Service. Continued use of the Service after any such changes shall constitute your consent to such changes. You can review the most current version of the Terms of Service at any time at: <http://www.haikulearning.com/terms>.

Violation of any of these agreements will result in the termination of your account. You agree to use the Service at your own risk and understand that HAIKU cannot and is not responsible for any information or data posted by users ("Content") posted on the Service and you nonetheless may be exposed to such materials.

Service

This Service provides users with online access to information such as assignments and student grades, as well as acting as a communications medium to facilitate interaction between educators/teachers, students, and parents. The teacher determines the scope and nature of the information to make available to students and parents through the Service.

Account Terms

1. The subscribed individual or institution is responsible for complying with TITLE XIII- Children's Online Privacy Protection Act (COPPA).
2. You agree to hold Haiku Learning harmless in the event that the subscribed individual or institution is found in violation of Section 1303 of TITLE XIII- Children's Online Privacy Protection Act (COPPA).
3. You must be a human. Accounts registered by "bots" or other automated methods are not permitted.
4. You are responsible for maintaining the security of your account and password. Haiku Learning cannot and will not be liable for any loss or damage from your failure to comply with this security obligation.
5. You are responsible for all Content posted and activity that occurs under your account.
6. You may not use the Service for any illegal or unauthorized purpose. You must not, in the use of the Service, violate any laws in your jurisdiction (including but not limited to copyright laws).

Copyright and Content Ownership

1. We claim no intellectual property rights over the material you provide to the Service. Your profile and materials uploaded remain yours.
2. Haiku Learning does not pre-screen Content, but Haiku Learning and its designee have the right (but not the obligation) in their sole discretion to refuse or remove any Content that is available via the Service.
3. You shall not upload, post or otherwise make available on the Haiku LMS site any material protected by copyright, trademark or other proprietary right without the express permission of the owner of the copyright, trademark or other proprietary right and the burden of determining that any material is not protected by copyright rests with you. You shall be solely liable for any damage resulting from any infringement of copyrights, proprietary rights, or any other harm resulting from such a submission, and hereby agrees to indemnify, defend and hold harmless Haiku Learning for any and all claims, liabilities, damages and expenses arising from such infringement, including, but not limited to attorneys' fees.

General Conditions

