



SUBSCRIPTION ORDER

This is a Subscription Order for a Subscription, and Services, pursuant to the terms of the Subscription and Service Agreement with an Agreement No. set forth in Section 1 below, by and between K12 Systems Inc. (“K12”) and the party set forth below (“Customer”), and all duly executed amendments and addenda to the same to date (“Agreement”).

All of the terms and conditions of the Agreement shall continue in full force and effect except as supplemented and/or amended by the terms of this Subscription Order. Any capitalized term not otherwise defined herein shall have the meaning that is given to it in the Agreement.

This Subscription Order is effective upon (a) the execution, including by counterparts, by K12 and Customer of the Agreement and this Subscription Order and (b) the date of K12’s acceptance of the executed documents (“Order Effective Date”), which such date Customer agrees shall be entered by K12 as the “Order Effective Date” above.

1. DESIGNATED REPRESENTATIVES.

Agreement Number	SLSD2011
Customer	Southern Lehigh School District
Address	5775 Main Street Road
Address	Center Valley, PA 17321
Contact	Mrs. Leah Christman
Telephone	(610) 282-3121 x5110

2. SELECTION OF SAPPHIRE SOFTWARE FOR SUBSCRIPTION

Customer will acquire a Subscription for the Sapphire Software specified in **Table 1** below in accordance with the License terms set forth in the Agreement and any License Parameters that are identified in **Table 1** below as more fully described in this Subscription Order:

Table 1	
Application	License Parameters
A. Sapphire Suite Software Student Information System <ul style="list-style-type: none"> • Family Management • Demographics • Enrollment Tracking • Attendance • Grading • Report Cards • Discipline • Scheduling • Master Schedule Builder • Transcript • Fee tracking • Athletic Eligibility • Graduation Progress 	
A.1 Sapphire Scheduling	
A.2 Sapphire On-Line Registration	
A.3 Sapphire College Style Interactive Scheduling	
A.4 Sapphire Online Student Data Verification	
A.5 Sapphire Student Document Center	
A.6 Sapphire Learning Management System <ul style="list-style-type: none"> • Teacher Grade Book • Test Builder • Lesson Planner • Discipline Referral • Elementary Standards Based Report Card • Assessment Tracker 	
A.7 Sapphire Community Portal	
A.8 Sapphire Student Backpack	
A.9 Sapphire School Nurse Health System	
A.10 Sapphire Special Education IEP Writer / 504 / Gifted	
A.11 Sapphire Report Writer	
A.12 Sapphire Mobile	
A.13 PA State & Federal Reports (PIMS, Penn Data & SHARRS)	
A.14 Sapphire Assessment Tracker	

3. ORDER TERM.

Setup Period: Order Effective Date through July 1 of the first calendar year referenced in **Table 2** below.

The term of the Subscription Order shall commence upon the Order Effective Date and, unless terminated earlier in accordance with the terms of the Agreement or the Subscription Order, continue for a Setup Period stated above and then the calendar year period of July 1 through June 30 for each of the calendar years referenced in **Table 2** below (hereinafter, the “**Initial Subscription Period**”) (hereinafter, the Setup Period and the Initial Subscription Period shall be referred to as the “**Initial Order Term**”) at which time, unless otherwise stated herein, the Subscription Order will automatically renew until the next calendar anniversary of the date of termination of the Initial Subscription Period (each, a “**Renewal Order Term**”, which will be the same period as an annual “**Renewal Subscription Period**”) (hereinafter, the Initial Order Term and each Renewal Order Term shall be referred to as an “**Order Term**” and the Initial Subscription Period and each Renewal Subscription Period shall be referred to as a “**Subscription Period**”) unless either Party sends the other Party written notice that it does not wish to renew more than thirty (30) days prior to the expiration of the then current Order Term.

Table 2	
Calendar Years (July 1 through June 30)	Subscription Fee
2014-2015	\$56,420.00
2015-2016	\$56,420.00
2016-2017	\$56,420.00
2017-2018	\$56,420.00

4. SUBSCRIPTION FEES AND SUPPORT SERVICES FEES.

Customer agrees to pay (i) the non-refundable Subscription Fees for each calendar year of the Initial Subscription Period as set forth in **Table 2** above and (ii) the non-refundable Fees for Support Services provided during the Initial Subscription Period for each calendar year of the Initial Subscription Period as set forth in **Table 3** below:

Table 3	
Calendar Years (July 1 through June 30)	Support Services Fee
2014-2015	Included
2015-2016	Included
2016-2017	Included
2017-2018	Included

K12 agrees that the Sapphire Software modules described in **Table 1**, Documentation and Templates, including PA State Reports that are licensed under **Section 3(A)** of the Agreement (**Grant of License from K12 to Customer**) are included in the Subscription Fee in **Table 2** above. Updates and Enhancements for these modules that are licensed under **Section 3(A)** of the Agreement (**Grant of License from K12 to Customer**) are included with the Support Services Fee noted in **Table 3** above.

5. PROFESSIONAL SERVICES DURING SET-UP PERIOD AND FEES FOR PROFESSIONAL SERVICES.

During the Setup Period, the Parties agree that the Professional Services set forth in **Table 4** below will be provided during setup for the time specified in **Section 3** above and billed at the amounts set forth in **Table 4** below. If additional Professional Services beyond what is specified in the **Table 4** below is necessary, the same will be set forth in a separate Work Order pursuant to K12's hourly rates in effect at the time that such work is requested. If requested by Customer, K12 will provide Customer with a schedule of such current hourly rates in effect.

Table 4		
Professional Services	Description	Initial Fee
Total		

C. Termination.

Customer can decide to terminate this Subscription Order by sending K12 written notice that it intends to terminate this Subscription Order more than thirty (30) days prior to the expiration of the then current Order Term for this Subscription Order (a/k/a the then current Subscription Period). If Customer fails to send K12 written notice that it intends to terminate the Subscription Order more than thirty (30) days prior to the expiration of the current Order Term for this Subscription Order (a/k/a the then current Subscription Period), Customer will be deemed to have accepted the monthly fees for the Subscription for the Renewal Order Term for this Subscription Order (a/k/a the Renewal Subscription Period).

D. Acceptance

Customer (1) accepts this Subscription Order; (2) places the above Subscription Order pursuant to the Agreement; and (3) acknowledges receipt of all Schedule(s) referenced herein.

K12 Systems, Inc.	Southern Lehigh School District
Signature:	Signature:
Name Printed: Ms. Brenda Shahpari Azar	Name Printed:
Title: President/CEO	Title:
Date:	Date: