



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	PBSD2014
Customer	Plum Borough School District
Address	900 Elicker Road
Address	Plum, PA 15239
Contact	Dr. Christopher T. Davis
Telephone	(412) 759-0100 x6319

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 	District Wide License
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 Teacher Grade Book, Elementary Report Card, Lesson Planner	
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	\$61,486.00
2015-2016	\$63,541.00
2016-2017	\$65,596.00
2017-2018	\$65,596.00
2018-2019	\$65,596.00

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	\$4,110.00
2015-2016	\$4,110.00
2016-2017	\$4,110.00
2017-2018	\$4,110.00
2018-2019	\$4,110.00

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
Implementation Services	Professional Staff Development <ul style="list-style-type: none"> • Kick-off Meeting • Initial Data Collection • Consulting • Project Management 	\$10,000.00
Staff Training	Staff Training - Estimated \$900.00 per day – 18 days	\$16,200.00
Conversion Services	Data Conversion & Data Mapping \$900.00 per day – 6 days	\$5,400.00
Initial Setup, Configuration	Software Installation / Configuration \$900.00 per day – 1 day	\$900.00
Total		\$32,500.00

Implementation Services and Customizations Included

Pennsylvania State Reports - All PA State Reports are included

- All PIMS Templates
- PA IEP State Forms
- When the state changes reporting requirements K12 Systems will update, change or add new reports at no additional cost for as long as District is using Sapphire.

Data Conversion from Legacy Systems

- Prosoft SIS
 - Health Tools School Nurse
 - Leader Special Education
- Any additional data silos that contain needed information

Custom Design and Built to District Requirements

- Progress Reports
- Report Cards
- Elementary Standards Based Report Cards per grade
- Transcripts

Custom Configuration and Setup per District Specifications

- Attendance
- Discipline
- Scheduling
- Grading System
- Teacher Grade Book
- Special Services / IEP Writer
- Health System
- Community Portal
- Assessment Tracking System

District Specific Training and Consulting

- District Onsite Classroom Training
 - Using District Data
 - Per District setup and Configuration
- Supplemental Remote GoTo Meeting Training
- Computer based Training – Videos

Data Exports to 3rd Party Systems

- Cafeteria System
- Transportation System
- Messaging System
- Library System
- Customer is responsible for reimbursing K12 Systems for all travel related expenses (including meals and lodging as required) associated with on-site installation, training, or support services. Customer will be billed an amount equal to the *actual* costs incurred by K12 Systems. Customer will be provided with supporting documentation (bills / receipts) for the billed costs.

Additional training can be purchased at the rate of \$900.00 per day

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.	Plum Borough School District
Signature:	Signature:
Name Printed: Ms. Brenda Shahpari Azar	Name Printed: Andrew Drake
Title: President/CEO	Title: Board President
Date:	Date: September 24, 2013