

*Proposal created for  
Oak Park Elementary SD 97*

*November 6, 2011*

*by Natalie O'Hara*

	Perpetual Site Licenses 8 Elementary Schools	Perpetual Site Licenses 8 Elementary and 2 Middle Schools
<b>TOTAL PRICE</b>	<b>\$447,450</b>	<b>\$477,550</b>
<b>PER SITE PRICE</b>	<b>\$55,930</b>	<b>\$47,755</b>
<b>Number of Workstations per school</b>	<b>Full Site</b>	<b>Full Site</b>
<b>Number of Schools</b>	<b>8</b>	<b>10</b>
<b>PRODUCTS:</b>		
Fast ForWord Language Product Series (Language v2, Language To Reading v2)	Included for all Schools	Included for all Schools
Fast ForWord Literacy Product Series (Literacy, Literacy Advanced)	Included for all Schools	Included for all Schools
Fast ForWord Early Reading Product Series (Reading Readiness, Reading 1, Reading 2, Reading 3)	Included for all Schools	Included for all Schools
Fast ForWord Intermediate Reading Product Series (Reading 3, Reading 4, Reading 5)	Included for all Schools	Included for all Schools
<b>SERVICES</b>		
Fast ForWord Results Now! Package	Included for all Schools	Included for all Schools
On-Site Training (7 days)	Included	Included
Fast ForWord Web-Based Product training	Included for all Schools	Included for all Schools
Web-Based Training/Consulting (9 packages of 3)	Included	Included

Pricing and terms in effect for 60 days from:

November 6, 2011

This preliminary proposal is intended only as a basis for discussions. Prior to any purchase, Scientific Learning Corporation will provide a Final Proposal or Purchase Agreement for acceptance by the customer. All purchases are subject to the terms and conditions at [www.scilearn.com/terms](http://www.scilearn.com/terms).

For budgeting purposes, yearly renewal of the Fast ForWord Results Now! Package would be \$4,800 per school (for 8 schools), \$4,500 per school (for 10 schools).

Additional on-site service days may be purchased at \$2,150 per day.

**Fast ForWord Results Now! Package includes the following components:**

- \* Progress Tracker
- \* Reading Progress Indicator
- \* SciLearnU.com eLearning courses
- \* Technical and Instructional Support
- \* Progress Monitor Consultation

## Purchase Agreement

<b>Proposal for Purchase by:</b>		101635/Oak Park Elem School Dist 97 970 Madison St Oak Park, IL 60302-4430		
<b>Software Products Licensed :</b>		Fast ForWord Product Family		
License Type	No of Licenses	License Term	Deployment	Sites to which Licenses Are Initially Assigned
Site	1	Perpetual	SciLEARN Enterprise	37368/Abraham Lincoln Elem School 1111 S Grove Ave Oak Park IL 60304-1908
Site	1	Perpetual	SciLEARN Enterprise	37369/Gwendolyn Brooks Middle School 325 S Kenilworth Blvd Oak Park IL 60302-3597
Site	1	Perpetual	SciLEARN Enterprise	37366/Horace Mann Elementary School 921 N Kenilworth Ave Oak Park IL 60302-1398
Site	1	Perpetual	SciLEARN Enterprise	37367/Irving Elementary School 1125 S Cuyler Ave Oak Park IL 60304-2203
Site	1	Perpetual	SciLEARN Enterprise	37372/Longfellow Elementary School 715 S Highland Ave Oak Park IL 60304-1598
Site	1	Perpetual	SciLEARN Enterprise	37365/Oliver Wendell Holmes Elem Sch 508 N Kenilworth Ave Oak Park IL 60302-1612
Site	1	Perpetual	SciLEARN Enterprise	37370/Whittier Elementary School 715 N Harvey Ave Oak Park IL 60302-1799
Site	1	Perpetual	SciLEARN Enterprise	37363/William Beye Elementary School 230 N Cuyler St Oak Park IL 60302-3302
Site	1	Perpetual	SciLEARN Enterprise	37364/Percy Julian Middle School 416 S Ridgeland Ave Oak Park IL 60302-4010
Site	1	Perpetual	SciLEARN Enterprise	37371/William Hatch Elementary Sch 1000 N Ridgeland Ave Oak Park IL 60302-1443

<b>Services to be Provided:</b>		
<b>Type of Service</b>	<b>Quantity</b>	<b>Services Period</b>
On Site Service Day(s)	7 days	12 months beginning on invoice date
Fast ForWord Web-Based Product Training	1	12 months beginning on invoice date
Fast ForWord Results Now! Package, including <ul style="list-style-type: none"> <li>• Progress Tracker</li> <li>• Reading Progress Indicator</li> <li>• SciLEARNU.com eLearning Courses</li> <li>• Support</li> <li>• Progress Monitoring</li> <li>• Hosting (for On-Demand only)</li> </ul>	For licenses proposed above	12 months beginning on invoice date
Web Based Training - 3 Sessions	9	24 months beginning on invoice date

<b>Fee: \$477,550.00</b>	Sales tax will be added to the fee and invoiced unless Customer provides sales tax exemption certificate issued by Customer's state.
<b>Payment Provisions:</b>	A purchase order in full amount is due with signed Purchase Agreement and full payment is due 30 days from Invoice date.
<b>Additional Provisions:</b>	For the pricing stated in this Purchase Agreement to be valid, this Purchase Agreement must be signed and returned to SLC (along with a Purchase Order) no later than 12/30/2011.

After the Services Period listed above, access to support and services must be renewed annually. All services availability, including any unused service days, expires at the end of that Services Period. Unused services cannot be carried forward to future periods. The price for your first renewal year for the **Fast ForWord Results Now! Service Package** for the licenses purchased under this Agreement will be calculated as follows:

**Fast ForWord Results Now! Service Package**  
**First Renewal Year Pricing**

<b>Per Site</b>		<b>Per Student</b>	
\$ 6,000.00		\$ 80.00	
<u>Volume Discount</u> (based on number of customer sites with Fast ForWord perpetual site licenses at renewal date)		<u>Volume Discount</u> (based on number of perpetual Fast ForWord per student licenses owned by customer at renewal date)	
No of Sites	% discount	No of Per Student Licenses	% discount
1	10.0%	0-19	0.0%

2-4	15.0%	20-49	5.0%
5-9	20.0%	50-99	10.0%
10-19	25.0%	100-199	15.0%
20-49	30.0%	200-499	20.0%
50-99	35.0%	500-999	25.0%
100-199	40.0%	1,000-1,999	30.0%
200-499	45.0%	2,000-4,999	35.0%
500+	50.0%	5,000-9,999	40.0%
		10,000-19,999	45.0%
		20,000+	50.0%

By signing below, Customer agrees to all the terms and conditions of this Agreement, including but not limited to the terms and conditions included below the signatures, and represents to SLC that it has read and understood this Agreement, that no additional approvals are required for this Agreement to be binding, and that the person signing on its behalf is authorized to do so.

#### Oak Park School District 97

#### Scientific Learning Corp

By \_\_\_\_\_  
Authorized Signature

By \_\_\_\_\_  
Authorized Signature

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

### SCIENTIFIC LEARNING CORPORATION TERMS AND CONDITIONS OF PURCHASE AGREEMENT

1. **Definitions.** For purposes of this Agreement, and any transaction subject to this Agreement:
  - a. **Order Document** means this Purchase Agreement or any mutually-agreeable document that specifies licenses and/or services to be purchased and states that it is subject to the terms of this Purchase Agreement. .
  - b. **Customer** means the individual or entity specified above as the customer.
  - c. **SLC** means Scientific Learning Corporation.
  - d. **Products** means the software products specified as licensed in the Order Document. If SLC supplies Customer with any patches, bug fixes, updates or modifications to Products, this updating software is included in Products upon its delivery to Customer. The term Products does not include any additional SLC software programs that may be provided to Customer by SLC but that are not specified in the Order Document; Customer has no right to and agrees not to use, copy or distribute in any way any software provided by SLC that is not included within Licensed Material.
  - e. **Support Material** means the technical and instructional support, product manual, professional development and other product-related materials (written or electronic) provided to Customer in connection with the purchase under the Order Document.
  - f. **Online Offerings** means licenses and services specified in the Order Document to the extent that such licenses or services are provided from SLC's servers over the Internet.
  - g. **Online Material** means the visual interfaces, graphics, design, compilation, information, computer code, products, software (including any downloadable software), services, and all other elements of the Online Offerings, but specifically excluding any materials uploaded by customers.
  - h. **Licensed Material** means, collectively, the Products, the Online Material and the Support Material.
  - i. **Site(s)** means the physical location(s) specified in (or determined pursuant to) the Order Document. If a Site is stated as TBD (to be determined), the Site will be specified by written agreement of SLC and Customer.
  - j. **Use** (when used with respect to a Product) means that the software product is being accessed or viewed in any way by a person, whether the software is actually installed on the computer being used by that person or the software is installed on a different computer and is being remotely accessed.



2. **Product Licenses.** If Customer purchases licenses to Products under the Order Document, then upon issuance of or agreement to the Order Document by Customer and agreement to or acceptance of the Order Document by SLC, SLC grants to Customer, and Customer accepts, a limited, non-exclusive, nontransferable license to use the Products (in object code only) solely for educational and related administrative purposes and subject to the terms of the Order Document and these terms and conditions. Conditions of the licenses include the following:
- a. **All licenses- time limitations:** The exercises in the Products may be used only during the time period specified as the license term
  - b. **Site license:** Products under a site license may be Used only by students who are regularly enrolled students at the Site(s), teachers and administrators for the Site(s), and children who are family members of those teachers and administrators. In addition, Products under a site license may be used on an unlimited number of computers only at the authorized Site(s), except that if the Site is using the SciLEARN On Demand deployment of the licensed Product and has activated the home access feature, that Product may also be used by an authorized user at another location where other authorized user is then located. The administrative functions of Products may be Used only by Customer staff with responsibilities for the specified Site.
  - c. **Per student license:** Each per student license permits use of the licensed Products during the specified license term by one single participant who is a regularly enrolled participant in Customer's educational offerings and who receives other services from Customer in addition to Product access. If a participant stops using the licensed Products during the license term, another participant may be substituted for the original participant only if all data relating to the original participant's Product use is deleted from Customer's and SLC's computers. Per Student licenses are available only to US and Canadian schools.
  - d. **Workstation license:** Products under a workstation license may be installed and used only at the Site(s) and on the number of workstations specified in the Order Document. This number is called the Workstation Limit.
    - i. Network configuration host computers (commonly called Data Managers) that may not be used by students are not counted towards the Workstation Limit. All computers used by students are counted towards the Workstation Limit.
    - ii. The Workstation Limit for Language series products is the maximum number of computers on which any or all of the Language products may be used. For example, five workstation licenses for three Language series products means that up to three Language products may be installed on up to five separate computers total.
    - iii. The Workstation Limit for Reading series products is the maximum number of computers on which each Reading products may be used. For example, five workstation licenses for three Reading products means that each of the three Reading products may be installed on up to five different computers, equaling a possible total of fifteen computers with one Reading product installed on each computer.
    - iv. The Workstation Limit for the Reading Assistant product is the maximum number of computers on which the Reading Assistant product may be used.
  - e. **Single Use license:** The Customer may use the Product or Products licensed under a single use license with a maximum aggregate number of participants equal to the number of single use licenses purchased. The license term for single use licenses is 12 months commencing on the invoice date for the license.
  - f. **CDs:** If a Product is delivered via DVD or CD, Licensee will be provided the standard number of discs for the Product licenses specified in the Order Document. Additional or replacement copies of discs may be available for purchase. If additional or replacement discs are provided, the Products on such discs shall be subject to the same license terms as the original Products, and upon delivery shall be included within the term Products hereunder.
  - g. **Site changes;**
    - i. **Gateway deployments:** Sites for site licenses may be changed only in accordance with SLC's policies in effect at the time of the requested change; site changes will require the payment of a fee.
    - ii. **SciLEARN deployments:** Sites for site licenses may be freely changed, but only one site at a time may be designated.
    - iii. **Per student licenses:** All per student licenses are not restricted to a specified school site.
  - h. **Fast ForWord deployment methods; switch from hosted to on-premise deployments:**
    - i. A particular license may only be deployed using one deployment method at a time.
    - ii. Upon written or email request by the Customer, Customer may change its deployment method for a Fast ForWord product license from a Gateway 5.0 deployment to a SciLEARN deployment (Enterprise, Standard or On-Demand (hosted)) or from one of the now-current SciLEARN deployments to another such deployment. All switches between deployments depend upon confirmation of technical compatibility. In some circumstances, student data from the original deployment may not be accessible under the new deployment.

- iii. If Customer's deployment change requires the delivery of software to Customer to enable Customer to use the new deployment (for example, if Customer is moving from SciLearn On-Demand to SciLearn Standard or SciLearn Enterprise), SLC will deliver the appropriate software to Customer promptly upon the change. Upon delivery, the software for the new deployment is included in Products.
- iv. Moving from one deployment to another may result in the loss of some features, as not all deployment methods offer the same functionality.
- i. **Conversion from per student to site licenses.** SLC may from time to time offer the holders of per student licenses the opportunity to convert a specified number of per student licenses to a site license. If the license holder accepts such offer, the site license that results from that conversion cannot be converted back to per student licenses at a later time. Any offer to convert per student licenses to site licenses may be terminated or changed at any time.

3. **License Restrictions.** The Licensed Material is protected by United States copyright, trade dress, patent, and trademark laws, international conventions, and all other relevant intellectual property and proprietary rights, and applicable laws. The Licensed Material is licensed, not sold. All rights to the Licensed Material that are not expressly granted hereunder are reserved to SLC and/or its third-party licensors. Customer agrees not to, and agrees to cause all persons to whom it makes Licensed Material available not to:

- a. Use, copy, publicly perform or display, rent, lease, lend, license, sublicense, sell, export, assign, transfer, distribute, transmit, publish, or in any other way disseminate, or otherwise make unauthorized use of any Licensed Material, except as expressly permitted by the Order Document or these terms and conditions. Customer is permitted to (1) copy Product files from the physical media or downloaded Product files provided by SLC onto the hard drive of the computer on which that Product is being used in order to optimize the performance of the Product, provided that the copied files may only be used subject to the restrictions of the applicable license, as outlined herein; (2) copy such Product files (or the Product files from an installed machine) onto a backup computer of the Customer, provided that such copy may only be used to re-install the Products in the event of a malfunction, for use in accordance with all applicable terms of the license; and (3) copy Support Material, for use only in connection with use of the Products under Customer's license. Any permitted copy must fully preserve all proprietary, copyright and identification notices contained in the original Licensed Material.
- b. Reverse engineer, decompile, disassemble or otherwise attempt to derive the source code for the Products or for any software included in the Licensed Material.
- c. Modify, translate or create derivative works or adaptations from the Licensed Material.
- d. Use any portion of the Products other than as a part of the Product.
- e. Use any Licensed Material that is not Products other than in connection with and to facilitate the use of the Products.
- f. Modify or attempt to modify any license terms encoded in the Products or modify any settings on a computer for the purpose of circumventing the limitations of the license.

**Failure to comply with these restrictions will constitute a material breach of the parties' agreement and a violation of the law, and will give SLC the right to immediately terminate the licenses granted hereunder and all rights granted hereby. All rights not expressly granted by these terms and conditions are reserved by SLC.**

4. **Online Offerings; Hosting.** If under the Order Document Customer purchases Online Offerings:

- a. Hosting
  - i. If under the Order Document, Customer purchases hosting services, hosting services consist of SLC providing access to the licensed Products from SLC's servers to Customer and its participants over the World Wide Web.
  - ii. Using the SciLearn On-Demand deployment requires hosting services.
  - iii. If Customer holds a perpetual license deployed as SciLEARN On-Demand and does not renew its access to hosting services, Customer's deployment will be converted to an on-premise deployment of either SciLEARN Enterprise or SciLEARN Standard, as selected by Customer. SLC will deliver the appropriate software to Customer promptly upon the change. SLC will deliver the appropriate software to Customer promptly upon the change. Upon delivery, the software for the new deployment is included in Products.
  - iv. SLC shall use commercially reasonable efforts to cause the SciLEARN On-Demand student exercises to be available no less than 99% of the time from 8AM Eastern time to 8PM Eastern Time, Monday through Friday. Upon learning of any material interruption of the availability of any of the Online Offerings, SLC shall devote reasonably available and appropriate resources to remedying such interruption.

- b. The Online Offerings are owned and operated by SLC. Online Offerings are provided on SLC-maintained servers; access is provided to Customer only via the Internet. SLC is not responsible, and has no liability, for any delays or interruptions experienced in communicating over the Internet, or for any incompatibility between the Online Offerings and services provided by Customer's telecommunications, Internet or other service providers.
  - c. Customer acknowledges that SLC may, at its discretion, make changes to the Online Offerings and the Online Materials from time to time.
  - d. **Prohibited Conduct** – Customer understands and agrees that no person to whom it provides access to Online Offerings may:
    - i. Upload copyrighted material unless such person has the legal right to distribute that material to others online;
    - ii. Harass, threaten, or defraud other users of the services;
    - iii. Upload or send to other users of the services pornographic, threatening, embarrassing, hateful, racially or ethnically insulting, libelous, or otherwise inappropriate content;
    - iv. Make unsolicited offers, advertisements, or proposals, or send junk mail to other users;
    - v. Impersonate another person or access another user's account without that person's permission;
    - vi. Misrepresent the source, identity, or content of information transmitted via the services;
    - vii. Use the services for any illegal purpose;
    - viii. Use the Online Offerings in any manner that could damage, disable, overburden, or impair it or interfere with any other party's use and enjoyment of the services;
    - ix. Attempt to gain unauthorized access to the Online Offerings, or any part of them or content contained on them, other accounts, computer systems or networks connected to the Online Offerings, or any part of them, through hacking, password mining or any other means or interfere or attempt to interfere with the proper working of the Online Offerings or any activities conducted on the Online Offerings; or
    - x. Use any robot, spider, scraper, or other automated means to access the Online Offerings for any purpose without our express written permission or bypass any robot exclusion headers or other measures SLC may use to prevent or restrict access to Online Offerings.
  - e. Access to the Online Offerings from territories where its contents are illegal is prohibited. Online Offerings are designed for customers in the United States. Those who choose to access the Online Offerings from other locations do at their own initiative and are responsible for compliance with all local rules including, without limitation, rules about the Internet, data, email, or privacy.
5. **Support.** If under the Order Document Customer purchases support services from SLC:
- a. Support for all Products includes, for the supported Products and licenses:
    - i. Access to SLC's service representatives by any personnel of Customer by telephone, email or Web chat during SLC's standard service days and hours. Standard service days and hours are stated on SLC's web site, and may be changed by SLC from time to time.
    - ii. Technical updates and minor modifications to the Products, as made available by SLC from time to time without further charge to customers with that level of support. Such updates and modifications are typically made available through automatic downloads of updated software. To protect against local malfunctions, Customer should back up the updated software as permitted by Section 3 upon receipt.
    - iii. Access for Customer's personnel to SLC's support website, which includes, in electronic format, technical and instructional support materials, access to Product updates and modifications supplied under (ii) above, product manuals and guides, on-line training and educational opportunities, and other implementation resources, as such may be made available by SLC from time to time without further charge to customers with that level of support.
  - b. Support is limited to the Product licenses for which it was purchased. Support for Fast ForWord licenses provides support only for the Fast ForWord family of products. Reading Assistant support provides support only for the Reading Assistant products.
  - c. Support does not include access to new products, new editions, new versions, or new releases (as such are specified by SLC) that may be made available by SLC from time to time. Any updates or modifications supplied shall be subject to the same license terms as the Products to which they relate and upon delivery shall be included in the term Products.
  - d. If Customer discontinues support and then renews support at a later date, SLC may require customer to pay for the period of support missed in order to receive access to the product updates described in (a)(ii) above.
6. **All Services.** If under the Order Document Customer purchases any services:



- a. Access to all services is limited to the licenses and time periods specified in the Order Document. All support and service availability, including any unused service days or training sessions, expires at the end of the specified period. Unused services cannot be carried forward to future periods.
  - b. SLC may provide services through its own personnel or contractors.
  - c. SLC may, from time to time, in its sole discretion, add new content to or modify or discontinue content provided in connection with any services.
  - d. If Customer provides SLC with any comments, bug reports, feedback, or proposed modifications ("Feedback"), SLC shall have the right to use such Feedback at its discretion, including, but not limited to the incorporation of such suggested changes into SLC's products and/or services and the distribution, use or transfer of such Feedback. Customer hereby grants SLC a perpetual, irrevocable, nonexclusive license under all rights necessary to incorporate and use Customer's Feedback for any purpose.
  - e. To receive services, Customer agrees to (i) supply SLC with sufficient information and data to reproduce any problems reported by Customer; (ii) use the Products on computer and operating systems consistent with SLC's requirements; (iii) use a release of the Products then being supported by SLC; and (iv) maintain an operating environment free of any programs or modifications that might interfere with the Products.
  - f. Service days and web-delivered trainings and meetings will be scheduled by mutual agreement of Customer and SLC. SLC requires two business days' notice to reschedule. If Customer reschedules less than two business days prior to a scheduled service event, Customer may be charged for one service event.
  - g. If Customer requests services outside the scope of those specified in an Order Document, SLC may charge Customer for those services at SLC's then-current time and materials rates and may require payment and/or a purchase order prior to providing such services.
7. **Discontinued Products; Changes in Operating Systems.**
- a. Once a new release, edition or version (collectively, a "version") of a Product has been released and the prior version is no longer being sold, SLC may stop providing services (including Progress Tracker, support and other services) with respect to the discontinued version, or may provide lower levels of services for the discontinued version. SLC may, in its sole discretion, determine when services will be provided at a lower level or ended, provided that SLC will not reduce or discontinue services for a discontinued version until one year after the version has no longer been sold by SLC.
  - b. Customer acknowledges that operating systems change from time to time and that SLC has no control over such changes and that SLC is not required to provide updates or revisions that will make Products compatible with the operating system that Customer may wish to use with the Product.
8. **Using the Products and Services.**
- a. Customer is solely responsible for selecting appropriate participants to use the Products.
  - b. Except as otherwise may be agreed, installation of all Products is the responsibility of Customer, and Customer is solely responsible for providing the computer equipment, other software, headphones, telecommunications links, and/or Internet access required to use the Products and services in accordance with the system requirements provided by SLC. **Products used on the SciLEARN Enterprise platform require the Customer to have or to acquire a license to use the recommended version of the My SQL database, which is not supplied by SLC.** Customer is solely responsible for all expenses incurred by it in using the Products.
  - c. Customer agrees to keep confidential any activation, product, organization or other codes, passwords and identification numbers relating to the Products or services that are issued to Customer by SLC or created by Customer and to use them only for purposes of using the Products and services as permitted under the terms of the Order Document and these terms and conditions.
  - d. Customer is responsible for controlling and managing access to the Products and services and the data stored on those Products, using user identifications provided by SLC and generated by Customer. Customer agrees that in using the Products and services, Customer will comply with all applicable national and state privacy and student records laws.
9. **Limited Warranties; No Refunds**
- a. SLC warrants to Customer that the Products will have substantially the functionality described in the manuals that accompany the Products for a period of 90 days from the applicable invoice date. The limited warranty applies only if the Product is used in accordance with its published instructions, and will not apply if the failure resulted from (1) accident, abuse, negligence, or misuse; (2) use or interfacing with software or other products not provided by SLC; (3) unauthorized modification or repair; (4) improper or inadequate maintenance or site preparation; or (5) loss or damage in transit. SLC does not warrant that the Products will operate or be



accessible without interruption, be error or bug-free, or be compatible with particular computer equipment or other software.

- b. To make a claim under these limited warranties, Customer must provide written notice of the claim to SLC within the 90 day warranty period. The exclusive remedy for any breach of these warranties is, at SLC's option, the repair or replacement of the affected Product or (upon return of the affected Products and related documents and the termination of the license with respect to such Products) the refund of all or a pro rata portion of the fee paid for the applicable license. Except as explicitly provided above, SLC shall have no obligation to refund any fees paid under any Order Document.
- c. SLC makes no warranty with respect to any services or any headsets, hardware or other equipment that may be provided hereunder.

**10. No Other Warranties; Limitation of Liability.** To the maximum extent permitted by applicable law, SLC, on behalf of itself and its licensors, disclaims all other representations and warranties with respect to the Products, services and other items provided under any Order Document, either expressed, implied, statutory or otherwise, including, but not limited to, implied warranties of merchantability, fitness for a particular purpose, title and noninfringement. SLC makes no warranty with respect to the efficacy of any Products, including but not limited to its efficacy in dealing with any learning problem or other condition. Regardless of the success or effectiveness of other remedies, in no event will SLC or its licensors be liable for any special, incidental, indirect, consequential or exemplary damages whatsoever arising out of any Order Document or these terms and conditions or the use of or inability to use any product or service provided hereunder (including, without limitation, damages for lost information, lost revenues or profits or business interruption), however arising and under any theory of liability including, without limitation, breach of contract, breach of warranty, or tort (including negligence and strict liability) even if SLC or its licensors have been advised of or should have known of the possibility of such damages. In no event will SLC or its licensors be liable in damages or otherwise in excess of the amount paid to SLC for the software or service on which the claim is based. Customer acknowledges and agrees that the disclaimer of warranties, limitations on liability and limited remedies contained in these terms are fundamental parts of the basis of SLC's bargain hereunder. Some jurisdictions do not permit the exclusion of certain types of damages or the disclaimer of certain implied warranties, so some of the foregoing may not be applicable. To the extent that SLC may not disclaim any warranty, the scope and duration of such warranty shall be the minimum permitted under applicable law.

#### **11. General**

- a. **Firm Orders; Completion of Performance.** When an Order Document is issued or agreed to by Customer and accepted by SLC, the purchase commitment in the Order Document becomes firm and cannot be canceled by Customer. Once Products subject to a license are supplied to the Customer via a disc or download, SLC has completed performance of its obligations under that license, although SLC may continue to have obligations to provide related services that Customer has purchased.
- b. **Shipping and Delivery.** Within the United States and Canada, the prices stated in the Order Document include the price of delivering the Product to the specified location. Deliveries are made either via a disc shipped to Customer or electronically, depending on the deployment method. Shipments are made EXW (Ex Works) SLC's or its fulfillment agent's facility. Rights and responsibilities under the licenses begin upon delivery to the carrier, unless the Order Document specifies a later date. Risk of loss for and title to the physical items shipped passes to the Customer on delivery to the carrier. Product discs lost in shipment may be replaced on payment of a replacement fee.
- c. **Data.** Certain Products and services upload to SLC (i) data related to participants, their results on the Reading Progress Indicator assessment, and their Product use, and/or (b) technical data, including but not limited to configuration and log files. Customer may also provide SLC with information about participants, their use of the Products and their results on tests or other assessments in another manner. All of this information is referred to as "Data." Customer acknowledges and agrees to this upload of data. Customer agrees that SLC may use the Data for the purpose of providing services and licenses to Customer and for research, norming, marketing and other purposes, provided that SLC shall comply with all applicable laws relating to such use, and Customer and participants may only be publicly identified as the source of any particular information where required by law or with the prior consent of the person whose identity would be disclosed. Customer covenants, represents and warrants that Customer has obtained and maintains in force all authorizations needed to send SLC any and all Data and to permit SLC to process the Data to provide services to Customer, including processing the Data in the United States.

- d. **Taxes.** Customer agrees to pay SLC all applicable sales, use or other taxes related to the Order Document and these terms and conditions, however designated, except for taxes based on SLC's income. If Customer claims tax exempt status, Customer agrees to provide SLC with evidence of such tax exemption upon SLC's request.
- e. **Breach; Termination.** SLC may charge a late fee of 1% per month (or if less, the maximum amount permitted by law) on any amount not paid within 60 days of its due date. If Customer fails to pay any amount due under any Order Document for more than 60 days past its due date, then SLC may also, without notice to Customer, suspend Customer's Product licenses and the performance of any services until the past due amount (and any applicable late fee) is paid. In addition, either party may terminate any licenses and any obligations to perform services in whole or in part upon at least 30 days written notice to the other party, in the event the other party materially breaches its obligations under the Order Document or these terms and conditions (including failure to pay) and fails to correct such breach within such 30-day period. Upon any such termination, all related licenses and all obligations to perform services terminate, Customer must stop using any Licensed Material to which the terminated licenses relate, and Customer shall destroy or return all copies of Licensed Material under its control to SLC.
- f. **Audit of Customer.** Customer agrees, at SLC's request, to give SLC reasonable access to Customer's premises and records and to all computers on which Products have been used or accessed for the purpose of auditing Customer's compliance with its obligations. If SLC's audit finds that Customer has used Products in a manner not permitted by the applicable Order Document and terms and conditions, Customer will pay SLC any additional fees due under SLC's standard pricing schedule.
- g. **Inquiries by SLC Auditors.** From time to time, SLC may request customers to provide written confirmations of order terms to its auditors. Customer agrees to respond promptly.
- h. **Entire Agreement.** The Order Document and these terms and conditions constitute the entire agreement between SLC and Customer relating to the subjects hereof and supersedes any prior understandings between the parties with respect thereto. **If Customer's purchase order or similar document contains terms and conditions different from or additional to this Agreement, SLC hereby objects to such terms, and those additional or different terms shall not form a part of the Order Document.** If any terms in Customer's purchase order or similar document contradict these terms and conditions, these terms and conditions prevail. Customer has not relied on the availability of any future versions or future products in executing the Order Document. The agreement formed by the Order Document and these terms and conditions may not be changed except by a writing executed by both parties. The waiver or failure of SLC to exercise any rights hereunder will not be deemed a waiver of any further right hereunder.
- i. **Severability.** If any term of the Order Document or these terms and conditions is declared invalid by a court of competent jurisdiction or by operation of law, the remaining terms will be unimpaired, and the invalid term will be replaced by such valid term as comes closest to the intention underlying the invalid term.
- j. **Force Majeure.** Neither party shall be liable for failure to perform due to causes beyond its reasonable control.
- k. **Export Controls.** The Licensed Material and the underlying information and technology may not be downloaded or otherwise exported or re-exported (i) into (or to a national or resident of) Cuba, Libya, North Korea, Iran, Syria or any other country to which the U.S. has embargoed goods; or (ii) to anyone on the U.S. Treasury Department's list of Specially Designated Nationals or the U.S. Commerce Department's Table of Deny Orders. Customer represents and warrants that it is not located in, under the control of, or a national or resident of any such country or on any such list.
- l. **International.** The parties hereby confirm their request that the Order Document, these terms and all documents related directly or indirectly thereto be drafted in the English language. Les parties aux présentes reconnaissent avoir requis que la présente convention ainsi que tous les documents qui s'y rattachent directement ou indirectement soient rédigés en langue anglaise. The parties agree that the United Nations Convention on Contracts for the International Sale of Goods shall not apply to any of the transactions, which are contemplated by the Order Document and these terms.
- m. **US Government End Users.** If Customer is a branch or agency of the US government: The Licensed Materials are composed of "commercial computer software" and "commercial computer software documentation" as such terms are used in 48 CFR 12.212 (SEPT. 1995) and are provided to the Government (a) for acquisition by or on behalf of civilian agencies, consistent with the policy set forth in 48 CFR 12.212; or (b) for acquisition by or on behalf of units of the Department of Defense consistent with the policies set forth in 48CFR 227.7202-1 (Jun 1995) and 227.7202-3 (Jun 1995).
- n. **Injunctive Relief.** Customer expressly acknowledges and agrees that damages alone would be an inadequate remedy for any threatened or actual violation by Customer of any of the provisions of these terms. Accordingly, Customer agrees that SLC shall be entitled to petition a court of competent jurisdiction to provide preliminary or permanent equitable relief, including injunctive relief, to prevent a threatened breach of these terms and



conditions or to otherwise preserve SLC's intellectual property rights and that such remedy shall be in addition to all other rights and remedies available to SLC.

## 12. Third Party Software

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