LoudCloud

SOFTWARE LICENSE & HOSTING AGREEMENT

THIS SOFTWARE LICENSE & HOSTING AGREEMENT ("Agreement") is made and entered into as of the 8th day of September, 2014 ("Effective Date") by and between LoudCloud Systems, Inc., a Delaware corporation with offices at 5720 LBJ Freeway, Suite 123, Dallas, TX 75240 ("LCS" or "LoudCloud" or the "Company"), and Collin County Community College District with offices at 3452 Spur 399, McKinney, Texas 75069 ("Customer").

WHEREAS, Customer desires to utilize LCS' learning platform for the purpose of delivering educational training and content to students; and

WHEREAS, LCS desires to provide license for use of LCS' learning platform to Customer for access by Customer's students, instructors, and administrators, as mutually agreed hereunder; and

WHEREAS, LCS shall host such learning modules of LCS' learning platform ("Hosting Party");

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and conditions herein contained, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. DEFINITIONS

a. **"Active End-User(s)"** mean End Users of Customer who have used or accessed the Learning Platform Service in the last thirty (30) days.

b. **"Customer Mark"** means the Customer's trademarks provided by Customer for use on the Learning Platform Service.

c. **"Learning Platform Service"** means a private label version of the Learning Platform that bears Customer's or a Customer Mark trademarks and/or logos, as further described in this Agreement.

d. "**Client Software**" shall mean LCS' end user software residing on each computing device allowing End Users to interact with the learning modules within the Learning Platform environment.

e. **"End User"** shall mean end user customers (students) of Customer licensed, pursuant to the End User License, to use the Client Software.

f. **"End User License"** means the license set forth in Exhibit B, attached hereto and incorporates by reference herein, and as modified by LCS from time to time.

g. "**Learning Platform**" shall mean LCS' learning platform (implemented through the use of the Server Software and Client Software) and hosted via TCPIP and the Internet.

h. "**Server Software**" shall mean LCS' server driven software that manages the Client Software capabilities and between multiple End Users using the Learning Platform Service environment.

i. "**Software**" means the Client Software and Server Software, including the Web-based Technical Support**,** provided by LCS pursuant to the license set forth in this Agreement for the sole purpose of establishing the Learning Platform Service.

j. **"Web-based Technical Support"** means the LCS technical support information provided to Customer through the Internet and documenting the functionality of the Software.

2. IMPLEMENTATION OBLIGATIONS OF THE PARTIES; SERVICE ORDERS; EXCLUSIVITY

Customer's Obligations. Customer shall use all commercially reasonable best efforts to assist LCS in the implementation of the Learning Platform Service. Customer shall provide LCS, in a format specified by LCS, all graphical logos and other designs necessary to fulfill LCS' obligations in this Agreement. Customer shall appoint a project manager to jointly manage the relationship between LCS and Customer and oversee the creation and launch of the Learning Platform Service contemplated herein.

3. OPERATION OF THE LEARNING PLATFORM SERVICE

a. Operation of the Service LCS as the Hosting Party, shall operate the Server Software portion of the Learning Platform Service in accordance with its usual business practices and this Agreement, and Customer shall be responsible for all hosting services costs and resources involved in the operation of the Learning Platform Service, as set forth in Exhibit A hereto.

b. Technical Support. LCS shall provide e-mail and web-based technical support to Customer for problems relating to the Learning Platform Service (the "Technical Support"). The details of such support are provided in Exhibit C outlining the SLA support.

c. Product Support. LCS offers an out-of-the-box release version to its Customers and will support that

release version for up to two upgrade releases. For example, LoudCloud is currently in release 4.0 so if a Customer buys 4.0 LoudCloud will not support this release for free when the Company launches its release 6.0. LoudCloud expects to release at the most one new major release every year and expects its Customers to be on the latest SaaS release, for which LCS agrees to provide Technical Support and service level support as set forth in Exhibit C along with one prior major release of the Learning Platform.. LCS reserves the right to increase Learning Platform license fees herein for a major upgrade; however, the Customer is not obligated to adopt this new version subject to the Product Support specified herein. LCS does not warrant or support Customer's continued use of an unsupported Learning Platform version.

Customers have the option to customize any release for their unique needs. If they choose to customize an out-of-the box version LoudCloud will charge the Customer for modifications to the next major release of that out-of-the box version. For example a customized version of 4.0 will call be referred to as 4.0C1 (C1 being the name of the customer) and when LCS releases 5.0, it will charge the Customer for modifications to be made that are specific to support 5.0C1 release.

4. MARKETING AND RIGHTS TO USER INFORMATION

a. Promotion of the Learning Platform Service. Customer shall use commercially reasonable best efforts to promote the Learning Platform Service. In addition, Customer hereby agrees to include an attribution line "Powered by LoudCloud Systems" (the "Attribution") clearly legible on the Client Software.

b. Rights to User Information. The parties acknowledge that in connection with the operation of the Learning Platform Service, LCS and Customer will collect certain user information about End Users of the Learning Platform Service ("**User Information**"). Except as necessary for LCS to perform its obligations under this Agreement, all rights to User Information shall remain with Customer and be subject to its privacy policies

5. PUBLICITY

Customer and LCS shall develop a mutually acceptable press release announcing the relationship described herein within ten (10) business days of the Learning Platform Service becoming generally available. Customer shall be responsible for making such press release reasonably available on Customer's Internet website and distributing such press release to the media.

6. COSTS, FEES AND OTHER PAYMENTS

All cost, fees, and other payments payable by Customer to LCS shall be as specified in Exhibit A, attached hereto and incorporated by reference herein. All sums payable to LCS shall be due thirty (30) days from the date of LCS' invoice. All amounts past due shall accrue interest from their due dates at the rate of one percent (1 %) per month or the maximum percentage allowable by law (whichever is less). The sums payable do not include any federal, state or local sales, use or excise taxes or the like assessed against or payable by LCS in connection with this Agreement, and Customer shall pay to LCS the amount of any tax which LCS may be required to pay on account of its performance under this Agreement except for any franchise tax or tax based upon LCS' net income.

7. WARRANTIES; INDEMNIFICATION

a. Warranty. Each party represents warrants and covenants to the other party that it is a corporation duly organized, and has the power and authority to enter into this Agreement. Each party further represents that it shall comply with all applicable laws, statutes, ordinances or regulations (including without limitation the laws and regulations governing import and export, anti-discrimination and false advertising) of the governing jurisdictions set forth in Section 13 of this Agreement.

b. Each party shall indemnify the other with respect to any third party claim alleging bodily injury, including death, or damage to tangible property, to the extent such injury or damage is caused by the negligence or willful misconduct of the indemnifying party.

c. Indemnification. The District will indemnify the License and Software Agreement to the fullest extent allowable by Texas Law.

8. TERM AND TERMINATION

a. Term. This Agreement shall have an initial term of one (1) year from the Effective Date ("Term"). The Term shall automatically renew for successive periods of one (1) year thereafter, unless either party provides written notice within ninety (90) days of the end of the initial term or any renewal term of its intent to terminate the Agreement.

b.Termination. Either party may immediately terminate this Agreement, and its further obligations hereunder, upon the occurrence of any of the following events of default: i) the other party ceases business in the ordinary course, files bankruptcy, or makes an assignment for the benefit of its creditors; or ii) the other party materially breaches any provision of this Agreement. Failure to pay any amount when due and payable under this Agreement shall constitute an event of default hereunder.

b. Effect of Expiration or Termination. Upon expiration or termination of this Agreement for any reason each party shall return or destroy the Confidential Information of the disclosing party, as requested by the disclosing party. Any provision, which by its nature is intended to survive the termination or expiration of this Agreement, shall so survive.

9. LICENSES; OWNERSHIP

a. Trademark License. Each party ("Licensor") grants to the other party ("Licensee") a non-exclusive, non-transferable, royalty-free right to display the trademarks and logos adopted by Licensor, including Customer Marks if Customer is Licensor, (collectively, "Marks"), solely to perform Licensee's obligations under this Agreement. In addition, Licensee may display the Marks on an appropriate area of the Learning Platform Service indicating its business associates and strategic alliances. Licensee shall submit to Licensor all representations of the Marks that Licensee intends to use in connection with the license granted in this Section 9(a), for Licensor's approval of design, color, presentation, quality, and conformance with the Licensor's trademark and branding policies. Licensee shall not publish, disseminate, exhibit, or otherwise distribute any such representation without the Licensor's prior written permission. Once Licensor grants its approval, Licensor shall not unreasonably withdraw its approval, and Licensee will be obligated to seek further approval for substantially similar uses of the Mark. Licensor shall not unreasonably withhold approval. Customer warrants that it has all necessary right and license in and to the Customer Marks necessary to grant LCS the above license.

b. Software License. LCS does not sell and Customer shall not acquire any right, title or interest in any Software except those limited rights specifically granted herein. Title to and all copyrights, patents, trade secrets and/or other intellectual property rights in and to Software remains with LCS. If Customer is the Hosting Party, then LCS, to the extent of its legal right to do so, hereby grants Customer a personal, non-transferable, indivisible, non-exclusive right to use the Software on a single server for the sole purpose of hosting the Learning Platform Service for End Users. Customer shall use the Software only in accordance with the Software documentation. Unless specifically authorized in writing by LCS, Customer shall not (i) use the Software for any purpose other than Customer's own business purposes; (ii) copy the Software except for such object code copies as may be reasonably necessary for execution or back up purposes; (iii) attempt to reverse engineer, reverse translate, disassemble, decompile or in any other manner decode the Software for any reason whatsoever; and (iv) make any modifications, enhancements, adaptations or translations to or of the Software. If the Software is or contains third-party vendor software, additional Software license terms may apply and Customer agrees to execute such additional Software license terms upon LCS' request. Notwithstanding the foregoing, Customer may sublicense the object code form of the Client Software to End Users provided Customer secures on LCS' behalf a written or shrink-wrap or click-wrap license between LCS and the End User that is (i) no less restrictive than the End User License, and (ii) executed (through click-wrap, shrink wrap or written signature) by an authorized representative of such End User. Furthermore, Customer shall execute, or have executed by End Users, such other form of Software license as LCS may request from time to time. All licenses granted herein for the Learning Platform Service shall terminate upon the expiration of this Agreement.

c. Software License Clarification. Customer is not the Hosting Party and is granted no rights or license(s) in or to the Learning Platform Service under Section 9(b) of this Agreement. Customer acknowledges that LCS is the Hosting Party, then that End User's must agree to LCS' then current Learning Platform license and other use restrictions (as determined solely by LCS) for the hosted services. LCS, to the extent of its legal right to do so, shall grant to Customer and its End Users, as applicable, a personal, non-transferable, indivisible, non-exclusive right to access the hosted Learning Platform Service on LCS' servers in accordance with LCS' the current site terms and conditions and associated privacy agreement. All access licenses granted herein for the Learning Platform Service shall terminate upon the expiration of this Agreement.

10. LIMITATION OF LIABILITY

EXCEPT WITH RESPECT TO A BREACH OF SECTION 7(c), 9 AND SECTION 12, NEITHER PARTY WILL BE LIABLE TO THE OTHER FOR ANY LOST PROFITS, LOSS OF MARKET OR OPPORTUNITY AND/OR INCIDENTAL OR CONSEQUENTIAL LOSS OR DAMAGE HOWSOEVER ARISING (WHETHER OR NOT ARISING OUT OF THE NEGLIGENCE OF LCS OR CUSTOMER, OR THEIR RESPECTIVE EMPLOYEES OR AGENTS) IN CONNECTION WITH THE SUBJECT MATTER OF THIS AGREEMENT, PURSUANT TO ANY CLAIM IN CONTRACT, NEGLIGENCE, TORT, STRICT LIABILITY, OR OTHER THEORY. THE TOTAL LIABILITY OF LCS SHALL BE LIMITED TO THE FEES PAID BY CUSTOMER TO LCS UNDER THIS AGREEMENT. LCS' AGGREGATE LIABILITY UNDER THIS AGREEMENT SHALL NOT EXCEED THE FEES PAID HEREUNDER.

11. SERVICE LEVEL WARRANTY; DISCLAIMER OF WARRANTIES.

a. Service Level. LCS warrants that it will provide the Learning Platform Service in a professional and workmanlike manner consistent with industry standards reasonably applicable to the performance thereof and shall ensure that the Learning Platform Service is operating and available to End Users according to the service level procedures attached hereto as Exhibit C.

b. EXCEPT AS SPECIFICALLY PROVIDED IN SECTION 11 (a), THE LEARNING PLATFORM SERVICE, ALL UNDERLYING SOFTWARE AND ALL DATA CONTAINED THEREIN ARE PROVIDED "AS IS." LCS DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, ANY WARRANTY OF ACCURACY OR RELIABILITY OF DATA, NON-INFRINGEMENT, MERCHANTABILITY, FITNESS FOR A PARTICULAR USE, OR ARISING FROM THE COURSE OF DEALING BETWEEN THE PARTIES OR USAGE OF TRADE. FURTHERMORE, LCS MAKES NO WARRANTY THAT THE LEARNING PLATFORM SERVICE OR ANY SOFTWARE WILL BE ERROR FREE OR UNINTERRUPTED.

12. CONFIDENTIALITY

Each party shall maintain in strict confidence, and not disclose or distribute to any third person any Confidential Information of the other party for a period of two (2) years from the date of termination or expiration of this Agreement. "Confidential Information" shall mean the information disclosed by either party pursuant to this Agreement which is (i) stamped or otherwise marked as being confidential by the disclosing party, (ii) if disclosed in oral form, identified as confidential at the time of oral disclosure and is summarized by the disclosing party in a written memorandum marked as confidential and delivered within ten (10) business days after such disclosure, or (iii) of such a nature as to put a reasonable party on notice as to the confidentiality of the information disclosed. Confidential Information does not include any information that: (i) entered the public domain through no fault of the receiving party; (ii) is rightfully received by the receiving party from a third party without similar non-disclosure obligations; (iii) is already known to the receiving party prior to disclosure by the disclosing party; (iv) is independently developed by the Receiving Party without reference to the Confidential Information of the disclosing party, or (v) is required to be disclosed by law, provided that the party intending to make such required disclosure shall promptly notify the other party of such intended disclosure in order to allow such party to seek a protective order or other remedy.

13. JURISDICTION; APPLICABLE LAW

a. Choice of Forum. The parties hereby submit to the jurisdiction of, and waive any venue objections against, the appropriate United States District Court in any litigation arising out of the Agreement. Venue shall be Collin County, McKinney, Texas.

b. Governing Law. This Agreement will be governed by and construed under the laws of the United States and the State of Texas, without regard to choice of law provisions.

14. MISCELLANEOUS

a. Third Party Content. Customer agrees that all information, data, text, graphics, photographs, video, software, music, messages, communications or other materials transmitted through this Software are the sole responsibility of the party from whom they originated, and that LCS does not control or monitor such transmissions or accept any responsibility for their content, quality, accuracy, integrity, security, privacy, errors, omissions, or any loss or damage resulting there from. Accordingly, LCS cannot and does not ensure that materials transmitted through this Software are without objectionable aspects, and you acknowledge and agree that LCS is not liable for such material whatsoever. LCS shall have no responsibility or liability of any kind regarding any links to other World Wide Web sites which become available through the Software and any content, products, or materials contained therein.

b. Event of Force Majeure. . If the performance of this Agreement or any obligations hereunder is prevented, restricted, or interfered with by reason of acts of God, acts of an governmental authority, riot, revolution, fires, or war, or other cause beyond the reasonable control of the parties hereto including, but not limited to, a failure of LCS' then current Internet service provider or failure(s) due to a software/configuration change of a third party (collectively, "Force Majeure"), the party so effected will be excused from such performance until such Force Majeure is removed, provided that the party so affected will use its best efforts to avoid or remove such causes of non-performance and shall continue performance hereunder with the utmost dispatch whenever such causes are removed. In no event will this provision apply to excuse a party from any payment obligations under this Agreement.

c. Audit. Customer may perform audits of LCS' records to determine its compliance with its obligations under this Agreement, provided that Customer and its auditor agree not to disclose any

Confidential Information revealed in the course of the audit. Any audit shall be conducted during regular business hours at LCS' offices and shall not unreasonably interfere with LCS' business activities. Audits may be performed no more frequently than once (1) per year and Customer shall give LCS at least ten (10) business days prior written notice of each audit. Customer reserves the right to i) perform such audit remotely; and ii) request LCS to forward (via mail or other means) all documents necessary to facilitate such remote audit.

d. Waiver. Any waiver of breach or default pursuant to this Agreement will not be a waiver of any other subsequent default. Failure or delay by either party to enforce any term or condition of this Agreement will not constitute a waiver of such term or condition.

e. Severability. To the extent that any provision of this Agreement is found by a court of competent jurisdiction to be invalid or unenforceable, that provision notwithstanding, the remaining provisions of this Agreement will remain in full force and effect and such invalid or unenforceable provision will be replaced by the parties with enforceable provisions most closely approximating the original intent and economic effect of such unenforceable provision.

f. Assignment. Neither party may assign, voluntarily, by operation of law, or otherwise, any rights or delegate any duties under this Agreement (other than third-party technical infrastructure and the right to receive payments) without the other party's prior written consent, and any attempt to do so without that consent will be void; provided, however, that either party may assign any of its rights or obligations under this Agreement in connection with a sale of substantially all of its assets, merger, public offering or other reorganization transaction. This Agreement will bind and inure to the benefit of the parties and their respective successors and permitted assigns.

g. Notices. Any notice required or permitted pursuant to this Agreement must be in writing delivered by hand, overnight courier, telecopy, facsimile, or certified or registered mail to the receiving party's address first listed above.

h. Amendment. No alteration, waiver, cancellation, or any other change or modification in any term or condition of this Agreement will be valid or binding on either party unless made in writing and signed by duly authorized representatives of both parties.

i. Counterparts. This Agreement may be executed in one or more counterparts, including facsimiles, each of which will be deemed to be a duplicate original, but all of which, taken together, will be deemed to constitute a single instrument.

j. Entire Agreement. The terms and conditions herein contained, including all Exhibits hereto, constitute the entire agreement between the parties with respect to the subject matter of this Agreement and supersede any previous and contemporaneous agreements and understandings, whether oral or written, between the parties hereto with respect to the subject matter hereof. There are no other agreements, understandings, representations, or promises between the parties with respect to the subject matter of this Agreement.

k. Construction. This Agreement is the product of negotiation between the parties and their respective counsel. This Agreement will be interpreted fairly in accordance with its terms and conditions and without any strict construction in favor of either party. Any ambiguity will not be interpreted against the drafting party.

l. Language and Currency. The parties expressly agree that this Agreement shall be written in English and all costs, fees, or other payments shall be in United States dollars.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives.

("Customer")		**LoudCloud Systems, Inc.,** ("LCS")
By:		By:
Name: _____		Name: Divakar Kamath

Title: _____		Title: CFO
Date: _____, 2014		Date: September 8, 2014

LoudCloud

EXHIBIT A: COSTS, FEES AND OTHER PAYMENTS

The following is a summary of the fees due, as specified in more detail below:

SUMMARY OF FEES	TYPE	FREQUENCY	AMOUNT *
1. License Fee @ $10 per student for 1000 users	Recurring	Yearly	$10,000
2. Mobile	Recurring	Yearly	No Charge
3. Initial LMS / SIS Integration Standard	Non Recurring	Upon Contract Signing Future Integrations	$ 5,000
4. LMS / SIS Integration, Attendance Extension	Non Recurring	Upon Contract Signing	None
5. LMS / SIS Integration, Object Grade Extension	Non Recurring	Upon Contract Signing	None
6. Customization &Analytics	Non Recurring	Upon Completion	See below
7. Onsite Training & Implementation	Non Recurring	One full day upon Contract signing	No charge
8. Advisory / Consulting	Non Recurring	Upon Completion	See below
9. Hosting Fees	Included in License Fee	Yearly	None
10. Additional User Fee(s)	Recurring	Yearly	See below
11. Annual Maintenance Fees	Recurring, beginning Year 2	Yearly	$ 20% of Total License Fees as defined below

*All amounts are subject to annual increases, as specified herein below.

License Fees: The Recurring License Fee, plus any Additional User Fee(s) (collectively, "**Total License Fees**"), shall be due and payable by each anniversary date of the Agreement with the initial year payable upon contract signing and execution. All Recurring License Fees, Additional User Fees, and Standard Customer Support Fees, shall be subject to annual increases, such annual increases shall not exceed the respective fees charged in the immediately preceding year by more than the lesser of (i) the annual Cost of Living Adjustments, as determined by the U.S. Government in the geographic region in which support is provided ("Cola") plus two per cent (2%); or (ii) twelve per cent (12%) of such fees.

For Recurring Licence Fee, following is included:
   a. An initial $10 user license for the LoudCloud CBL platform (see below for features included) is included as a part of the Recurring Licensee Fee for 1,000 users (the "Base") with a payment of $10,000 at the beginning of each contract year.   Any additional users above the Base will be charged and billed on an end-of-quarter basis in the year of record as follows:

   • Greater than 1,000: $9.50 per license/per year for the incremental amount above Tier Two

   In identifying the number of actual users, those users who do not use the system while their data while may be uploaded into the school-wide attendance management system will not be counted as users unless they use the LoudCloud LMS learning platform to take even a single course.

LoudCloud LMS Product features include:
   • Courseware Delivery System.
   • Content Management System
   • Analytics Manager for reporting.

- LoudBooks adaptive learning content delivery platform

LoudCloud Social Collaboration and networking features including chat, classroom wall, notification, social annotations, student roster, notification and announcements engine

LMS / SIS Integration Standard – LoudCloud will provide web services and documentation for functions including add, update, delete for account, course, and enrolment entities, as well as function to retrieve current cumulative grade for particular user. LoudCloud will provide consulting services to Customer to help plan and implement integration process. Customer will be responsible for generating requests, receiving and processing responses from LoudCloud.

LMS / SIS Integration, Attendance Extension – LoudCloud will consult with Customer to capture and/or define online attendance policy, then develop custom web services to report on said policy. Customer will be responsible for generating requests, receiving and processing responses from LoudCloud.

LMS / SIS Integration, Object Grade Extension - LoudCloud will develop a web service which allows Customer to request a user grade on a particular learning object or activity. Customer will be responsible for generating requests, receiving and processing responses from LoudCloud.

SSO with MS SharePoint – LoudCloud will develop a custom SSO solution for SharePoint which will cause users to be automatically authenticated into LoudCloud when directed to by MS SharePoint. Customer will be responsible for authenticating user, providing link to LoudCloud, and sending user ID and shared secret message to LoudCloud.

Gradebook-Independent Grading (manual grade marks) - LoudCloud to develop "do not include in overall grade" property to each gradable activity currently supported in LMS. This property will allow Customer to post independent marks (i.e.: midterm grade) by instructors independent of automatically calculated grade. This will be used in conjunction with "Object Grade Extension" integration in order to facilitate posting and transfer of a student's "mid-term-grade".

Training and Implementation Fees: Training and Implementation fees shall not exceed $10,000 in year one. Additional Training & Implementation services will be billed at the onshore rate of $150/hr based upon a State of Work (SOW) agreed upon by both parties before work commences

Customization and Analytic Services: will be billed at $150/hr. for onshore and $75/hr. for offshore resources based upon a Statement of Work (SOW) agreed upon by both parties before work commences

Advisory/Consulting Fees: LoudCloud will be able to provide technical resources at agreed-upon rates to assist Customer with implementation, integration, consulting, etc. associated with licensing of LoudCloud product.

Hosting Fees: As shown above in event Customer opted for LoudCloud to provide hosting

Annual Maintenance Fees ("AMC"):   The Annual Maintenance Fee shall be 20% of the Total License Fees, as defined above, and shall be due and payable at the beginning of each contract year and quarter (the "Annual Maintenance Fee"). For example, if the Total License Fee is $50,000, the Annual Maintenance Fee will be $10,000.

EXHIBIT B: END-USER LICENSE

1. LICENSE TO SOFTWARE

The Learning Platform Service software used in connection with Customer's branded Learning Platform Service ("Software") contains proprietary and confidential information that is protected by applicable intellectual property and other laws. LCS grants you a personal, non-transferable and non-exclusive right and license to use the object code of the Software on a single computer; provided that you do not (and do not allow any third party to) copy, modify, create a derivative work of, reverse engineer, reverse assemble or otherwise attempt to discover any source code, sell, assign, sublicense, grant a security interest in or otherwise transfer any right in the Software. You agree not to modify the Software in

any manner or form, or to use modified versions of the Software, including (without limitation) for the purpose of obtaining unauthorized access to the Service. You agree that the Software may not be acquired, shipped, transported, exported, or reexported (1) into (or to a national or resident of) any U.S. embargoed country or (2) to anyone on the U.S. Treasury Department's list of Specially Designated Nationals or the U.S. Department of Commerce's Table of Denial Orders. By using the Software, you represent and warrant that you are not located in, under control of, or a national or resident of any such country or on any such list. You agree that all information, data, text, graphics, photographs, video, software, music, messages, communications or other materials transmitted through this Software are the sole responsibility of the party from whom they originated, and that LCS does not control or monitor such transmissions or accept any responsibility for their content, quality, accuracy, integrity, security, privacy, errors, omissions, or any loss or damage resulting there from. Accordingly, LCS cannot and does not ensure that materials transmitted through this Software are without objectionable aspects, and you acknowledge and agree that LCS is not liable for such material whatsoever. LCS shall have no responsibility or liability of any kind regarding any links to other World Wide Web sites which become available through the Software and any content, products, or materials contained therein.

2. DISCLAIMER OF WARRANTIES

YOU EXPRESSLY UNDERSTAND AND AGREE THAT: (a.) YOUR USE OF THE SOFTWARE IS AT YOUR SOLE RISK. THE SOFTWARE IS PROVIDED ON AN "AS IS" AND "AS AVAILABLE" BASIS. LCS EXPRESSLY DISCLAIMS ALL WARRANTIES OF ANY KIND, WHETHER EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT; (b.) LCS MAKES NO WARRANTY THAT (i) THE SOFTWARE WILL MEET YOUR REQUIREMENTS, (ii) THE SOFTWARE WILL BE UNINTERRUPTED, TIMELY, SECURE, OR ERROR-FREE, (iii) THE RESULTS THAT MAY BE OBTAINED FROM THE USE OF THE SOFTWARE WILL BE ACCURATE OR RELIABLE, (iv) THE QUALITY OF ANY PRODUCTS, SERVICES, INFORMATION, OR OTHER MATERIAL PURCHASED OR OBTAINED BY YOU THROUGH THE SOFTWARE WILL MEET YOUR EXPECTATIONS, AND (v) ANY ERRORS IN THE SOFTWARE WILL BE CORRECTED; (c.) ANY MATERIAL DOWNLOADED OR OTHERWISE OBTAINED THROUGH THE USE OF THE SOFTWARE IS DONE AT YOUR OWN DISCRETION AND RISK AND THAT YOU WILL BE SOLELY RESPONSIBLE FOR ANY DAMAGE TO YOUR COMPUTER SYSTEM OR LOSS OF DATA THAT RESULTS FROM THE DOWNLOAD OF ANY SUCH MATERIAL; (d.) NO ADVICE OR INFORMATION, WHETHER ORAL OR WRITTEN, OBTAINED BY YOU FROM LCS OR THROUGH OR FROM THE SOFTWARE SHALL CREATE ANY WARRANTY.

3. LIMITATION OF LIABILITY

YOU EXPRESSLY UNDERSTAND AND AGREE THAT LCS 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 (EVEN IF LCS HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES), RESULTING FROM: (i) THE USE OR THE INABILITY TO USE THE SOFTWARE; (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 SOFTWARE; (iii) UNAUTHORIZED ACCESS TO OR ALTERATION OF YOUR TRANSMISSIONS OR DATA; (iv) STATEMENTS OR CONDUCT OF ANY THIRD PARTY ON THE SOFTWARE; OR (v) ANY OTHER MATTER RELATING TO THE SOFTWARE.

4. EXCLUSIONS AND LIMITATIONS

SOME JURISDICTIONS DO NOT ALLOW THE EXCLUSION OF CERTAIN WARRANTIES OR THE LIMITATION OR EXCLUSION OF LIABILITY FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES. ACCORDINGLY, SOME OF THE ABOVE LIMITATIONS OF SECTIONS 2 AND 3 MAY NOT APPLY TO YOU.

5. INDEMNIFICATION FOR BREACH

You shall indemnify and hold harmless LCS from any breach of this end user license.

EXHIBIT C: SERVICE LEVEL PROCEDURES

 Purpose of the Service Level Agreement

The Service Level Agreement (SLA) identifies the services that the LoudCloud infrastructure and Software support services team provide for Learning Ecosystem to ensure that it is reliable, secure, and available to meet the needs of the business it supports. It is a working commitment between the LoudCloud Systems and our customers. This SLA will evolve over time with the introduction of new products and services, and as client requirements become more clearly defined. This SLA shall remain valid until revised or terminated.

Definitions

Application Software

Any software that provides a user interface or runs as a direct result of a user request that delivers information or data to satisfy business requirements.

Production Servers

Any server that houses an application that is considered to be in production status.

Software

Any software required to operate or maintain an application system, including hardware operating systems, device drivers, utilities, tools, batch jobs, vendor software, custom application code, etc.

Support Request

A request for support to fix a defect in existing application code or a request for support that involves no modifications to application code, such as a question. Code modifications will be performed if required to resolve the problem.

Normal Business Hours
Normal business hours, excluding Operations, are Monday through Friday 8:30 am– 5:00 pm with the exception of LoudCloud observed holidays. Normal business hours for Operations are Monday through Friday 6:30 am - 9:00 pm. with the exception of LoudCloud observed holidays.

Response Time
Response time will be measured beginning with the first LoudCloud business hour occurring after Development and Software Support's receipt of the request.

 Severity Codes
The following characteristics are used to identify the severity of a problem:
- Business and financial exposure

- Work outage

- Number of end-users affected

- Workaround

 It is not necessary (nor is it likely) to have perfect match of each characteristic to categorize a problem report at a particular severity level. A given problem must be judged against each of the characteristics to make an overall assessment of which severity level best describes the problem. The individual submitting the ticket would make this determination, which may be changed by subsequent assigned resources if necessary.

	Severity 1 (Critical)	Severity 2 (High)	Severity 3 (Medium)	Severity 4 (Low)
Business and financial exposure				
	The application failure creates a *serious* business and financial exposure.	The application failure creates a *medium* level business and financial exposure.	The application failure creates a *low* business and financial exposure.	The application failure creates a *minimal* business and financial exposure.
Work Outage				
	The application failure causes all users of the system to be unable to work or perform some significant portion of their job.	The application failure causes some users of the system to be unable to work or perform some *significant* portion of their job.	The application failure causes the client to be unable to perform some *small* portion of their job, but they are still able to complete most other tasks. May also include questions and requests for information. requests for information.	The application failure causes the client to be unable to perform a *minor* portion of their job, but they are still able to complete most other tasks.
Number of end-users Affected				
	The application failure affects all users.	The application failure affects a large number of users.	The application failure affects a small number of users.	The application failure may only affect one or two users.
Workaround				
	There is no acceptable workaround to the problem (i.e., the job cannot be performed in any other way).	There is an acceptable and implemented workaround to the problem (i.e., the job can be performed in some other way).	There may or may not be an acceptable workaround to the problem.	There is likely an acceptable workaround to the problem.
Response Time				
	Within 4 hour	Within 16 hours	Within 24 hours	Within 48 hours

Standard IT Service Levels

<u>Availability of Applications</u>

Schedule

The standard is to provide all production application systems seven days a week 24 hours a day except for scheduled maintenance and upgrades. Tasks such as preventive maintenance and upgrades that would cause a system to be unavailable are not scheduled during normal business hours.

Level Categorization:

Support Level	Request from	Response to Requester by
L1	LMS User	Customer Support Team (not LCS)
L2	Customer Support Team	LoudCloud Support Team

Issue Categorization for L2 Level Support:

Severity	Expected Response Time(ERT)	Resolution	Status Update
S1	4 hours	As soon as possible	Hourly
S2	16 hours	custom hot-fix	Daily (Mon-Fri)
S3	24 hours	next service pack	Weekly
S4	48 hours	next product release	Monthly

Escalation Level Definition

Severity	Escalation 1	Escalation 2
S1	ERT + 1 hour	ERT + 4 hours
S2	ERT + 4 days	ERT + 10 days
S3	ERT + 2 Weeks	ERT + 4 Weeks
S4	ERT + 4 weeks	ERT + 6 weeks

ERT: Expected Response Time

Preventive Maintenance and Scheduled Application Unavailability

Preventive maintenance for production servers is scheduled in advance, and is not scheduled during normal business hours. Routine maintenance will be scheduled in advance to provide as much notice as possible to the client areas. Major changes will generally be scheduled to occur during the weekend. These downtimes are coordinated with all of the administrative areas to ensure that no major business activities are impacted. The standard communication method is via e-mail. The individuals contacted are responsible for notifying appropriate staff, communicating the impact of the situation, and the expected length of outage.

Non-Scheduled Downtime

Non-scheduled downtime is a result of an unforeseen system or application problem. All affected applications will be taken out of service until the problem is resolved. The standard communication method will be used to contact the technical areas and key administrative staff as above.

Backup and Recovery

Backups consist of operating system backups and database backups.   Database products include various versions of MySQL and MSSQL databases. This service level agreement covers the MySQL database only, as that is core to the LoudCloud ecosystem. The MS SQL Server databases are backed up by the System Administrators instead of the Database Administrators and are therefore outside the scope of this service level agreement.

MySQL Database Backups

LoudCloud manages backups both at the primary and secondary server locations – Amazon and Rackspace. Database backups are maintained in 3 ways:

- o   Daily Incremental Backup
- o   Weekly full Backup
- o   Monthly full Backup
- o   Weekly full backup to DR

A sanity test on backup processes is conducted every month to ensure backups integrity. Full backups are also transmitted to Amazon for a DR and BCP requirements.

Availability of Staff

Staff is onsite and available to provide assistance in resolving reported problems during normal business hours. All staff is on call 24 hours a day 7 days a week for emergencies.

LCS / CUSTOMER	Timing	Contact 1	Contact 2	Escalation 1	Escalation 2
LCS	10:00 am to 10:00 pm Central Time	Keith Kavanaugh keith.kavanaugh@loudcloudsystems.com	Anil Rajagopalan anil.rajagopalan@loudcloudsystems.com	Harish Joshi harish.joshy@loudcloudsystems.com	Anil Sonkar anil.sonkar@loudcloudsystems.com
	10:00 pm to 10:00 am Central Time	Paul Sebastian Paul.sebastian@loudcloudsystems.com	Manish Keswani Manish.Keswani@loudcloudsystems.com		