



ORDER FORM – MONTANA – K12

<u>Licensee:</u>	
Effective Date (if left blank, effective date is date signed by Licensee below):	Initial Order Term (includes implementation period): 36 months
Licensee Contact Name:	
Licensee Address:	
Primary Contact Phone:	
Primary Contact Email:	
<u>PARCHMENT SERVICES:</u>	
<input checked="" type="checkbox"/> Parchment Send: Premium License (K12): see Supplemental Order Form attached	
<u>SUMMARY OF FEES</u>	
Total Implementation Fees: paid by MT OPI	
Total Subscription Fees: paid by MT OPI	

The Parties hereby enter into this Order Form as of the Effective Date set forth above. This Order Form is governed by the terms and conditions attached hereto which are incorporated into this order by reference (the “**Terms**”). Capitalized terms used on this Order Form but not defined herein will have the meaning given to them in the Terms.

All payments under this Order Form are due within thirty (30) days of the date of the invoice sent by Parchment.

The Order Term will commence on the Effective Date and continue for the period of time set forth as the initial term above, at which point it will automatically renew for successive one (1) year terms unless either Party provides notice of its intent not to renew at least thirty (30) days prior to the end of the then-current term.

The terms and prices provided in this Order Form are valid for 90 days from date Parchment’s signature.

 Name: Matthew Pittinsky, PhD Signature:  Date: _____	[LICENSEE] Name: _____ Signature: _____ Title: _____ Date: _____
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When completed, please scan and email a copy of this Agreement, along with the Data Transport System Agreement, to jereth@mt.gov or mail the paper copies to the Office of Public Instruction, Data Transport Project, c/o Jamey Ereth, P.O. Box 202501 Helena, Montana 59620-2501

Parchment Proprietary and Confidential Information



PARCHMENT SEND – K12
SUPPLEMENTAL ORDER FORM

Implementation Fees

\$ 0

Implementation covers basic implementation of Parchment Send.

FEES

SUBSCRIPTION: An **Annual Subscription Fee** subsidized by The Montana Office of Public Instruction covers the transmission of unlimited Records for current students and alumni graduated within the past two academic years to Record Recipients.

Additional Options

- **SURCHARGE.** Licensee can add a surcharge to each transcript as a method of cost recovery for some or all of the software license costs, or an auxiliary revenue source. Surcharge amounts are decided by Licensee and may be adjusted by them using the Parchment Send administrator interface. Parchment shall retain 20% of these surcharges actually collected by Parchment and remit to Licensee on a quarterly basis, no later than 15 days following the end of each calendar quarter provided that the amount due is more than \$500. If below \$500, the balance will be carried to the next quarter and paid when the amount exceeds the minimum.
- **PAPER AND EXPEDITED DELIVERY.** Parchment Send is an electronic transcript delivery system. However, Record Owners, at the time of their transcript request, may elect to pay processing fees for U.S. domestic paper delivery (including first class postage) or for premium expedited delivery (e.g., overnight) for U.S. domestic locations. Parchment's current Parchment Send expedited delivery fees are based on the retail pricing from the nationally-recognized delivery service used by Parchment.

 <p>Name: Matthew Pittinsky, PhD</p> <p>Signature: </p> <p>Date:</p>	<p style="text-align: center;">[LICENSEE]</p> <p>Name: _____</p> <p>Signature: _____</p> <p>Title: _____</p> <p>Date: _____</p>
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When completed, please scan and email a copy of this Agreement, along with the Data Transport System Agreement, to jereth@mt.gov or mail the paper copies to the Office of Public Instruction, Data Transport Project, c/o Jamey Ereth, P.O. Box 202501 Helena, Montana 59620-2501



**PARCHMENT SEND
NEW CLIENT DATA SHEET FOR K12 INSTITUTIONS**

Please complete the sections below as completely as possible and use an additional sheet for each School. Upon return Parchment will set up Licensee's account and contact the School principal to review the launch plan and configure the School's access.

School Data

School Name _____ Number of seniors _____

Address _____

Phone _____ Fax _____ Website _____

College Board (CEEB) Code: _____

Primary Contact Name, Title _____

Contact Email _____ Contact Phone _____

Additional Contact Information

Primary User Contact Name, Title (Person responsible for sending transcripts) _____

Contact Email _____ Contact Phone _____

Backup Person able to send transcripts _____

Contact Email _____ Contact Phone _____

IT Contact Name (Able to install software as needed) _____

Contact Email _____ Contact Phone _____

SIS Contact Name (Able to provide student data file for configuration) _____

Contact Email _____ Contact Phone _____

Configuration Details

Student Information System Used and Version _____

Operating System Used and Version _____

Approximate Number of Transcripts processed annually _____

Grading System: Please Circle: Year, Semesters, Trimesters, Quarters or Other _____

Grading Period Calendar: Please Circle: Academic Year, Calendar Year, or Other _____

Please Provide the Approximate Dates Grades will be posted according to your Grading System:



SAAS TERMS

The communications between the Licensee set forth on the applicable Order Form, and Parchment Inc. ("**Parchment**") relating to the Parchment Services may use electronic means. For contractual purposes, Licensee (a) consents to receive communications from Parchment in an electronic form, whether via email or posting on the Site or other reasonable means; and (b) agrees that all terms and conditions, agreements, notices, disclosures, and other communications that Parchment provides to Licensee electronically satisfy any legal requirement that such communications would satisfy if they were in a print-on-paper writing. If Licensee has any questions about the foregoing, please contact Parchment at the following e-mail address: contracts@parchment.com. Each of Licensee and Parchment may be referred to as a "**Party**" and collectively as the "**Parties**".

1 DEFINITIONS.

1.1 "Access Protocols" means the passwords, access codes, technical specifications, connectivity standards or protocols, or other relevant procedures, as may be necessary to allow Licensee to access the Parchment Services.

1.2 "Agreement" means, collectively, these Terms and any mutually signed Order Forms with Licensee.

1.3 "Authorized User" means any Licensee employee or contractor or such other individual as may be authorized by an Order Form, by virtue of such individual's relationship to, or permissions from, Licensee, to access the Parchment Services pursuant to Licensee's rights under this Agreement. Record Owners will not be considered Authorized Users except as otherwise set forth herein.

1.4 "Confidential Information" means any non-public material or information relating to a Party which it discloses or makes available to the other Party under this Agreement, including, by way of example, research, strategies, inventions, processes, formulas, technologies, designs, drawings, finances, or other non-public information or trade secrets that such disclosing Party treats as proprietary or confidential. Without limiting the foregoing, the software and any databases of Parchment (including any data models and data contained therein that are not specific to Licensee), Analytics will constitute Confidential Information of Parchment. Personally identifiable student information is also Confidential Information.

1.5 "Documentation" means Parchment's standard user manuals and/or related documentation generally made available to customers of the Parchment Services.

1.6 "Effective Date" has the meaning set forth on the Order Form.

1.7 "Intellectual Property Rights" means any and all now known or hereafter existing (a) rights associated with works of authorship, including copyrights, mask work rights, and moral rights; (b) trademark or service mark rights; (c) trade secret rights; (d) patents, patent rights, and industrial property rights; (e) layout design rights, design rights, and other proprietary rights of every kind and nature other than trademarks, service marks, trade dress, and similar rights; and (f) all registrations, applications, renewals, extensions, or renewals of the foregoing, in each case in any jurisdiction throughout the world.

1.8 "Licensee Data" means the data, information and content provided by Licensee and/or Authorized Users through the Parchment Services, including Records.

1.9 "Marks" of a Party mean its logos, trademarks and trade names.

1.10 "Order Form" means Parchment's standard purchase order form, executed by both Parties, that incorporates these Terms and sets forth the Parchment Services, any restrictions on such use (e.g., the maximum number of requests), and/or any other relevant information relating to the Parchment Services; the period of time of such Order as set forth therein (the "**Order Term**"), the schedule of payments for the performance of such Parchment Services, and any unique additional terms.

1.11 "Parchment Service" means a Parchment software-as-a-service application identified in a mutually executed Order Form that enables Record Owners and/or Authorized Users to access the

certain features and functions of Parchment's credential exchange and analytics platform. References to any Parchment Service include the Documentation. Parchment Services may include Parchment Send, as described in more detail in [Exhibit A](#).

1.12 "Parchment Site" means any of the websites located at <http://parchment.com> and any other URLs owned or operated by Parchment and designated by Parchment for use by Record Owners as part of the Parchment Services.

1.13 "Professional Services" means any implementation, set-up, integration, training, custom development or other professional services made available to Licensee by Parchment.

1.14 "Record" means transcripts and other related information of and about a Record Owner.

1.15 "Record Holder" means the institution that maintains the Record of a Record Owner (e.g., a high school or post-secondary institution).

1.16 "Record Owner" means an individual who has registered with the Parchment Services and uses the Parchment Site for the management or transmission of his or her Record (e.g., student). Record Owners may be provided access to Parchment Send by their Record Holder.

1.17 "Record Recipient" means an institution that receives Records through the Parchment Services (e.g., a college or employer).

1.18 "Services" mean the Parchment Services combined with the Professional Services.

1.19 "Terms" means all the provisions, terms and conditions set forth in these SaaS Terms and incorporated into each Order Form.

2 ORDERS, ACCESS AND USE.

2.1 Orders. The Parchment Services to be provided by Parchment under this Agreement will be set forth in the Order Form executed by the Parties. These Terms are incorporated into each Order Form.

2.2 Provision of Access. Subject to the terms and conditions contained in this Agreement, Parchment hereby grants to Licensee a non-exclusive, non-transferable right to permit Authorized Users to access the features and functions of the applicable Parchment Services ordered pursuant to an Order Form, subject to any restriction set forth therein. On or as soon as reasonably practicable after the Effective Date, Parchment will provide to Licensee the necessary Access Protocols to allow Licensee and its Authorized Users to access the Parchment Services.

2.3 Software License. Subject to the terms and conditions contained in this Agreement, Parchment hereby grants to Licensee a limited, non-exclusive, non-transferable, non-sublicenseable right and license to use the software necessary to interface with the Parchment platform in object code form and solely in connection with the Service. Licensee may not use such software for any other purpose. Any such software will be considered part of the Parchment Services.

2.4 Responsibility for Hosting. Parchment will, at its own expense, provide for the hosting of the Parchment Services, with the understanding that Parchment will not be required to bear any responsibility for any telecommunications, software or hardware required by Licensee to access the Parchment Services through the Internet.

2.5 Usage Restrictions. Licensee and its Authorized Users will not: (a) decompile, disassemble, reverse engineer or otherwise attempt to obtain or perceive the source code from which any software component of the Parchment Services are compiled or interpreted, and Licensee acknowledges that nothing in this Agreement will be construed to grant Licensee any right to obtain or use such code; (b) create any derivative product from any of the Parchment Services; or (c) allow third parties other than Authorized Users to gain access to the Parchment Services, with the understanding that Licensee will not be in breach of the foregoing restriction by using Parchment Send to authorize, enable and permit Record Owners who attend one of its Institution(s) to access Parchment Send.

2.6 Use by Authorized Users and Record Owners. Parchment may condition Record Owners' or Authorized Users' use of the Parchment Services, including the Parchment Site, on their acceptance of and compliance with the Parchment's then-current terms of service, including the payment of any applicable fees. Licensee shall undertake reasonable efforts to make all Record Owners and Authorized Users aware of the provisions of the terms of service and Licensee will not take any action that is contrary to the terms of service.

3 LICENSEE RESPONSIBILITIES.

3.1 Authorized Users Access to Services. Licensee may permit any Authorized Users to access and use the features and functions of the Parchment Services in accordance with this Agreement. Licensee will: (a) provide to Parchment information and other assistance as necessary to enable Parchment to establish usernames to be used by Authorized Users; (b) be responsible for maintaining the confidentiality of all Authorized Users' usernames and passwords; (c) be solely responsible for all activities that occur under these usernames; (d) not to allow a third party to use its account, usernames or passwords at any time; and (e) notify Parchment promptly of any actual or suspected unauthorized use of its account, Authorized User usernames or passwords, or any other breach or suspected breach of this Agreement. Parchment reserves the right to terminate any username and password that Parchment reasonably determines may be suspect. Licensee acknowledges and agrees that, as between Licensee and Parchment, Licensee will be responsible for all acts and omissions of Authorized Users, and any act or omission by such Authorized Users which, if undertaken by Licensee, would constitute a breach of this Agreement, will be deemed a breach of this Agreement by Licensee.

3.2 Licensee Assistance. Certain Licensee Data may be required for the proper operation of the Parchment Services. Licensee shall make available in a timely manner at no charge to Parchment all Licensee Data required by Parchment for the performance of its obligations under this Agreement. Licensee shall be responsible for and assumes the risk, responsibility and expense of: (a) any problems resulting from, the accuracy, quality, integrity, legality, reliability, and appropriateness of all such Licensee Data; and (b) acquiring, installing and maintaining all connectivity equipment, hardware, software and other equipment as may be necessary for it and its Authorized Users to connect to, access, and use the Parchment Services. Licensee will, at its own expense, obtain all third party consents and/or permissions that may be necessary and appropriate for Parchment's use and display of the Licensee Data in accordance with this Agreement.

3.3 Service Rules. Licensee will use the Parchment Services only as contemplated by this Agreement and will not, nor will Licensee authorize any Authorized User, Record Owner or other third party to, use the Parchment Services or Parchment Site to: (a) send any form of duplicative and unsolicited messages; (b) harvest, collect, gather or assemble information or data regarding other users without their consent; (c) transmit through or post on the Parchment Services unlawful, immoral, libelous, tortuous, infringing, defamatory, threatening, vulgar, or obscene material or material harmful to minors; (d) transmit material containing software viruses or other harmful or deleterious computer code, files, scripts, agents, or programs; (e) interfere with or disrupt the integrity or performance of the Parchment Services or the data contained therein; (f) attempt to gain unauthorized access to the Parchment Services, computer systems or networks related to the Parchment Services; or (g)

interfere with another user's use and enjoyment of the Parchment Services.

3.4 Suspension of Service. If Licensee fails to pay undisputed amounts in accordance with this Agreement or, if and as necessary to protect the Licensee Data and/or Records in the event of a threat to the security of the Parchment Service(s), Parchment will have the right, in addition to any of its other rights or remedies, to immediately suspend the provision of the Services (including access to the Parchment Services and/or Parchment Site) to Licensee and/or its Record Owners, without liability to Licensee until such amounts are paid in full or such breach is cured (in Parchment's sole discretion), as applicable.

3.5 Compliance. Licensee agrees to comply with all applicable federal, state, county, and municipal, statutes, laws, ordinances, and regulations relating to this Agreement, as amended from time to time.

4 PARCHMENT OBLIGATIONS.

4.1 Technical Assistance. Parchment provides certain limited support services as part of the Parchment Services. Licensee can designate up to two (2) persons to receive technical assistance from Parchment ("**Eligible Support Recipients**"). Such designee may be changed at any time by written notice. Parchment will also use reasonable efforts to provide support to Record Owners in accordance with Parchment's then-current support policies. Except as set forth above, Licensee will be **solely** responsible for the support of all Authorized User and Record Owners accessing the Parchment Services. Subject to the terms and conditions of this Agreement including the payment of the applicable fees, Parchment will provide technical assistance to Licensee during Parchment's ordinary and customary business hours in accordance with its standard policies and procedures, with the understanding that such policies do not provide for any on-site support. To the extent the Parties agree that Parchment will provide on-site technical assistance, Licensee will be obligated to pay a fee to Parchment, in an amount determined by Parchment's then-standard hourly rates for such support, and Licensee will further reimburse Parchment for expenses related to travel and/or living expenses incurred by Parchment personnel in the provision of such on-site support.

4.2 Training. Parchment may, in its sole discretion, offer access to web-based classes and self-directed online training modules on use on the Parchment Services. Licensee may request for Parchment to provide training services related to Licensee's use of the Parchment Services. Until the Licensee has ordered training services pursuant to a statement of work or separate agreement, Parchment will have no obligation to provide training services to Licensee.

4.3 Communication with Users. As part of the provision of the services under this Agreement, Parchment may need to communicate with Authorized Users and Record Owners from time-to-time. Licensee hereby grants Parchment the limited right to communicate with Authorized Users as may be necessary as part of the provision of the Parchment Services, in Parchment's reasonable discretion. Upon a Record Owner registering with the Parchment Site, Parchment may communicate with such Record Owner to the extent permitted under such relationship.

4.4 Continuous Development. The Parties acknowledge and agree that Parchment may continually develop, deliver and provide to Licensee ongoing innovation to the Parchment Services in the form of new features, functionality, capabilities and services. Accordingly, Parchment reserves the right to modify the Parchment Services from time to time. Some modifications will be provided to Licensee at no additional charge. In the event Parchment adds additional functionality to the Parchment Services, Parchment may condition the implementation of such modifications on Licensee's payment of additional fees, and Licensee will not be entitled to such new functionality unless Licensee pays such fees, provided Licensee may continue to use the version of the Parchment Services that Parchment makes generally available (without such features) without paying additional fees. If any modification materially and adversely affects the functionality of the Parchment Services, Licensee may provide written notice to Parchment within thirty (30) days of such change and, if Parchment is unable to provide substantially the same functionality to Licensee in the Parchment Services within thirty (30)

days of Parchment receiving such notice, Licensee may terminate the applicable Order Form as its sole and exclusive remedy for such modification.

4.5 Performance. Parchment will: (a) provide the Services substantially in accordance with the Order Form, Documentation and Exhibits A and B, as applicable; (b) implement and maintain backup, security and business continuity measures, in accordance with industry practices, in order to maintain the security and integrity of the Parchment Services and Licensee Data; provided, however, that Parchment will have no obligation to backup or maintain the security of Records and other data and materials that are within the control of Licensee or any other Parchment user; and (c) comply with all applicable federal, state, county, and municipal, statutes, laws, ordinances, and regulations relating to this Agreement, as amended from time to time, including but not limited to the Family Educational Rights and Privacy Act and the Protection of Pupil Rights Act.

5 PROPRIETARY RIGHTS.

5.1 Ownership and Use of Licensee Data. As between the Parties, Licensee retains all right, title and interest in and to the Licensee Data, and Parchment acknowledges that it neither owns nor acquires any additional rights in and to the Licensee Data not expressly granted by this Agreement. Parchment further acknowledges that Licensee retains the right to use the Licensee Data for any purpose in Licensee's sole discretion. Subject to the foregoing, Licensee hereby grants to Parchment a non-exclusive, non-transferable right and license to: (a) use, reformat, display, transform, and create derivative works of the Licensee Data during the Term for the limited purposes of performing Parchment's obligations under this Agreement; and (b) on a perpetual basis, (i) use, display, modify and create derivative works of the Licensee Data (including Records) solely to create and compile Aggregate Data; and (ii) copy, display, disclose, modify and distribute the Aggregate Data. "**Aggregate Data**" means aggregated statistics and/or data created or derived by Parchment from Licensee Data that is not personally attributable to or identified with any Authorized User or any individual Record Owner (e.g., the average grade point average for all Record Owners whose courseload included three Advanced Placement classes). Without limiting any of the foregoing, Licensee acknowledges that an individual Record Owner may control certain Licensee Data and Parchment's use thereof, and may have certain rights in such Licensee Data (as opposed to Licensee or Parchment having such rights).

5.2 Transactional Data. Without limiting the foregoing, Parchment may utilize data capture, syndication, and analysis tools, and other similar tools, to extract, compile, synthesize, and analyze Transactional Data. "**Transactional Data**" means any non-personally identifiable data or information resulting from Authorized Users' and Record Owners' use of the Parchment Services (e.g., the number of Record Owners applying to a specific Record Recipient). To the extent that any Transactional Data is collected by Parchment, such Transactional Data will be solely owned by Parchment and may be used by Parchment for any lawful purpose, provided that the Transactional Data is used only in an anonymized and aggregated form and in a manner that does not permit the identification of any Record Owner. Parchment agrees to comply with applicable privacy and other laws and regulations respecting the dissemination and use of such Transactional Data.

5.3 Ownership of Parchment Services. Licensee acknowledges that Parchment and its licensors own all Intellectual Property Rights in and to the Services (including all components thereof). Parchment expressly reserves all rights not expressly granted to Licensee in this Agreement. Licensee will not engage in any act or omission that would impair Parchment's and/or its licensors' Intellectual Property Rights in the Services, and any other materials, information, processes or subject matter proprietary to Parchment. Licensee further acknowledges that Parchment retains the right to use the foregoing for any purpose in Parchment's sole discretion.

5.4 Work Product. Ownership of all work product, developments, inventions, technology or materials provided under this Agreement will be solely owned by Parchment. Without limiting the foregoing, Parchment in its sole discretion, may utilize, all comments and suggestions, whether written or oral, furnished by Licensee, Authorized Users or Record Owners to Parchment in connection with

their use or access of the Services (all such reports, comments and suggestions, collectively, "**Feedback**"). Licensee hereby grants Parchment a worldwide, non-exclusive, irrevocable, perpetual, royalty-free right and license to incorporate the Feedback into Parchment products and services.

5.5 Analytics. As part of certain Parchment Services, Parchment may provide Licensee with access to certain analytics and benchmarking data, including Aggregate Data and/or Transactional Data and derivative works thereof, and other standard and/or customized reports prepared by Parchment for Licensee (all such reports, analytics, data, content and information, "**Analytics**"). As between Licensee and Parchment, Parchment retains all right, title and interest in and to the Analytics, including all Intellectual Property Rights therein, except for any underlying Licensee Data therein. To the extent Parchment provides Licensee with access to any Analytics, Parchment hereby grants Licensee a limited, non-exclusive, non-transferable license, subject to the terms and conditions of this Agreement, to use and reproduce the Analytics solely for Licensee's internal business use and for no other purpose. Licensee acknowledges that the Analytics are the Confidential Information of Parchment (and thus subject to the obligations in Section 7) and contain valuable trade secrets and other intellectual property of Parchment and its licensors. Licensee agrees that it will not, and will not permit any third party to: (a) reproduce (except as expressly permitted herein), modify, translate, or create any derivative work of all or any portion of the Analytics; (b) sell, rent, lease, distribute, sublicense, disclose, assign, transfer, or otherwise make available to any third party all or any portion of the Analytics; (c) make the Analytics available for access by anyone over a network or use the Analytics on a service bureau or time sharing basis; or (d) use the Analytics in any way to create products or services similar to or competitive with the Parchment Services. The foregoing restrictions in this Section 5.5 will not limit how Licensee can use the Licensee Data to the extent it is not included in the Analytics. Licensee will immediately notify Parchment in the event of any loss or unauthorized disclosure of any Analytics.

6 FEES AND PAYMENTS.

6.1 Fees Payable. All fees are listed and payable in United States dollars. Parchment will submit invoices to Licensee for fees in accordance with the relevant payment schedules indicated on the applicable Order Form, and each invoiced amount will be due and payable upon receipt of the relevant invoice by Licensee. Notwithstanding the foregoing, any implementation fees listed on a particular Order Form will be due and payable upon execution of the Order Form. After the first 12 months of the Agreement, Parchment may increase any fees upon written notice to Licensee with at least thirty (30) days prior notice. The year-over-year percentage increase for the fees shall not exceed the percentage increase as reflected in the U.S. Consumers Price Index (CPI-U), U.S. City Average, Education, currently published Base Period or future Base Period as determined by the US Bureau of Labor and Statistics.

6.2 Disputed Charges. Licensee must notify Parchment in writing of any dispute or disagreement with invoiced charges within thirty (30) days after the date of invoice. Absent such notice, Licensee will be deemed to have agreed to the charges as invoiced after the expiration of such time period.

6.3 Late Payments; Interest; Payment in Dollars. Parchment reserves the right to charge, and Licensee agrees to pay, a late charge equal to one and one-half percent (1½%) per month or the maximum rate permitted by applicable law, whichever is less, on any amount that is not the subject of a good faith dispute that is unpaid on the due date, and on any other outstanding balance. All payments to be made under this Agreement will be made in U.S. dollars.

6.4 Taxes. All amounts payable under this Agreement will exclude all applicable sales, use and other taxes and all applicable export and import fees, customs duties and similar charges. Licensee will be responsible for payment of all such taxes (other than taxes based on Parchment's income), fees, duties and charges, and any related penalties and interest, arising from the payment of any fees hereunder, the grant of license rights hereunder, or the delivery of services. Licensee will make all payments required hereunder to Parchment free and clear of, and without reduction for, any withholding taxes. Any such taxes imposed on any payments

hereunder to Parchment will be Licensee's sole responsibility, and Licensee will, upon Parchment's request, provide Parchment with receipts issued by the appropriate taxing authority to establish that such taxes have been paid.

7 CONFIDENTIALITY.

7.1 Ownership of Confidential Information. The Parties acknowledge that during the performance of this Agreement, each Party will have access to certain of the other Party's Confidential Information or Confidential Information of third parties that the disclosing Party is required to maintain as confidential. Both Parties agree that all items of Confidential Information are proprietary to the disclosing Party or such third party, as applicable, and will remain the sole property of the disclosing Party or such third party.

7.2 Mutual Confidentiality Obligations. Each Party agrees as follows: (a) to use the Confidential Information only for the purposes described herein; (b) that such Party will not reproduce the Confidential Information and will hold in confidence and protect the Confidential Information from dissemination to, and use by, any third party; (c) that, except as permitted under this Agreement, neither Party will create any derivative work from Confidential Information disclosed to such Party by the other Party; (d) to restrict access to the Confidential Information to such of its personnel, agents, and/or consultants, if any, who have a need to have access and who have been advised of and have agreed in writing or are otherwise bound to treat such information in accordance with the terms of this Agreement; and (e) to return or destroy all Confidential Information of the other Party in its possession upon the disclosing Party's request or upon termination or expiration of this Agreement.

7.3 Confidentiality Exceptions. Notwithstanding the foregoing, the provisions of Sections 7.1 and 7.2 will not apply to Confidential Information that (a) is publicly available or in the public domain at the time disclosed; (b) is or becomes publicly available or enters the public domain through no fault of the recipient; (c) is rightfully communicated to the recipient by persons not bound by confidentiality obligations with respect thereto; (d) is already in the recipient's possession free of any confidentiality obligations with respect thereto at the time of disclosure; (e) is independently developed by the recipient; or (f) is approved for release or disclosure by the disclosing Party without restriction. Notwithstanding the foregoing, each Party may disclose Confidential Information to the limited extent required (1) in order to comply with the order of a court or other governmental body, or as otherwise necessary to comply with applicable law, provided that the Party making the disclosure pursuant to the order will first have given written notice to the other Party so that the other Party may make a reasonable effort to obtain a protective order; or (2) to establish a Party's rights under this Agreement, including to make such court filings as it may be required to do. In the event of a conflict between any provision of Section 5 and this Section 7, the provision in Section 5 will prevail.

7.4 For the purposes of the Family Educational Rights and Privacy Act (FERPA), Parchment is designated as an "authorized representative" pursuant to 20 U.S.C. 1232g(b)(1)(C0 and 34 C.F.R. 99.31(a)(3). Nothing in this Agreement shall be construed to allow either party to maintain, use, disclose or share personally identifiable student information in a manner not allowed by applicable federal law or regulations.

8 WARRANTIES.

8.1 Mutual Representations and Warranties. Each Party represents and warrants to the other that the execution and performance of this Agreement does not and will not violate any other contract, obligation, or instrument to which it is a party, or which is binding upon it, including terms relating to covenants not to compete and confidentiality obligations.

8.2 Parchment Warranties. Parchment represents and warrants that it will provide the Services in a professional and workmanlike manner substantially consistent with general industry standards.

8.3 FERPA Warranty. Parchment will comply with the regulations of FERPA which are applicable to Parchment. NOTWITHSTANDING ANYTHING ELSE SET FORTH HEREIN, PARCHMENT SHALL NOT BE RESPONSIBLE FOR VIOLATIONS OF FERPA RELATED

TO LICENSEE'S PROCESSES NOT RELATED TO THE SERVICES.

8.4 Licensee Warranties. Licensee hereby represents and warrants that it owns or otherwise has sufficient right to grant Parchment access to and use of the Licensee Data in accordance with the terms of this Agreement, and that its collection and provision of such Licensee Data complies with all applicable laws and does not violate any person's right of privacy or publicity.

8.5 No Other Warranties. EXCEPT AS EXPRESSLY WARRANTED IN THIS AGREEMENT, THE PARCHMENT SERVICES, PARCHMENT SITE, AND ANY OTHER MATERIALS, SOFTWARE, DATA AND/OR SERVICES PROVIDED BY PARCHMENT ARE PROVIDED "AS IS" AND "WITH ALL FAULTS," AND PARCHMENT EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES OF ANY KIND OR NATURE, WHETHER EXPRESS, IMPLIED OR STATUTORY, INCLUDING, BUT NOT LIMITED TO, ANY ADDITIONAL OR IMPLIED WARRANTIES OF NON-INFRINGEMENT, NON-INTERFERENCE, VALUE OR ACCURACY OF DATA, AS WELL AS ANY WARRANTIES OF MERCHANTABILITY, SYSTEM INTEGRATION, FITNESS FOR A PARTICULAR PURPOSE, OR THE ABSENCE OF ANY DEFECTS THEREIN, WHETHER LATENT OR PATENT. NO WARRANTY IS MADE BY PARCHMENT ON THE BASIS OF TRADE USAGE, COURSE OF DEALING OR COURSE OF PERFORMANCE. PARCHMENT DOES NOT WARRANT THAT THE PARCHMENT SERVICES OR ANY OTHER INFORMATION, MATERIALS, TECHNOLOGY OR SERVICES PROVIDED UNDER THIS AGREEMENT WILL MEET LICENSEE'S REQUIREMENTS OR THAT THE OPERATION THEREOF WILL BE UNINTERRUPTED OR ERROR-FREE, OR THAT ALL ERRORS WILL BE CORRECTED. LICENSEE ACKNOWLEDGES THAT PARCHMENT'S OBLIGATIONS UNDER THIS AGREEMENT ARE FOR THE BENEFIT OF LICENSEE ONLY. PARCHMENT'S SERVICES MAY BE SUBJECT TO LIMITATIONS, DELAYS, AND OTHER PROBLEMS INHERENT IN THE USE OF THE INTERNET AND ELECTRONIC COMMUNICATIONS. PARCHMENT IS NOT RESPONSIBLE FOR ANY DELAYS, DELIVERY FAILURES, OR OTHER DAMAGE RESULTING FROM SUCH PROBLEMS.

9 LIMITATION OF LIABILITY.

9.1 LIMITATIONS. IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR ANY INCIDENTAL, INDIRECT, SPECIAL, CONSEQUENTIAL OR PUNITIVE DAMAGES, REGARDLESS OF THE NATURE OF THE CLAIM, INCLUDING, WITHOUT LIMITATION, LOST PROFITS, COSTS OF DELAY, ANY FAILURE OF DELIVERY, BUSINESS INTERRUPTION, COSTS OF LOST OR DAMAGED DATA OR DOCUMENTATION OR LIABILITIES TO THIRD PARTIES ARISING FROM ANY SOURCE, EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THIS LIMITATION UPON DAMAGES AND CLAIMS IS INTENDED TO APPLY WITHOUT REGARD TO WHETHER OTHER PROVISIONS OF THIS AGREEMENT HAVE BEEN BREACHED OR HAVE PROVEN INEFFECTIVE. THE CUMULATIVE LIABILITY OF PARCHMENT TO LICENSEE FOR ALL CLAIMS ARISING FROM OR RELATING TO THIS AGREEMENT, INCLUDING, WITHOUT LIMITATION, ANY CAUSE OF ACTION SOUNDING IN CONTRACT, TORT, OR STRICT LIABILITY, SHALL NOT EXCEED THE GREATER OF (i) ONE THOUSAND DOLLARS (U.S. \$1,000.00) OR (ii) THE TOTAL AMOUNT OF ALL FEES PAID TO PARCHMENT BY LICENSEE IN THE TWELVE (12) MONTHS PRECEDING THE DATE ON WHICH THE APPLICABLE CLAIM AROSE. THIS LIMITATION OF LIABILITY IS INTENDED TO APPLY WITHOUT REGARD TO WHETHER OTHER PROVISIONS OF THIS AGREEMENT HAVE BEEN BREACHED OR HAVE PROVEN INEFFECTIVE. NOTWITHSTANDING THE ABOVE, THESE LIMITATIONS DO NOT APPLY TO PARCHMENT'S INDEMNIFICATION OBLIGATIONS IN SECTION 10.

9.2 Essential Basis. The disclaimers, exclusions and limitations of liability set forth in this Agreement form an essential basis of the bargain between the Parties, and, absent any of such disclaimers, exclusions or limitations of liability, the provisions of this Agreement, including, without limitation, the economic terms, would be substantially different.

10 INDEMNIFICATION. Parchment will defend at its expense any suit brought against Licensee by a third party, and will pay any settlement Parchment makes or approves, or any damages finally awarded in such suit, insofar as such suit is based on a claim by any third party alleging: (a) that the Parchment Services misappropriate any Intellectual Property Rights of a third party; (b) Parchment's breach of Section 8.3; or (c) Parchment's gross negligence or willful misconduct in handling the Records. If any portion of the Service becomes, or in Parchment's opinion is likely to become, the subject of a claim of infringement, Parchment may, at Parchment's option: (i) procure for Licensee the right to continue using the Service; (ii) replace the Service with non-infringing services which do not materially impair the functionality of the Service; (iii) modify the Service so that it becomes non-infringing; and/or (iv) terminate the Service and refund any fees actually paid by Licensee to Parchment for the remainder of the Order Term then in effect, and upon such termination, Licensee will immediately cease all use of the Service. Notwithstanding the foregoing, Parchment shall have no obligation under this Section 10 or otherwise with respect to any claim based upon (1) any use of the Service not in accordance with these Terms or the Documentation; (2) Parchment's conformance to Licensee's specifications; (3) any use of the Service in combination with other products, equipment, software or content not supplied by Parchment; (4) any modification of the Service by any person other than Parchment or its authorized agents; or (5) the Licensee Data. THIS SUBSECTION STATES LICENSEE'S SOLE AND EXCLUSIVE REMEDY FOR INFRINGEMENT CLAIMS AND ACTIONS. Parchment's obligations as set forth above are expressly conditioned upon each of the following: (A) Licensee promptly notifying Parchment in writing of any threatened or actual claim or suit; (B) Parchment having sole control of the defense or settlement of any claim or suit; and (C) Licensee cooperating with Parchment to facilitate the settlement or defense of any claim or suit.

11 TERM AND TERMINATION.

11.1 Term. The term of this Agreement will commence on the Effective Date and will continue for as long as the Order Term under any Order Form is in effect, unless terminated in accordance with this Section 11 (the "**Term**").

11.2 Termination for Breach. Either Party may terminate this Agreement immediately upon written notice in the event that the other Party materially breaches this Agreement and thereafter: (a) in the case of material breach resulting from non-payment of amounts due hereunder, has failed to pay such amounts within ten (10) days after receiving written notice thereof; or (b) has failed to cure any other material breach (or to commence diligent efforts to cure such breach that are reasonably acceptable to the terminating Party) within thirty (30) days after receiving written notice thereof.

11.3 Termination upon Bankruptcy, Insolvency or Lack of Funding. Either Party may, at its option, terminate this Agreement immediately upon written notice to the other Party, in the event (a) that the other Party becomes insolvent or unable to pay its debts when due; (b) the other Party files a petition in bankruptcy, reorganization or similar proceeding, or, if filed against, such petition is not removed within ninety (90) days after such filing; (c) the other Party discontinues its business; (d) a receiver is appointed or there is an assignment for the benefit of such other Party's creditors; or (e) if the Licensee or the Licensee's sponsor is a state or federal agency or institution, the funding for this Agreement is not provided to Licensee or the Licensee's sponsor by the legislature of the applicable state or federal government.

11.4 Accrued Obligations. Termination of this Agreement will not release the Parties from any liability which, at the time of termination, has already accrued or which thereafter may accrue with respect to any act or omission before termination, or from any obligation which is expressly stated in this Agreement to survive termination. Notwithstanding the foregoing, the Party terminating this Agreement as permitted by any provision in this Section 11 will incur no additional liability merely by virtue of such termination.

11.5 Cumulative Remedies. Termination of this Agreement, regardless of cause or nature, will be without prejudice to any other rights or remedies of the Parties and will be without liability for any loss or damage occasioned thereby.

11.6 Effect of Termination. Upon any termination of this Agreement, Licensee will immediately discontinue all use of the Parchment Services and each Party will: (a) immediately discontinue all use of the other Party's Confidential Information; (b) delete the other Party's Confidential Information from its computer storage or any other media, including, but not limited to, online and off-line libraries; (c) will return to the other Party or, at the other Party's option, destroy, all copies of such other Party's Confidential Information then in its possession; and (d) will promptly pay all amounts due and remaining payable hereunder. Parchment will have no obligation to maintain or provide any Licensee Data to Licensee, though Parchment may maintain such Licensee Data in its discretion after such period of time and/or provide it to Licensee in accordance with Parchment's then-standard fees.

11.7 Survival of Obligations. The provisions of Sections 2.5, 3.3, 3.4, 3.5, 5, 7 through 10, 11.5 through 11.7, and 12, as well as any terms in the Additional Terms that by their nature should survive and Licensee's obligations to pay any amounts due and outstanding hereunder, will survive termination or expiration of this Agreement.

12 MISCELLANEOUS.

12.1 Applicable Law. This Agreement and the rights and obligations of the Parties hereunder shall be construed in accordance with, and shall be governed by, the laws of the State of Arizona, without giving effect to its rules regarding conflicts of laws. Each Party agrees that any and all causes of action between the Parties arising from or in relation to this Agreement shall be brought exclusively in the First Judicial District, Helena, Montana.

12.2 Force Majeure. Parchment will be excused from performance of its obligations under this Agreement if such a failure to perform results from compliance with any requirement of applicable law, acts of God, fire, strike, embargo, terrorist attack, war, insurrection or riot or other causes beyond the reasonable control of Parchment. Any delay resulting from any of such causes will extend performance accordingly or excuse performance, in whole or in part, as may be reasonable under the circumstances.

12.3 Notices. All notices required by or relating to this Agreement will be in writing and will be sent by means of certified mail, postage prepaid, to the Parties to the Agreement and addressed, if to Licensee, as set forth on the Order Form, or if to Parchment, as follows: Parchment, Inc., 6263 North Scottsdale Road, Suite 330, Scottsdale, AZ 85250, Attention: General Counsel, with a copy to: Cooley LLP, One Freedom Square, Reston Town Center, 11951 Freedom Drive, Reston, Virginia 20190, Attention: Adam J. Ruttenger, Esq., or addressed to such other address as that Party may have given by written notice in accordance with this provision. All notices required by or relating to this Agreement may also be communicated by facsimile, provided that the sender receives and retains confirmation of successful transmittal to the recipient. Such notices will be effective on the date indicated in such confirmation. In the event that either Party delivers any notice hereunder by means of facsimile transmission in accordance with the preceding sentence, such Party will promptly thereafter send a duplicate of such notice in writing by means of certified mail, postage prepaid, to the receiving Party, addressed as set forth above or to such other address as the receiving Party may have previously substituted by written notice to the sender.

12.4 Assignment. Licensee will not assign its rights or delegate its obligations under this Agreement without Parchment's prior written consent, and, absent such consent, any purported assignment or delegation by Licensee will be null, void and of no effect. This Agreement will be binding upon and inure to the benefit of Parchment and Licensee and their successors and permitted assigns.

12.5 Independent Contractors. Licensee and Parchment acknowledge and agree that the relationship arising from this Agreement does not constitute or create any joint venture, partnership, employment relationship or franchise between them, and the Parties are acting as independent contractors in making and performing this Agreement.

12.6 Amendment. No amendment to this Agreement will be valid unless such amendment is made in writing and is signed by the authorized representatives of the Parties.

12.7 Waiver. No waiver under this Agreement will be valid or binding unless set forth in writing and duly executed by the Party against whom enforcement of such waiver is sought. Any such waiver will constitute a waiver only with respect to the specific matter described therein and will in no way impair the rights of the Party granting such waiver in any other respect or at any other time. Any delay or forbearance by either Party in exercising any right hereunder will not be deemed a waiver of that right.

12.8 Severability. If any provision of this Agreement is invalid or unenforceable for any reason in any jurisdiction, such provision will be construed to have been adjusted to the minimum extent necessary to cure such invalidity or unenforceability. The invalidity or unenforceability of one or more of the provisions contained in this Agreement will not have the effect of rendering any such provision invalid or unenforceable in any other case, circumstance or jurisdiction, or of rendering any other provisions of this Agreement invalid or unenforceable whatsoever.

12.9 Causes of Action. No action arising from or related to this Agreement may be brought by either Party more than one (1) year after the cause of action has accrued, except that an action for non-payment may be brought within two (2) years after the date such amount was due.

12.10 No Third Party Beneficiaries. The Parties acknowledge that the covenants set forth in this Agreement are intended solely for the benefit of the Parties, their successors and permitted assigns. Nothing herein, whether express or implied, will confer upon any person or entity, other than the Parties, their successors and permitted assigns, any legal or equitable right whatsoever to enforce any provision of this Agreement.

12.11 U.S. Government End-Users. Each of the components that constitute the Parchment Services is a "commercial item" as that term is defined at 48 C.F.R. 2.101, consisting of "commercial computer software" and/or "commercial computer software documentation" as such terms are used in 48 C.F.R. 12.212.

Consistent with 48 C.F.R. 12.212 and 48 C.F.R. 227.7202-1 through 227.7202-4, all U.S. Government end users acquire the Parchment Services with only those rights set forth herein.

12.12 Counterparts; Headings. This Agreement may be executed in any number of counterparts, each of which when so executed will be deemed to be an original and all of which when taken together will constitute one Agreement. The headings in this Agreement are inserted merely for the purpose of convenience and will not affect the meaning or interpretation of this Agreement.

12.13 Publicity. Parchment shall be permitted to use Licensee's name and logo (subject to the appropriate party's style guidelines to ensure proper placement or use by the other party) (a) in association with Parchment's provision of the Services; and (b) on a client or partner list or partial client list during the term of this Agreement, provided that such list does not state or imply Licensee's endorsement of Parchment or the Services.

12.14 Participation by Other Public Entities. Other public entities may procure items and/or services under the same terms and conditions stated in these Terms by negotiating a new contract with Parchment based upon these Terms.

12.15 Entire Agreement. This Agreement sets forth the entire agreement and understanding between the Parties hereto with respect to the subject matter hereof and, except as specifically provided herein, supersedes and merges all prior oral and written agreements, discussions and understandings between the Parties with respect to the subject matter hereof, and neither of the Parties will be bound by any conditions, inducements or representations other than as expressly provided for herein.

[End of Terms]

The Following Terms Apply if Licensee Orders Parchment Send

1. **“Parchment Send”** means the Parchment Service that enables Record Owners to order and request delivery of Records from the record holding institution to Record Recipients. The Full Version of Parchment Send also provides a number of additional features and functions, including record retrieval and the delivery of Analytics.
2. **Parchment Responsibilities.** Subject to Licensee’s compliance with the Terms, Parchment will use commercially reasonable efforts to electronically deliver and/or to print and manually send Records to Record Recipients. Licensee hereby designates Parchment as the Licensee’s authorized agent in sending official copies of Records, on paper or electronically, to Record Recipients, and agrees to provide such documents and certificates as Parchment reasonably requests, to confirm such authority to prospective Record Recipients.
3. **Licensee Responsibilities.** Licensee is solely responsible for: (a) accuracy of any Licensee-provided means of authenticating Record Owners using the Service; (b) any options it selects as part of Parchment Send, including access and fees for Institutions and Record Owners; (c) completeness, accuracy, and timely delivery of all Records and Licensee Data; (d) compliance with the Licensee’s regulations related to the transmission of Records; (e) operation of the Licensee’s computer and communication systems, and (f) results of the Licensee’s use of the Parchment Services.
4. **Additional Terms**
 - a. **Multiple Institutions.** Subject to the payment of applicable fees, Licensee can make Parchment Send available to any of its participating institutions, divisions or locations (each such participating entity, an **“Institution”**), and any reference to Licensee will include such institutions, divisions or locations as well, provided that Licensee will be responsible for the acts and omissions of any Institution and its Authorized Users, as well as for all support therefor.
 - b. **Additional Obligations.** Licensee will: (i) inform Record Owners and Authorized Users about the use and benefits of Parchment Send, (ii) schedule appropriate staff members for training on how to use Parchment Send, (iii) place Parchment Marks and provided descriptive text and hyperlink promoting Parchment Send on Licensee’s website; (iv) provide any required or requested data (e.g., roster of Record Owners, bulk uploads, course catalog data) necessary for the full functioning of Parchment Send; (v) monitor and promptly respond to any requests for Records; and (vi) periodically update Records for use in Parchment Send. Parchment will have no obligation to provide any support to Record Owners or Authorized Users directly, unless otherwise agreed in writing by Parchment with the applicable Record Owner or Licensee.
 - c. **Record Owners.** Record Owners may request transmission of Records directly from their Institution through the Parchment Site. Any Record Owner affiliated with an Institution can access the Parchment Site, subject to Section 2.6 of the Terms.
 - d. **Record Retrieval.** Subject to Licensee’s compliance with the Terms, Parchment will also use commercially reasonable efforts to retrieve and retain Record data from the Licensee’s database and perform the other implementation services set forth in Exhibit A. If applicable, Licensee will, in conjunction with Parchment, select one standard report format for all transcripts that are to be uploaded to Parchment Send and, using that report format, will provide Parchment with the required set of sample transcripts. During the Term, all transcripts submitted to Parchment must use the same Record report format. Licensee will promptly notify Parchment of its intent to make changes to its own systems that will result in changes to the Record report format. Failure to do so may result in an interruption of the Service.
 - e. **Fee Waivers.** If Institution is a high school, Parchment may provide fee-waivers that can be used in place of other payment methods in order to assist students who have demonstrated that payment of Parchment Send fees might represent an economic barrier to college entrance. Up to a maximum of four fee waivers may be allocated by the Licensee to any qualifying student who has met the requirements for, and received a fee waiver from The College Board or ACT.
 - f. **Exclusivity.** Parchment will be Licensee’s preferred and primary method to deliver Records to Record Recipients. Unless required by a state or federal agency with authority over Licensee, Licensee will not engage other third party companies to provide similar services to Parchment’s Parchment Send to deliver Records.
 - g. **Analytics.** Parchment may provide Licensee with access to certain Analytics as part of the premium version of Parchment Send. If Licensee terminates its subscription to the premium version of Parchment Send, Licensee must promptly delete or destroy all documents and other tangible materials representing any Analytics and all copies thereof.

Last Updated: September 3, 2013

EXHIBIT A
DESCRIPTION OF PARCHMENT SERVICES

Parchment Send – K12

The flexible architecture of the premium Parchment Send module provides schools with several processing options, while providing a secure and intuitive online workflow for current students/alumni to request their credentials to be sent to any recipient worldwide. Premium Parchment Send provides full tracking, notifications, and reporting to both institution administrators and current students/alumni.

premium Parchment Send provides the following features/functionality

- Fulfillment of receiver-initiated requests through the Document Request interface.
- Web Upload interface to upload transcripts and other admission documents.
- eCommerce features to define surcharges to be collected on behalf of the sending institution, including:
 - Support for different surcharges for current Students or Alumni
 - Support for administrative control of transactions subject to a surcharge (i.e. all transactions or transactions after the first 'X' transactions)
- Enhanced transcript upload options
- Full transactional reporting.
- Secure institutional library to store all transcripts and other documents delivered through the Parchment platform.
- Administrative panel to manage the institution's account including:
 - Grading Periods
 - Approval Settings
 - 'To Do List' Queues Settings
- Student Rosters & Registration Codes
 - As part of the implementation process, high schools upload a Student Roster for the full student body (grades 9-12)
 - Parchment auto-generates a unique PIN for each student
 - Students (and parents) can use the PIN to register at a Parchment Site
- Common App integration with the Common App online school forms to deliver transcripts electronically to Common App member colleges
- eCommerce: Sender Pay Annual Subscription
 - Annual subscription based on number of current seniors
 - Covers Transcript Fees for all current Students
 - Current Students pay and optional handling/delivery fees only (e.g., paper, overnight)

EXHIBIT B
SERVICE LEVELS

1. Parchment will use commercially reasonable efforts, commensurate with the severity of the error, to correct any malfunction, defect, or non-conformity in the operation of the Parchment services to substantially perform in accordance with the Documentation. Licensee shall be responsible for conducting adequate research with respect to a Defect or related issue prior to contacting Parchment for assistance. Licensee is obligated to respond promptly to all reasonable Parchment requests for pertinent information, documentation, technical and other assistance to assist Parchment with problem resolution. A reported issue shall be logged and tracked by Parchment, and assigned a unique identifier that can be used by Licensee to refer to the reported issue, and will remain open until the issue is resolved. Reported issues will be assigned a severity level that is mutually agreed upon by Licensee and Parchment.
2. Parchment will employ commercially reasonable efforts to correct, or address with an action plan, issues reported by Licensee as follows:
 - a. Severity 1: Within four (4) business hours of receipt of the reported issue or its detection by Parchment. Level 1 is defined as a condition in which all or a critical function within the Parchment services is unavailable to Licensee.
 - b. Severity 2: Within two (2) business days of receipt of the reported error. Level 2 is defined as a condition in which the Parchment services is not fully performing, but is still able to operate at a reduced capacity.
 - c. Severity 3: Within five (5) business days of receipt of the reported error. Severity 3 is defined as a condition where the Licensee is experiencing a non-critical loss of function.
3. System Enhancements and Functionality Improvements.
 - a. Parchment shall respond to requests for enhancements or upgraded workflow functionality within thirty (30) business days. The response shall include a valuation of the request and whether it was an item for inclusion within the product roadmap or would be considered a client specific customization. Enhancements and improvements cover a desire to change either the look and feel or workflow of a feature or function within the Parchment services. Any enhancements, modifications or improvements to the Parchment services will be considered part of the Parchment services.
 - b. Parchment may perform maintenance to the Parchment services during its preexisting maintenance schedule (currently 11 p.m. – 2 a.m. Pacific Time daily) as necessary for the proper operation of the Parchment services. During these periods, the Service may be unavailable to Licensee. Parchment will notify Licensee at least two (2) business days in advance of any planned maintenance. Parchment may change planned maintenance windows at its sole discretion and will notify Licensee of any such changes that affect previously notified plans, provided such maintenance is done during low-volume times. Parchment shall also post notifications on both the Parchment services and Parchment Site notifying interested parties of any planned service outages.
4. Parchment shall use reasonable commercial efforts to make the Parchment services available ninety-nine and one-half percent (99.5%) of the time, measured monthly, exclusive of planned maintenance and any of the following events that will not be considered downtime for the purposes of such measurement:
 - a. Any outage lasting less than five (5) minutes;
 - b. Any outage determined to be a result of Licensee's breach of the Agreement or other acts or omissions of Licensee;
 - c. Any outage determined to be a result of a failure of outside services or equipment not within the control of Parchment, including Licensee's hardware and software; or
 - d. Any outage determined to be beyond the reasonable control of Parchment, its subcontractors and/or business partners, including a force majeure event.
5. Licensee is responsible for (i) maintenance and management of its computer network(s), servers, software, and any equipment or services related to maintenance and management of the foregoing; and (ii) correctly configuring its systems in accordance with the documentation. Licensee will promptly notify Parchment in the event any downtime occurs. Downtime will be deemed to begin when Parchment receives accurate notification thereof from Licensee, or when Parchment first becomes aware of such downtime, whichever first occurs. The obligations of Parchment set forth in this Exhibit B will be excused to the extent any failures to meet such obligations result in whole or in part from Licensee's failure(s) to meet the foregoing requirements.
6. Parchment will use reasonable commercial efforts to respond to any email inquiries through the Parchment Site by Record Owners within two (2) business days.
7. Licensee's sole and exclusive remedy, and Parchment's sole and exclusive liability, for Parchment's breach of this Exhibit B will be the following credits. If Parchment fails to meet the service level in Section 4 in any month for a specific Parchment service, Parchment shall credit to Licensee one percent (1%) of the monthly subscription fee paid by Licensee (i.e., the prorated annual subscription fee) for such Parchment service for each cumulative hour, or portion thereof, of unavailability of such Parchment service in that month, up to a maximum of fifty percent (50%) the prorated monthly subscription fee paid by Licensee.