



K¹² Employee Handbook

Table of Contents

<u>Topic</u>	<u>Page Number</u>
Welcome	2
Our Vision / Our Beliefs / Our Values	3
Language is Important / Definitions	4
Equal Employment Opportunity Policy / Americans with Disabilities Act (ADA)	4
The Health Insurance Portability and Accountability Act (HIPAA)	5
Classifications of Employment / HR Portal	5
Personnel Files / Employment Verification / Media Inquiries / Open-Door Policy	6
Performance / Employment at Will / Termination of Employment	7
Code of Business Conduct and Ethics	8
Gifts and Entertainment	9
Employee Conduct / Anti-Harassment and Discrimination Policy	11
Guidelines for Appropriate Conduct	13
Progressive Discipline / Whistleblowing and General Complaint Resolution Procedure	14
Ethics Point	15
Violence in the Workplace Policy / Workplace Dating/Consensual Relationships	16
Workplace Accidents	16
Employee Safety and Health / Interaction with Minors / Student Records and FERPA	17
Company Property / Drug-Free Workplace Policy / Weapons	18
Dress Code / Smoking	19
Hours of Operation / Flex-Time and Flex-Place	19
Absenteeism and Tardiness / Emergency Office Closing	21
Holidays / Paid Time Off (PTO)	22
Vacation Roll Over / Sick & Personal Time / Bereavement	23
Jury Duty & Witness Leave / Voting	24
Family and Medical Leave (FMLA) including Military Leave	24
Personal Non-FMLA Leave of Absence	27
Payday and Direct Deposit	28
Timesheets and Time-off Reporting / Overtime for Non-Exempt Employees	28
Exempt Employees Reduction of Salary / Garnishments and Levies	29
Internal Transfer / Outside Employment / Employment of Relatives	30
Document Retention Policy	31
Use of Communication and Information Technology Systems	31
Internet Code of Conduct	32
Solicitation and Distribution of Literature / Corporate Travel Policy	34
Personal Vehicles / Benefits At A Glance	35
Domestic Partner Policy for Benefits / Workers' Compensation Insurance	36
Employee Assistance Program	37
Employee Discounts: K ¹² Products & Working Advantage	38
Employee Referral Program	38
Tuition Assistance Benefit Program	39
Addenda — State-Specific Policies	41
Handbook Acknowledgment	43

WELCOME!

K¹² is a dynamic and rewarding environment in which to work. We are a company with great people and an incredible mission to remove barriers that limit any child from reaching his or her full potential. Whether you have just joined our staff or have been at K¹² for awhile, we are confident that you will find our company to be a place of collaboration and teamwork. We strive to continuously enhance K¹² as a company in which individual excellence is celebrated and a sense of community is genuine and present.

There are several important things to keep in mind regarding this handbook. First, it contains only general information and guidelines. It is not intended to be comprehensive or to address all of the possible applications of, or exceptions to, the general policies and procedures described. For that reason, if you have any questions or are unsure about any policy or procedure, please ask your manager, Human Resources or any Company executive. Second, please treat the contents of this handbook as Company confidential. Third, K¹² is a growing organization and it, therefore, reserves the right to change the content of the handbook from time to time. These changes may be communicated by e-mail from authorized personnel or through other means. Finally, any of the policies and procedures contained within this handbook are not intended to be contractual in nature and K¹² employees should not construe them as such.

Thank you for choosing K¹² as your choice of work experience. We hope that our company is much more than a job, and supports both your personal and professional career aspirations. Please know the great degree to which the company values the many and diverse talents of its most valued resources – its employees. This handbook has been written to serve as the guide for the employer/employee relationship and we hope that you find it useful.

Your K¹² Human Resources Team

August, 2010

OUR VISION

To provide children access to exceptional and meaningful curriculum and tools that enable them to maximize their success in life, regardless of geographic, financial, or demographic circumstance.

OUR BELIEFS

- We believe in individualized learning through mass customization vs. mass production of education.
- We believe in the cognitive science of how brains really work and how learning happens.
- We believe Big Ideas + Consecutive Down Payments + Practice = Mastery.
- We believe in the democratization of mastery—it shouldn't be just for the best and brightest.
- We believe in establishing a rich knowledge base across history and subjects.
- We believe in giving parents meaningful ways to be involved in their children's education.
- We believe in being directly accountable and responsive to all of our customers.
- We believe in outstanding teacher engagement.
- We believe in rich, engaging content, because kids must get into the learning for learning to get into them.
- We believe in books, digital media, and dirt, because a mix of teaching tools makes learning come alive.
- We believe that profitability yields invention, responsiveness, and responsibility.
- We believe in using 21st-century tools to prepare 21st-century students.

OUR VALUES

- Customer Focus
- Integrity
- Aggressive Achievement
- Courage
- Passion

LANGUAGE IS IMPORTANT

In drafting this Employee Handbook, we have avoided the use of specific gender pronouns wherever possible. However, where such avoidance would have led to very awkward sentences, we have used the masculine pronoun. This use should be considered to refer to both genders.

DEFINITIONS

- The term "employee" as used throughout this handbook means the employees of K¹² Inc. or any of its subsidiaries.
- The term "employment" as used throughout this handbook means your employment with K¹² Inc. or one of its subsidiaries.
- The term "Company" as used throughout this handbook means K¹² Inc. and its subsidiaries

The Company strives to maintain a positive work environment where employees respect the personal rights and property of fellow employees and meet reasonable standards of work performance. Employees are expected to be courteous and professional to fellow employees, clients, vendors, visitors, and anyone else with whom they come in contact while conducting business.

The Company may, at its sole discretion, take any appropriate corrective action up to and including immediate termination of employment, depending on the circumstances of the situation.

Neither this policy, anything else in this manual, nor any statement (whether written or oral, express or implied) in any way change or alter the "at-will" employment relationship. Either the Company or the employee has the right to terminate the relationship at any time for any or no reason, with or without notice.

EQUAL EMPLOYMENT OPPORTUNITY POLICY

K¹² provides equal employment opportunities to all employees and applicants, without regard to race, color, religion, sex, national origin, citizenship status, pregnancy, disability, age, genetic information, military status or status as a Vietnam-era or special disabled veteran, marital status, civil union or registered domestic partner status, gender (including gender identity) sexual orientation or bankruptcy in accordance with applicable federal, state and local laws. In addition, K¹² complies with applicable state and local laws governing nondiscrimination in employment in every location in which K¹² has facilities. This policy applies to all terms and conditions of employment, including, but not limited to, hiring, placement, promotion, termination, layoff, recall, transfer, leaves of absence, compensation and training.

AMERICANS WITH DISABILITIES ACT (ADA)

The Americans with Disabilities Act (ADA) requires an employer to provide reasonable accommodations for qualified individuals with disabilities, unless it would cause undue hardship. A reasonable accommodation is any change in the work environment or in the way a job is performed that enables a person with a disability to perform the essential functions of the job or, for applicants, to be considered for the job.

If you require an accommodation, you must inform Human Resources that there is a need for an adjustment or change at work for a reason related to a disability. We will respond promptly and to the best of our ability to accommodate the needs of all employees.

THE HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996 (HIPAA) PRIVACY AND SECURITY RULES

The Standards for Privacy of Individually Identifiable Health Information ("Privacy Rule") establishes, for the first time, a set of national standards for the protection of certain health information. The U.S. Department of Health and Human Services ("HHS") issued the Privacy Rule to implement the requirement of the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"). The Privacy Rule standards address the use and disclosure of individuals' health information—called "protected health information" by organizations subject to the Privacy Rule — called "covered entities," as well as standards for individuals' privacy rights to understand and control how their health information is used. Within HHS, the Office for Civil Rights ("OCR") has responsibility for implementing and enforcing the Privacy Rule with respect to voluntary compliance activities and civil money penalties.

A major goal of the Privacy Rule is to assure that individuals' health information is properly protected while allowing the flow of health information needed to provide and promote high quality health care and to protect the public's health and well being. The Rule strikes a balance that permits important uses of information, while protecting the privacy of people who seek care and healing. Given that the health care marketplace is diverse, the Rule is designed to be flexible and comprehensive to cover the variety of uses and disclosures that need to be addressed.

To view the entire Rule, and for other additional helpful information about how it applies, see the OCR website: <http://www.hhs.gov/ocr/hipaa>. In the event of a conflict between this summary and the Rule, the Rule governs.

CLASSIFICATIONS OF EMPLOYMENT

For purposes of salary administration and eligibility for overtime payments and employment benefits, K¹² classifies its employees as follows:

Full-time Regular Employees – Employees hired to work K¹² normal, full-time, 32-hour or more workweeks on a regular basis. Such employees may be "exempt" or "non-exempt" as defined below.

Part-time Regular Employees – Employees hired to work fewer than 32 hours per week on a regular basis. Such employees may be "exempt" or "non-exempt" as defined below.

Non-exempt Employees – Employees who are required to be paid minimum wage and overtime at the federal or state prescribed wage rate, whichever is higher. K¹² management will determine the classifications of employees.

Exempt Employees – Employees who are not required to be paid minimum wage and overtime, in accordance with applicable federal wage and hour laws, for work performed beyond 40 hours in a workweek. K¹² management will determine the classifications of employees.

HR PORTAL

The HR Portal was created for employees as a place to find Human Resource related materials and forms. For example, on the HR portal, employees can view their pay stubs, change personal information and find Human Resource policies and forms such as tuition assistance and FMLA. The HR Portal website is www.k12.com/hrportal. Please allow a week for processing to log in.

To get logged in, you will need the following:

Username: Last name + last 4 digits of your SSN (Ex. Smith2454)

Password: Birthday in the MMDDYY format. (Ex. 01251975)

Note: If you need a password reset, please send your requests to payroll@k12.com

PERSONNEL FILES

K¹² maintains a personnel file on each employee. You may review your personnel file upon request and in the presence of Human Resources personnel. If you are interested in reviewing your file, contact Human Resources.

No information in a personnel file will be disclosed to anyone outside the organization without the employee's consent, except as permitted or required by law. K¹² reserves the right, at its discretion, to comply with official requests for information by law enforcement, public safety, or government agencies without notice.

To ensure that your personal information is up to date at all times, log on to the HR Portal at www.k12.com/hrportal to update any changes in your telephone number, home address, the individuals to notify in case of an emergency, etc.

EMPLOYMENT VERIFICATION

All employment verification or reference requests for current or former employees are to be referred to the Human Resources Department. The Human Resources Department customarily releases only last title and dates of employment.

Requests for employment verification for credit or mortgage purposes should also be referred to the Human Resources Department. Certain information will be provided only if Human Resources has obtained permission by the employee to release this information.

MEDIA INQUIRIES

All media inquiries regarding K¹², its clients, or vendors should be referred to Government Affairs/Public Relations at 703-483-7281. Employees may not identify themselves in the press as either "employees of K¹² Inc." or "employees of a K¹² Inc. operating company" or use the K¹² name in any way without first receiving approval from Government Affairs/Public Relations.

OPEN-DOOR POLICY

K¹² maintains an open-door policy and employees are encouraged to communicate with any and/or all K¹² personnel as needed. Any employee may approach any of the management staff on an as-needed basis to address questions, concerns, problems, or other matters. Our expectation is that employees will use good judgment and communicate in a professional manner throughout K¹². In most cases, it would be appropriate for employees first to address questions or concerns with their direct supervisor and then follow up with higher management as needed, taking concerns up to the most senior level of management if necessary. Employees are also encouraged to discuss problems with a Human Resources representative at any time.

PERFORMANCE

We are a high-performance enterprise. We select and hire based upon our value of aggressive achievement, and we expect the best from all our colleagues. There are three major areas of performance:

- **Accomplishment**
 - Achievement of goals
 - Enhancing the business
- **Reliability**
 - Keeping commitments
 - Meeting deadlines
- **Culture Contribution**
 - Living the values
 - Positive effect on others

To ensure that our expectations are communicated and that feedback is provided fairly and consistently, K¹² relies upon both managers and employees to understand their roles in the process and to keep the lines of communication open at all times, including formal and informal feedback throughout the year. The cornerstone of any performance management program is open communication and regular feedback.

Supervisors and employees are required to discuss job performance and goals on an informal, routine basis. Timely and regular feedback is key to successful working relationships. Managers are expected to regularly communicate how well employees are meeting expectations in their current jobs, to clarify job responsibilities, and to review progress on goals. If employees have questions or concerns about performance, they should take the initiative to ask their supervisors to discuss their concerns as they occur. We document performance annually via an employee-driven development process. This process provides employees and their supervisors with the tools to discuss, explore, and document plans for improvement and advancement.

EMPLOYMENT AT WILL

All employment at K¹² is “at will,” as governed by the law of the state where the employee works. Either party has the right to terminate the relationship at any time for any reason, with or without notice. K¹² also retains its discretion to make all other decisions concerning employees, including such items as demotions, transfers, job responsibilities, increases or reductions in salary, bonuses, other compensation, or any other decision by management with or without cause or notice. It is further understood that the “at-will” nature of employment with K¹² is one aspect of employment that cannot be changed except in writing and signed by an authorized Officer of K¹². Nothing in K¹²'s policies is intended to create a contract of any sort on the part of K¹² or any of its employees, officers, directors, or agents for employment in other than an at-will status. Nothing in this policy manual nullifies, modifies or interprets the terms of the Employee Confidentiality, Proprietary Rights, and Non-Solicitation Agreement, and the Agreement to Arbitrate.

TERMINATION OF EMPLOYMENT

An employee may be separated from employment voluntarily or involuntarily by retirement, resignation, lack of work, or termination. Whether a termination is voluntary or involuntary, supervisors must bear in mind that each termination may involve consideration of unique facts or circumstances. Prior to taking any action regarding termination by K¹², the supervisor must first consult with the Human Resources Department to assess the circumstances and appropriateness of termination. All termination decisions must always be made in a manner consistent with applicable federal, state and local laws, and only after approval of one level of management

above the supervisor recommending the termination, and a Human Resources Director or the Senior Vice President of Human Resources.

When appropriate, K¹² may consider a development plan, a performance improvement plan or other appropriate action prior to terminating an employee. However, K¹² has the right to terminate an employee without using one or any of these methods.

K¹² has the right to terminate an employee for any or no reason and specifically reserves the right to terminate an employee immediately when there is a basis for believing that the employee has engaged in conduct that K¹² considers serious and unacceptable.

Employees whose employment terminates due to lack of work or who otherwise lose their job due to no fault of their own may be eligible for unemployment compensation, subject to applicable state unemployment laws. It is the responsibility of the terminated employee to file his or her unemployment compensation claim.

Resignation

Any employee who voluntarily resigns is expected to provide K¹² with advance written notice of no less than two weeks, as is customarily done as a business courtesy. Failure to provide such notice may result in the employee not being eligible for rehire. Upon receipt of the written notice, K¹² reserves the right to accept the resignation as well as deciding the effective date of resignation.

Exit Interviews

Human Resources or a member of management may conduct an exit interview to discuss an employee's reason for leaving and any other impressions they may have about K¹². During the exit interview, an employee can provide insights into areas for improvement for K¹² and their specific position.

Return of K¹² Property

Any K¹² property issued to an employee, such as software, computer equipment, databases, files, PDAs, cell phones, swipe cards, keys, parking passes, company credit cards, and all confidential and proprietary information must be returned at the time of your termination. The employee will be responsible for any lost or damaged items.

Rehire

A rehire is defined as someone who previously worked for K¹² as a regular employee and who returns to K¹². In the event the employee leaves K¹² and returns within one year of their termination date, any prior service will be restored at the time of rehire. If previous employees return to K¹² after the specified one-year period, they will not receive credit for such prior service.

If a supervisor wants to rehire a former employee, he or she should contact the Human Resources Department to discuss the person's prior work performance and whether the person is eligible for rehire. When completing the new hire paperwork, it should be clearly indicated that the employee is a rehire. Employee referral bonuses are not paid for rehires of former employees.

CODE OF BUSINESS CONDUCT AND ETHICS

Note: The entire Code of Business Conduct and Ethics Policy should be read by every employee and can be found on the HR Portal. You are responsible for knowing the policy and acting in accordance with it.

The Code of Business Conduct and Ethics contains general guidelines for conducting the business of K¹² Inc. (the "Company") consistent with the highest standards of business ethics. The Code applies to all of our employees. To the extent the Code requires a higher standard than

required by commercial practice, applicable laws, rules or regulations, or any provision of this handbook we adhere to these higher standards. Furthermore, the Company is committed to maintaining a workplace that is free from harassment, discrimination, violence, and the use and presence of illegal substances. Therefore, you are encouraged to familiarize yourself with those sections of this Employee Handbook which prohibits this behavior and to which you are also subject.

The Code requires that employees disclose any conflicts of interest to their supervisor or to the Legal department. Among the types of situations in which a conflict of interest may exist are outside employment, personal benefits received as a result of employment with K12, financial interests in or loans from customers, suppliers or competitors of K12, service on boards or committees, and actions by an employee's family members.

The Code also requires employees to advance the Company's interests and safeguard confidential information. It further provides that employees should deal fairly with employees, customers, suppliers and competitors, and protect company assets.

The Code provides that employees are not to give gifts to, or receive gifts from, customers or suppliers unless the gift is of nominal or token value, would not be viewed as an inducement to or reward for any business decision, is consistent with customary business practice and does not violate any applicable laws or regulations.

The Code addresses several additional topics. It is important that you know, understand and adhere to all portions of the Code. If you cannot access the Code, contact Human Resources.

GIFTS AND ENTERTAINMENT

The giving and receiving of reasonable and customary gifts and entertainment (such as theatre or game tickets, business meals or a round of golf) are common business courtesies, and are designed to build relationships and understanding among business partners. However, it is not always appropriate or advisable to offer or accept them, and you should not be in a position of deriving direct or indirect benefit from anyone dealing with the Company. For example, if accepting a gift or entertainment would compromise, or even appear to compromise, your ability to make objective and fair business decisions, it should politely be declined. Likewise, it would not be appropriate to accept a gift from a vendor who is participating in a competitive contract bidding process. It is never appropriate to accept or solicit gifts or money, securities or special discounts, or cause another person to do so on your behalf.

It is your responsibility to use good judgment in this area. No employee may give gifts to, or receive gifts from, customers or suppliers unless the gift is of nominal or token value, would not be viewed as an inducement to or reward for any particular business decision, is consistent with customary business practices and does not violate any applicable laws or regulations. Similarly, any meals or entertainment provided to, or accepted from, customers or suppliers should be moderately scaled, not extravagant, infrequent, and within the limits of reasonable and customary business practice. You should not attend activities that would reflect poorly on the Company or violate other provisions in this Code of Conduct. All gifts and entertainment expenses should be properly accounted for on expense reports.

To ensure adherence to the ethical standards reflected in our Code of Conduct, any gifts or entertainment accepted by employees holding the position of senior vice president or above shall be disclosed in writing or electronically to the General Counsel within five (5) business days or as soon as practicable thereafter. Token gifts (e.g., coffee mugs, golf balls and similar promotional items) and business meals with a value of less than \$100 need not be reported. The disclosure shall provide a description of the gift or entertainment received, its actual or estimated value, and the identity of the individual and company that provided the gift or entertainment. The actual value

should be provided if it is readily available, such as from menu prices or a face ticket amount, or otherwise obtained from the vendor or supplier upon reasonable request. If the actual value of the gift or entertainment cannot be readily obtained, the estimated value should be the fair market value. For example, a disclosure for a gift of an exclusive bottle of wine could be estimated from its retail sales price. The General Counsel will provide the Board of Directors with a consolidated report of such matters at its regular scheduled meetings. Any exceptions to the above limitations for other employees must be pre-approved by the General Counsel.

Gifts and entertainment may not be offered or exchanged under any circumstances to or with any public employee, whether federal, state or local governments, including school boards and school officials, unless made in strict accordance with Section VII herein. If you have any questions about this policy, contact your supervisor or the Legal Department for additional guidance. For a more detailed discussion of special considerations applicable to dealing with federal, state and local government officials, see "Interactions with the Government" in Section VII, noted below.

If you conduct business in other countries, you must be particularly careful that gifts and entertainment are not construed as bribes, kickbacks or other improper payments. See "The Foreign Corrupt Practices Act and Other Laws Governing Our Business Internationally" for a more detailed discussion of our policies regarding giving or receiving gifts related to business transactions in other countries (section IX of the Code of Business Conduct which can be found on the HR Portal.

You should make every effort to refuse or return a gift that is beyond these permissible guidelines. Failure to comply with these guidelines may result in disciplinary actions, up to and including termination of employment. If it would be inappropriate to refuse a gift or you are unable to return a gift, you should promptly report the gift to your supervisor. Your supervisor will bring the gift to the attention of the Legal Department, which may require you to donate the gift to an appropriate community organization. If you have any questions about whether it is permissible to accept a gift or something else of value, contact the Legal Department for additional guidance.

Note: VII. Interactions with the Government

The Company conducts business with the U.S., state and local governments and the governments of other countries. It is important to remember that the "government" is a broad term and also extends to other public entities and their employees including, but not limited to, school districts, intermediate school districts, charter schools and boards of cooperative educational services. The Company is committed to conducting its business with all governments and their representatives with the highest standards of business ethics and in compliance with all applicable laws and regulations, including the special requirements that apply to government contracts and government transactions. In your interactions with the government, you should:

Be forthright and candid at all times. No employee should misstate or omit any material information from any written or oral communication with the government.

You should not offer or exchange any gifts, gratuities or favors with, or pay for meals, entertainment, travel or other similar expenses for, government employees. To the extent that state law and school district policies permit such payments or gratuities up to specified limits, but not otherwise, you must obtain the approval of the General Counsel before making any such offers, exchanges, or payments.

If your job responsibilities include interacting with the government, you are expected to understand and comply with the special laws, rules and regulations that apply to your job position, including any local restrictions on providing entertainment and gifts to school officials. In addition, all interactions with government officials in policymaking positions must first be coordinated with the Public Affairs Department to ensure that we are in full compliance with all applicable lobbying disclosure laws and are consistent with Company public policy positions. If any doubt exists about

whether a course of action is lawful, you should seek advice immediately from the Legal Department.

EMPLOYEE CONDUCT

K¹² strives to maintain a positive work environment where employees are treated with respect and where they respect the personal rights and property of fellow employees. All employees are expected to meet reasonable standards of work performance: Achieving committed goals; meeting deadlines; living the values; having a positive effect on others; and continuously seeking ways to enhance and improve the business.

ANTI-HARASSMENT AND DISCRIMINATION POLICY

It is the policy of K¹² to maintain a working environment that encourages mutual respect, promotes respectful and congenial relationships between employees, and is free from all forms of unlawful discrimination, including harassment of any employee or applicant for employment by anyone, including supervisors, co-workers, vendors, or customers. Harassment in any manner or form is expressly prohibited and will not be tolerated by K¹². Accordingly, Company management is committed to vigorously enforcing this policy against discrimination, including but not limited to sexual harassment, at all levels within K¹².

All reported or suspected occurrences of discrimination (including, but not limited to, harassment) will be promptly and thoroughly investigated. Where discrimination is determined to have occurred, K¹² will immediately take appropriate disciplinary action, including written warnings and possible suspension, transfer, and/or termination.

K¹² will not permit or condone any acts of retaliation against anyone who files discrimination complaints or cooperates in the investigation of the same.

The term "harassment" includes, but is not limited to, unwelcome slurs; jokes; verbal, graphic, or physical conduct relating to an individual's race, color, religion, sex, national origin, citizenship status, pregnancy, disability, age, genetic information, military status or status as a Vietnam-era or special disabled veteran, marital status, civil union or registered domestic partner status, gender (including gender identity), sexual orientation or bankruptcy in accordance with applicable federal, state and local laws..

K12 prohibits unlawful sexual harassment, as well as retaliation against persons alleging such harassment. The U.S. Equal Employment Opportunity Commission and the U.S. Department of Education's Office of Civil Rights consider sexual harassment to be repeated and unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature. There are two forms of sexual harassment:

Quid Pro Quo ("One Thing for Another"): This may occur where submission to such conduct is made an implicit or explicit term or condition of an individual's employment; or where submission to or rejection of such conduct is used as the basis for decisions about employment, promotion, transfer, selection for training, performance evaluation, etc.

Hostile Work Environment: This may occur where such conduct has the power or effect of creating an intimidating, hostile, or offensive working environment or substantially interferes with an employee's work performance.

Sexual harassment can range from sexual humor and innuendo to physical threats and sexual assault. It may include, but is not limited to, the following behaviors:

Inappropriate posters, photos or symbols
Direct or subtle pressure for sexual activity
Unwelcome brushes or touches
Physical aggression, such as pinching or patting
Inappropriate sexual innuendo
Sexist jokes or remarks
Obscene gestures or comments
Telephone calls, emails, text messages, instant messages or blogs

The term “harassment” may also include conduct of employees, supervisors, vendors and/or customers who engage in verbally or physically harassing behavior that has the potential to humiliate or embarrass an employee of K¹².

Complaint Procedure

Any employee who feels that he or she has been or is being harassed, or discriminated against, can immediately inform the alleged harasser that the behavior is unwelcome. In many instances, the person may be unaware that their conduct is offensive and when so advised can easily and willingly correct the conduct so that it does not reoccur.

If an informal discussion with the alleged harasser is unsuccessful in remedying the problem or if such an approach is not desirable or possible, the employee should immediately report the complained-of conduct to his or her, manager, executive, or the Human Resources Department. The report should include all facts available to the employee regarding the harassment.

A third party may also file a complaint of sexual harassment if the sexual conduct of others in the work environment has the purpose or effect of substantially interfering with the third party's welfare, or work performance, thus creating a hostile environment.

Confidentiality

All reports of discrimination will be treated seriously. However, absolute confidentiality is not promised, nor can it be assured. K¹² will conduct an investigation of any complaint that will require limited disclosure of pertinent information to certain parties, including the alleged harasser.

Investigative Procedure

Once a complaint is received, K¹², through the Human resources department, will begin a prompt and thorough investigation. The investigation may include interviews with all involved employees, including the alleged harasser, and any employees who are aware of facts or incidents alleged to have occurred.

In responding to claims of sexual harassment, K12 will judge each claim based on the facts particular to each case. Once the investigation is completed, a determination will be made regarding the validity of the discrimination allegations. If it is determined that harassment has occurred, prompt, remedial action will be taken. This may include some or all of the following steps:

1. Restoring any lost terms, conditions, or benefits of employment to the complaining employee.
2. Disciplining the harasser. This discipline can include written disciplinary warnings, transfer, demotion, suspension, and termination.

If the harassment is from a vendor or customer, K¹² will take appropriate action to stop the complained-of conduct.

Duties of Employees and Supervisors

All employees of K¹², both management and non-management, are responsible for assuring that a workplace free of harassment is maintained. Any employee may file a harassment complaint regarding incidents experienced personally or incidents observed in the workplace. K¹² strives to maintain a lawful, pleasant work environment where all employees are able to effectively perform their work without interference of any type and requests the assistance of all employees in this effort.

All K¹² supervisors and managers are expected to adhere to the K¹² anti-harassment policy. They are responsible for doing all they can to prevent and discourage harassment from occurring. If a complaint is raised, supervisors and managers are to act promptly and notify the Human Resources Department of the complaint so that Human Resources may proceed with an investigation. If a supervisor or manager fails to follow this policy, he or she will be subject to disciplinary action, up to and including termination.

GUIDELINES FOR APPROPRIATE CONDUCT

As K¹² team members, employees are expected to accept certain responsibilities, follow acceptable business principles in matters of conduct, and exhibit a high degree of integrity at all times. This not only involves sincere respect for the rights and feelings of others, but also demands that employees refrain from any behavior that might be harmful to themselves, co-workers, or K¹² or that might be viewed unfavorably by current or potential customers or by the public at large. Employee conduct reflects on K¹². Employees are, consequently, encouraged to observe the highest standards of professionalism at all times.

Types of behavior and conduct that K¹² considers inappropriate include, but are not limited to, the following:

- Falsifying employment or other Company records;
- Violating the K¹² anti-harassment policy;
- Soliciting or accepting gratuities from customers or clients;
- Excessive absenteeism or tardiness;
- Excessive, unnecessary, or unauthorized use of Company property and supplies, particularly for personal purposes;
- Reporting to work under the influence of drugs or alcohol, and the illegal manufacture, possession, use, sale, distribution, or transportation of drugs;
- Fighting or using obscene, abusive, or threatening language or gestures;
- Theft of property from co-workers, customers, K¹², or the community;
- Unauthorized possession of firearms on K¹² premises or while on Company business;
- Disregarding safety or security regulations;
- Insubordination; and
- Failing to maintain the confidentiality of Company, customer, or client information.

Should an employee's performance, work habits, overall attitude, conduct, or demeanor become unsatisfactory based on violations either of the above or of any other Company policies, rules, or regulations, the employee will be subject to disciplinary action, up to and including termination.

Before or during imposition of any discipline, employees may be given an opportunity to relate their version of the incident or problem at issue and provide any explanation or justification they consider relevant.

PROGRESSIVE DISCIPLINE

Here at K¹² we want you to be successful in your job and we will provide you with the necessary tools, support and guidance. There are times where the performance of an employee does not meet the needs of K¹². Where appropriate, a policy of progressive employee discipline will be followed by supervisors. The following steps should be taken for progressive discipline:

Verbal Counseling. The first step in the K¹² progressive disciplinary policy is "verbal counseling." This is a verbal warning to an employee that his conduct is unacceptable, and that repeated or continued failure to conform his conduct or performance to K¹² standards will result in more severe disciplinary action. A record of the notice of the verbal warning may be made and retained in the employee's personnel file.

Written Warning. The second step is a "written warning." This warning will be a formal counseling statement that will describe the unacceptable conduct or performance of the employee and specify needed changes or improvements. This statement will:

- Detail the areas of deficiency, specific occurrences, and prior discussions on the topic.
- Provide areas in which an employee must improve their performance.
- Discuss the importance of this position within the organization and why a stronger performance is needed.
- Include a timeline for improvement to occur, and may involve frequent meetings to measure the progress along the way.
- At the end of the timeline, the performance will be evaluated again, and a determination on next steps will be discussed.
-

A copy of the written warning will be retained in the employee's personnel file.

Termination. The final step in the disciplinary procedure is the termination of the employee. If an employee fails to conform his conduct or performance to the standards K¹² requires, K¹² may, at its sole discretion, terminate the employee's employment.

Notwithstanding this progressive disciplinary procedure policy, K¹² reserves the right to administer discipline in such a manner as it deems appropriate to the circumstances, and may, at its sole discretion, eliminate any or all of the steps in the disciplinary process.

WHISTLEBLOWING AND GENERAL COMPLAINT RESOLUTION PROCEDURE

Whistleblower Policy

Note: The entire Complaint and Investigation Procedures for Accounting, internal Accounting Controls should be read by every employee and can be found on the HR Portal. You are responsible for knowing the procurers and acting in accordance with them.

The Company treats complaints about accounting, internal accounting controls, auditing matters or questionable financial practices seriously and expeditiously. Employees may confidentially and anonymously submit such complaints for review by the Company. The Company will protect the confidentiality and anonymity of the employee to the fullest extent possible, consistent with the need to conduct an adequate review. The Company abides by all laws that prohibit retaliation against employees who lawfully submit complaints under these procedures.

Other whistleblower complaints or disclosures can include, but are not limited to, intentional and unintentional violations of regulations and policies set forth in this handbook such as

discrimination, sexual or other harassment, and retaliation. Any person may make a complaint or disclosure by following the process below.

General Complaint Resolution

In addition to whistleblower complaints, misunderstandings or conflicts can arise in any organization. To ensure effective working relations, it is important that such matters be resolved before serious problems develop. Most incidents resolve themselves naturally; however, should a situation persist that you believe is detrimental to your effective employment with K¹², you should follow the procedure described here for bringing your complaint to management’s attention.

Step One. Discussion of the problem with your immediate supervisor is encouraged as a first step. If, however, you do not believe a discussion with your supervisor is appropriate, you may proceed directly to Step Two.

Step Two. If your problem is not resolved after discussion with your supervisor or if you feel discussion with your supervisor is inappropriate, you are encouraged to request a meeting with your Human Resource Generalist. In an effort to resolve the problem, the representative will consider the facts and may conduct an investigation.

K¹² does not tolerate any form of retaliation against employees availing themselves of this procedure. The procedure should not be construed, however, as preventing, limiting, or delaying K¹² from taking disciplinary action against any individual, up to and including termination, in circumstances (such as those involving problems of overall performance, conduct, attitude, or demeanor) where K¹² deems disciplinary action appropriate.

EthicsPoint

We should have the comfort of knowing that we work in a safe, secure, and ethical workplace. Our hope is that we are proud to work here, feel good about our jobs, and attain our highest productivity.

Every person, regardless of position, shares the responsibility for promoting a positive environment. We have a reporting system, which is managed by EthicsPoint, to enhance communication and empower you to promote safety, security, and ethical behavior.

This system allows you to communicate your concerns and enables you to remain anonymous if you so choose. We have partnered with EthicsPoint to manage the reporting for us. They have gone to great lengths to ensure that reports entered in the system are completely confidential.

Your input is essential for ensuring that we maintain a positive, productive workplace. Please know that when you use the EthicsPoint Reporting System, you can report misconduct that you observe, or gain clarity on whether or not something is cause for concern. We want to hear your positive comments, too—things that we are doing well or that could be improved.

How to File a Report

EthicsPoint is designed to maintain your confidentiality and anonymity. The following instructions will guide you through the processes available to submit a report, including a report under the Whistleblower Policy. Use any **one** of these three convenient channels of communication:

Company Network	Public Internet	Toll-Free Phone
Click on link provided on the HR Portal. You will automatically be connected to your EthicsPoint secure landing page.	From any computer with Internet access (home, public library, neighbor, etc.), go to www.ethicspoint.com and click on “File a new report”	Call your EthicsPoint toll-free hotline at 1-888-541-4701. An intake specialist will assist you with entering your report into the EthicsPoint system.

For complaints under the Whistleblower Policy, you may also submit a written complaint to the General Counsel. You do not need to provide your name or other personal information appropriate attention, you should caption it "Accounting Complaint."

VIOLENCE IN THE WORKPLACE POLICY

It is the intent of K¹² to provide a safe workplace for employees and to provide a comfortable and secure atmosphere for customers and others with whom we do business. K¹² has zero tolerance for violent acts or threats of violence.

K¹² expects all employees to conduct themselves in a non-threatening, non-abusive manner at all times. No direct, conditional, or veiled threat of harm to any employee or K¹² property will be considered acceptable behavior. Acts of violence or intimidation of others will not be tolerated. Any employee who commits or threatens to commit a violent act against any person while on K¹² premises will be subject to immediate discharge. If an employee, while engaged in K¹² business off the premises, commits or threatens to commit a violent act, that employee will be subject to immediate discharge if the threat or violent act could adversely affect K¹² and/or its reputation in the community.

Employees within K¹² share the responsibility in identification and alleviation of threatening or violent behaviors. Any employee who is subjected to or threatened with violence, or who is aware of another individual who has been subjected to or threatened with violence, should immediately report this information to their supervisor, Human Resources, or a member of management. Employees must assume that any threat is serious. If you, as an individual, feel threatened and need protection, do not hesitate to report the situation to a supervisor. Any threat reported to a supervisor should be brought to the attention of management and/or the Human Resources Department. Human Resources will carefully investigate all reports, and employee confidentiality will be maintained to the extent possible.

WORKPLACE DATING/CONSENSUAL RELATIONSHIPS

Visually, verbally, and physically, K¹² employees spend enormous amounts of time together. If your mind wanders from the task at hand to thoughts of a romantic relationship with another employee, let the following strategy guide your actions:

Should you decide to pursue another K¹² employee romantically, and they say "no," **do not** ask again, as a second attempt will be considered to be a violation of the Anti-Harassment Policy. Additionally, there is to be no dating, romantic or amorous relationships within reporting relationships, regardless of whether such activities are considered to be consensual by any or all of the parties. Pursuing a subordinate is grounds for termination of employment. Should two employees be involved and become assigned to a single reporting line, both of the employees need to inform Human Resources so that the integrity of the reporting relationship can be maintained.

This policy applies equally for in-person and online contact.

WORKPLACE ACCIDENTS

No matter how insignificant an injury may seem at the time of occurrence, you shall notify the on-site supervisor and Human Resources immediately of any workplace accident or injury.

EMPLOYEE SAFETY AND HEALTH

It is the policy of K¹² to provide its employees a safe and healthy workplace and to follow procedures aimed at safeguarding all employees. Safety is everyone's responsibility. Every supervisor is expected to devote the time and effort necessary to ensure the safety of employees at all times.

Responsibilities of the employee include:

- Obeying the safety rules.
- Following safe job procedures and not taking shortcuts.
- Keeping work areas clean and free from slipping or tripping hazards.
- Immediately reporting all malfunctions to a supervisor.
- Using care when lifting and carrying objects.
- Observing restricted areas and all warning signs.
- Knowing emergency procedures.
- Reporting unsafe conditions to supervisors.
- Promptly reporting every accident and injury to a supervisor.
- Following the care prescribed by the attending physician when treated for an injury or illness.
- Attending all employee safety meetings.
- Participating in accident investigations.

INTERACTION WITH MINORS

Children are the central focus of our collective efforts, and their safety and security are paramount to all of us. The Company reserves the right to conduct background checks on any individual who has direct access to our students, or their personal data, including those who move into positions that grant this access, even on a temporary basis.

Personal relationships between K12 employees and students are not appropriate under any circumstances - whether consensual or not and regardless of the student's age – and, therefore, are prohibited.

STUDENT RECORDS AND FERPA

As a technology-based education company, K¹² has a vital interest in protecting the confidentiality of student information. Not only is this a requirement of a federal law known as FERPA (Family Educational Rights and Privacy Act), it is also a business imperative because parents and customers expect that we will make only proper use of student information.

As K¹² continues to grow, we remind everyone of the importance of maintaining the confidentiality of student education records. Student education records include more than just a student's grades, social security number, individualized education plan and similar records. It includes almost all records directly related to a student and maintained by educational institutions and the contractors acting on their behalf, such as K¹². Student records must be treated with the utmost care and confidentiality, and any internal sharing must be limited to other K¹² employees who need them to fulfill their job responsibilities or only when you know that it is lawful to do so.

Contact the Legal Department anytime you have a question about FERPA or any student privacy issue.

COMPANY PROPERTY

In an effort to ensure the safety and welfare of employees and invitees, K¹² reserves the right, on reasonable suspicion that Company policy is being violated, to conduct searches or inspections, which includes, but is not limited to, employees' work areas, desks, and any other property located on Company premises or worksites. Entry on Company premises or worksites constitutes consent to searches or inspections.

DRUG-FREE WORKPLACE POLICY

The policy of K¹² is to maintain a drug-free workplace. As a condition of continued employment, all K¹² employees must comply with this policy. The term "workplace" is defined as K¹² property, any K¹²-sponsored activity, or any other site where the employee is performing work for K¹² or representing K¹². The term "drug" as used in this policy includes alcoholic beverages and prescription drugs, as well as illegal inhalants and illegal drugs and/or controlled substances as defined in schedules I through V of the Controlled Substances Act, 21 U.S.C. Sec. 812, 21 C.F.R. Sec 1308, and the state and local law of the jurisdiction where the workplace is located, including, but not limited to, marijuana, opiates (e.g., heroin, morphine), cocaine, phencyclidine (PCP), and amphetamines. If a K¹² employee's primary worksite is a home office, alcohol may be permitted in the home, but drinking alcohol is strictly prohibited during working hours. An employee who engages in an activity prohibited by this policy shall be subject to disciplinary action, up to and including immediate termination of employment.

Prohibited activities under this policy include the possession, use, sale, attempted sale, distribution, manufacture, purchase, attempted purchase, transfer, or cultivation of drugs, as defined above, in the workplace, as defined above. Employees are also prohibited from being at the workplace with a detectable amount of drugs in their system. However, the use and/or possession of prescription drugs, when taken as directed and obtained with a valid prescription, shall not be a violation of this policy.

Information regarding the availability of treatment programs, if any, such as assistance provided by K¹²'s health care plan coverage of drug and alcohol abuse rehabilitation programs and the requirements for participation in drug and alcohol abuse education and training programs, may be requested by contacting your Human Resources Department.

WEAPONS

It is the intent of K¹² to provide a safe and secure workplace for employees, clients, clients' customers, visitors and others with whom we do business. K¹² expressly forbids the possession of weapons on Company property where such prohibition is permitted by law. K¹² has *zero tolerance* for possession of any type of weapon, firearm, explosive, or ammunition. Company property includes, but is not limited to, all Company facilities, vehicles, and equipment, whether leased or owned by K¹² or its clients. In addition, weapons in employee-owned vehicles parked on Company property are strictly forbidden. Weapons are any instrument of offensive or defensive combat and any device designed or traditionally used to inflict harm or injury and include, but are not limited to, explosives, firearms, bows, slingshots, switchblades, daggers, blackjacks, brass or metal knuckles, hunting knives, nunchaku ("nun-chucks"), dirk knives, bowie knives, star knives, sand clubs, razors, throwing stars and any device capable of projecting a ball, pellet, arrow, bullet, missile, shell or other material.

The possession of weapons on Company property will be cause for discipline, including immediate termination of employment. In enforcing this guideline, K¹² reserves the right to

request inspections of any employee and their personal effects, including personal vehicles, while on Company premises. Any employee who refuses to allow inspection will be subject to the same disciplinary action as being found in possession of firearms.

Employees within K¹² share the responsibility for identifying violators of this guideline. An employee who witnesses or suspects another individual of violating this guideline should immediately report this information to his or her on-site supervisor.

DRESS CODE

K¹² has a corporate-casual dress code. Nevertheless, employees of K¹², in the course of performing their jobs, come in contact with a variety of individuals and organizations outside of K¹². To a great degree, the appearance and level of professionalism demonstrated by its employees determine the reputation and image of K¹². Therefore, K¹² employees should exercise judgment in their selection of attire for the office by dressing in a manner appropriate to the nature of their work and the reputation and image of K¹².

SMOKING

In order to maintain a safe and comfortable working environment and to ensure compliance with applicable laws, smoking is not allowed on K¹² grounds or within the workspace, unless K¹² has designated a specific area for smokers or as otherwise provided by law. Because K¹² may be subject to criminal and civil penalties for violations of applicable smoking laws, we must insist on strict adherence to this policy. Employees smoking in any non-smoking area may be subject to disciplinary action, up to and including termination. Please contact your on-site supervisor or the Human Resources Department if you have any questions regarding the smoking policy.

HOURS OF OPERATION

The normal workweek for K¹² is Monday through Friday, and core business hours are from 8:00 a.m. to 5:00 p.m. Other workweeks and schedules may be adopted based on business need.

All employees are expected to work extended hours as required by business needs. Non-exempt employees will be paid according to laws regarding overtime provisions.

FLEX-TIME AND FLEX-PLACE

Flex-time is a term used to define an alternate work schedule by which an exempt employee may begin and end the workday within specified limits dictated by the needs of the job. It is also the policy of K¹² to allow authorized employees the option of a flexible workplace. Flex-time and flexible workplace are subject to management and Human Resources approval.

Individual departments may use a flex-time work schedule or flex-place, subject to the following conditions:

- Each Department Head will ensure coverage during its “core hours” of operation. The Department Manager has the discretion to determine staffing coverage to meet the operating requirements of the department.
- Department Heads will be responsible for resolving intradepartmental schedule conflicts and assuring that proper coverage is maintained.
- A manager may, at his/her sole discretion, implement, continue, or discontinue flex-time/flex-place work schedules. At the sole discretion of the manager, an employee may be re-assigned to work core hours or work on-site at any time.

- PTO: The usage of these benefits is the same for employees working flex-time as for those working a standard schedule.

Employees shall not maintain any confidential or legally protected information (including, but not limited to, information protected by FERPA) at a flex-place site unless that information is protected from disclosure (e.g., by robust passwords or locks) to other persons (including family members) who share that site. Employees will use precautions to assure protection of confidential information. Employees who leave the employment of K12 are required to return all K12 supplies prior to their departure and will abide by management decisions regarding any confidential data or information.

A flex-time schedule, once agreed upon by the manager and Human Resources, should remain stable except when a special need arises. Emergency situations, which require schedule modification, may be accommodated with approval of the manager.

Responsibilities

Managers:

Approve and revise work schedules based on business needs. Approval of alternative work schedules should ensure that:

- The level and quality of customer service is maintained or increased.
- Schedules coordinate with needs of internal and external customers.
- Resources are used efficiently and effectively.
- Operational deadlines are met.
- Absenteeism and tardiness are improved.

Employee:

- Complete assigned work.
- Maintain full accessibility.
- Use work time effectively.
- Assure the same or improved level of customer service.
- Maintain dependable attendance.
- Document timekeeping accurately.
- Communicate work problems and needs to his/her manager.

Flex-place is a term used to define an alternate work venue within specified limits dictated by the needs of the job.

Eligible employees may have flex-place arrangements authorized for either their full or partial schedule (e.g., one or more days a week or a five-day schedule). Employees who are either full time or part time are considered virtual when their work is performed primarily from their home in a flex-place capacity. The employee's compensation benefits, work status, and work responsibilities will not change due to participation in the flex-place program. Flex-place employees are responsible for adhering to the same conditions of employment, performance standards, and policies and procedures as non-flex-place staff, and are also responsible for all K¹² equipment and its use. Flex-place employment does not change the nature of the employment at will relationship.

By participating in the flex-place arrangement, the employee agrees to maintain safe conditions in the at-home workspace, and to practice the same safety habits as he would in his office on the K¹² premises.

Management and Human Resources approval is required prior to extending virtual employment to an employee.

K¹² reserves the right to discontinue the flex-place agreement at any time.

General Guidelines and Eligibility

In order to be eligible to participate in the flex-time program, an employee must be in good standing within the department. ("Good standing" means, but is not limited to, no verbal or written warnings, performance improvement plans, and meets all performance objectives on time.) Employees shall have prior approval from their Manager and Human Resources to work a pre-approved flex-time schedule or to work at an alternative venue. Employees are responsible for attending all mandatory department meetings and training in person.

ABSENTEEISM AND TARDINESS

Employees are K¹²'s most valuable assets. As such, regular attendance is essential for efficiency and smooth operations. Unexcused absences, excessive excused absences, and/or habitual tardiness are discourteous to fellow employees and may result in corrective action up to and including immediate termination of employment.

Absences that are not pre-approved are considered unexcused. Under certain circumstances employee's absence for more than three (3) consecutive days for an illness may be requested to submit a doctor's note in support of their absence. In addition, three consecutive workdays of absence, without notifying K¹², is job abandonment and will be considered a resignation.

Employees should notify their supervisor as soon as possible on the first day of their absence (if not before). Promptness in reporting an absence can help prevent inconvenience to K¹² clients and fellow employees. Accordingly, in such situations, employees must notify their supervisors as soon as possible, but in no event later than one hour after their scheduled start time. An employee should make every effort to speak to a supervisor, manager, or senior-level manager to report the absence or tardiness. In the event this is not possible, a voicemail or e-mail may be sufficient. Note: Text messages are not a sufficient way to report an absence from work.

When the employee returns to work, a Request for Time Off form must be submitted to the supervisor.

EMERGENCY OFFICE CLOSING

It is the policy of K¹² that offices be open during normal working hours in order to provide the service our customers require and expect from us. K¹² has the sole discretion of determining if the office is to be closed in the event of inclement weather, power or other utility failure, fire, flood, or some other emergency.

During periods of inclement weather in the Washington, D.C., metro area, please call 703-483-7599 x9000 to determine the status of the Herndon headquarters location. Any delay in opening or closure will be decided no later than 6:30 a.m. that day. In other locations, employees should put safety first in determining appropriateness of travel to their work location. Employees should make every effort to contact their manager for guidance.

K¹² realizes its obligation to employees' physical well-being and strives to maintain a safe place for employees to work. The occasional emergency situation that may arise needs to be handled efficiently and calmly. Your supervisor will advise of procedures to be followed when offices are closed because of inclement weather or when emergencies arise during the day.

HOLIDAYS

Regular full-time employees are eligible for paid holidays during each calendar year. To receive holiday pay, a non-exempt employee must work the regularly scheduled workday before and after the holiday, unless an exception is approved in writing by the on-site supervisor. A paid holiday does not count as a day worked in calculating overtime for the week.

K¹² observes the following holidays each year:

New Year's Day – January 1
Martin Luther King Day – Third Monday in January
President's Day – Third Monday in February
Memorial Day – Last Monday in May
Independence Day – July 4
Labor Day – First Monday in September
Thanksgiving Day – Fourth Thursday in November
Day after Thanksgiving – Fourth Friday in November
Christmas Day – December 25
Winter Break – Management's Discretion (decided in October each year)

PAID TIME OFF (PTO) (State-specific policies listed in the Addenda)

At K¹², we work hard and we recognize that in order to keep up the pace, we need to occasionally take a respite from work. The K¹² vacation time policy is designed to accommodate our need for time away from work. All full-time employees are eligible for vacation time.

Vacation time is subject to approval by your supervisor. All employees are encouraged to plan the time well in advance so scheduling conflicts can be avoided.

Vacation time is accrued on a calendar-year basis (January 1 through December 31). Vacation times begins accruing with the first full pay period after your date of hire. Vacation time is earned according to the following schedule:

	Days per Year (Hours)	Hours per Pay Period (Semi- Monthly)
Employees		
0 – 47 months	10 (80)	3.33
48 – 71 months	15 (120)	5.00
72 months	17 (136)	5.67
<i>Corporate Level: Director and Above</i>		
0 – 47 months	15 (120)	5.00
48 + months	20 (160)	6.67

If a paid holiday falls within a vacation time period, that day is counted as a holiday and does not count as a vacation day.

Employees may accrue a maximum number of vacation days at one time, as noted in the above table. When employees reach the maximum, the accrual will stop until a portion of the vacation time is used. Once the accrual begins again, it begins from the date the accrual went below the maximum and is not retroactive. Employees may not take vacation time if they have not accrued sufficient time. If employees request time off without sufficient vacation time accrued, it will be

considered unpaid. Accrued and unused vacation time will be paid to employees upon termination.

PART-TIME EMPLOYEE PAID TIME OFF

If you live in Washington, D.C., the state of Wisconsin, or the state of California the following policy does not apply to you. (If you reside in D.C., WI, or CA, your paid time off will be pro-rated based on the "Paid Time Off" policy listed above.)

For employees who work on average less than 32 hours per week, they will receive the following:

3 paid time off days (24 hours)

2 sick days (16 hours)

The three (3) paid time off days must be requested in advance and is subject to approval by your manager.

This time will be awarded on January 1st every year. If an employee starts after January 1st, the time will be pro-rated. This time does not roll over into a new calendar year. It is not accrued time and any unused time will not be paid out upon leaving K12 Inc.

VACATION ROLL OVER

Employees can roll-over a maximum of 80 hours (10 days) of vacation into a new fiscal year. This policy does NOT affect the amount of vacation days you are entitled to receive and use during a year. It does change the amount you will be able to carry over from the current fiscal year to the next fiscal year and therefore reserve for future use.

SICK TIME

Full-time Employees are eligible for up to ten (10) days of paid sick time per year. Sick time is designed to accommodate time off for personal illness or to care for a close relative. Employees should notify their immediate supervisor as soon as they know they will not be able to report to work due to illness. (Text messages are not an appropriate way to inform K¹² that you are taking a sick day.) If three (3) or more consecutive sick days are taken, you might be required to provide a note from a medical professional. Additionally, you might be given information regarding a Leave of Absence. Sick time is a benefit that is refreshed annually and is not carried over year to year. Unused sick time is not paid out upon termination.

PERSONAL TIME

Employees are eligible for two (2) personal days per calendar year. These personal days should be requested as far in advance as possible and are granted at the discretion of management. This is a benefit that is refreshed annually, and is not carried over from year to year. This time is not paid out upon termination.

BEREAVEMENT LEAVE

If a death occurs in the family of a full-time or part-time regular employee, the employee will be compensated for time lost from his regular work schedule in accordance with the following guidelines. The employee will be allowed up to five (5) days off from work with pay in the event of the death of a spouse, domestic partner and partner in a civil union, child, parent, sibling or comparable step relation, a grandparent, father-in-law, mother-in-law, son-in-law, or daughter-in-

law, or anyone living in an employee's household. Employees will be allowed two days off in the event of the death of a relative who is not a member of your immediate family as defined above. Request for bereavement leave should be made to your immediate supervisor.

JURY DUTY AND WITNESS LEAVE

If a full-time regular employee is summoned to jury duty, the employee will receive his salary during the period of jury duty for up to a maximum of five working days per calendar year. If the jury service extends beyond five days, full-time regular employees are allowed to use their own vacation or personal time to cover the extended days otherwise they will go without pay, except as may otherwise be required by law. Employees must notify their supervisor as soon as it is known that jury duty will be extended. An employee is also permitted to retain the allowance he receives from the court for such service.

A part-time regular employee will be allowed to use their own vacation or personal time (if applicable) otherwise they will be given time off without pay while serving jury duty, except as otherwise may be required by law. All employees are allowed unpaid time off if summoned to appear in court as a witness. To qualify for jury or witness duty leave, an employee must submit to his supervisor a copy of the summons as soon as it is received. In addition, proof of service must be submitted to the employee's supervisor when the period of jury or witness duty is completed.

VOTING

It is the policy of K¹² to permit employees to be absent from work to vote in local, state, or national elections. Employees who cannot reach their polling place outside of work hours will be permitted paid time off to vote. The time off to vote may not exceed two hours. Evidence of voter registration and voting may be required. Additional paid or unpaid time will be provided to the extent required by applicable law.

FAMILY AND MEDICAL LEAVE (FMLA)

Any time you miss work due to your own serious medical condition or the care of an immediate family member with a serious medical condition or for the birth and care of a newborn child of the employee or for placement with the employee of a son or daughter for adoption or foster care, please contact FMLASource via the following steps:

- Call 1-877-GO2-FMLA or log on to www.fmlasource.com.
- Your information will be verified by a Benefit Specialist at FMLASource who will initiate the Family Medical Leave process and answer any questions you may have.

You will be notified of the status of your FMLA claim by an FMLASource Benefits Specialist once it has been processed.

In addition to contacting FMLA Source, contact your Supervisor or Human Resources Representative to discuss steps for business planning purposes

An employee seeking leave benefits under this policy must satisfy all eligibility requirements as set forth below and required by applicable federal law. This policy does not create any rights (contractual or otherwise) not already provided under federal, state or local law. Employees should, to the extent they wish to request and apply for family and medical related leave under any applicable federal or state law contact their Supervisor or Human Resources along with FMLASource.

Employee Rights and Responsibilities Under the Family and Medical Leave Act

<http://www.dol.gov/whd/regs/compliance/posters/fmlaen.pdf>

Basic Leave Entitlement

FMLA requires covered employers to provide up to 12 weeks of unpaid, job-protected leave to eligible employees for the following reasons:

- For incapacity due to pregnancy, prenatal medical care or child birth;
- To care for the employee's child after birth, or placement for adoption or foster care;
- To care for the employee's spouse, son or daughter, or parent, who has a serious health condition; or
- For a serious health condition that makes the employee unable to perform the employee's job.

Military Family Leave Entitlements

Eligible employees with a spouse, son, daughter, or parent on active duty or call to active duty status in the National Guard or Reserves in support of a contingency operation may use their 12-week leave entitlement to address certain qualifying exigencies. Qualifying exigencies may include attending certain military events, arranging for alternative childcare, addressing certain financial and legal arrangements, attending certain counseling sessions, and attending post-deployment reintegration briefings.

FMLA also includes a special leave entitlement that permits eligible employees to take up to 26 weeks of leave to care for a covered servicemember during a single 12-month period. A covered servicemember is a current member of the Armed Forces, including a member of the National Guard or Reserves, who has a serious injury or illness incurred in the line of duty on active duty that may render the servicemember medically unfit to perform his or her duties for which the servicemember is undergoing medical treatment, recuperation, or therapy; or is in outpatient status; or is on the temporary disability retired list.

Benefits and Protections

During FMLA leave, the employer must maintain the employee's health coverage under any "group health plan" on the same terms as if the employee had continued to work. Upon return from FMLA leave, most employees must be restored to their original or equivalent positions with equivalent pay, benefits, and other employment terms.

Use of FMLA leave cannot result in the loss of any employment benefit that accrued prior to the start of an employee's leave.

Eligibility Requirements

Employees are eligible if they have worked for a covered employer for at least one year, for 1,250 hours over the previous 12 months, and if at least 50 employees are employed by the employer within 75 miles.

Definition of Serious Health Condition

A serious health condition is an illness, injury, impairment, or physical or mental condition that involves either an overnight stay in a medical care facility, or continuing treatment by a health care provider for a condition that either prevents the employee from performing the functions of the employee's job, or prevents the qualified family member from participating in school or other daily activities.

Subject to certain conditions, the continuing treatment requirement may be met by a period of incapacity of more than 3 consecutive calendar days combined with at least two visits to a health

care provider or one visit and a regimen of continuing treatment, or incapacity due to pregnancy, or incapacity due to a chronic condition. Other conditions may meet the definition of continuing treatment.

Use of Leave

An employee does not need to use this leave entitlement in one block. Leave can be taken intermittently or on a reduced leave schedule when medically necessary. Employees must make reasonable efforts to schedule leave for planned medical treatment so as not to unduly disrupt the employer's operations. Leave due to qualifying exigencies may also be taken on an intermittent basis.

Substitution of Paid Leave for Unpaid Leave

Employees may choose or employers may require use of accrued paid leave while taking FMLA leave. In order to use paid leave for FMLA leave, employees must comply with the employer's normal paid leave policies.

Employee Responsibilities

Employees must provide 30 days advance notice of the need to take FMLA leave when the need is foreseeable. When 30 days notice is not possible, the employee must provide notice as soon as practicable and generally must comply with an employer's normal call-in procedures.

Employees must provide sufficient information for the employer to determine if the leave may qualify for FMLA protection and the anticipated timing and duration of the leave. Sufficient information may include that the employee is unable to perform job functions, the family member is unable to perform daily activities, the need for hospitalization or continuing treatment by a health care provider, or circumstances supporting the need for military family leave. Employees also must inform the employer if the requested leave is for a reason for which FMLA leave was previously taken or certified. Employees also may be required to provide a certification and periodic recertification supporting the need for leave.

Employer Responsibilities

Covered employers must inform employees requesting leave whether they are eligible under FMLA. If they are, the notice must specify any additional information required as well as the employees' rights and responsibilities. If they are not eligible, the employer must provide a reason for the ineligibility.

Covered employers must inform employees if leave will be designated as FMLA-protected and the amount of leave counted against the employee's leave entitlement. If the employer determines that the leave is not FMLA-protected, the employer must notify the employee.

Unlawful Acts by Employers

FMLA makes it unlawful for any employer to:

- Interfere with, restrain, or deny the exercise of any right provided under FMLA;
- Discharge or discriminate against any person for opposing any practice made unlawful by FMLA or for involvement in any proceeding under or relating to FMLA.

Enforcement

An employee may file a complaint with the U.S. Department of Labor or may bring a private lawsuit against an employer.

FMLA does not affect any Federal or State law prohibiting discrimination, or supersede any State or local law or collective bargaining agreement which provides greater family or medical leave rights.

FMLA section 109 (29 U.S.C. § 2619) requires FMLA covered employers to post the text of this notice. Regulations 29 C.F.R. § 825.300(a) may require additional disclosures.

For [additional](#) information: 1-866-4US-WAGE (1-866-487-9243) TTY: 1-877-889-5627
WWW.WAGEHOUR.DOL.GOV

PERSONAL NON-FMLA LEAVE OF ABSENCE

Before employees become eligible for Family Medical Leave Act (FMLA), K¹² observes the following practices in regards to personal time off and job protection. Each situation will be evaluated on a case-by-case basis and a final decision regarding the personal leave of absence will be made between Human Resources, the manager, and the employee. This must be approved before submitting a claim with FMLA Source to manage the leave.

1. For the birth or adoption of a child, K¹² allows up to six (6) weeks of personal leave for new parents. In the case that a mother has a c-section, K¹² allows up to eight (8) weeks of personal leave.
2. For other employee medically related leaves of absence, K¹² allows up to six (6) weeks of personal time off.

To file for a Personal Non-FMLA Leave of Absence contact FMLASource via the following steps:

- Call 1-877-GO2-FMLA or log on to www.fmlasource.com.
- Your information will be verified by a Benefit Specialist at FMLASource who will initiate the Family Medical Leave process and answer any questions you may have.

You will be notified of the status of your FMLA claim by an FMLASource Benefits Specialist once it has been processed.

A personal leave of absence will only be granted if the situation is directly affecting the employee. The personal leaves of absence will not be granted for care or illness of a family member.

A personal leave of absence is calculated on a rolling calendar basis. For example, if an employee takes six (6) weeks off from February 1st through March 12th. They will not be eligible for any additional personal leaves of absence until March 12th of the following year.

A personal leave of absence can only be taken on a continuous basis. No intermittent personal leaves will be granted.

If an employee becomes eligible for FMLA during a personal leave of absence, the FMLA leave will supersede and the employee's twelve weeks will be honored to the full extent under FMLA.

Employee Notification Requirements

The employee must notify Human Resources of the request to take a personal leave at least thirty (30) days in advance of the expected leave by completing a Leave of Absence Request form. If the need for leave is not foreseeable, the employee must provide notification of leave to Human Resources as soon as is practicable under the circumstances and in compliance with K¹²'s established absenteeism and tardiness policies, or other like policies, with violation of the same resulting in possible disciplinary action, up to and including termination.

PAYDAY AND DIRECT DEPOSIT

All exempt employees will be paid semi-monthly. Normal pay periods are from the 1st to the 15th of the month and from the 16th to the last day of the month. Paychecks for the pay period from the 1st to the 15th are direct-deposited on the 15th. Paychecks for the 16th to the last day of the month are direct-deposited on the last day of the month, unless these dates fall on a weekend or holiday, in which case paychecks are directly deposited on the prior business day.

Exempt employees are paid on a salaried basis and are not eligible to receive overtime pay. It may be necessary for exempt employees to work past business hours and on weekends in order to complete their work without additional compensation or time off.

Non-exempt employees are paid on a bi-weekly and hourly basis for all hours worked in a pay period, including any overtime hours submitted for the period. If an employee's timesheet is not received in time for the payroll closing, a 40-hour week (or other regular schedule, if applicable) is assumed, and any overtime or time off taken will be reflected in the following pay period's paycheck. Full-time non-exempt employees should expect to work at least 40 hours per week, unless otherwise scheduled and approved by K¹². On occasion, workload and other factors may require that employees work more than 40 hours a week.

If an employee is terminated, they will be issued a check on the next regular payday, or in accordance with applicable state law, whichever is earlier. Expense payments owed to the employee will be paid according to the usual reimbursement schedule. Owed commission payments will be made according to the terms of the commission plan.

It is a requirement of employment that all employees must be on direct deposit.

TIMESHEETS AND TIME-OFF REPORTING

All non-exempt and hourly employees must record their time worked on a daily basis, using the standard timesheet, and submit it to their supervisor for approval on a weekly basis.

Both exempt and non-exempt employees must submit a Request for Time Off form for any approved paid time off, and other leaves with or without pay. The Human Resources department is responsible for ensuring that all employees comply with the K¹² timekeeping policy. Managers have the discretion to approve or decline requests based on their specific business needs.

All timesheets and time-off requests should go to the Payroll department once approved.

OVERTIME FOR NON-EXEMPT EMPLOYEES

It should be recognized that overtime and additional work other than that which is regularly scheduled might be required.

Overtime will be paid to eligible, non-exempt employees in accordance with applicable state law. The pay for regular overtime will be at the federal or state prescribed wage rate, whichever is higher. All overtime must be authorized prior to its occurrence by your immediate supervisor. All overtime will be clearly noted on your timesheet and should be initialed by your immediate supervisor.

If an employee's timesheet is not received in time for the payroll closing, a 40-hour week (or other regular schedule, if applicable) is assumed and any overtime or time off taken will be reflected in the following pay period's paycheck. Full-time non-exempt employees should expect to work at

least 40 hours per week, unless otherwise scheduled and approved by K¹². Non-exempt employees must submit completed timesheets to Payroll each Monday for the preceding week.

EXEMPT EMPLOYEES REDUCTION OF SALARY

Exempt employees are paid on a salary basis and, in general, must be paid their full salary for any week in which they perform work. Their salary may be reduced only in the following circumstances:

- Employees who are absent from work for at least a full day for personal reasons other than sickness or disability will not be paid for that day unless they have personal time available to them under K¹²'s paid time off policy. A vacation day may not be used unless it has been pre-approved by a manager.
- Employees who are absent from work for jury duty or attendance as a witness may have their salary reduced by the amount of payment they receive in the form of jury fees or witness fees. Their salary will not be reduced by the number of hours or days they are absent unless they perform no work during a given week.
- Employees may be suspended without pay for other types of workplace misconduct, but only in full-day increments. This refers to suspensions imposed pursuant to a written policy applicable to all employees regarding serious misconduct including, but not limited to, workplace harassment, violence, drug and alcohol violations, legal violations, etc. The possibility of such unpaid suspensions is hereby incorporated into all such policies.
- Employees who work less than 40 hours during their first and/or last week of employment will be paid a proportionate part of their full salary for the time actually worked.
- Employees who take leave under the Family and Medical Leave Act will not be paid for that time unless they have available paid time off under the K¹² paid time off policy. Their salary will be reduced by the hours missed, even if it is for less than a full day.

This policy is subject to applicable law. K¹² will follow the state law regarding reduction of exempt employees' salaries if the state law is more favorable to employees.

Exempt employees will be reimbursed in full to the extent required by law for any isolated, inadvertent, or improper deductions as defined by law. Concerns about any salary pay deductions from exempt employees should be promptly directed to Human Resources for a resolution.

GARNISHMENTS AND LEVIES

K¹² expects employees to avoid garnishments and levies. As permitted by law, employees may be subject to disciplinary action up to and including immediate termination of employment for repeated, multiple garnishments and levies, other than for child support, where court ordered garnishment is requested by law.

In all events, K¹² will comply with applicable law as to garnishments and levies.

INTERNAL TRANSFER (EMPLOYEES CHANGING ROLES WITHIN K¹²) (updated 062711)

Every K¹² employee should be thinking about his or her career goals and objectives. In order to apply for a job internally, the following conditions apply:

- Must be in “good standing” for at least the past 180 consecutive days (365 days in the Enrollment Center). Good standing means completing assignments on time, enhancing the business, keeping commitments and deadlines, living the values, and having a positive effect on the workplace.
- Must not currently be on a written warning or Performance Improvement Plan (PIP).
- Managers should be aware of the employee’s interest in transferring.

The process for applying for any open position within K¹² is as follows:

- Go to www.k12.com/hrportal. Then go to “My Company” and then “Job Openings” and apply to the position you are interested in.
- The Recruiting Department will be in touch to review their application if they meet the requirements for the position.
- Interviews will be conducted with the hiring manager and team. (There may be additional internal and external candidates for the position.)

The best candidate will be selected, and if it is an internal candidate, a change in title and cost center will take place once an agreed-upon start date has been decided by both managers. Human Resources must approve any exceptions to this policy. The transition can take up to four weeks.

OUTSIDE EMPLOYMENT

Full-time employees may not hold outside jobs without prior, written approval from their supervisor and the Executive Vice President responsible for their department. Part-time employees may hold outside jobs as long as they are not providing services to a K¹² competitor and their outside job does not create a conflict of interest. For purposes of this policy, an outside job includes employment (including self-employment), work as an independent contractor and appointment to any board of directors, trustees or similar boards. All employees will be judged by the same performance standards and will be subject to the same scheduling demands, regardless of any outside work requirements. Employees must notify the Human Resources Department of any outside jobs and anytime outside job status changes. Permitting outside employment is at the sole discretion of K¹².

If it is determined that an employee’s outside work is inappropriate, conflicts or interferes with performance, safety, availability or the ability to meet the requirements of K¹² as they are modified from time to time, the employee may be asked to terminate the outside employment if he or she desires to remain with K¹². Outside employment that constitutes a conflict of interest is always prohibited.

EMPLOYMENT OF RELATIVES

K¹² permits the employment of qualified relatives of employees so long as such employment does not, in the opinion of K¹², create actual or perceived conflicts of interest. For purposes of this policy, “relative” is any of the following relationships by blood, adoption, marriage (including common law marriage), civil union, or domestic partnership (whether by law, or receiving employment benefits) - spouse, child, parent, sibling, grandparent, grandchild, aunt, uncle, first cousin, or corresponding in-law or “step” relation. K¹² will exercise sound business judgment in the placement of related employees in accordance with the following guidelines:

- Individuals who are related by blood or marriage (including common law marriage, civil union or domestic partnership) are permitted to work in the same K¹² facility, provided no direct reporting or supervisory/management relationship exists. That is, no employee is permitted to work within the "chain of command" of a relative.
- No relatives are permitted to work in the same department or in any other positions in which K¹² believes an inherent conflict of interest may exist.

This policy applies to all categories of employment at K¹², including full-time regular, part-time regular and temporary classifications.

DOCUMENT RETENTION POLICY

Note: The entire Document Retention Policy should be read by every employee and can be found on the HR Portal. You are responsible for knowing the procurers and acting in accordance with them.

The Company's Document Retention Policy ("DRP") includes a schedule which summarizes both the legally required retention periods and the documents to be retained for business and operational purposes.

1. General Considerations

- a. The DRP identifies 25 general categories of documents (electronic and paper) and specifies how long those documents must be retained by the Company, either based on specific legal requirements or business needs.
- b. In some cases, the same paper documents touch multiple departments and originals and copies appear to be kept by those departments. Department heads with substantial overlapping document production and usage will decide which department will be the ultimate repository for each category of document under the DRP. That department will then be responsible for ensuring that the other departments have deleted their copies pursuant to the required timetables. Each department will be responsible for compliance with the DRP for its own general correspondence and you will be notified by your department head of any actions you are required to take regarding paper documents.

2. Implementation of the DRP Email Policy

- a. Ninety (90) days after being sent or received, the Company will automatically delete any email in your Outlook "Inbox," "Sent Items" and "Deleted Items" folders that are not otherwise retained. Because some emails and associated attachments may be required to be maintained for legal or business reasons, you may need to know how to create sub-folders in your email system to preserve those documents on the Company server for backup.

USE OF COMMUNICATION AND INFORMATION TECHNOLOGY SYSTEMS

It is the intent of K¹² to provide the communication and information technology systems necessary for the conduct of its business. Employees are expected to adhere to proper use of all communication and information technology systems. These include, but are not limited to, the telephone, e-mail, instant messages, facsimile, Internet, corporate intranet, voice mail, computer terminals, modems, and systems software. Employees are permitted use of Company property and must comply with Company policies and procedures regarding its use.

The communication systems are owned and operated by K¹² and are to be used for the business of K¹². Employees should have no expectation of privacy of any correspondence, messages, or information in the systems. Any K¹² employee who is working with a virtual academy, virtual school program, or any other education institution may have their communications subject to public records requests.

K¹² reserves the right to access and disclose all such messages sent for any purpose. The issuance or availability of a password or other means of access is intended only to assure appropriate confidentiality of files and information from persons not authorized to access those files or information. They do not suggest privacy with respect to the Company's rights described in this section. All such messages, regardless of content or the intent of the sender, are a form of corporate correspondence, and are subject to the same internal and external regulation, security and scrutiny as any other corporate correspondence. E-mail communications must be written following customary business communications practices, as used in Company correspondence. E-mail communications are official internal Company communications, which may be subject to summons in legal proceedings. Work-related messages should be directed to the affected employee(s) rather than sending a global message to all employees. K12 also reserves the right to monitor, without notice, the activity and accounts of individual users of the Company's technology resources. Such monitoring can include reviewing, copying, accessing or archiving any information, data, files, or materials stored on, transmitted through or created on or through the use of the Company's technology resources

K¹² communication systems shall not be used as a forum to promote religious or political causes, or an illegal activity. Offensive or improper messages or opinions; transmission of sexually explicit images, messages, cartoons, or other such items; or messages that may be construed as harassment or disparagement of others based on race, color, religion, sex, national origin, citizenship status, pregnancy, disability, age, genetic information, military status or status as a Vietnam-era or special disabled veteran, marital status, civil union or registered domestic partner status, gender (including gender identity), sexual orientation or bankruptcy in accordance with applicable federal, state and local laws. is also prohibited on K¹² communication systems.

Employees shall not attempt to gain access to another employee's personal communications system and messages. K¹², however, reserves the right to access an employee's messages at any time, without notice to the employee.

Any violation of these guidelines may result in disciplinary action, up to and including termination.

INTERNET CODE OF CONDUCT

Access to the Internet has been provided to staff members for the benefit of the organization and its clients. Every employee has a responsibility to maintain and enhance K¹²'s public image, and to use the Internet in a productive manner. To ensure that all employees are responsible, productive Internet users and are protecting K¹²'s public image, the following guidelines have been established for using the Internet.

Acceptable Use of the Internet

Employees accessing the Internet are representing K¹². All communications should be for professional reasons. Employees are responsible for seeing that the Internet is used in an effective, ethical and lawful manner. Internet Relay Chat channels may be used to conduct official Company business, or to gain technical or analytical advice. Databases may be accessed for information as needed. E-mail may be used for business contacts. Employees should always respect the finite capacity of the Company's systems and limit use of the Internet so as not to consume an unreasonable amount of those resources or to interfere unreasonably with the

activity of other users. The reasonableness of any particular use will be evaluated in the context of the relevant circumstances.

Unacceptable Use of the Internet

The Internet should not be used for personal gain or advancement of individual views. Solicitation of non-Company business, or any use of the Internet for personal gain, is strictly prohibited. This prohibition includes the use of the Internet for the sale, auction or barter of goods or services for personal businesses (whether incorporated or not), such as consulting businesses, stores, or other sales of goods. Use of the Internet must not disrupt the operation of the K¹² network or the network of other users. It must not interfere with your productivity.

Social Networking

Social Networking is an important part of our current culture. We encourage employees to have separate work and personal sites, so that clients, employees, customers, families are not exposed to the personal lives of employees. Additionally, we do not recommend that the personal use of social networking be used during regular business hours.

Communications

Each employee is responsible for the content of all text, audio, or images he or she places on or sends over the Internet. Fraudulent, harassing, or obscene messages are prohibited. All messages communicated over the Internet should have your name attached. No messages will be transmitted under an assumed name. Users may not attempt to obscure the origin of any message. Information published on the Internet should not violate or infringe upon the rights of others. No abusive, profane, or offensive language may be transmitted through the system. Employees who wish to express personal opinions on the Internet are to use non-Company Internet systems.

Software

To prevent computer viruses from being transmitted through the system, there will be no unauthorized downloading of any software. All software downloads require prior management approval.

Copyright Issues

Staff members using the Internet may not transmit copyrighted materials belonging to entities other than K¹². One lawful copy of copyrighted material may be downloaded for use in research. Users are not permitted to copy, transfer, rename, add, or delete information or programs belonging to other users, unless given express permission to do so by the owner. Failure to observe copyright or license agreements may result in disciplinary action from K¹², up to and including immediate termination, or legal action by the copyright owner. Use of the Internet to defeat, interfere with or circumvent any security measures, controls, accounts, record keeping systems or other "standard technical measures" used by copyright holders to identify and protect their rights is prohibited.

Security

All messages created, sent, or retrieved over the Internet are the property of K¹², and should be considered public information. K¹² reserves the right to access and monitor all messages and files on the computer system, as deemed necessary and appropriate. Internet messages are public communication and are not private. All communications, including text and images, can be disclosed to law enforcement or other third parties without prior consent of the sender or the receiver.

Harassment

Harassment of any kind is prohibited. The term "harassment" includes, but is not limited to, unwelcome messages with derogatory or inflammatory remarks about an individual's race, color, religion, sex, national origin, citizenship status, pregnancy, disability, age, genetic information, military status or status as a Vietnam-era or special disabled veteran, marital status, civil union or

registered domestic partner status, gender (including gender identity), sexual orientation or bankruptcy in accordance with applicable federal, state and local laws..

Violations

Violations of any guidelines listed herein may result in disciplinary action, up to and including immediate termination. If necessary, K¹² will advise appropriate legal officials of any illegal violations.

SOLICITATION AND DISTRIBUTION OF LITERATURE

It is the intent of K¹² to maintain a proper business environment and prevent interference with work and inconvenience to others from solicitations and/or distribution of literature.

Group meetings for solicitation purposes, distributing literature, or circulating petitions in work or sales areas are prohibited, unless approved by your Executive Management Team and the Human Resources Department as a Company-sponsored event. The following guidelines will apply throughout K¹²:

- Employees will not engage in any solicitation of other employees for any purpose whatsoever during working hours or in work areas.
- K¹² facilities may not be used as a meeting place that involves solicitation and/or distribution of literature.
- Trespassing, soliciting, or distributing literature by non-employees is prohibited on Company premises.

CORPORATE TRAVEL POLICY (updated 040111)

The corporate travel policy applies to all staff of K12, its affiliates and, subsidiaries. Groups may elect to impose stricter budgetary controls over travel expenditures than those required by this policy (e.g., some Grant Programs are required to use per Diem as a condition of the grant funding).

Purpose of Policy

K12 appreciates the efforts of those who travel on K12 business. Travelers should be comfortable and safe while traveling, understand all travel related policies, and obtain reimbursement quickly. At the same time, it is necessary to keep costs within reasonable limits and to follow consistent reimbursement procedures. This policy is intended to provide:

- Clear and consistent understanding of policies and procedures.
- Guidelines that simplify travel arrangements and enable K12 to manage its annual travel budget within available resources.
- Compliance with State and Federal regulations.
- Compliance with specific grant/contract requirements.

Responsibility of Traveler

K12 travelers are expected to spend K12 funds prudently and plan appropriately. Business travel expenses will be reimbursed by K12 if expenses are reasonable, appropriately documented, properly authorized, and within the guidelines of this policy. In addition to the specific transportation, lodging, and car rental guidelines set forth in this policy, K12 provides travelers with other spending guidelines, which can be found on the HR Portal. Failure to comply with this

policy may result in the denial of a reimbursement request. Please note reimbursement occurs when:

- The travel expenses were incurred while conducting K12 business.
- Information contained in the expense report and in the attached documentation is accurate and in accordance with this policy.
- The expenditure is charged to the proper business unit, and cost center.

PERSONAL VEHICLES

Employees may use their personal vehicles on official Company business. A mileage rate based on acceptable and current Company guidelines will be paid to an employee who uses his personal vehicle on official Company business. Minimum insurance requirements, as specified by the Company's insurance carrier must be in effect at the time the employee's personal vehicle is used, and the employee may be required to provide proof of insurance.

BENEFITS AT A GLANCE

- Every new hire has **30 calendar days to enroll in benefits**. After 30 days, you will not be eligible for benefits until our next open enrollment which will take place in the Fall of the calendar year.
- If you have a life changing (qualifying event) which can be marriage, divorce, birth, death, or adoption, spouse loss of coverage, you will have the opportunity to enroll in K¹²'s benefits. You will have **30 days from the date of the qualifying event** to enroll in K¹²'s benefits. After the 30 days, you must also wait until the next open enrollment period.
- All benefits are effective your first day of employment. There is no waiting or probationary period.
- Benefits coverage will be available for Domestic Partners and their dependent children.
- Medical insurance – Children are covered until calendar year in which they reach the age of 26
- Dental insurance - Children are covered until calendar year in which they reach the age of 23 (26 if full-time student)
- Eligible employees are defined as those who work **at least 32 hours** (full-time) per week.
- Social Security information will be needed and varies based on the benefits elected.
- Providers
 - Anthem Blue Cross & Blue Shield - Medical & Prescription
 - Guardian - Dental, Life, Disability, and AD&D insurance
 - Vision Service Plan (VSP) - Vision insurance
 - Hirsch (HFS) – Dependent Care, Healthcare Flexible Spending Accounts, and Transportation Flexible Spending Accounts
 - 401(k) – Principal Financial Group All employees are automatically enrolled upon hire at 3%.
 - Employer match is 25% up to the first 4% of salary
 - Vests 25% each year for 4 years
 - Contribution and investment changes can be made at any time

Note: Further information on the Benefits Plans can be found by going to the HR Portal (www.k12.com/hrportal).

DOMESTIC PARTNER POLICY FOR BENEFITS

The availability of benefits coverage for domestic partners and their children is an extension of the company's efforts to maximize the effectiveness and value of the benefits program.

K12 defines same-or opposite-sex domestic partners as two people who:

1. Are living together in a committed exclusive relationship of mutual caring and support for a period of at least six (6) months;
2. Intend for the domestic partnership to be permanent;
3. Are financially interdependent such that they are jointly responsible for the common welfare and financial obligations of the household, or the non-employee domestic partner is chiefly dependent upon the employee for care and financial assistance;
4. Are neither legally married to any other individual, and if previously married, a legal divorce or annulment has been obtained or the former spouse is deceased;
5. Are mentally competent to enter into a contract according to the laws of the state in which they reside;
6. Are at least 18 years of age and are old enough to enter into marriage according to the laws of the state in which they reside;
7. Do not have a blood relationship that would bar marriage under applicable laws of the state in which they reside if they otherwise satisfy all other applicable state marriage requirements; and
8. Are not in a relationship solely for the purpose of obtaining benefits.

Dependents of Domestic Partners:

For benefit coverage, eligible dependents include unmarried children under age 23, or under age 25 if full-time students, who are:

- Biological, legally adopted, or step children, including those who do not live with you, but for whom you have parental rights or assume at least 50% of the financial responsibility for the children.

Tax Implications:

Please note that to the extent that coverage for a domestic partner is financed by K12 Inc., the employee is taxed on the fair market value of the coverage at group rates. The value of the coverage is reported as income on the employee's W-2 Form, and K12 Inc. withholds Federal income tax, state or local income tax (as applicable), and Federal Insurance Contribution Act (FICA) tax on that imputed income. Nontaxable health and dental coverage can only be provided to an employee's legal spouse or dependent as defined Section 152 of the Internal Revenue Code.

Process

To enroll your domestic partner for K12 Inc. benefits, you simply need to return an **Affidavit Of Domestic Partnership** form. Once your application for domestic partnership is approved, this will be a qualifying life event.

WORKERS' COMPENSATION INSURANCE

To provide payment of employee medical expenses and for partial salary continuation in the event of work-related accident or illness, employees are covered by workers' compensation insurance provided by K¹² or based on state regulations.

The amount of benefits payable and the duration of payment depend upon the nature of the employee's injury or illness. All medical expenses incurred in connection with an on-the-job injury or illness and partial salary payments are paid in accordance with applicable state law.

If an employee is injured or becomes ill on the job, the employee must immediately report such injury or illness to the on-site supervisor. This ensures that K¹² can help obtain appropriate medical treatment. An employee's failure to follow this procedure may result in the appropriate workers' compensation report not being filed in timely accordance with the law, which may delay benefits in connection with the injury or illness. First Report of Injury forms and Workers Compensation rules can be found on the internet at <http://www.cfins.com/report.html>, then click on the appropriate state.

There are three ways to report a claim:

- Refer to the Claim Reporting Map to identify the claim office to which you should fax the First Report of Injury. You must also mail the First Report of Injury to your state Agency, if required by law.
- You may report a claim via Internet Reporting at <http://agents.cfins.com/>. You will need to obtain a password in order to report via the internet. Please contact your local C&F Claims Manager or Claims Account Executive to obtain the proper documentation for internet reporting.
- 24 hour toll free telephone reporting line at (800)690-5520.

In the event of a serious or fatal injury, notify the local claim office immediately by telephone. For after hour emergency services call the 24 hour toll free number.

Note: Information on Workers' Compensation, including the Claim Reporting Map, can be found on the HR Portal.

EMPLOYEE ASSISTANCE PROGRAM

A benefit available to all K¹² employees and their families at no additional cost, WorkLifeMatters offers comprehensive information, resources, and extended services on health, personal, and work-related issues.

Employees can call WorkLifeMatters toll-free at 1-800-386-7055 24/7 or visit www.ibhworklife.com (User name: Matters, Password: wlm70101) for access to a professional team of registered nurses and Master's-level counselors for help with a wide range of issues, including:

- Minor medical emergencies
- Emotional distress
- Family relationship problems
- Grief and loss
- Medical care
- Wellness and nutrition
- Child and elder care referrals
- Marriage difficulties
- College Planning
- Personal legal and financial issues
- Everyday issues
- Career Development
- Parenting classes/support

EMPLOYEE DISCOUNTS

K¹² Products

Company employees may purchase curriculum and/or materials at 50% off the list price that exists at the time of the order, excluding any other discounts that are offered to the general public.

Working Advantage

Working Advantage, an employee discount program, where you can save up to 60% on tickets, travel and shopping. K¹² employees can receive exclusive discounts on SeaWorld, Busch Gardens, Target.com, AMC Theaters, Regal Cinemas, Overstock.com, Universal Studios, Omaha Steaks, FTD as well as hotels, sporting events, family events, Broadway Shows and more!

Three Easy Steps to Enroll (and it's for FREE):

1. Go to www.workingadvantage.com/register
2. Enter Member ID Number (118793797) and create your account
3. Start shopping!

Receive 100 bonus Advantage Points for registering online! Advantage Points are accrued in your personal account when you place orders online at <http://www.workingadvantage.com/>. Visit the site for details. Order online anytime or by phone at 1-800-565-3712 Monday through Friday 8:00 a.m. – 6:30 p.m. EST or Saturdays 9:00 a.m. – 5:00 p.m. EST.

EMPLOYEE REFERRAL PROGRAM (updated 040111)

The employee referral program is designed to bring the highest caliber of talent to K¹². It also enables employees to work with talented professionals from their past who can help make significant strides in our business.

Referral Process:

1. Employee refers candidates by having them apply online to a K¹² position: http://www.k12.com/about_k12/careers/.
2. Referred candidates should indicate the referrer's name in their online profile. Additionally, they will select "EMPLOYEE REFERRAL" as their source.
3. Recruiter reviews all candidates and conducts prescreen interviews.
4. Hiring manager conducts interviews and makes hiring decision.
5. All information regarding the hiring process will remain confidential.
6. If the eligibility requirements are met, then the employee will receive payment automatically on the next eligible paycheck following the hire date.

Guidelines:

- \$500 for K¹² teachers only (FL, GA, AZ, D.C., OK, MI, MA)
- \$500 for all non-exempt ("hourly") positions
- \$1,000 all other K¹² positions
- \$2,000 for all Systems & Technology positions and Heads of School
- Contractors (Product Development ONLY)
 - Maximum is \$1,000
 - Referral bonus will be pro-rated based on the initial length of the contract (For example, if a contract is full-time for 6 months, the employee would receive \$500.) Please note: If the contract length is less than 90 days, no referral bonus will be paid.

Eligibility & Rules

- All referral bonuses will be paid on the last payroll of the month following the first 90 days of employment of the new hire (referred candidates)
- Candidates who are former K¹² employees seeking to be rehired do **not** qualify for this program
- Referral bonuses will **not** be paid if an employee referral only creates a profile and does not apply to a specific K¹² job opening
- Referral bonuses will **not** be paid for internal transfers
- If more than one (1) employee refers the same candidate, the referral bonus will be split
- Employees are only eligible to claim an employee referral within the first 90 days of the new employee's (referred candidate's) employment with K¹². After 90 days, no referral bonus will be paid if HR is unaware of the referral.
- Employees are ineligible if they work within HR and/or have a direct impact on the hiring decision
- Vice Presidents and above are ineligible for any referral bonus

TUITION ASSISTANCE BENEFIT PROGRAM (updated 090110)

We believe in supporting the ongoing education and training of all employees. To demonstrate this belief, all full-time employees are eligible to participate in the Tuition Assistance Benefit Program.

To participate, employees must:

- 1) Be employed by K¹² for at least 90 days prior (unless authorized by their immediate supervisor) to the start of the class
- 2) Remain active through the payment date of the tuition assistance
- 3) Have classes pre-approved by the employee's supervisor and K¹² and must be job or degree-related

Full-time employees are eligible for tuition assistance up to \$6,000 per calendar year for courses taken from an accredited educational institution.

- \$5,250 will fall under the tax-exclusion and the remaining \$750 will be reported as taxable income.

Eligible employees may be reimbursed up to a maximum of \$6,000 per calendar year for approved undergraduate or graduate college courses taken as part of an employee's degree program at an accredited institution.

Full-time employees may be reimbursed up to a maximum of \$1,000 per calendar year for approved continuing educational expenses (including courses taken at an accredited trade or vocational school, business school or through a professional association). The \$1,000 is part of the total benefit allowed per employee per year.

Tuition and the costs of books are reimbursed 100% up to the maximum tuition assistance amount as long as employees receive a grade of C or above, "pass," or "credit." Parking fees, application fees, calculators, personal computers, dictionaries, typing fees, binding fees, reproduction fees, late registration fees, or any other costs of a personal nature are not covered.

Classes and study time are normally expected to be on the employees' own time, except when the employee is required to attend the class by K¹².

Employees must submit a completed tuition assistance application to their supervisor for approval, and then the employee will submit it to Human Resources no less than thirty (30) days **prior** to the start of the class. Applications not pre-approved will not be accepted as part of the program. Employees should keep a copy for their own records. After the class is completed,

employees must submit copies of their receipts (proof of payment of course) and grades to their supervisor, who will submit to Human Resources within ninety (90) days of the end of the school term in order to be eligible for reimbursement. This benefit will be reimbursed to the employee in the payroll falling closest to the 15th of every month.

ADDENDA – STATE-SPECIFIC POLICIES

Note: Whenever an applicable state or local law requires benefits (as may be the case with respect to family and medical leave, paid time off, jury duty or other issues) or provides additional employee protections, K12 will comply with those state and local specific requirements.

All requests for time off MUST be pre-approved by your manager.

ARIZONA PAID TIME OFF (updated 061511)

Arizona Virtual Academy (AZVA) teachers/psychologists will receive 10 sick days and 2 personal days per year, pro-rated based on your start date. If you continue your employment with AZVA for the following school year, you will receive four weeks of holiday pay in June and/or July 2011. Your summer vacation dates must be pre-approved by your supervisor. In addition, you will receive one week of paid holiday time off between semesters and an additional week during the school's spring break. The AZVA paid time-off policy is subject to change at any time at the discretion of AZVA Management.

ARIZONA VICTIMS-OF-CRIME LEAVE

An employee who finds it necessary to appear at court-related proceedings or to obtain counseling associated with being a crime victim will be granted leave from work in accordance with state law. Leave will be granted provided that the employee submits a reasonable notice to his manager that the employee is required to appear in court, unless an unscheduled or an emergency court appearance is required for the health, safety, or welfare of the employee. If an emergency appearance is necessary, management has the right to require proof from the court or the prosecuting attorney that the employee appeared in court.

An employee taking victims-of-crime leave must utilize all accrued paid time off before continuing leave on an unpaid basis. To the extent allowed by law, K¹² shall maintain the confidentiality of any employee requesting victims-of-crime leave.

FLORIDA PAID TIME OFF

Three weeks (15 days) will be awarded in June and/or July for summer recess. An additional 12 days will be awarded as paid-time-off (PTO), this does not accrue and does not roll over from year to year. . Employees who have been with FLVA for more than 49 months (4 yrs) will get an additional week (5 days) of PTO. Two weeks (10 days) will be awarded in December at the discretion of the Head of School (HoS) or his/her designee. PTO is not paid out upon termination.

GEORGIA PAID TIME OFF

Georgia Cyber Academy (GCA) teachers will receive twelve (12) sick days and three (3) personal days per year, pro-rated based on your start date. Additionally, four (4) weeks of time off will be awarded in June and/or July for summer recess. Sick, Personal and Summer Recess time off is not paid out upon termination.

ICADEMY PAID TIME OFF (updated 080111)

Twelve (12) PTO days will be awarded every August 1st. This time should be pre-approved (unless in cases of an illness where a doctor's note will be required). No PTO time will be approved for the month of August, so please plan your calendars accordingly. Due to the nature of our business and customer needs, no more than 5 consecutive days will be approved during the time period of September through May (exceptions to this will be reviewed by the Academic Administrator and the Head of School). This time does not roll-over from year to year and it does

not accrue. This time is not paid out upon leaving K¹². A total of 25 paid school holidays are observed by iCademy, this will be detailed to you by management.

K¹² EDUCATOR GROUP

Twelve (12) paid time-off (PTO) days will be awarded, this does not accrue or carry over from year to year, and is not paid out upon termination. PTO is not necessarily tied to any one particular school's calendar. Should a teacher support a school and that school is closed due to their calendar, unless that day is a K¹² corporate holiday, it will be considered a work day.

OKLAHOMA TEACHERS PAID TIME OFF (updated 062111)

Please see Oklahoma School Calendar to view specific Oklahoma school holidays. Additionally, you will receive two (2) personal days and eight (8) sick days; five (5) days in July to coincide with the July 4th holiday; five (5) days in the months of June – August. These additional days are not accrued, do not roll over from year to year, and are not paid out upon termination.

PENNSYLVANIA VICTIMS-OF-CRIME LEAVE

An employee who finds it necessary to appear at court-related proceedings associated with being a victim of, or a witness to, a crime or member of such victim's family will be granted leave from work in accordance with state law.

An employee taking victims-of-crime leave must utilize all accrued paid time off before continuing leave on an unpaid basis. To the extent allowed by law, K¹² shall maintain the confidentiality of any employee requesting victims-of-crime leave.

VIRGINIA VIRTUAL ACADEMY

Twelve (12) paid time-off (PTO) days will be awarded, this does not accrue or carry over from year to year, and is not paid out upon termination. PTO is not necessarily tied to the school's calendar. Unless a day is a K¹² corporate holiday, it will be considered a work day.

YCCS PAID TIME OFF

64 hours (8 days) of sick time will be awarded, this does not accrue or carry over from year to year, and is not paid out upon termination. Additionally, a bank of 16 hours (2 days) will be provided as vacation days, this is not paid out upon termination.

HANDBOOK ACKNOWLEDGMENT

I acknowledge that I have received the K¹² Employee Handbook ("the Handbook"), dated **August 2010**, and understand that violations of the policies contained in the Handbook, including the anti-harassment and discrimination policy, could result in disciplinary action, up to and including termination.

I further understand that the information contained in the Handbook represents guidelines for K¹² and that K¹² reserves the right to modify the Handbook or amend or terminate any policy, procedure, or employee benefit program at any time, with or without notice.

I further understand that the contents of the Handbook do not form an employment contract. No part of the handbook constitutes an express or implied contract nor may any part of the handbook be construed as terms or conditions of a contract with K12.

I understand that my employment is "at-will." Either K¹² or I have the right to terminate my employment at any time. I further understand that no manager, supervisor, or representative of K¹², other than the Chief Executive Officer or Senior Vice President of Human Resources, has any authority to enter into any agreement guaranteeing employment for any specific period of time. I also understand that any such agreement, if made, will not be enforceable unless it is in writing and signed by both parties.

I further understand that if I have any questions about the interpretation or application of any policies contained in the Handbook, I should direct these questions to my manager or Human Resources.

Employee Signature

Date

Employee Name Printed

Social Security Number
(Last 4 Digits Only)

Please sign and give this original copy of the acknowledgment to Human Resources.