



This Purchase Agreement is by and between Riverdeep Inc., A Limited Liability Company ("Riverdeep") and School Board of Clay County, Florida ("Board").

Definitions:

As used in this Agreement, the following terms have the meaning set forth below:

- A. Agreement. This Purchase Agreement, with all attachments and exhibits, provided with the Riverdeep Products (as defined below) shall be the only terms and conditions applicable to the purchase of the Riverdeep Products/subscriptions.
- B. Riverdeep Product(s). Subscriptions, support services, professional development products, materials and services that may acquire pursuant to this Agreement from Riverdeep for its own use (as listed in the attached proposal).

1. Purchase Authorization

Board represents and warrants that it has complied with any and all of its own requirements necessary to authorize the execution of all Purchase Agreements with Riverdeep and that the signing party(ies) is/are authorized to sign on behalf of and contractually bind the Board.

2. Support or Training

Riverdeep shall provide user support and/or training for Riverdeep Products acquired hereunder as set forth in the attached proposal.

3. Purchase/Price/Delivery/Payment

- a. This Agreement is entered into by and between School/District and Riverdeep. Board agrees to purchase Products identified on the attached proposal Exhibit A, incorporated by reference in this Agreement, in the aggregate amount of Three Hundred Seventy Five Thousand. Dollars (\$200,000.00). Board is solely responsible for all purchase decisions, including ensuring the compatibility and suitability of all products and subscriptions. All Riverdeep Products are shipped F.O.B. from Riverdeep facilities. Board is responsible for all shipping and handling. The Board's billing address is: 814 Walnut Street, Green Cove Springs, FL 32043 The Board's shipping address is: 900 Walnut Street, Green Cove Springs, FL 32043.
- b. The Board hereunder shall pay all applicable local sales and use taxes and/or duties due on purchases. Proof of sales tax exempt status must be on file with Riverdeep, Inc. for any order to be treated as a sales tax exempt transaction. If applicable, the Boards' Tax Exemption Certificate Number: 20-00-009863-53C. Confirming copy of evidence of such status is attached hereto.
- c. Payment terms under this Agreement for products or services shall be in accordance with the Florida Prompt Payment Act §218.73, F.S.. Invoices unpaid after March 30th, 2007 shall accrue interest at a rate of 1.5% per month until paid. Riverdeep shall have the right to suspend any service or rights under any license until such time as all outstanding and overdue invoices are paid in full. Riverdeep reserves the right to seek reimbursement for the costs of collection and attorneys fees in connection with overdue and unpaid invoices.
- d. All payments to Riverdeep should be sent to the following address: Riverdeep – Learning Company, P.O. Box 32706, Hartford, CT 06150-2706

4. Riverdeep Product Rights; Confidentiality

The intellectual property contained in the Riverdeep Products are considered "Confidential and/or Proprietary Information", may contain valuable trade secrets and are protected by copyright and other intellectual property rights. Board, as an end user, is authorized to use Riverdeep Products subject to the copyright and other intellectual property, federal and state laws of the U.S. "Confidential and Proprietary Information" shall mean the source and object code, trade secrets, methodologies, implementation processes, content and other materials found in the Riverdeep Products.

5. Indemnification

Board agrees to indemnify, defend and hold harmless Riverdeep, its parent companies, subsidiaries, affiliates, directors, officers and employees from any third party claims, causes of action, damages, costs, liabilities or expenses that arise from a breach or this Agreement or from improper or unauthorized use, distribution and operation of the Riverdeep Products caused by the negligence of the Board. Nothing in this agreement shall be construed to increase the dollar limit of the Board's liability or the scope of the Board's liability beyond that which is set forth in §768.28 F.S., or to require the Board to indemnify Riverdeep for any acts other than negligent acts of the Board or its employees. Riverdeep agrees to indemnify, defend and hold harmless the Board and its employees from any third party claim, caused by action, damages, costs, liabilities or expenses that arise from Riverdeep breach of this agreement or from negligent acts of Riverdeep, its employees, subsidiaries, parent companies, officers, directors, agents or assigns.

6. Assignment

Board shall not assign or otherwise transfer its rights or delegate its obligations hereunder without Riverdeep's prior written consent. Any attempted assignment, transfer, or delegation without such consent shall be void. Riverdeep may freely assign this Agreement, including any of the obligations and rights to payment set forth herein. Neither party shall have any right of set off in connection with rights and obligations associated with this Agreement.

7. Limitation of Liability

In no event shall either party be liable for incidental, consequential, indirect or special damages including, without limitation, lost profits or revenue.

8. Term of Agreement

The terms in the attached proposal in Exhibit A will govern the term of this Agreement and the scope of the license and use of Riverdeep Products.

9. Entire Agreement

This Agreement, including other agreements and documents incorporated herein by reference, constitute the entire understanding and agreement between Riverdeep, Inc. and Board. Any modifications or amendments to this Agreement must be in writing signed by a duly authorized agent or representative of Riverdeep and Board. Specifically, any contrary, inconsistent, or additional terms incorporated in any other documents will be of no force or affect whatsoever.

10. Termination of Agreement

Either party may terminate this Agreement for material breach. To terminate the agreement, the non-breaching party shall provide written notice of breach to the breaching party. The breaching party shall have thirty (30) days from receipt of the notification to cure said breach. Failure to make payments on invoices due shall constitute material breach of this Agreement. In the event the breach is not cured, the non-breaching party shall give the breaching party formal notification of termination of this Agreement. Upon said notice the due date of all Riverdeep invoices shall be accelerated such that they become due and payable within 30 days. The obligations of Sections 4, 5, 7, 10, 11, 12 and 13 shall survive termination of this agreement.

11. Governing Law

This Agreement shall be construed and enforced in accordance with the State of Florida, without regard to its conflicts of laws provisions. Any action or proceeding brought by either party against the other arising out of or relating to this Agreement shall be brought only in a local, state or federal court of competent jurisdiction in Clay County, Florida.

12. Notices

All notices and other communications required or permitted under this Agreement shall be served in person, by US Mail, or Federal Express or equivalent carrier at the following address:

If to Riverdeep:
Riverdeep Inc., A Limited Liability Company
Attn: General Counsel
100 Pine Street, Suite 1900
San Francisco, CA 94111

If to Board:

School Board of Clay County
900 Walnut Street
Green Cove Springs, FL 32043

13. Miscellaneous

If any provision of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, the remaining portions of this Agreement shall remain in force and in effect and be construed so as to best effectuate the intention of the parties upon execution. The paragraph headings contained herein are for reference only. The waiver of one default shall not waive subsequent defaults of the same or different kind.

IN WITNESS WHEREOF, the parties hereto have caused this contract to be signed and intend to be legally bound thereby.

Board:

Riverdeep Inc., A Limited Liability Company

Signature: _____

Signature: _____

Print Name: _____

Print Name: _____

Title: _____

Title: _____

Effective Date: _____

Effective Date: _____