



Read Live Software Subscription Agreement

Read Live is an educational program provided by Read Naturally, Inc. ("Read Naturally") that consists of a web-based application and an optional, corresponding iPad App. The use of Read Live is subject to the following terms and conditions (collectively, the "Agreement"). As used in this Agreement, the terms "we," "us," and "our" refer to Read Naturally, and "customer," "you," and "your" refer to anyone that purchases, accesses or uses Read Live (each a "Party" and collectively the "Parties").

BY USING READ LIVE, YOU ACKNOWLEDGE THAT YOU HAVE READ, UNDERSTAND, AND AGREE TO BE BOUND BY THE TERMS AND CONDITIONS OF THIS AGREEMENT. IF YOU DO NOT AGREE TO THE TERMS AND CONDITIONS OF THIS AGREEMENT, YOU MUST DISCONTINUE USE OF READ LIVE IMMEDIATELY.

If you have any questions about your obligations under this Agreement, we can be reached by email at info@readnaturally.com or by phone at 800.788.4085.

I. PROGRAM CONTENTS

All materials included within Read Live (including, without limitation, text, graphics, logos, button icons, images, videos, audio clips and software) as well as the collection, arrangement and assembly of these materials are the property of Read Naturally, its licensors and service providers, or the parties specifically indicated, and are protected by U.S. and international property and copyright laws. The materials within Read Live may be used solely as provided in this Agreement. Any other use of the materials within Read Live is strictly prohibited. Read Naturally, Read Live and any other Read Naturally graphics, logos and service names are trademarks and service marks of Read Naturally. All other marks contained within Read Live are the sole property of Read Naturally's licensors or of the parties indicated.

II. CUSTOMER DATA

Read Live collects and stores Customer Data as part of its normal use and operation. "Customer Data" includes any data that Customer loads or enters into the program and all results from processing such data, including compilations and derivative works thereof. Customer Data belongs to the Customer. Customer expressly reserves all rights in the Customer Data, except the limited right of Company to use the Customer Data in operating Read Live features for Customer's benefit.

Additional policies regarding Customer Data privacy and security, as detailed in our Read Live Privacy and Security Policy, are hereby incorporated into this agreement. The Read Live Privacy and Security Policy can be found within Read Live and on the Read Naturally web site.

III. LIMITED LICENSE AND PROGRAM USE

Customer may subscribe to Read Live by placing an order with Read Naturally or by submitting a request to use the program for a trial period. The order or request will specify the maximum number of students that will have access to the program and the length of the subscription period. Upon acceptance of the order or request by Read Naturally, and subject to the terms of this Agreement, Read Naturally grants

you limited, revocable, nonexclusive, nontransferable access and use of the program for educational, informational, and noncommercial use. You may extend the subscription period and/or add student licenses by submitting additional orders or requests. Additional orders or requests are subject to approval by Read Naturally. You are not entitled to any refund or credit for unused licenses or periods of non-use.

Read Live may only be used by authorized users for lawful purposes. Except as otherwise stated in this Agreement, you may not modify, copy, distribute, transmit, post, display, perform, reproduce, publish, broadcast, license, create derivative works from, transfer, sell, or exploit any reports, data, information, content, or other materials on, generated by or obtained from Read Live.

Use of the optional iPad App may require additional agreements with Apple Inc. These additional agreements, if any, are made between you and Apple Inc., and shall have no impact on this Agreement.

Read Live is protected by the use of user IDs and passwords, and you are required to log in to use the program. You agree not to disclose or share your password with any third party. You are responsible for maintaining the confidentiality of your user ID and password. You shall be responsible for all uses of your account, whether or not authorized by you. You agree to immediately notify Read Naturally of any unauthorized use of your account, username or password.

Read Naturally expressly reserves all rights in Read Live not specifically granted to Customer. It is acknowledged that all right, title and interest in Read Live will remain with Read Naturally (or third party suppliers, if applicable) and that Read Live is licensed on a subscription basis and not "sold" to Customer. Unless specifically agreed in writing, each Party's exclusive ownership rights extend to any update, adaptation, translation, customization or derivative work thereof.

IV. TERM AND TERMINATION

The term of this Agreement will begin upon the activation of your Read Live account and will continue until the expiration or termination of all subsequent orders and extensions.

Either Party may, in addition to other relief, suspend or terminate this Agreement if the other Party breaches any material provision hereof and fails within thirty (30) days after receipt of notice of default to correct such default or to commence corrective action reasonably acceptable to the aggrieved Party and proceed with due diligence to completion. Termination shall have no effect on the Parties' rights or obligations as specified in this agreement in regards to data privacy and security protections, warranties, indemnities, limitation of liabilities, payment obligations or any provision which by its nature should survive.

V. EXTERNAL CONTENT

Read Naturally may provide, or third parties may provide, links to other web sites or resources that are beyond Read Naturally's control. Read Naturally makes no representations as to the quality, suitability, functionality or legality of any sites to which links may be provided, and you hereby waive any claim you might have against Read Naturally with respect to such sites. READ NATURALLY IS NOT RESPONSIBLE FOR THE CONTENT ON THE INTERNET OR WEB PAGES THAT ARE CONTAINED OUTSIDE OF READ LIVE. If you decide to access linked third party web sites, you do so at your own risk.

VI. SUPPORT, UPDATES, AND UPGRADES

Read Naturally will provide technical support by phone and email during our normal business hours. If necessary, and subject to normal security procedures, Read Naturally's support staff may access Customer Data in Read Live to diagnose and correct reported problems. Support service does not include any on-site service, preparation of Customer Data, or customization of features needed to function in your specific operating environment. You acknowledge that certain system requirements must be met in order to use Read Live, and that Read Naturally is not responsible for problems that arise from unsupported system configurations.

From time to time, Read Naturally will release updates and upgrades to Read Live. The contents and timing of these releases will be at the sole discretion of Read Naturally. Read Naturally will send advance notification via email when any scheduled release will impact the program's system requirements. It is your responsibility to ensure that your operating environment remains compatible with these system requirements.

VII. TRANSFER OF AGREEMENT

Except as expressly stated herein, neither this Agreement, nor any rights or obligations hereunder, may be transferred, assigned, delegated, sublicensed, time-shared, or rented, in whole or in part, by Customer without Read Naturally's prior written consent and any attempt to the contrary shall be void and of no legal effect.

VIII. WARRANTIES

Read Naturally represents and warrants to the best of its knowledge and belief that the use of Read Live will not infringe or misappropriate any Intellectual Property Rights. Upon being notified of such a claim, Read Naturally shall at its option: (i) defend through litigation or obtain through negotiation the right of Customer to continue using Read Live; (ii) rework Read Live so as to make it noninfringing while preserving the original functionality, or (iii) replace Read Live with functionally equivalent software. If none of the foregoing alternatives provide an adequate remedy, Customer may terminate this Agreement and recover an equitable partial or full refund of amounts paid for the then current subscription period. Customer represents and warrants that it owns or has all requisite rights to use the Customer Data loaded or entered into Read Live, and to authorize Read Naturally to process Customer Data as contemplated herein, and that such use will not infringe or misappropriate any Intellectual Property Rights.

Read Naturally represents and warrants that during the subscription period it will use best efforts to ensure that Read Live operates substantially in accordance with the applicable Documentation; provided, that (i) Read Live is implemented and operated in accordance with all instructions supplied by Read Naturally; (ii) Customer notifies Read Naturally of any such defect within ten (10) calendar days after the appearance thereof; (iii) Customer has properly used all updates made available with respect to Read Live, and updates recommended by Read Naturally with respect to any third party software products that materially affect the performance of Read Live; (iv) Customer has properly maintained all associated equipment, software and environmental conditions in accordance with applicable specifications and industry standards; (v) Customer has not introduced other equipment or software creating an adverse impact on Read Live; and (vi) Customer has paid all amounts due hereunder and is not in default of any provision of this Agreement.

Read Naturally represents that it shall, prior to making Read Live generally available for use, use commercially available anti-virus software and shall use reasonable efforts to remove viruses capable of being detected with such software.

EXCEPT AS SPECIFICALLY PROVIDED IN THIS SECTION ("WARRANTIES") READ NATURALLY HEREBY DISCLAIMS WITH RESPECT TO ALL SERVICES, SUPPORT OR OTHER DELIVERABLES PROVIDED HEREUNDER, ALL EXPRESS AND IMPLIED WARRANTIES, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY, TITLE, ACCURACY, QUALITY, INTEGRATION OR FITNESS FOR A PARTICULAR PURPOSE. COMPANY DOES NOT WARRANT THAT THE SERVICE WILL OPERATE WITHOUT INTERRUPTION OR ERROR FREE. ANY UNAUTHORIZED CHANGES TO SOURCE CODE TO THE SERVICE WILL VOID THE WARRANTY PROVIDED UNDER THIS SECTION.

IX. MUTUAL INDEMNITY

Read Naturally shall defend, indemnify and hold Customer harmless from any claim (including attorney fees) that Read Live violates or infringes any Intellectual Property Rights; provided that Read Naturally is given prompt notice of the claim and sole control over the defense and any settlement thereof (except Read Naturally shall not enter into any settlement prejudicial to Customer without Customer's consent). Read Naturally is not obligated under this Section to the extent any claim arises from Customer's breach of this Agreement.

Customer shall defend, indemnify and hold Read Naturally harmless from any claim (including attorney fees) that Customer Data or Customer's use of Read Live harms any person, violates any law or infringes any Intellectual Property Rights; provided that Customer is given prompt notice of the claim and sole control over the defense and any settlement of any third party claim (except Customer shall not enter into any settlement prejudicial to Read Naturally without Read Naturally's consent). Customer is not obligated under this Section to the extent any claim arises from Read Naturally's breach of this Agreement.

X. CHOICE OF LAW

This Agreement may be interpreted in accordance with the common laws of the State of Minnesota and with the substantive laws of the United States.

XI. ARBITRATION

Any dispute or claim arising from or relating to this Agreement (or breach thereof) that cannot be resolved promptly by the parties shall be resolved by arbitration in accordance with the rules, then obtaining, of the American Arbitration Association. It is understood that neither this Agreement nor the Rules of the American Arbitration Association shall confer jurisdiction on any courts of the individual States or of the United States. It is further understood that arbitration as set forth in this paragraph is the exclusive remedy for any dispute or claim related to this Agreement.

XII. LIMITED REMEDIES AND LIABILITIES

Except for indemnified claims as defined by this Agreement or rights or indemnities expressly stated under other provisions hereof, Customer's sole and exclusive remedies for Read Naturally's default hereunder shall be (a) to obtain the repair, replacement or correction of the defective program or

service to the extent, if any, warranted by this Agreement or, (b) if Company reasonably determines that such remedy is not economically or technically feasible, to obtain an equitable partial or full refund of amounts paid with respect to the defective program or service. It is agreed that these remedies shall be exclusive even if they fail of their essential purpose.

EXCEPT FOR INDEMNITIES EXPRESSLY PROVIDED BY THIS AGREEMENT, NEITHER PARTY IS LIABLE FOR DIRECT DAMAGES EXCEEDING ONE (1) YEAR'S SUBSCRIPTION FEES, NOR FOR ANY CLAIM, WHETHER IN CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, FOR ANY INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES (INCLUDING LOST SAVINGS, LOST PROFIT OR BUSINESS INTERRUPTION EVEN IF NOTIFIED IN ADVANCE OF SUCH POSSIBILITY) ARISING OUT OF OR PERTAINING TO THIS AGREEMENT. THIS LIMITATION IS INDEPENDENT OF REMEDY LIMITS.

XIII. NOTICE OF COPYRIGHT INFRINGEMENT

If you have a claim of copyright infringement, you must send proper written notification to the following Designated Agent:

Read Naturally, Inc.
Attn: Chief Financial Officer
1284 Corporate Center Drive, Suite 600
St. Paul, MN 55121

Read Naturally has no obligation to respond to any notification that does not comply with the notification requirements under the United States Copyright Act, including the notification requirements of the Digital Millennium Copyright Act (DMCA).

XIV. DOCUMENT UPDATES

Read Naturally reserves the right to revise, amend or modify the terms of this Agreement at any time and in any manner at its sole discretion. Please check these terms periodically for changes. Notice of any revision, amendment or modification of the terms will be posted in this section of the Site, and any such revisions, amendment, or modifications will be effective upon the posting of such notice. In addition, we may elect to notify you in other manners, at our sole discretion. Continued use of the Read Live by you constitutes your binding acceptance of such revisions, amendments, and modifications. You can view the current version of these terms within Read Live and on the Read Naturally web site.

XV. MISCELLANEOUS

This Agreement constitutes the entire agreement, and supersedes the provisions of any other agreements or understandings (oral or written), between the parties with respect to your use of Read Live. You shall comply with all laws and regulations applicable to your access and use of Read Live. Any provision hereof found by a tribunal of competent jurisdiction to be illegal or unenforceable shall be automatically conformed to the minimum requirements of law and all other provisions shall remain in full force and effect. Read Naturally's waiver of any provision hereof in one instance shall not preclude enforcement thereof on future occasions. Read Naturally shall be excused for any failure to perform to the extent that its performance is prevented by any reason outside of its reasonable control. Read Naturally may change, remove, or require registration or payment to continue use of any aspect of Read Live at any time without further notice to you.