SERVICE PROCEDURES

YELLOW FOLDER, LLC Yellow Folder, LLC, a Texas limited liability company ("YellowFolder") is a full service provider of document management services to K-12 schools and Districts ("Districts") throughout the United States. YellowFolder divides its services into three separate classes.

"Implementation Services" include all services related to getting a District set up and established on the YellowFolder electronic record management services ("ERMS").

"On-Line Access Services" include all services related to the management of a District's digital records ("Digital Records") on the ERMS.

"Physical Records Services" includes all services related to the management of a District's hard-copy paper and other physical records ("Physical Records").

YellowFolder enters into a Master Services Agreement with each District that references and incorporates these Service Procedures. YellowFolder signs a Proposal with each District that details the specific services to be provided by YellowFolder. The purpose of this service procedures document (the "Services Procedures") is to describe and detail each of the YellowFolder services listed on such Proposals, YellowFolder's obligations and responsibilities with respect to such services, and the responsibilities of the District receiving such services. YellowFolder will only provide the described service if such service is explicitly listed on a valid Proposal signed by the District and YellowFolder. YellowFolder shall have no obligation or responsibility to provide services in excess of the description of such services below. YellowFolder maintains a copy of the Service Procedures on its website (www.yellowfolder.com) and reserves the right to modify and amend the Service Procedures from time to time at its sole discretion. ALL TERMS AND CONDITIONS OF THE APPLICABLE MASTER SERVICES AGREEMENT SHALL APPLY TO THE PROVISION OF THESE SERVICES.

YellowFolder provides services for four (4) separate types of records for a District: Student Records, Special Education Records, Human Resource Records, and Administrative Records. Each of these types of records is referred to herein as a "Record Series".
- "Student Records" includes all records related to individual students' academic and performance within the District.
- "Special Education Records" includes all records related to the provision of services to individual students with special needs within the District.
- "Human Resource/Employee Records" includes all records related to the hiring, administration and termination of individual staff members' within the District, including individual payroll and benefits records.
- "Administrative Records" includes all other records kept by a District, including system-wide records involving students, special education or human resource information not directly associated to an individual person. Each Proposal references a specific Record Series.

YellowFolder will only provide the contracted services with respect to the contracted Record Series. These Service Procedures may be applied differently for each Record Series, as

described below. Each Proposal lists specific Services provided by YellowFolder. The following sections define the responsibilities of YellowFolder and the District with respect to each of these Services.

Implementation Services

YellowFolder provides the following Implementation Services, if included on a District Proposal, in order to set up and establish the ERMS for an applicable Record Series within a District.

1. Set Up, Implementation, and Training.

This service includes YellowFolder: a) assisting the District to access rules, operations rules and retention rules for each folder to be stored on the ERMS. Together, the resulting product is referred to by YellowFolder as a File Architecture, Access, and Retention Plan, FAARP; b) integrating the ERMS with the District's database of the applicable information routinely provided by the District (SIS system, etc.), and c) training the ERMS to automatically recognize and index the Districts records.

A. File Architecture Modification

YellowFolder maintains a "best practice" FAARP for each Record Series within each U.S. state, adhering to the privacy and retention laws, regulations and guidelines to the applicable state. YellowFolder will implement this "best practice" FAARP with the District. After your District is set up and using the YellowFolder system. Your District can choose to change how your digital file architecture is designed from the "best practice" FAARP. YellowFolder will assist the District in developing their desired digital file architecture. YellowFolder will host a web-based meeting with the District to conduct changes and finalize your YellowFolder environment. Once digital file architecture changes are final, please allow YellowFolder two weeks to complete digital file architecture changes. The District agrees to require appropriate staff to be present throughout this web-based meeting and participate in the development of the modified FAARP.

B. Integrating the ERMS with the District's Student or Employee Database

For all Record Series other than Administrative Records, YellowFolder strongly encourages the District to provide a database of its students (for Student Records and Special Education Records) or staff (for Employee Records) for its "Active" Records. YellowFolder refers to this database as the "Person.CSV"

C. Training the ERMS

The ERMS is capable of recognizing District documents and filing these records in the appropriate location in the District's ERMS, all without added input by District staff. Once each District's users are given their login credentials, the YellowFolder PNE will reach out to each individual user to conduct web-based training to ensure each user is comfortable in using the YellowFolder system. The District agrees to require appropriate staff to be present throughout this web-based meeting and participate in the development of the modified FAARP.

D. YellowFolder requires the District to provide a database of its staff

YellowFolder refers to this database as the "Access Database". The Access Database will include the designation of a Role for each staff member that District desires to have any access to the ERMS. YellowFolder uses the Access Database to create an individual username and password to the ERMS for each staff member with a designated Role. This username and password will allow the staff member to access the ERMS and gain access to Digital Records, as ascribed to the Role designated to the staff member.

2. Paperless Nation Implementation, Training & Support.

YellowFolder's dedicated PNE's assist in the following:

A. System Implementation:

The Districts Paperless Nation Engineer will be assisting the District through implementation to ensure system use is available to the District within 7 days of purchasing.

B. Paperless Processes & Training

The Paperless Nation Engineer will spend time with your District, implementing paperless processes and training your staff to use the ERMS. Your Paperless Nation Engineer will help you develop processes and procedures to help your school system move away from paper-based records. These include transferring forms to electronic format, changing printing habits, and implementing other best practices learned from hundreds of other implementations around the country. Your Paperless Nation Engineer will also train your staff on the YellowFolder system. For some staffers, YellowFolder is simple, and training only takes 30 minutes. For others, old habits are hard to break. YellowFolder will hold hands, provide comforting words, and work with users one-on-one – whatever it takes to demonstrate the benefits of YellowFolder.

C. User Group & Advisory Panels.

The Paperless Nation Engineers also host a web-based user group on a quarterly basis to provide updates on software development, foster networking among districts, paperless processes and practices, and to seek input from school users on new features.

D. Unlimited School Support.

Your staff will also have unlimited access to YellowFolder's school support hotline and web-based help tools. Computer systems can be frustrating. Help from YellowFolder is always just a click or call away.

On-Line Access Services.

YellowFolder provides the following On-Line Access Services, included on a District Proposal, to allow the District's staff to gain on-line access to the ERMS for an applicable Record Series.

1. Standard On-Line Access of Records (per active student/staff).

YellowFolder will store the District's Digital Records on the ERMS. YellowFolder will

automatically update the District's ERMS when (i) YellowFolder receives an updated Container Database, (ii) YellowFolder receives an updated Person .CSV Database, or (iii) YellowFolder receives new Digital Records uploaded on behalf of the District via the YellowFolder Droplet, Direct-Scan Upload or Print-to-YellowFolder products. YellowFolder will have no responsibility to update the District's ERMS under any other circumstances.

The District is solely responsible for providing its own computer equipment to allow its staff to access the ERMS and will be responsible for assuring that such equipment meets the minimum capability specified by YellowFolder. The District is solely responsible for the transmission connections used by its staff to access the Internet and the ERMS.

Each Proposal references a quantity of active students (as applicable) related to this service. This quantity is based on numbers filed by the appropriate state agency related to such District. YellowFolder will conduct an annual review of the applicable quantity with the appropriate state agency and will increase or decrease the quantities for these services on all subsequent charges for these services.

Additional obligations and responsibilities of YellowFolder, District and each of the District's staff members accessing the ERMS are included (i) in the license agreements each staff member agrees to upon initially signing onto the YellowFolder system, and (ii) in the product manuals for the YellowFolder Droplet, Direct-Scan or Print-to-YellowFolder products downloaded by the District's staff members from time to time.