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Frank Edelblut  
Commissioner

Christine M. Brennan  
Deputy Commissioner

STATE OF NEW HAMPSHIRE  
DEPARTMENT OF EDUCATION  
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Concord, N.H. 03301  
TEL. (603) 271-6133  
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April 26, 2024

His Excellency, Governor Christopher T. Sununu  
and the Honorable Council  
State House  
Concord, New Hampshire 03301

**REQUESTED ACTION**

Authorize the New Hampshire Department of Education (NHED), Division of Learner Support to enter into a **sole source** contract with Khan Academy, Inc., (VC #485682) Mountain View, CA, in an amount not to exceed \$2,300,000, to purchase specified digital learning content and access to the Khan Academy's learning platform for use by participating schools, effective upon Governor and Council approval through July 31, 2025. 100% Federal Funds

Funds to support this request are available in Fiscal Year 2024 as follows:

06-56-56-562010-24990000 EANS II - ARP ACT 2021

Fiscal Year	Class/Account	Class Title	Total Amount
2024	072-509073	Grants Federal	\$1,815,000

06-56-56-562010-24370000 ESSER III - ARP 2021

Fiscal Year	Class/Account	Class Title	Total Amount
2024	102-500731	Contracts for Program Services	\$485,000

**EXPLANATION**

The NHED is requesting a **sole source** contract. Khan Academy Inc. is the sole provider of the online learning platform, also called Khan Academy. As part of that platform, Khan Academy offers a digital subscription learning platform, Khanamigo, that is accessed through the Khan Academy online learning platform and is designed to support educators and students by providing personalized, real-time instructional support on an Artificial Intelligence (AI) platform.

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The Khanmigo digital platform is designed to support educators and students by providing personalized, real-time instructional support for all students. For teachers, the program generates standards-aligned, differentiated lesson planning tied to a content library that can be incorporated into an on-demand progress monitoring system where learning objectives, rubrics, and formative assessments are all combined to support identification of student needs across all content areas. For families, students will have access to tutoring, test preparation, and on demand homework support where students can access instant help that is always available.

Khan Academy is a nonprofit organization created in 2006 with the goal of creating a set of online tools that help educate students. Under this contract, Khan Academy will provide digital content, software applications, technology services and hosted websites for use via their platform by participating eligible schools and eligible educators. Eligible schools shall include all New Hampshire public and public chartered schools, and non-public schools. Eligible educators shall include educators working in an eligible school or supporting a Home Education or Education Freedom Account program.

This will allow all NH students and teachers the ability to access digital tools and services to support students of all abilities and attainment levels. This will support the development of personalized learning opportunities to address any learning loss or identified gaps in skill attainment and to provide advanced learning opportunities.

Respectfully Submitted,



Frank Edelblut  
Commissioner of Education

FE:mw:emr

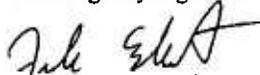
**Notice:** This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

**AGREEMENT**

The State of New Hampshire and the Contractor hereby mutually agree as follows:

**GENERAL PROVISIONS**

**I. IDENTIFICATION.**

1.1 State Agency Name  New Hampshire Department of Education (NHED)		1.2 State Agency Address  25 Hall Street Concord, NH 03301	
1.3 Contractor Name  Khan Academy, Inc.		1.4 Contractor Address  PO Box 1630 Mountain View, CA 94042	
1.5 Contractor Phone Number  650.336.5426	1.6 Account Unit and Class  See Exhibit C	1.7 Completion Date  July 31, 2025	1.8 Price Limitation  \$2,300,000
1.9 Contracting Officer for State Agency Melissa White		1.10 State Agency Telephone Number 603-271-3855	
1.11 Contractor Signature   Date: 04/25/2024		1.12 Name and Title of Contractor Signatory  Julian Roberts, CFO	
1.13 State Agency Signature   Date: 5/1/2024		1.14 Name and Title of State Agency Signatory  Frank Edelblut, Commissioner of Education	
1.15 Approval by the N.H. Department of Administration, Division of Personnel (if applicable)  By: _____ Director, On: _____			
1.16 Approval by the Attorney General (Form, Substance and Execution) (if applicable)   By: Elizabeth Brown, Attorney On: 5/1/2024			
1.17 Approval by the Governor and Executive Council (if applicable)  G&C Item number: _____ G&C Meeting Date: _____			

**2. SERVICES TO BE PERFORMED.** The State of New Hampshire, acting through the agency identified in block 1.1 ("State"), engages contractor identified in block 1.3 ("Contractor") to perform, and the Contractor shall perform, the work or sale of goods, or both, identified and more particularly described in the attached EXHIBIT B which is incorporated herein by reference ("Services").

**3. EFFECTIVE DATE/COMPLETION OF SERVICES.**

3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, if applicable, this Agreement, and all obligations of the parties hereunder, shall become effective on the date the Governor and Executive Council approve this Agreement, unless no such approval is required, in which case the Agreement shall become effective on the date the Agreement is signed by the State Agency as shown in block 1.13 ("Effective Date").

3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed.

3.3 Contractor must complete all Services by the Completion Date specified in block 1.7.

**4. CONDITIONAL NATURE OF AGREEMENT.**

Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds. In no event shall the State be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of appropriated funds by any state or federal legislative or executive action that reduces, eliminates or otherwise modifies the appropriation or availability of funding for this Agreement and the Scope for Services provided in EXHIBIT B, in whole or in part, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to reduce or terminate the Services under this Agreement immediately upon giving the Contractor notice of such reduction or termination. The State shall not be required to transfer funds from any other account or source to the Account identified in block 1.6 in the event funds in that Account are reduced or unavailable.

**5. CONTRACT PRICE/PRICE LIMITATION/ PAYMENT.**

5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT C which is incorporated herein by reference.

5.2 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8. The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance

hereof, and shall be the only and the complete compensation to the Contractor for the Services.

5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.

5.4 The State's liability under this Agreement shall be limited to monetary damages not to exceed the total fees paid. The Contractor agrees that it has an adequate remedy at law for any breach of this Agreement by the State and hereby waives any right to specific performance or other equitable remedies against the State.

**6. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/EQUAL EMPLOYMENT OPPORTUNITY.**

6.1 In connection with the performance of the Services, the Contractor shall comply with all applicable statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal employment opportunity laws and the Governor's order on Respect and Civility in the Workplace, Executive order 2020-01. In addition, if this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all federal executive orders, rules, regulations and statutes, and with any rules, regulations and guidelines as the State or the United States issue to implement these regulations. The Contractor shall also comply with all applicable intellectual property laws.

6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of age, sex, sexual orientation, race, color, marital status, physical or mental disability, religious creed, national origin, gender identity, or gender expression, and will take affirmative action to prevent such discrimination, unless exempt by state or federal law. The Contractor shall ensure any subcontractors comply with these nondiscrimination requirements.

6.3 No payments or transfers of value by Contractor or its representatives in connection with this Agreement have or shall be made which have the purpose or effect of public or commercial bribery, or acceptance of or acquiescence in extortion, kickbacks, or other unlawful or improper means of obtaining business.

6.4. The Contractor agrees to permit the State or United States access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with this Agreement and all rules, regulations and orders pertaining to the covenants, terms and conditions of this Agreement.

**7. PERSONNEL.**

7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.

7.2 The Contracting Officer specified in block 1.9, or any successor, shall be the State's point of contact pertaining to this Agreement.

## 8. EVENT OF DEFAULT/REMEDIES.

8.1 Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder ("Event of Default"):

8.1.1 failure to perform the Services satisfactorily or on schedule;

8.1.2 failure to submit any report required hereunder; and/or

8.1.3 failure to perform any other covenant, term or condition of this Agreement.

8.2 Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:

8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) calendar days from the date of the notice; and if the Event of Default is not timely cured, terminate this Agreement, effective two (2) calendar days after giving the Contractor notice of termination;

8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;

8.2.3 give the Contractor a written notice specifying the Event of Default and set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or

8.2.4 give the Contractor a written notice specifying the Event of Default, treat the Agreement as breached, terminate the Agreement and pursue any of its remedies at law or in equity, or both.

## 9. TERMINATION.

9.1 Notwithstanding paragraph 8, the State may, at its sole discretion, terminate the Agreement for any reason, in whole or in part, by thirty (30) calendar days written notice to the Contractor that the State is exercising its option to terminate the Agreement.

9.2 In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall, at the State's discretion, deliver to the Contracting Officer, not later than fifteen (15) calendar days after the date of termination, a report ("Termination Report") describing in detail all Services performed, and the contract price earned, to and including the date of termination. In addition, at the State's discretion, the Contractor shall, within fifteen (15) calendar days of notice of early termination, develop and submit to the State a transition plan for Services under the Agreement.

## 10. PROPERTY OWNERSHIP/DISCLOSURE.

10.1 As used in this Agreement, the word "Property" shall mean all data, information and things developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including, but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.

10.2 All data and any Property which has been received from the State, or purchased with funds provided for that purpose under this Agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason.

10.3 Disclosure of data, information and other records shall be governed by N.H. RSA chapter 91-A and/or other applicable law. Disclosure requires prior written approval of the State.

11. **CONTRACTOR'S RELATION TO THE STATE.** In the performance of this Agreement the Contractor is in all respects an independent contractor, and is neither an agent nor an employee of the State. Neither the Contractor nor any of its officers, employees, agents or members shall have authority to bind the State or receive any benefits, workers' compensation or other emoluments provided by the State to its employees.

## 12. ASSIGNMENT/DELEGATION/SUBCONTRACTS.

12.1 Contractor shall provide the State written notice at least fifteen (15) calendar days before any proposed assignment, delegation, or other transfer of any interest in this Agreement. No such assignment, delegation, or other transfer shall be effective without the written consent of the State.

12.2 For purposes of paragraph 12, a Change of Control shall constitute assignment. "Change of Control" means (a) merger, consolidation, or a transaction or series of related transactions in which a third party, together with its affiliates, becomes the direct or indirect owner of fifty percent (50%) or more of the voting shares or similar equity interests, or combined voting power of the Contractor, or (b) the sale of all or substantially all of the assets of the Contractor.

12.3 None of the Services shall be subcontracted by the Contractor without prior written notice and consent of the State.

12.4 The State is entitled to copies of all subcontracts and assignment agreements and shall not be bound by any provisions contained in a subcontract or an assignment agreement to which it is not a party.

13. **INDEMNIFICATION.** The Contractor shall indemnify, defend, and hold harmless the State, its officers, and employees from and against all actions, claims, damages, demands, judgments, fines, liabilities, losses, and other expenses, including, without limitation, reasonable attorneys' fees, arising out of or relating to this Agreement directly or indirectly arising from death, personal injury, property damage, intellectual property infringement, or other claims asserted against the State, its officers, or employees caused by the acts or omissions of negligence, reckless or willful misconduct, or fraud by the Contractor, its employees, agents, or subcontractors. The State shall not be liable for any costs incurred by the Contractor arising under this paragraph 13. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the State's sovereign immunity, which immunity is hereby reserved to the State. This covenant in paragraph 13 shall survive the termination of this Agreement.

#### 14. INSURANCE.

14.1 The Contractor shall, at its sole expense, obtain and continuously maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

14.1.1 commercial general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$1,000,000 per occurrence and \$2,000,000 aggregate or excess; and

14.1.2 special cause of loss coverage form covering all Property subject to subparagraph 10.2 herein, in an amount not less than 80% of the whole replacement value of the Property.

14.2 The policies described in subparagraph 14.1 herein shall be on policy forms and endorsements approved for use in the State of New Hampshire by the N.H. Department of Insurance, and issued by insurers licensed in the State of New Hampshire.

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or any successor, a certificate(s) of insurance for all insurance required under this Agreement. At the request of the Contracting Officer, or any successor, the Contractor shall provide certificate(s) of insurance for all renewal(s) of insurance required under this Agreement. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference.

#### 15. WORKERS' COMPENSATION.

15.1 By signing this agreement, the Contractor agrees, certifies and warrants that the Contractor is in compliance with or exempt from, the requirements of N.H. RSA chapter 281-A ("*Workers' Compensation*").

15.2 To the extent the Contractor is subject to the requirements of N.H. RSA chapter 281-A, Contractor shall maintain, and require any subcontractor or assignee to secure and maintain, payment of Workers' Compensation in connection with activities which the person proposes to undertake pursuant to this Agreement. The Contractor shall furnish the Contracting Officer identified in block 1.9, or any successor, proof of Workers' Compensation in the manner described in N.H. RSA chapter 281-A and any applicable renewal(s) thereof, which shall be attached and are incorporated herein by reference. The State shall not be responsible for payment of any Workers' Compensation premiums or for any other claim or benefit for Contractor, or any subcontractor or employee of Contractor, which might arise under applicable State of New Hampshire Workers' Compensation laws in connection with the performance of the Services under this Agreement.

16. **WAIVER OF BREACH.** A State's failure to enforce its rights with respect to any single or continuing breach of this Agreement shall not act as a waiver of the right of the State to later enforce any such rights or to enforce any other or any subsequent breach.

17. **NOTICE.** Any notice by a party hereto to the other party shall be deemed to have been duly delivered or given at the time of mailing by certified mail, postage prepaid, in a United States Post Office addressed to the parties at the addresses given in blocks 1.2 and 1.4, herein.

18. **AMENDMENT.** This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Executive Council of the State of New Hampshire unless no such approval is required under the circumstances pursuant to State law, rule or policy.

#### 19. CHOICE OF LAW AND FORUM.

19.1 This Agreement shall be governed, interpreted and construed in accordance with the laws of the State of New Hampshire except where the Federal supremacy clause requires otherwise. The wording used in this Agreement is the wording chosen by the parties to express their mutual intent, and no rule of construction shall be applied against or in favor of any party.

19.2 Any actions arising out of this Agreement, including the breach or alleged breach thereof, may not be submitted to binding arbitration, but must, instead, be brought and maintained in the Merrimack County Superior Court of New Hampshire which shall have exclusive jurisdiction thereof.

20. **CONFLICTING TERMS.** In the event of a conflict between the terms of this P-37 form (as modified in EXHIBIT A) and any other portion of this Agreement including any attachments thereto, the terms of the P-37 (as modified in EXHIBIT A) shall control.

21. **THIRD PARTIES.** This Agreement is being entered into for the sole benefit of the parties hereto, and nothing herein, express or implied, is intended to or will confer any legal or equitable right, benefit, or remedy of any nature upon any other person.

22. **HEADINGS.** The headings throughout the Agreement are for reference purposes only, and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

23. **SPECIAL PROVISIONS.** Additional or modifying provisions set forth in the attached EXHIBIT A are incorporated herein by reference.

24. **FURTHER ASSURANCES.** The Contractor, along with its agents and affiliates, shall, at its own cost and expense, execute any additional documents and take such further actions as may be reasonably required to carry out the provisions of this Agreement and give effect to the transactions contemplated hereby.

25. **SEVERABILITY.** In the event any of the provisions of this Agreement are held by a court of competent jurisdiction to be contrary to any state or federal law, the remaining provisions of this Agreement will remain in full force and effect.

26. **ENTIRE AGREEMENT.** This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire agreement and understanding between the parties, and supersedes all prior agreements and understandings with respect to the subject matter hereof.

## EXHIBIT A

### Special Provisions

Additional Exhibits D-1

#### Federal Certification 2 CFR 200.415

Required certifications include: (a) To assure that expenditures are proper and in accordance with the terms and conditions of the Federal award and approved project budgets, the annual and final fiscal reports or vouchers requesting payment under the agreements must include a certification, signed by an official who is authorized to legally bind the non-Federal entity, which reads as follows:

By signing this report, I certify to the best of my knowledge and belief that the report is true, complete, and accurate, and the expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of the Federal award. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise. (U.S. Code Title 18, Section 1001 and Title 31, Sections 3729–3730 and 3801–3812).

#### Requests for Changes to General P37 Provisions by Vendor

1. Delete existing paragraph 2 and replace existing paragraph with the following:

The State of New Hampshire, acting through the agency identified in block 1.1 (“State”), engages contractor identified in block 1.3 (“Contractor”) to provide licenses for access Contractor’s digital subscription learning platform and professional learning, identified and more particularly described in the attached EXHIBIT B, which are incorporated herein by reference (“Services”).

2. Paragraph 5.3 is deleted in its entirety.
3. Delete existing paragraph 6.4 and replace existing paragraph with the following:

The Contractor agrees to permit the State or United States access to any of the Contractor’s activation and usage reports to determine whether Eligible Schools, Eligible Students, and Eligible Educators have access to the Services consistent with the terms of the Agreement.

4. Paragraph 8 (EVENT OF DEFAULT/REMEDIES) Sections 8.2.2 to 8.2.4 are deleted in their entirety and that paragraph 8.2.1 provide 30 days to cure any notice of Event of Default, with the following added the end of that paragraph 8.2.1:

provided, that if the State has a concern, then the State shall timely raise any such concerns and specifically describe, in order to be understood and addressed. Notwithstanding anything to the contrary, this Agreement is for the provision of Services and such Services are deemed satisfactorily performed as this is an online educational service not created specifically for any one customer. For clarity, the State is responsible for all amounts due and payable before the date of early cancellation without proration. If the State exercises termination, under this paragraph 8 or paragraph 9.1, fees will not be refunded. The parties acknowledge that Contractor’s efforts in connection with account set-up, rostering and implementation are front-loaded and for that reason, proration of fees in the event of early cancellation is not necessary or appropriate.

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5. Paragraph 9 (TERMINATION) add the following to the end of the paragraph:

Contractor may notify the Eligible Schools and Eligible Educators of an early termination by the State and share how the Eligible Schools and Eligible Educators may manage the wind down of their access to the Services.

6. Paragraph 13 (INDEMNIFICATION). Delete existing paragraph 13 and replace existing paragraph with the following:

**INDEMNIFICATION.** The Contractor shall indemnify, defend, and hold harmless the State, its officers, and employees from and against all third party actions, claims, damages, demands, judgments, fines, liabilities, losses, and other expenses awarded by the court, including, without limitation, reasonable attorneys' fees, arising out of or relating to provision of the Services under this Agreement directly or indirectly arising from death, personal injury, property damage, or other third party claims asserted against the State, its officers, or employees to the extent caused by the acts or omissions of negligence while onsite, reckless or willful misconduct, or fraud by the Contractor, its employees, agents, or subcontractors. The State shall not be liable for any costs incurred by the Contractor arising under this paragraph 13. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the State's sovereign immunity, which immunity is hereby reserved to the State. This covenant in paragraph 13 shall survive the termination of this Agreement.

The Contractor shall indemnify, defend, and hold harmless the State, its officers, and employees from and against all third-party actions, claims, damages, demands, judgments, fines, liabilities, losses, and other expenses awarded by the court, including, without limitation, reasonable attorneys' fees, arising out of or relating to provision of the Services under this Agreement directly or indirectly relating to an intellectual property infringement; provided that the Contractor has received: (a) prompt written notice of the claim (and in any event notice in sufficient time to respond without prejudice); and (b) the exclusive right to control the investigation, defense, and settlement. If your use of the services is (or is likely to be) enjoined, whether by court order or by settlement, or if the Contractor determines such actions are reasonably necessary to avoid material liability, the Contractor may, at its discretion: (i) procure the right for the continued use of the services in accordance with this Agreement; (ii) substitute a substantially functionally similar offering to the services; or (iii) terminate this Agreement and refund any prepaid, unused amounts for the terminated portion of the subscription term. The indemnified party may participate in a claim with its own counsel at its own expense.

7. Add a new paragraph 26 (LIMITATION OF LIABILITY) as follow:

**26.1 No Consequential Damages.** TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, UNDER NO CIRCUMSTANCES WILL EITHER PARTY BE LIABLE FOR ANY SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL, PUNITIVE, RELIANCE, OR EXEMPLARY DAMAGES (INCLUDING WITHOUT LIMITATION LOST BUSINESS, LOST REVENUES OR PROFITS, LOSS OF DATA, OR ANY OTHER PECUNIARY OR NON-PECUNIARY LOSS OR DAMAGE OF ANY NATURE WHATSOEVER) ARISING OUT OF OR RELATING TO THE AGREEMENT, USE OF (OR INABILITY TO USE) THE SERVICES, EVEN IF THE PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

26.2. Limitation of Damages. IN NO EVENT WILL EITHER PARTY'S TOTAL LIABILITY FOR ALL DAMAGES, LOSSES, AND CAUSES OF ACTION ARISING OUT OF OR RELATING TO THE AGREEMENT (WHETHER IN CONTRACT, TORT (INCLUDING NEGLIGENCE), WARRANTY, OR OTHERWISE), EXCEED THE CONSIDERATION UNDER THE AGREEMENT.

26.3 No Warranties. THE SERVICES, THE CONTRACTOR WEBSITE, AND ANY ASSOCIATED CONTENT, THIRD-PARTY CONTENT, THIRD-PARTY WEBSITES, THIRD-PARTY APPLICATIONS, USER CONTENT, AND ALL DATA AND INFORMATION MADE AVAILABLE IN CONJUNCTION WITH THE SERVICES AND WEBSITE (COLLECTIVELY, THE "CONTRACTOR OFFERINGS"), ARE PROVIDED ON AN "AS IS," "AS AVAILABLE," AND "WITH ALL FAULTS" BASIS. TO THE FULLEST EXTENT PERMISSIBLE PURSUANT TO APPLICABLE LAW, THE CONTRACTOR DISCLAIMS ANY AND ALL WARRANTIES AND CONDITIONS, WHETHER STATUTORY, EXPRESS, OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, ALL IMPLIED WARRANTIES OF QUALITY, ACCURACY, PERFORMANCE, AVAILABILITY, MERCHANTABILITY, AND FITNESS FOR A PARTICULAR PURPOSE, TITLE, AND NON-INFRINGEMENT. NOTWITHSTANDING THE LACK OF WARRANTY FOR TITLE AND NON-INFRINGEMENT, NOTHING WITHIN PARAGRAPH 26.3 SHALL RELIEVE OR MODIFY CONTRACTOR'S OBLIGATION TO INDEMNIFY THE STATE AND ANY THIRD PARTY ACTIONS, CLAIMS, DAMAGES, DEMANDS, JUDGMENTS, FINES, LIABILITIES, LOSSES, AND OTHER EXPENSES AWARDED BY THE COURT, INCLUDING, WITHOUT LIMITATION, REASONABLE ATTORNEYS' FEES, ARISING OUT OF OR RELATING TO PROVISION OF THE SERVICES UNDER THIS AGREEMENT DIRECTLY OR INDIRECTLY ARISING FROM INTELLECTUAL PROPERTY INFRINGEMENT.

8. Delete paragraph 14.1.2.
9. Paragraph 17 (NOTICE), add the following sentence to the end of the paragraph:

For the purposes of the Contractor, a copy of the notice shall be sent to [notices@khanacademy.org](mailto:notices@khanacademy.org).

**EXHIBIT B**  
**SCOPE OF SERVICES**

Khan Academy, Inc. (Vendor Code 485682) will provide the following services to the New Hampshire Department of Education (NHED) effective upon Governor & Council approval through July 31, 2025:

1. General Provisions

- 1.1 Khan Academy offers an online learning platform. As part of that platform, Khan Academy offers a digital subscription learning platform, Khanmigo, that is accessed through the Khan Academy online learning platform and is designed to support educators and students by providing personalized, real-time instructional support on an Artificial Intelligence (AI) platform.
- 1.2 Khan Academy agrees to provide licenses to the Khanmigo's digital subscription learning platform on the effective date of this agreement and including any enhancement to the platform during the term of this agreement.
  - 1.2.1 Khan Academy hereby grants to NHED a nonexclusive, non-transferable license to use and to permit Eligible Schools, Eligible Students and Eligible Educators, as defined below, to utilize the Khanmigo platform during the term of this Agreement.
  - 1.2.2 Khan Academy hereby grants NHED to use any Khan Academy or Khanmigo logo or mark on NHED's website or in other media and print content in connection with promoting or facilitating Eligible Schools, Eligible Students and Eligible Educators in obtaining licenses pursuant to this Agreement.
- 1.3 The NHED agrees to purchase licenses to the digital subscription learning platform Khanmigo for use, through the Khan Academy platform, by participating eligible schools ("Eligible Schools") who enroll eligible students who are in grades 5 – 12 ("Eligible Students") and participating eligible educators ("Eligible Educators") as defined pursuant to the terms of this Agreement.
  - 1.3.1 "Eligible Schools" shall include New Hampshire traditional and chartered public schools and authorized New Hampshire non-public schools.
  - 1.3.2 "Eligible Students" shall include New Hampshire students enrolled in grade 5 through grade 12 in any New Hampshire traditional or chartered public school or an authorized New Hampshire non-public school.
  - 1.3.3 "Eligible Educators" shall include educators working in an Eligible School or supporting a Home Education or Education Freedom Account program.
- 1.4 Participating Eligible Schools shall agree to the Khan Academy District Terms of Service, dated January 2, 2024, and as updated periodically by Khan Academy, in the form attached at Exhibit D. The District Terms of Service shall govern the Eligible School access to the Khan Academy platform.
  - 1.4.1 Khan Academy will support Eligible Schools to roster students into the Khan Academy platform using Khan Academy approved rostering platforms.
- 1.5 Participating Eligible Educators shall agree to the Khan Academy Terms of Service, dated December 8, 2023, and as updated periodically by Khan Academy, which can be found at Terms of Service. Eligible Educator Terms of Service govern the Eligible Educator's access to the Khan Academy platform.
  - 1.5.1 Khan Academy shall grant access to Khan Academy and Khanmigo to Eligible Educators.
- 1.6 Eligible School and Eligible Educator licenses will be provided through July 31, 2025.
- 1.7 NHED will provide Khan Academy assistance to enroll and launch the subscription services

for Khanmigo to Eligible Schools, Eligible Students and Eligible Educators, including but not limited to:

- 1.7.1 Khan Academy will enter into Order Forms with Eligible Schools and thereafter roster the Eligible Students and Eligible Educators via Clever or ClassLink. NHED will provide an access code to be utilized by New Hampshire Educators supporting home education or Educational Freedom Account program students (as detailed in paragraph 1.8 below). Eligible Schools may enter into Order Forms by contacting [districts@khanacademy.org](mailto:districts@khanacademy.org) and referencing this program, whereupon Khan Academy will prepare an Order Form for the Eligible School to confirm and execute. The Order Form and attachments to the Order Form shall be in substantially the same form as attached hereto as Exhibit I.
- 1.7.2 NHED will provide an access code to be utilized by New Hampshire Educators supporting home education or Educational Freedom Account program students (as detailed in paragraph 1.8 below).
- 1.7.3 NHED will support Khan Academy by providing a link to the Khan Academy and Khanmigo platform on the NHED website outlining the services available to Eligible Schools, Eligible Students and Eligible Educators under the terms of this Agreement.
- 1.8 Each Eligible Educator shall attest to their eligibility to a license, pursuant to the terms of this Agreement, on the NHED's website in order to obtain an access code enabling the Eligible Educator to obtain a license. This access code may be updated from time to time to prevent any potential fraud or abuse. As requested by either NHED or Khan Academy, Khan Academy may send the list of the rostered Eligible Educator to enable NHED to verify the Educator's eligibility to a license under this Agreement. If NHED determines that any individual is not an Eligible Educator, NHED shall notify Khan Academy to permit Khan Academy to terminate the license.
- 1.9 Khan Academy shall provide NHED with a report, updated no less frequently than once per month, reporting utilization of the Khanmigo platform by Eligible Schools, Eligible Students and Eligible Educators.
- 1.10 Khan Academy shall provide technical support for Eligible Schools, Eligible Students and Eligible Educators via Khan Academy's support hub at [support.khanacademy.org](http://support.khanacademy.org) available Monday-Friday 9:00 A.M. EST – 5:00 p.m. EST.
- 1.11 Student Data. To the extent that Khanmigo obtains access to any student level data, Khanmigo will take commercially reasonable measures to protect Eligible Schools, Eligible Students and Eligible Educators' personally identifiable information (hereinafter referred to as "PII") as defined by Family Educational Rights and Privacy Act (FERPA) (20 U.S.C. § 1232g; 34 CFR Part 99) consistent with FERPA and all applicable privacy laws.
- 1.12 As a condition to this Agreement, Khan Academy entered into a Standard Student Data Privacy Agreement, NH DPA, Modified Version 1.0, with the School Administrative Unit 67 ("DPA"). This DPA permits for Eligible Schools to enter into this DPA by executing the General Offer of Privacy Terms through the Student Data Privacy Consortium (SDPC) portal. Participating Eligible Schools will be required to participate in this data privacy agreement by signing the General Offer of Privacy Terms.
- 1.13 This Agreement, and all incorporated documents herein, constitutes the entire agreement and understanding of the parties.

**EXHIBIT C**

**1. Price**

- 1.1. NHED agrees to pay Khan Academy a license fee of \$2,300,000 for licenses for all Eligible Schools and all Eligible Educators.
- 1.2. License fees reflect the fee for Eligible Schools and Eligible Educators and shall be paid in advance for the term of the license.

**2. Term**

- 2.1. This Agreement will commence upon Governor and Council approval and extend through July 31, 2025.

**3. Limitation on Price:**

- 3.1. In no case shall the total budget exceed the price limitation of \$2,300,000.

**4. Funding Source:**

- 4.1 Funds to support this request are available in Fiscal Year 2024 as follows:

06-56-56-562010-24990000 EANS II - ARP ACT 2021

Fiscal Year	Class/Account	Class Title	Total Amount
2024	072-509073	Grants Federal	\$1,815,000

06-56-56-562010-24370000 ESSER III – ARP 2021

Fiscal Year	Class/Account	Class Title	Total Amount
2024	102-500731	Contracts for Program Services	\$485,000

To be invoiced by Khan Academy within thirty (30) days of mutual execution of this Agreement

**5. Method of Payment:**

Khan Academy shall invoice NHED, consistent with the terms and scope of this Agreement, upon approval of this contract by Governor and Council. If otherwise correct and acceptable, a one-time payment of \$2,300,000 will be made 30 days from the date the invoice is processed. Invoice may be submitted electronically to:

Amanda Yasenchock  
Division of Learner Support  
[Amanda.C.Yasenchock@doe.nh.gov](mailto:Amanda.C.Yasenchock@doe.nh.gov)

Exhibit D  
**Khan Academy Districts Terms of Service**

Set forth below are the Terms of Service ("TOS") made between Khan Academy, Inc., a 501(c)(3) organization ("Khan Academy" or "we" or "us") and a school, school district or other local education agency entity (each, an "LEA") subscribing to Khan Academy Districts ("Customer" or "you"). This TOS governs the use of the Khan Academy Districts service (the "District Service").

The District Service is a premium, subscription-based service that is offered as a complement to Khan Academy's website located at <http://khanacademy.org> and related mobile applications and online services (the "Website").

Access to the Website and use of the standard features is provided free of charge. The standard features: allow teachers and coaches to assign lessons to learners and monitor learning progress; allow students to complete assignments or pursue independent learning; permit users to share their account data with other authorized users, including a parent or legal guardian ("parent"), or others as permitted by the intended functionality of the services; permit users to post or respond to questions relating to learning activities on the Website offer additional educational programs through the Website; in-app or emailed communications relating to the educational Services aka Program Communications; and provide links to additional educational resources.

Through the District Service, Khan Academy provides (i) enhanced features to facilitate set-up, management, and use of Website accounts for use in the classroom; (ii) implementation assistance and training for Users registered as teachers, school leaders, aides, or other similar personnel ("School Personnel"); (iii) priority technical support for classroom use of the Website; and (iv) data insights on Website usage and performance through a district administrator reports.

Both parties acknowledge that the District Service is provided online, with services provided remotely. The District Service will be provided to Customer by Khan Academy personnel and through Khan Academy's educational website and content offerings ("Platform"). In the ordinary course of operating the Platform, Khan Academy engages vendors and service providers to provide services such as data storage, communications, and support services. Vendors are service providers to Khan Academy and not deemed subcontractors under the TOS.

As used herein, visitors and users of the Website (including students, teachers, and parents) are referred to individually as "User" and collectively as "Users" and accounts held by those persons are referred to as "User Accounts."

## **1. Subscription Terms.**

1.1. Subscription Terms. The District Service is offered to Customer pursuant to the terms of an agreement between Khan Academy and the New Hampshire Department of Education (NHED) where NHED is fully funding the District Service for Customer. The specifics of the implementation for the Customer are offered pursuant to the order details in the executed order form ("Account Terms"). When using the District Service, you will also be subject to our Privacy Policy and any posted guidelines, policies or rules applicable to specific features of the District Service or use of the Website, which may be posted from time to time (collectively the "Guidelines"). The Account Terms, this TOS and the Guidelines form a legal contract between Customer and Khan Academy with respect to the District Service and are referred to collectively as the "Agreement". Your account terms specify the scope of services provided, including by reference to the number of accounts, students, subjects or grade levels included in your subscription. Student accounts will be counted upon activation, and may not be shared or transferred among Students.

1.2. Payment. All fees are set forth in the Customer order form. Notwithstanding anything to the contrary, for the 2024-2025 academic year and through July 1, 2025, District Service shall be provided to all New Hampshire public schools, New Hampshire Chartered Public Schools and nonpublic schools at no cost to the district or school and pursuant to the terms of the agreement between Khan Academy and NHED. Except as expressly set forth in this

Agreement, all payment obligations are non-cancelable and fees are non-refundable. Customers may tender payment by wire transfer, check, or other methods at Khan Academy's discretion (contact us for details). Payment must be received by Khan Academy no later than thirty (30) days after Khan Academy issues an invoice. If Khan Academy does not receive payment within thirty (30) days, the invoice is past due and Khan Academy reserves the right to suspend access to the affected Customer account(s). Suspension of an account does not relieve the Customer of its obligation to pay for the District Service for the full term of the subscription. Customer is responsible for paying all fees and applicable taxes, if any, associated with the District Service, including any sales, use, or value added taxes.

- 1.3. **Financial Audit.** Notwithstanding anything to the contrary in the Agreement, audit and inspection rights (including access to any books, records, and accounts) under the Agreement refer to a right to inspect financial information and supporting financial documentation relating to Services rendered. Khan Academy will assist Customer with providing any financial records required under applicable public records or open records statute that Customer does not directly have access to and will record such financial records as provided by law. Requests of financial documentation will be conducted remotely and via electronic delivery.
- 1.4. **Implementation Calendar.** For the academic year 2024-2025, the service term shall commence on July 31, 2024 and end on July 1, 2025. Programmatic support services will be provided during the regular, full school year (exclusive of any summer session). The District may elect to continue updating its roster via a Rostering Service (as defined in Section 3.3(c) "Use of Clever Secure Sync or ClassLink").
- 1.5. **Pilot Programs; User Experience Feedback.** Khan Academy may offer pilot programs (each a "Pilot") or beta features or products (collectively, "Betas"). Customer acknowledges that (a) participation in a Pilot or use of a Betas may allow Customer to access such Betas on a preview basis (including before it is made generally available on the Website or included in Khan Academy's general service offerings); (b) Betas are offered "as-is" solely for the purposes of Khan Academy testing, evaluating and improving Khan Academy features and applications, including for customer evaluation; (c) participation in a Pilot or use of a Betas is subject to these TOS or any additional terms Khan Academy may specify; (d) the Betas are still under development, may be inoperable or incomplete and are likely to contain errors or bugs; (e) the Betas may never be made generally available; (f) Khan Academy does not commit to maintaining any Betas and may remove Betas at any time; and (g) Khan Academy is not obligated to provide support for Betas. Customer may stop use of Betas at any time. All information related to a Pilot or Beta constitutes Khan Academy's confidential information. NOTWITHSTANDING ANYTHING TO THE CONTRARY, KHAN ACADEMY IS PROVIDING BETAS "AS-IS" AND DISCLAIMS ANY AND ALL WARRANTIES, INCLUDING ANY IMPLIED WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE, MERCHANTABILITY, AND STATUTORY WARRANTIES OF NON-INFRINGEMENT, AND LIABILITIES OBLIGATIONS OF ANY KIND.

In connection with a Pilot or use of Betas, Customer, and Customer's participating School Personnel (referred to as authorized Users) may participate in User testing activities led by members of Khan Academy's product design team, including but not limited to, by collecting Customer or User feedback (through surveys or interviews), or for Customer or User evaluation ("User Experience Feedback").

## 2. District Admin Accounts.

- 2.1. **Admin Accounts.** In order to access the administrator report features of the District Service, Customer must register for one or more accounts for use by School Personnel who will administer the LEA's use of the District Service ("Admin Accounts"). Admin Accounts are provided for the sole purpose of oversight, administration, account management and access to District Service administrator features. Any use of an Admin Account for other purposes is not authorized.

- 2.2. Administrator reports. Admin Accounts provide access to district-level and school-level data insights via administrator reports. Usage and performance data will provide views of student account activation & usage as well as skill progress on Khan Academy. Admin Accounts assigned to principals and other school-site administrators will provide access to data for students and teachers in the relevant school, and Admin Accounts provided to district-wide administrators will provide access to Khan Academy data for all the students, teachers, and schools in the relevant district.
- 2.3. Account Access. Each authorized administrator will register for a separate account. Customer is solely responsible for maintaining the confidentiality of each Admin Account and access credentials for use of the accounts, and Customer accepts responsibility for all activities that occur under such accounts and access credentials. If you have reason to believe that any Admin Account or User Account is no longer secure (e.g., in the event of a loss, theft or unauthorized disclosure of use of the account ID, password or other access credential), then you will promptly notify your designated Khan Academy account representative. You may be liable for the losses incurred by Khan Academy or others due to any unauthorized use of Admin Accounts and/or User Accounts.
- 2.4. Limitations on Use. The District Service and Website are provided to you for educational purposes as part of the instructional program for schools in your LEA. You must use the District Service and the Website in compliance with all applicable laws, rules, regulations, and District policies. You will not reproduce, duplicate, copy, sell, resell or otherwise exploit for any commercial purpose, any portion of the District Service, the Website, or access to the District Service or Website.

### 3. User Accounts.

- 3.1. User Account Terms. User Accounts are provided free of charge to students, teachers, and other authorized School Personnel. User Accounts and use of the Website are governed exclusively by the Khan Academy Website Terms of Use ("Website TOS") and Privacy Policy.
- 3.2. Use of Student Data; Customer Responsibility for Parental Consents and Notices.
- 3.2.1. Customer is familiar with and will be responsible for compliance with the Family Educational Rights and Privacy Act and the US Department of Education's implementing regulations at 34 CFR Part 99 (collectively, "FERPA"); and all other laws, rules or regulations concerning the collection, use, and disclosure of personally identifiable information about Users in your LEA (collectively, "Applicable Privacy Law").
- 3.2.2. Customer assumes sole responsibility for providing appropriate disclosures to students using Khan Academy for classroom use ("Students") and their parents regarding Student use of the Website, our Website TOS, and our Privacy Policy, including any notices required by the Children's Online Privacy Protection Act of 1998 ("COPPA"), FERPA, or other Applicable Privacy Law. Customer is responsible for complying with all parental notice requirements and parental requests regarding collection, use and disclosure of Student personal information, except as provided in Section 3.7 (Access Requests).
- 3.2.3. Customer assumes sole responsibility for obtaining any consents required from parents or guardians, to the extent required under COPPA, FERPA or other Applicable Privacy Law, in connection with the District Service, use of the Website for classroom use (including use of Linked Accounts referred to in Section 3.5 (Personal Accounts)), and disclosure of personally identifiable information to Khan Academy in connection therewith. Customer represents and warrants to Khan Academy that, prior to the creation of accounts under Section 3.3 (School Accounts), either:
- 3.2.3.1. it has obtained all necessary parent or guardian consents, or
- 3.2.3.2. it has complied and will continue to comply with all applicable requirements of an exemption from or exception to parental consent requirements, including:
- under FERPA, Customer has complied and will comply with the "school official"

- exception, or the "directory information" exception thereunder; and
- under COPPA, with respect to Students under the age of 13, Customer is acting as the agent of the parent and consenting on their behalf to the sharing of the Student's personal information.

### 3.3. School Accounts.

- 3.3.1. Account Set-up and Rostering. Each Student and School Personnel requiring access to the Website for classroom use will be registered with a Khan Academy account associated with your LEA. Khan Academy will facilitate the creation of individual accounts and assign Students to initially designated classes solely at Customer's direction and in accordance with its instructions. Customer is solely responsible for providing Khan Academy with access to complete and accurate information required to facilitate account set-up and fulfill rostering requirements, and for maintaining the accuracy of such data. Such information will include information necessary to separately identify accounts to be held by Students under age 13 and age 13 or above (either, "**Student Accounts**"), and by School Personnel ("**Teacher Accounts**" and, together with Student Accounts, "**School Accounts**"). Khan Academy will attempt to identify and include in the LEA roster any pre-existing School Accounts that match the rostering data provided by Customer, rather than creating new accounts for those Users. Customer understands and agrees that Students are bound to the Website TOS.
- 3.3.2. Updates. Rosters will be updated regularly based on updated information provided by Customer. Upon termination of School Personnel employment with your LEA, such School Personnel must return and cease using all login details they have in their possession. If at any time Customer learns that a User claims to be affiliated with your LEA who is not, in fact, affiliated with your LEA, or that a parent has refused or rescinded any parental consent required for Student use of the Website, or otherwise become aware of any errors in roster information, Customer will notify Khan Academy and will take prompt action to correct the roster data.
- 3.3.3. Use of Clever Secure Sync or ClassLink. Support for rostering and account set-up will be provided through Clever Inc.'s Secure Sync service or ClassLink, Inc. Roster Server (each, a "**Rostering Service**"). Customer acknowledges that use of the District Service is contingent upon Customer rostering through the Rostering Service. Customer's use of the Rostering Service is subject to the terms and conditions of the agreement between Customer and the Rostering Service, and Khan Academy assumes no liability for claims or damages resulting from Customer's use of the Rostering Service. Subscriber confirms its instruction to roster students based on the data provided to Khan Academy via the Rostering Service. Customer may not change the Rostering Service during the subscription term.
- 3.4. Integrated Service. Khan Academy may enable you to interact with the Website through, or otherwise associate the LEA's accounts with, certain third party services, including third-party rostering, authentication or single sign-on services, such as Google Accounts, ClassLink or Clever, or other sites providing supplemental educational materials, programs or services (and of these, as "**Integrated Service**"). By registering for the Website using (or otherwise granting access to or approving use of) an Integrated Service, Customer agrees that Khan Academy may access, store and use data obtained through the Integrated Service consistent with our Privacy Policy, and may disclose data to the Integrated Service if you use the Integrated Service to receive data. Customer agrees to any and all terms and conditions of the Integrated Service regarding use of the Website and District Service via the Integrated Service. Khan Academy does not endorse any particular Integrated Service, and Customer and associated account holders are solely responsible for interactions with the Integrated Service that occur as a result of accessing the Website or District Service through the Integrated Service. Khan Academy does not control the practices of Integrated Services, and you are advised to read the privacy policy and terms and conditions of any Integrated Service that you use to understand their practices. ACCESS AND USE OF INTEGRATED SERVICES, INCLUDING THE INFORMATION, MATERIALS, PRODUCTS, AND SERVICES ON OR AVAILABLE THROUGH THOSE SERVICES, IS SOLELY AT YOUR OWN RISK.

### 3.5. Personal Accounts.

3.5.1. Linked Accounts. Students and other School Users may have personal accounts (i.e., accounts associated with an email address other than the applicable LEA account or School email address) in addition to School Accounts. Khan Academy may (but is not required to) permit a User to associate a personal account with their School Account, by using the login credentials associated with a personal account to join a class or use the account for school-directed learning. If a User chooses to associate a personal account with their School Account, the two accounts will be deemed "Linked" Accounts, and the User's learning activity (information regarding use of the Website generated by the User through the use of the Website), whether generated during or outside of the school use, may be viewed by any person with access to either account. "Linked" Accounts are not separately functioning accounts; they permit access to a singular Khan Academy account using more than one account interface or set of access credentials. Linked Accounts may benefit Students who want to use the Website for both personal and School purposes, by allowing School Personnel to have a deeper understanding of Student progress, and by allowing Users to keep track of all of their Khan Academy learning activity on an aggregate basis. The User's election to enable Account Linking must be made, if at all, in connection with the initial account registration and rostering process for a given school year.

3.5.2. Khan Academy Activity in Linked Accounts. Upon any termination of the School Account by authorized School Personnel, the User's learning activity (including any learning activity from school use) will be retained in any Linked personal account.

3.5.3. User-Generated Content. Prior to termination of School Accounts, Khan Academy may invite Users, or parents or legal guardians of Students, to establish and maintain a personal account for purposes of retaining any content generated or provided and owned by Users under the Website TOS (including such User's learning activity). Any such personal accounts will be established under Khan Academy's standard account opening process, including parent consent for Users under the age of 13.

3.6. Student Records. In the course of providing the District Service, Customer may provide Khan Academy with access to certain Student Records. "Student Records" are information relating to a student which is personally identifiable, or which is linked to personally identifiable information in a manner that would allow a reasonable person to identify the student with reasonable certainty, and is (i) provided to Khan Academy by the Customer, Students or parents of Students, or (ii) collected by Khan Academy from Customer, Students or parents of Students, in each case, during the provision of the Service to Customer pursuant to this Agreement. Student Records may include "education records" as that term is defined under FERPA. Customer represents and warrants that it is authorized to provide such data to Khan Academy. Khan Academy confirms that Student Records will be maintained and used in accordance with Khan Academy's Privacy Policy and any separate Data Protection Agreement (a "DPA") entered into by and between Customer and Khan Academy. Customer acknowledges that for the provision of the Services, Khan Academy does not need (and Customer shall not send to us) sensitive information including social security number, driver's license number, identification card number, tribal identification number, financial account information (PCI or otherwise), personal contact information, social media handles, or medical or health insurance information. Student Records shall not include de-identified data or information that has been anonymized, including data regarding a Student's use of the Website.

3.7. Access Requests. Khan Academy shall cooperate and assist Customer in responding to requests made by a parent, legal guardian or eligible student for the review of personally identifiable information contained in the related Student Records and to correct erroneous information, consistent with the functionality of services. In the event that a parent/legal guardian of a student or eligible student contacts Khan Academy to review Student Records (other than information that may be accessed in a parent account that is associated with that Student), Khan Academy may refer the parent or individual to the LEA, who will follow the necessary and proper procedures regarding the requested information. For context, parents may elect to create a personal account on the Website associated with

their child's account and monitor their child's learning activity. These personal accounts set up directly by parents are not School Accounts. Khan Academy may provide direct assistance to parent or guardian with respect to information that may be accessed in the parent account.

**4. Programmatic Support Services.** The Service includes technology-enabled online services and additional support services. We refer to additional support services provided by Khan Academy personnel described in Section 4.1 and 4.2 below as "Programmatic Support Services."

- 4.1. **Professional Learning.** Training will be provided via an on-demand course available on Khan Academy's Website. Any additional training will be identified in the customer order and will be provided remotely (unless otherwise agreed between the parties, with all training and consultation will be provided remotely, via webinar, conference call or similar online / remote format. To the extent that in-person training is offered, Khan Academy reserves the right to postpone or substitute on-line/remote sessions as may be necessary or prudent for health and safety reasons (including but not limited to Covid risk conditions).
- 4.2. **Relationship Manager.** Relationship management is provided via email support and up to one scheduled meeting per month. The role of the relationship manager is to assist with implementation strategy and to act as a liaison to address district needs. Requests for technical support will be referred to the customer support team for resolution. Assistance with individual technical support will be provided by the customer support team via Khan Academy's online help center. To help provide smooth implementation, the relationship manager will offer the opportunity for a meeting approximately one month after the launch of the District Service. Notwithstanding anything to the contrary, if the Customer is a school (and not school district), this section does not apply.
- 4.3. **Technical Support.** Technical support for teachers and staff is provided by the Khan Academy customer support team via our online help center. Users with support needs will be required to submit them via an online help center portal. All District teachers and staff will be tagged based on their district-provided email domain to receive top-tier priority technical support within the Khan Academy help center (this support tier is available to Khan Academy Districts customers but is not exclusive to any one district).

## **5. Course Content; Proprietary Materials**

- 5.1. **Course Content.** Customer will select one or more primary subject areas for implementation and programmatic support, which will be specified in the customer order or contract. In addition, Customer will have access to other available Website content. The partnership manager can assist in providing guidance on how to align Khan Academy content for the primary subject area(s) to the scope and sequence of the Customer's specific curriculum. Services do not include custom alignment or creation of custom content. Requests for custom course curation or new content will be handled by the relationship manager, and resolved in Khan Academy's sole discretion.
- 5.2. **Proprietary Materials; Licenses.** The Website and District Service are owned and operated by Khan Academy. The visual interfaces, graphics, design, compilation, information, computer code (including source code or object code), software, services, content, educational videos and exercises, training materials, professional learning resources, and all other elements of the Website and District Service (the "Services Materials") are protected by United States and international laws, international conventions, and other applicable laws governing intellectual property and proprietary rights. Except for any content provided and owned by Users under the Website TOS, all Services Materials, and all trademarks, service marks, and trade names, contained on or available through the Website or District Service are owned by or licensed to Khan Academy, and Khan Academy reserves all rights therein and thereto not expressly granted to Users under the Website TOS. For clarity, both parties acknowledge that the Website and District Service do not include development of any materials specifically for Customer. Khan Academy's services are a commercial-off-the-shelf offering and no development of resulting work product is contemplated in the licensing of such services to Customer. In no instance shall the services be deemed a "Work

Made for Hire” or otherwise performed under a “funding agreement.” Services to be provided do not relate to real property, use of mechanics or laborers, or the provision of physical goods.

5.3. Permitted Use: Prohibited Conduct. Subject to this TOS and Customer’s payment of all applicable fees for the District Service, School Personnel may access and use the District Service, solely through their School Accounts, and solely for Customer’s educational purposes. You shall not, nor permit any of your authorized Users to, use, or permit the use of, the educational videos, exercises, and related supplementary materials that are owned by Khan Academy or its third-party licensors (the “**Licensed Educational Content**”) made available on the Website, or any educational, user-readable source code in connection with the “Computer Science” modules or exercises available on the Website (the “**Licensed Educational Code**”), except as permitted under, and pursuant to, the Website TOS. You shall not, nor permit any of your authorized Users to, engage in any conduct using the Website that is “Prohibited Conduct” under the Website TOS.

6. **Confidentiality.** Customer acknowledges that all security and compliance documentation (including reports and completed questionnaires) provided to you are deemed Khan Academy confidential information and shall not be submitted pursuant under any applicable public records or open records statute. You will keep such security and compliance documentation confidential, and agree to not disclose such confidential information to any third party, to the fullest extent permitted by law. In the event Customer receives a public records or open records request, Customer shall promptly notify Khan Academy and provide the opportunity to redact the requested information as permitted under statute.

7. **Intentionally Omitted.**

8. **Disclaimers; No Warranties.**

8.1. No Warranties. EXCEPT FOR THE EXPRESS LIMITED WARRANTY SET FORTH IN SECTION 9 (LIMITED WARRANTY), THE SERVICE, THE WEBSITE, AND ANY ASSOCIATED CONTENT, THIRD-PARTY CONTENT, THIRD-PARTY WEBSITES, THIRD-PARTY APPLICATIONS, USER CONTENT, AND ALL DATA AND INFORMATION MADE AVAILABLE IN CONJUNCTION WITH THE SERVICE AND WEBSITE (COLLECTIVELY, THE “**KHAN ACADEMY OFFERINGS**”), ARE PROVIDED ON AN “AS IS,” “AS AVAILABLE,” AND “WITH ALL FAULTS” BASIS. TO THE FULLEST EXTENT PERMISSIBLE PURSUANT TO APPLICABLE LAW, THE KHAN ACADEMY PARTIES DISCLAIM ANY AND ALL WARRANTIES AND CONDITIONS, WHETHER STATUTORY, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, ALL IMPLIED WARRANTIES OF QUALITY, ACCURACY, PERFORMANCE, AVAILABILITY, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, AND NON-INFRINGEMENT.

NO ADVICE OR INFORMATION, WHETHER ORAL OR WRITTEN, OBTAINED BY YOU FROM KHAN ACADEMY OR THROUGH THE WEBSITE WILL CREATE ANY WARRANTY NOT EXPRESSLY STATED HEREIN.

8.2. Harm to Your Computer. YOU UNDERSTAND AND AGREE THAT YOUR USE, ACCESS, DOWNLOAD, OR OTHERWISE OBTAINING OF DATA, CONTENT, AND MATERIALS, IS AT YOUR OWN DISCRETION AND RISK, AND THAT YOU WILL BE SOLELY RESPONSIBLE FOR ANY DAMAGE TO YOUR PROPERTY (INCLUDING YOUR COMPUTER SYSTEM) OR LOSS OF DATA THAT RESULTS THEREFROM.

8.3. Limitations Under Applicable Law. SOME STATES OR OTHER JURISDICTIONS DO NOT ALLOW THE EXCLUSION OF IMPLIED WARRANTIES, SO THE ABOVE EXCLUSIONS MAY NOT APPLY TO YOU.

YOU MAY ALSO HAVE OTHER RIGHTS THAT VARY FROM STATE TO STATE AND JURISDICTION TO JURISDICTION.

**9.Limited Warranty.** Khan Academy warrants, during the Term, that the District Service delivered by Khan Academy, when used in accordance with the terms of this Agreement, will substantially perform in accordance with the District Service Documentation made available to Customer by Khan Academy. "Documentation" means the description of services set forth in Customer's agreement, including technical specifications, but excludes any marketing materials or brochures. If the District Service is not provided as indicated in the Documentation, and Customer has provided written notice of the non-conformity to Khan Academy within thirty (30) days of discovery of such non-conformity, then Customer's sole and exclusive remedy is that Khan Academy shall at its option (i) rectify the non-conformity; (ii) replace the applicable product or service with a system of substantially the same functionality that conforms to the Documentation; or (iii) terminate this Agreement with respect to the non-conforming District Service and provide Customer a refund representing the portion of any fees previously paid by Customer for the unused portion of the terminated District Service measured from the effective date of termination. The foregoing warranty specifically excludes defects in or non-conformance of the District Service resulting from (a) use of the District Service or Website in a manner not in accordance with the Documentation, this TOS or the Website TOS; (b) faults or liabilities disclaimed pursuant to this TOS or the Website TOS; (c) improper or inadequate maintenance of Customer's own computers, computer networks, operating environment, security programs, and internet connections; or (d) abuse of the District Service or Website.

**10.Limitation of Liability and Damages.**

10.1. Limitation of Liability. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, UNDER NO CIRCUMSTANCES WILL KHAN ACADEMY OR THE KHAN ACADEMY PARTIES BE LIABLE FOR ANY SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL, PUNITIVE, RELIANCE, OR EXEMPLARY DAMAGES (INCLUDING WITHOUT LIMITATION LOST BUSINESS, LOST REVENUES OR PROFITS, LOSS OF DATA, OR ANY OTHER PECUNIARY OR NON-PECUNIARY LOSS OR DAMAGE OF ANY NATURE WHATSOEVER) ARISING OUT OF OR RELATING TO THE TOS, YOUR USE OF (OR INABILITY TO USE) THE KHAN ACADEMY OFFERINGS OR ANY OTHER INTERACTIONS WITH KHAN ACADEMY OR WITH THIRD PARTIES THROUGH OR IN CONNECTION WITH THE KHAN ACADEMY OFFERINGS, INCLUDING OTHER USERS, EVEN IF KHAN ACADEMY OR A KHAN ACADEMY PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. APPLICABLE LAW MAY NOT ALLOW THE LIMITATION OR EXCLUSION OF LIABILITY OR INCIDENTAL OR CONSEQUENTIAL DAMAGES, SO THE ABOVE LIMITATION OR EXCLUSION MAY NOT APPLY TO YOU. IN SUCH CASES, KHAN ACADEMY'S LIABILITY WILL BE LIMITED TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW.

10.2. Limitation of Damages. IN NO EVENT WILL KHAN ACADEMY'S OR ANY KHAN ACADEMY PARTY'S TOTAL LIABILITY TO YOU FOR ALL DAMAGES, LOSSES, AND CAUSES OF ACTION ARISING OUT OF OR RELATING TO THE TOS, YOUR USE OF THE WEBSITE OR ANY KHAN ACADEMY OFFERING, OR YOUR INTERACTION WITH OTHER WEBSITE USERS (WHETHER IN CONTRACT, TORT (INCLUDING NEGLIGENCE), WARRANTY, OR OTHERWISE), EXCEED THE GREATER OF THE ACTUAL AMOUNT PAID BY YOU, IF ANY, DURING THE TWELVE MONTHS IMMEDIATELY PRECEDING THE DATE OF THE FIRST CLAIM, OR ONE HUNDRED DOLLARS (\$100.00).

**11.Modification of Terms.**

11.1. Terms Subject to Change. Except as provided in Section 11.2 (Material Changes) below, Khan Academy reserves the right, at our discretion, to change, modify, add, or remove any portion of the Website TOS or this TOS at any

time. Please check the Website TOS and any Guidelines periodically for changes to the Website TOS. Your continued use of the Website after the posting of changes constitutes your binding acceptance of such changes. For any material changes to the Website TOS or this TOS, Khan Academy will provide notice to you of such amended terms, and such amended terms will be effective against you on the earlier of (i) your actual notice of such changes and (ii) thirty (30) days after Khan Academy makes a reasonable attempt to provide you such notice, including by posting amended terms on the Website. However, changes addressing new functions for a service or changes made for legal reasons will be effective immediately.

- 11.2. **Material Changes.** Khan Academy will not make any material change to this TOS, or change how personal Information contained in Student Records is used or shared under this TOS during the term of this Agreement, without notice to you. If a change with respect to how personal Information contained in Student Records is used or shared under the Website TOS or the TOS has a material adverse impact on Student Users or Customer, and Customer does not agree to the change, Customer must notify Khan Academy within thirty (30) days of receiving the notice of change as described under the "Miscellaneous - Notices" below. If Customer notifies Khan Academy as required, then the Customer will remain governed by the TOS in effect immediately prior to the change until the end of the then current term of the Agreement. If the Service is renewed, it will be renewed under Khan Academy's then current TOS and Website TOS. Disputes arising under the TOS ("Dispute") will be resolved in accordance with the version of the TOS in place at the time the dispute arose.

## 12. Termination.

- 12.1. **Termination by Customer.** Customer's only remedy with respect to any dissatisfaction with (i) the Website, (ii) any term of the TOS or the Website TOS, (iii) the District Service, (iv) any policy or practice of Khan Academy in operating the Website or District Service, or (v) any content or information transmitted through the Website, is to terminate the TOS and your account. You may terminate this Agreement at any time by providing written notice to your designated account representative, with any outstanding fees due upon the termination. Unless otherwise provided for herein, all cancellations requested before the end of the then-current term will be effective at the end of the current term. To the extent Customer has any concerns regarding us satisfactorily performing the duties set out in the Agreement, Customer shall timely raise any such concerns and specifically describe so as to be understood and addressed. For the avoidance of doubt, for the 2024-2025 academic year and through July 1, 2025, there are no outstanding fees applicable to 2024-2025 academic year (through July 1, 2025) District Service shall be provided to all New Hampshire public schools, New Hampshire Chartered Public Schools and nonpublic schools at no cost to the Customer.

- 12.2. **Administrator and District Data Access.** For clarity, Admin Account access will be terminated at the end of the subscription term, unless Customer executes a renewal order. Upon termination, Khan Academy may delete Admin Accounts and associated district-level reports (as these are features unique to the District Service) in accordance with this Agreement and the Privacy Policy. It is Customer's sole responsibility to request renewal of the Agreement to maintain continued access to Administrator accounts and the associated data.

- 12.3. **No Refunds.** Customer understands and agrees that, except in the case of cessation of Website services, a termination at the option of Khan Academy pursuant to Section 8 (Disclaimers; No Warranties), or to the extent required by applicable law, fees will not be refunded in the event of Customer's early cancellation or notice of cancellation of the Agreement. In the event of an early cancellation due to cessation of Website services, or to the extent required by applicable law, Customer is responsible for all amounts due and payable before the date of early cancellation without proration or to the greatest extent permitted by law. The parties agree that Khan Academy's efforts in connection with account set-up, rostering and implementation are front-loaded and for that reason, proration of fees in the event of early cancellation is not necessary or appropriate. Any unused Relationship

Management support and Professional Learning sessions expire at the end of the term of the subscription.

- 12.4. Termination by Khan Academy. Khan Academy reserves the right to terminate the District Service at any time if Customer does not comply with the TOS, including in the case of non-payment. Khan Academy may terminate any User Account (or any part thereof) in accordance with the Website TOS, and reserves the right at any time and from time to time to modify or temporarily discontinue the Website (or any part thereof) with or without notice. These remedies are in addition to any other remedies Khan Academy may have at law or in equity.

### 13. Miscellaneous.

- 13.1. Notices. Any notice required under this Agreement shall be in writing and effective when (i) delivered personally against receipt, (ii) deposited in the mail and registered or certified with return receipt requested, postage prepaid, (iii) shipped by a recognized courier service and addressed to either party as designated in this Agreement, (iv) delivered by email to the email address specified herein or in a Customer order, or (v) when delivered via any of the foregoing at such other address as may be provided by the recipient in accordance with this section.

#### Notices to Khan Academy:

Khan Academy, Inc.

P.O. Box 1630

Mountain View, CA 94042

Email: [notices@khanacademy.org](mailto:notices@khanacademy.org) for the purposes of Khan Academy. If a physical notice is sent, a copy will be provided to such email address.

Notices to Customer will be sent to the email address and/or mailing address set forth in the "Contact Information" section of the Customer Order or Agreement, or if left blank, the address on file with Khan Academy.

- 13.2. Independent Contractor. No agency, partnership, joint venture, or employment is created as a result of this Agreement and neither party has any authority of any kind to bind the other in any respect whatsoever.
- 13.3. Waiver. The failure of Khan Academy to exercise or enforce any right or provision of the TOS will not constitute a waiver of such right or provision. Any waiver of any provision of the TOS will be effective only if in writing and signed by Khan Academy.
- 13.4. Force Majeure. Neither party shall be liable for any failure or delay in performing any duty, requirement, or obligation under these TOS or the Agreement (except for a failure to pay fees) that is due to events beyond its reasonable control, such as, explosions, wars, sabotage, acts of terrorism, riots, acts of God, epidemics, pandemics, riots, civil commotions, acts of government authorities, changes in laws or regulations, strikes or other labor disputes, failure or diminishment of power or telecommunications or data networks or services, acts or omissions of Internet traffic carriers, or natural disasters (such as fires, hurricanes, severe storms, earthquakes, or floods).
- 13.5. Governing Law and Venue. Unless the law of the jurisdiction where Subscriber is domiciled requires otherwise, the parties intend that this Agreement be construed and controlled by the laws of the State of New Hampshire, without giving effect to principles of conflict of laws. Notwithstanding anything to the contrary, the Uniform Commercial Code, and Uniform Computer Information Transactions Act are specifically disclaimed and do not apply to this Agreement. Any litigation arising out of this Agreement must be conducted in courts located in Merrimack County Superior Court of New Hampshire. Notwithstanding this, Khan Academy shall still be allowed to apply for injunctive or other equitable relief to protect or enforce its intellectual property rights in any court of competent jurisdiction.
- 13.6. Dispute Resolution. In the event of a Dispute, you or Khan Academy must give the other a written statement that

sets forth the name, address, and contact information of the party giving it, the facts giving rise to the Dispute, and a proposed solution (a “**Notice of Dispute**”). Any Notice of Dispute must be sent as provided in Section 12.1 (Termination by Customer). You and Khan Academy will attempt in good faith to resolve any Dispute through informal negotiation within sixty (60) days from the date the Notice of Dispute is sent. After sixty (60) days, you or Khan Academy may commence legal proceedings.

- 13.7. **Severability.** If any provision of the TOS is held to be unlawful, void, or for any reason unenforceable, then that provision will be limited or eliminated from the TOS to the minimum extent necessary and will not affect the validity and enforceability of any remaining provisions.
- 13.8. **Assignment.** Customer may not assign this Agreement to any third party without Khan Academy's prior written consent, which consent shall not be unreasonably withheld. This Agreement binds and inures to the benefit of each party and its respective successors and approved assigns, if any.
- 13.9. **No Third-Party Beneficiaries.** The parties do not intend to confer any right or remedy on any third party.
- 13.10. **Representation of Signatories.** Each person signing this Agreement and any purchase order or other contract for services associated herewith or governed hereby represents and warrants that such person is duly authorized and has legal capacity to execute and deliver such agreement for its respective party.
- 13.11. **Counterparts.** The parties may execute this Agreement in counterparts, each of which is an original, and the counterparts constitute one and the same Agreement. The parties may also deliver and accept facsimile or electronically scanned signatures, which bind a party as if the signature were an original.
- 13.12. **Entire Agreement.** This Agreement and any separate Data Protection Agreement entered into by and between Customer and Khan Academy contains the entire understanding of the parties regarding the subject matter of this Agreement and supersedes all prior and contemporaneous negotiations and agreements, whether written or oral, between the parties with respect to the subject matter of this Agreement. The terms of this Agreement apply to all subscriptions. If Customer issues a purchase order, then any such purchase order is for its internal purposes only, and any purchase order terms that conflict with (or purport to add to the terms of this Agreement or any Customer order issued by Khan Academy) will have no effect.
- 13.13. **Survival.** Upon termination of the TOS, any provision which, by its nature or express terms should survive, will survive such termination or expiration, including, but not limited to, Sections 1.2 (Payment), 2.4 (Limitations on Use), 3.5 (Personal Accounts), 3.6 (Student Records), 5 (Course Content; Proprietary Materials), 6 (Confidentiality), 7 (Indemnification), 8 (Disclaimers; No Warranties), 10 (Limitation of Liability and Damages), 12.2 (No Refunds), 13 (Miscellaneous).

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### **Khanmigo Addendum**

Set forth below is the Khanmigo Addendum (“**Addendum**”) made between Khan Academy and Customer. This Addendum governs the use of certain new features, technologies, or services in development (“beta” previews or otherwise experimental prototypes) of Khan Academy’s AI enabled learning guide and AI enabled learning activities (“**Khanmigo**”). Terms used but not defined herein have the meanings assigned in the Districts Terms of Service (“**Customer Agreement**”).

#### **1. Pilot Program.**

- 1.1 **Purpose.** Customer understands and acknowledges that Khanmigo is offered as part of a pilot program (“**Pilot**”).

that will allow Customer to access Khanmigo, a Beta. Customer acknowledges that access to Khanmigo is being offered on a pilot basis to enable Khan Academy to test, evaluate, modify and improve AI-enabled features and their classroom applications, including by collecting Customer feedback on Khanmigo.

1.2 Customer Participation. In connection with the Pilot, Customer, and Customer's participating School Personnel and Students (referred to as authorized Users) will participate in User testing activities led by members of Khan Academy's product design team ("**User Experience Feedback**"). Customer will: (i) Identify specific school staff, teachers, and students for participation in the feedback program ("**Participants**"), and connect the Khan Academy Contact with these Participants; (ii) collaborate with Khan Academy to communicate with the Participants about the expectations and benefits of Khanmigo for Districts and User Experience Feedback, including interviews with Participants, classroom observations, surveys, and testing sessions for new features; (iii) identify a cohort of teachers to participate in monthly virtual conversations; (iv) participate in user experience surveys to be filled out by teachers; and coordinate with Khan Academy classroom observations at least twice per academic year. Such classroom visits will be in person or virtual, depending upon the needs of the Customer and Khan Academy.

1.3 Feedback. We encourage and welcome your feedback on Khanmigo. As part of the Pilot, Customer, and Customer's authorized Users, may identify errors or bugs, may provide feedback on the user experience, and provide other ideas, suggestions, guidance or other information related to Khanmigo (collectively, deemed "**Feedback**"). Khan Academy may solicit Feedback from you, and from participating School Personnel and Students via surveys, interviews, observations, or other interactions. You and your authorized Users may also provide Feedback to us by labeling Output with a thumbs up or thumbs down, or otherwise directly offering Feedback in the Pilot Feature itself or otherwise. By submitting suggestions or other Feedback, you agree that we (or our licensees) can (but do not have to) use, share, and otherwise exploit such Feedback for any purpose without compensation to you.

## 2. School Access.

2.1 Eligible Accounts. Khanmigo will be enabled on certain accounts for School Personnel and, if eligible, Students that are included in current subscriptions for the Khan Academy Districts Service. Use of Khanmigo is governed by the District Terms of Service and this Addendum.

2.2 Access to Khanmigo. Khan Academy will provide access to Khanmigo at Customer's direction and in accordance with its instructions. Customer shall specify the School Personnel (and, if Students are included, the Students and classes) who are authorized to access Khanmigo.

2.3 Incorporated Guidelines. When using Khanmigo, you will be subject to any additional posted Guidelines we provide. It is your obligation to educate participating School Personnel and, if eligible, Students on responsible use of AI in general and Khanmigo specifically. We strongly encourage that you require authorized Users to review any available guidance prior to accessing Khanmigo. For instance, authorized Users should be aware that Khanmigo may make mistakes and the authorized User needs to fact check the response provided (referred to as Output below).

2.4 Management of User Accounts. For the Khanmigo for Districts User Accounts, (1) You will first roster students and teachers for Khan Academy Districts through their Rostering Service to set up the School Accounts; (2) You will identify a specific individual responsible for Khanmigo for Districts implementation and overall rostering maintenance ("**Implementation Lead**"); (3) subject to the Khanmigo for Districts Order Information, You will then provide Khan Academy with a list of your Users eligible for Khanmigo for Districts, where any Student Account with Khanmigo for Districts enabled will also identify the corresponding teacher that has Khanmigo for Districts enabled ("**Identified Khanmigo Users**"); (4) Khan Academy will then activate those accounts by acting on your instructions for Identified Khanmigo Users; (5) you will timely validate proper activation; and (6) throughout the Term, you will ensure that all students with access to Khanmigo have a teacher who also has access to Khanmigo. For the allocation of administrator User Accounts, Customer may determine whether to allocate to a school administrator or district administrator. If

Customer wishes to obtain additional seats for administrators, then such additional seats will need to be licensed Khanmigo for Districts - Teaching Assistant User Accounts. At Khan Academy's discretion, Khan Academy may automatically enable all School Personnel with Khanmigo teacher tools, in addition to the School Personnel have students with paid licenses for Khanmigo for Districts – Student Tutor.

### 3. Use of Khanmigo.

3.1 Permitted Use; Prohibited Conduct. Access to Khanmigo is provided solely for Customer's educational purposes, as an aid to classroom instruction and to guide learners in mastery learning. You must use the Khanmigo in compliance with all applicable laws, rules, and regulations. You shall not, nor permit any of your authorized Users to, engage in any conduct using the Website that is "Prohibited Conduct" under the Website TOS or otherwise prohibited under this Section 3.1 (Permitted Use; Prohibited Conduct). In addition, You shall use Khanmigo in a manner that consistent with any OpenAI Policy, including their Sharing and Publication Policy and Usage Policy. The following uses of Khanmigo are considered Prohibited Conduct:

- Use of Khanmigo to generate the following types of content: hate speech or hateful content; defamatory or discriminatory content, including references about religion, race, sexual orientation, gender, nationality, ethnic origin; unlawful or promoting unlawful activity; harassment; promotion or glorification of violence; promotion or depiction of self-harm or harm to individuals, organizations or society; sexually explicit content; misleading political speech; electoral or political campaign materials; false or misleading content; misinformation; malware or other software intended to cause harm; or any content that would infringe upon the intellectual property rights of others.
- Use of Khanmigo to commit any act of educational dishonesty, or to mislead any person that Output generated use of AI features included in Khanmigo is human-generated.
- Use of Khanmigo for assessment purposes or to make decisions about a student, teacher, principal, or other School Personnel.
- Participation in any prompt injection attack or other attempt to interfere with intended functionality of Khanmigo.

Khan Academy reserves the right, but does not have any obligation, to, in its sole discretion, determine whether any AI Content violates our Prohibited Conduct terms, and can refuse, remove, or edit such AI Content, and may remove access to Khanmigo at any time for non-compliance with these terms.

3.2 Privacy Guidance. Khanmigo enables users to interact with a "large language model," an artificial intelligence tool developed and maintained by OpenAI. While Khanmigo places some constraints on use of the underlying model, such constraints are still in development and cannot be relied upon to screen user queries or filter responses that are returned to users. Khanmigo is not intended to be used to process personally identifiable information. **YOU ARE ADVISED NOT TO, AND TO INSTRUCT YOUR AUTHORIZED USERS NOT TO, INCLUDE ANY PERSONALLY IDENTIFIABLE INFORMATION IN CHAT QUERIES SUBMITTED TO KHANMIGO.**

3.3 Student Use. School Personnel whose Student Accounts include access to Khanmigo are responsible for educating their students on responsible use of Khanmigo, including Prohibited Conduct, refraining from submitting any personally identifiable information in Input submitted to Khanmigo, and avoidance of plagiarism. You have the obligation to monitor and approve the use of Khanmigo for Student Users, and we strongly recommend adult oversight. In all instances, you will ensure that all Student Accounts with access to Khanmigo have a teacher with Khanmigo for Districts - Teaching Assistant. In other words, Khanmigo for Districts - Teaching Assistant is a precondition for implementing Khanmigo for Districts - Student Tutor. In other words, Customers cannot have Khanmigo for Districts - Student Tutor without implementing Khanmigo for Districts - Teaching Assistant, and all students accessing Khanmigo need to have a teacher with Khanmigo for Districts - Teaching Assistant.

3.4 School Personnel Use. School Personnel should apply their judgment and discretion in use of all Khanmigo activities (including but limited to essay features) and should not rely solely (nor predominantly) on a feature for assessing a student's performance. Khanmigo is a tool that assists School Personnel, and is not a replacement for the unique role of humans. As a part of Khanmigo for Districts, there is training for School Personnel on Khanmigo and use of AI within education. We also recommend School Personnel view our AI course on Khan Academy.

3.5 Features in Development: "As-Is" Terms; No Guarantees; No Representation or Warranties. Khanmigo includes new technologies and features that are at an early stage of development, often referred to as alphas, betas, previews, or prototypes. Some of the features are still being tested, are known to make errors and to provide incorrect information at times, and may have other bugs. Khanmigo may not become fully developed or generally available. Khan Academy does not commit to maintaining any Pilot Feature and may change or remove Khanmigo at any time. You understand that Khan Academy is not obligated to provide support for Khanmigo. YOU ACKNOWLEDGE AND AGREE THAT KHANMIGO MAY FUNCTION FOR A LIMITED PERIOD OF TIME, HAVE LIMITED FEATURES, MAY MAKE ERRORS (INCLUDING, WITHOUT LIMITATION, MATH ERRORS), MAY REFLECT BIASED, INCOMPLETE OR INCORRECT INFORMATION, MAY PROVIDE OBJECTIONABLE OR OFFENSIVE RESPONSES, MAY NOT ACCOUNT FOR EVENTS OR CHANGES TO UNDERLYING FACTS OCCURRING AFTER THE AI MODEL WAS TRAINED, AND HAVE OTHER LIMITATIONS. YOU SHOULD NOT RELY ON THE FACTUAL ASSERTIONS IN OUTPUT WITHOUT INDEPENDENTLY FACT CHECKING THEIR ACCURACY. OUTPUT MAY APPEAR ACCURATE DUE TO ITS DETAIL OR SPECIFICITY BUT CONTAIN MATERIAL INACCURACIES. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE CUSTOMER AGREEMENT, KHAN ACADEMY IS PROVIDING KHANMIGO "AS IS", AND KHAN ACADEMY DISCLAIMS ANY AND ALL WARRANTIES INCLUDING ANY IMPLIED WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE, MERCHANTABILITY, AND STATUTORY WARRANTIES OF NON-INFRINGEMENT, AND LIABILITIES OF ANY KIND. IN THE EVENT OF A CONFLICT BETWEEN THIS SECTION 3.5 AND ANY OTHER TERMS OF THE CUSTOMER AGREEMENT, THIS SECTION 3.5 WILL SUPERSEDE SUCH TERMS WITH RESPECT TO KHANMIGO.

#### 4. AI Aided Content

4.1 User-Generated Content. You (and your authorized Users) may provide input to Khanmigo ("**Input**"), and receive output generated and returned by Khanmigo based on the Input ("**Output**"). Input and Output are collectively "**AI Content.**" AI Content is subject to the terms applicable to User Content set forth in Section 5 (User Content License Grant) of the Website TOS. For clarity, AI Content is User Content. You acknowledge that due to the nature of machine learning and the technology powering certain Khanmigo, Output may not be unique and the same or similar output may be provided to other users. Without limiting the terms of the Website TOS, you are responsible for the AI Content that you and your authorized Users generate, including for ensuring that you have rights to submit the Input and that your use of Input does not infringe upon the intellectual property rights of others or violate any applicable law or this Agreement.

4.2 Personal Use and Sharing. Khanmigo are intended for personal use and not to generate content for broad-based publication. It is your responsibility to review Outputs and double check Outputs with reputable sources. You may choose to share AI Content you generate for any legal, personal, non-commercial purpose, under the following conditions: (i) the role of AI in formulating the content is clearly and prominently disclosed; (ii) the content is attributed to your name or organization; (iii) topics of the content do not violate our terms on Prohibited Conduct; and (iv) you directly review the AI Content to ensure compliance with this Agreement. We kindly ask that you refrain from sharing Outputs that may offend others.

4.3 Force Majeure. If Khan Academy is unable to provide Khanmigo by reason of being unable to obtain access to services required to operate Khanmigo, or by reason of any law, regulation or administrative order, or by reason of any

other cause beyond its reasonable control, Khan Academy may modify, suspend or terminate access to Khanmigo for such time as is reasonably necessary to address the cause. If Khan Academy is unable to restore access to Khanmigo within 30 days (“**Resolution Period**”), then Customer may notify Khan Academy after such Resolution Period of its intent to terminate its Khanmigo subscription. Customer’s sole and exclusive remedy to any such termination exercised under this Section 4.3 is to obtain a pro-rata refund representing the portion of any fees previously paid by Customer for the unused portion of Khanmigo measured from the effective date of termination.

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## **EXHIBIT E**

### **Contractor Obligations**

Contracts in excess of the simplified acquisition threshold (currently set at \$250,000) must address **administrative, contractual, or legal remedies** in instances where the contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate. Reference:

2 C.F.R. § 200.326 and 2 C.F.R. 200, Appendix II, required contract clauses.

The contractor acknowledges that 31 U.S.C. Chap. 38 (Administrative Remedies for False Claims and Statements) applies to the contractor's actions pertaining to this contract.

The Contractor, certifies and affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the Contractor understands and agrees that the provisions of 31 U.S.C. § 3801 et seq., apply to this certification and disclosure, if any.

#### **Breach**

A breach of the contract clauses above may be grounds for termination of the contract, and for debarment as a contractor and subcontractor as provided in 29 C.F.R. § 5.12.

#### **Fraud and False Statements**

The Contractor understands that, if the project which is the subject of this Contract is financed in whole or in part by federal funds, that if the undersigned, the company that the Contractor represents, or any employee or agent thereof, knowingly makes any false statement, representation, report or claim as to the character, quality, quantity, or cost of material used or to be used, or quantity or quality work performed or to be performed, or makes any false statement or representation of a material fact in any statement, certificate, or report, the Contractor and any company that the Contractor represents may be subject to prosecution under the provision of 18 USC §1001 and §1020.

#### **Environmental Protection**

(This clause is applicable if this Contract exceeds \$150,000. It applies to Federal-aid contracts only.)

The Contractor is required to comply with all applicable standards, orders or requirements issued under Section 306 of the Clean Air Act (42 U.S.C. 1857 (h)), Section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency (EPA) regulations (40 CFR Part 15) which prohibit the use under non-exempt Federal contracts, grants or loans of facilities included on the EPA List of Violating Facilities. Violations shall be reported to the FHWA and to the U.S. EPA Assistant Administrator for Enforcement.

#### **Procurement of Recovered Materials**

In accordance with Section 6002 of the Solid Waste Disposal Act (42 U.S.C. § 6962), State agencies and agencies of a political subdivision of a state that are using appropriated Federal funds for procurement must procure items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired in the preceding fiscal year exceeded \$10,000; must procure solid waste management services in a manner that maximizes energy and resource recovery; and must have established an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

**Exhibit F**  
**Federal Debarment, Suspension and Certification 2 CFR 200.415**

- a. By signature on this Contract, the Contractor certifies its compliance, and the compliance of its Sub-Contractors, present or future, by stating that any person associated therewith in the capacity of owner, partner, director, officer, principal investor, project director, manager, auditor, or any position of authority involving federal funds:
1. Is not currently under suspension, debarment, voluntary exclusion, or determination of ineligibility by any Federal Agency;
  2. Does not have a proposed debarment pending;
  3. Has not been suspended, debarred, voluntarily excluded or determined ineligible by any Federal Agency within the past three (3) years; and
  4. Has not been indicted, convicted, or had a civil judgment rendered against the firm by a court of competent jurisdiction in any matter involving fraud or official misconduct within the past three (3) years.
- b. Where the Contractor or its Sub-Contractor is unable to certify to the statement in Section a.1. above, the Contractor or its Sub-Contractor shall be declared ineligible to enter into Contract or participate in the project.
- c. Where the Contractor or Sub-Contractor is unable to certify to any of the statements as listed in Sections a.2., a.3., or a.4., above, the Contractor or its Sub-Contractor shall submit a written explanation to the NHED. The certification or explanation shall be considered in connection with the NHED's determination whether to enter into Contract.
- d. The Contractor shall provide immediate written notice to the NHED if, at any time, the Contractor or its Sub-Contractor, learn that its Debarment and Suspension certification has become erroneous by reason of changed circumstances.

**Exhibit G**  
**Anti-Lobbying**

The Contractor agrees to comply with the provisions of Section 319 of Public Law 101-121, Government wide Guidance for New Restrictions on Lobbying, and 31 U.S.C. 1352, and further agrees to have the Contractor's representative, execute the following Certification:

The Contractor certifies, by signing and submitting this contract, to the best of his/her knowledge and belief, that:

- a. No federal appropriated funds have been paid or shall be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence any officer or employee of any State or Federal Agency, a Member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any Federal contract, the making of any federal grant, the making of any federal loan, the entering into any cooperative agreement, and the extension, continuation, renewal amendment, or modification of any Federal contract grant, loan, or cooperative agreement.
- b. If any funds other than federally appropriated funds have been paid or shall be paid to any person for influencing or attempting to influence an officer or employee of any Federal Agency, a Member of Congress, and officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit the "Disclosure of Lobbying Activities" form in accordance with its instructions

<https://www.gsa.gov/forms-library/disclosure-lobbying-activities>

- c. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making and entering into this transaction imposed by Section 1352, Title 31 and U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.
- d. The Contractor also agrees, by signing this contract that it shall require that the language of this certification be included in subcontracts with all Sub-Contractor(s) and lower-tier Sub-Contractors which exceed \$100,000 and that all such Sub-Contractors and lower-tier Sub-Contractors shall certify and disclose accordingly.
- e. The NHED shall keep the firm's certification on file as part of its original contract. The Contractor shall keep individual certifications from all Sub-Contractors and lower-tier Sub-Contractors on file. Certification shall be retained for three (3) years following completion and acceptance of any given project.

## Exhibit H

*For clarity, both parties acknowledge that the services do not include development of any materials specifically for NHED. Khan Academy's services are a commercial-off-the-shelf offering and no development of resulting work product is contemplated in the licensing of such services to NHED. In no instance shall the services be deemed a "Work Made for Hire" or otherwise performed under a "funding agreement." Services to be provided do not relate to real property, use of mechanics or laborers, or the provision of physical goods.*

### **Rights to Inventions Made Under a Contract, Copy Rights and Confidentiality**

#### **Rights to Inventions Made Under a Contract or Agreement**

Contracts or agreements for the performance of experimental, developmental, or research work shall provide for the rights of the Federal Government and the recipient in any resulting invention in accordance with 37 CFR part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the NHED.

Any discovery or invention that arises during the course of the contract shall be reported to the NHED. The Contractor is required to disclose inventions promptly to the contracting officer (within 2 months) after the inventor discloses it in writing to contractor personnel responsible for patent matters. The awarding agency shall determine how rights in the invention/discovery shall be allocated consistent with "Government Patent Policy" and Title 37 C.F.R. § 401.

#### **Confidentiality**

All Written and oral information and materials disclosed or provided by the NHED under this agreement constitutes Confidential Information, regardless of whether such information was provided before or after the date on this agreement or how it was provided.

The Contractor and representatives thereof, acknowledge that by making use of, acquiring, or adding to information about matters and data related to this agreement, which are confidential to the NHED and its partners, must remain the exclusive property of the NHED.

Confidential information means all data and information related to the business and operation of the NHED, including but not limited to all school and student data contained in NH Title XV, Education, Chapters 186-200.

Confidential information includes but is not limited to, student and school district data, revenue and cost information, the source code for computer software and hardware products owned in part or in whole by the NHED, financial information, partner information (including the identity of NHED partners), Contractor and supplier information, (including the identity of NHED Contractors and suppliers), and any information that has been marked "confidential" or "proprietary", or with the like designation. During the term of this contract the Contractor agrees to abide by such rules as may be adopted from time to time by the NHED to maintain the security of all confidential information. The Contractor further agrees that it will always regard and preserve as confidential information/data received during the performance of this contract. The Contractor will not use, copy, make notes, or use excerpts of any confidential information, nor will it give, disclose, provide access to, or otherwise make available any confidential information to any person not employed or contracted by the NHED or subcontracted with the Contractor.

#### **Ownership of Intellectual Property**

The NHED shall retain ownership of all source data and other intellectual property of the NHED provided to the Contractor in order to complete the services of this agreement. As well the NHED will retain copyright ownership for any and all materials, patents and intellectual property produced, including, but not limited to, brochures, resource directories, protocols, guidelines, posters, or reports. The Contractor shall not reproduce any materials for purposes other than use for the terms under the contract without prior written approval from the NHED.

Revised 4-19-24

Contractor Initials JR  
Date 04/25/2024

# SERVICE ORDER FORM

Khan Academy, Inc  
 P.O. Box 1630  
 Mountain View, CA 94042



**CONTACT INFORMATION FOR [SCHOOL DISTRICT]**

**CUSTOMER INFORMATION**

Start Date:	[Start Date]
School District:	[DISTRICT NAME]
End Date:	[End Date]
Address:	[ADDRESS]
City/State/Zip:	[ADDRESS 2]
Primary Contact:	[NAME]
Primary Contact:	Jason Hovey
Email:	[EMAIL]
Email:	Jasonhovey@khanacademy.org
Phone:	[NUMBER]
Phone:	

**SERVICE ORDER INFORMATION**

KHAN ACADEMY DISTRICTS				
Product	Quantity	Grades	Subjects*	Rostering Service
Khan Academy Districts	[# students]	[grades elected, which must be between 5th-12th grade]	[Number of subjects] subject(s) [subjects]	[Clever OR ClassLink]
Professional Learning for Khan Academy Districts	Professional learning sessions will be selected from your customized learning plan.			

KHANMIGO FOR DISTRICTS		
Product	Quantity**	Allocation
Khanmigo for Districts -	Included	Grades: [grades elected, which must be between 5th-12th grade]

Exhibit I

Teaching Assistant		
Khanmigo for Districts - Student Tutor	{Number of} students	Grades: [grades elected, which must be between 5th-12th grade]
Khanmigo for Districts - Administrator	1	Administrator account can be allocated to either school or district administrator at the election of Customer

**TERMS AND CONDITIONS**

The scope of services to be provided include Khan Academy District services and Khanmigo for Districts service. The services will be provided pursuant to Khan Academy's **Terms of Service for the District Service** and the **Khanmigo Addendum**, which are located at Attachment 1 and Attachment 2 respectively and incorporated herein by reference. This order, together with the Terms of Service and Khanmigo Addendum, are referred to as the "**Agreement.**" In the event of conflict between the terms of this Order, the Terms of Service for the District Service and the Khanmigo Addendum, the terms of this Order shall control.

The Khan Academy District services consist of rostering support for schools and teachers, access to Khan Academy district administrator reports, implementation support and priority technical support for Customer's teachers, together with professional learning/training and other services set forth below.

**Licenses:** Services will be provided to the number of students set forth above, and their associated teachers.

**\*Subjects:** Subjects are identified for rostering and implementation support. Upon notice to (and approval by) Khan Academy, Customer may request a change to the indicated subjects.

**Term:** Services are provided for a term of one year, commencing on July 31, 2024, and ending on July 31, 2025. Under no circumstance shall the term of the contract extend beyond July 31, 2025 without a written amendment to this Agreement executed by the Parties in writing (including a renewal purchase order).

**Special Terms:** These services are made available through State funding provided by the New Hampshire Department of Education ("**NHED**"). Customer acknowledges that: (1) this Agreement may be shared with NHED; and (2) Khan Academy may share all usage data and associated reports with NHED for purposes of evaluating the program.

Exhibit I

**SIGNATURES**

The parties may execute this Agreement in counterparts, each of which is an original, and the counterparts constitute one and the same Agreement. The parties may also deliver and accept facsimile or electronically scanned signatures, which bind a party as if the signature were an original.

By its signature below, each party confirms its acceptance of the proposal set forth herein. Each person signing this Agreement represents and warrants that such person is duly authorized and has legal capacity to execute and deliver this Agreement for its respective party. This proposal will become binding upon the signature of both parties, with the date of last signature (the "Effective Date").

**Khan Academy, Inc.**

**Customer:** \_\_\_\_\_

Signature: *Julian Roberts*

Signature: .

Name: Julian Roberts

Name:

Title: Chief Financial Officer

Title: .

Date: 04/25/2024

Date:

Exhibit I

**Attachment 1**  
**Khan Academy Districts Terms of Service**

Set forth below are the Terms of Service ("TOS") made between Khan Academy, Inc., a 501(c)(3) organization ("Khan Academy" or "we" or "us") and a school, school district or other local education agency entity (each, an "LEA") subscribing to Khan Academy Districts ("Customer" or "you"). This TOS governs the use of the Khan Academy Districts service (the "District Service").

The District Service is a premium, subscription-based service that is offered as a complement to Khan Academy's website located at <http://khanacademy.org> and related mobile applications and online services (the "Website").

Access to the Website and use of the standard features is provided free of charge. The standard features: allow teachers and coaches to assign lessons to learners and monitor learning progress; allow students to complete assignments or pursue independent learning; permit users to share their account data with other authorized users, including a parent or legal guardian ("parent"), or others as permitted by the intended functionality of the services; permit users to post or respond to questions relating to learning activities on the Website offer additional educational programs through the Website; in-app or emailed communications relating to the educational Services aka Program Communications; and provide links to additional educational resources.

Through the District Service, Khan Academy provides (i) enhanced features to facilitate set-up, management, and use of Website accounts for use in the classroom; (ii) implementation assistance and training for Users registered as teachers, school leaders, aides, or other similar personnel ("School Personnel"); (iii) priority technical support for classroom use of the Website; and (iv) data insights on Website usage and performance through a district administrator reports.

Both parties acknowledge that the District Service is provided online, with services provided remotely. The District Service will be provided to Customer by Khan Academy personnel and through Khan Academy's educational website and content offerings ("Platform"). In the ordinary course of operating the Platform, Khan Academy engages vendors and service providers to provide services such as data storage, communications, and support services. Vendors are service providers to Khan Academy and not deemed subcontractors under the TOS.

As used herein, visitors and users of the Website (including students, teachers, and parents) are referred to individually as "User" and collectively as "Users" and accounts held by those persons are referred to as "User Accounts."

**1.Subscription Terms.**

- 1.1. Subscription Terms. The District Service is offered to Customer pursuant to the terms of an agreement between Khan Academy and the New Hampshire Department of Education (NHED) where NHED is fully funding the District Service for Customer. The specifics of the implementation for the Customer are offered pursuant to the order details in the executed order form ("Account Terms"). When using the District Service, you will also be subject to our Privacy Policy and any posted guidelines, policies or rules applicable to specific features of the District Service or use of the Website, which may be posted from time to time (collectively

## Exhibit I

the "Guidelines"). The Account Terms, this TOS and the Guidelines form a legal contract between Customer and Khan Academy with respect to the District Service and are referred to collectively as the "Agreement". Your account terms specify the scope of services provided, including by reference to the number of accounts, students, subjects or grade levels included in your subscription. Student accounts will be counted upon activation, and may not be shared or transferred among Students.

- 1.2. Payment. All fees are set forth in the Customer order form. Notwithstanding anything to the contrary, for the 2024-2025 academic year and through July 1, 2025, District Service shall be provided to all New Hampshire public schools, New Hampshire Chartered Public Schools and nonpublic schools at no cost to the district or school and pursuant to the terms of the agreement between Khan Academy and NHED. Except as expressly set forth in this Agreement, all payment obligations are non-cancelable and fees are non-refundable. Customers may tender payment by wire transfer, check, or other methods at Khan Academy's discretion (contact us for details). Payment must be received by Khan Academy no later than thirty (30) days after Khan Academy issues an invoice. If Khan Academy does not receive payment within thirty (30) days, the invoice is past due and Khan Academy reserves the right to suspend access to the affected Customer account(s). Suspension of an account does not relieve the Customer of its obligation to pay for the District Service for the full term of the subscription. Customer is responsible for paying all fees and applicable taxes, if any, associated with the District Service, including any sales, use, or value added taxes.
- 1.3. Financial Audit. Notwithstanding anything to the contrary in the Agreement, audit and inspection rights (including access to any books, records, and accounts) under the Agreement refer to a right to inspect financial information and supporting financial documentation relating to Services rendered. Khan Academy will assist Customer with providing any financial records required under applicable public records or open records statute that Customer does not directly have access to and will record such financial records as provided by law. Requests of financial documentation will be conducted remotely and via electronic delivery.
- 1.4. Implementation Calendar. For the academic year 2024-2025, the service term shall commence on July 31, 2024 and end on July 1, 2025. Programmatic support services will be provided during the regular, full school year (exclusive of any summer session). The District may elect to continue updating its roster via a Rostering Service (as defined in Section 3.3(c) "Use of Clever Secure Sync or ClassLink").
- 1.5. Pilot Programs; User Experience Feedback. Khan Academy may offer pilot programs (each a "Pilot") or beta features or products (collectively, "Betas"). Customer acknowledges that (a) participation in a Pilot or use of a Betas may allow Customer to access such Betas on a preview basis (including before it is made generally available on the Website or included in Khan Academy's general service offerings); (b) Betas are offered "as-is" solely for the purposes of Khan Academy testing, evaluating and improving Khan Academy features and applications, including for customer evaluation; (c) participation in a Pilot or use of a Betas is subject to these TOS or any additional terms Khan Academy may specify; (d) the Betas are still under development, may be inoperable or incomplete and are likely to contain errors or bugs; (e) the Betas may never be made generally available; (f) Khan Academy does not commit to maintaining any Betas and may remove Betas at any time; and (g) Khan Academy is not obligated to provide support for Betas. Customer may stop use of Betas at any time. All information related to a Pilot or Beta constitutes Khan Academy's confidential information. NOTWITHSTANDING ANYTHING TO THE CONTRARY, KHAN ACADEMY IS PROVIDING BETAS "AS-IS" AND

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DISCLAIMS ANY AND ALL WARRANTIES, INCLUDING ANY IMPLIED WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE, MERCHANTABILITY, AND STATUTORY WARRANTIES OF NON-INFRINGEMENT, AND LIABILITIES OF ANY KIND.

In connection with a Pilot or use of Betas, Customer, and Customer's participating School Personnel (referred to as authorized Users) may participate in User testing activities led by members of Khan Academy's product design team, including but not limited to, by collecting Customer or User feedback (through surveys or interviews), or for Customer or User evaluation ("**User Experience Feedback**").

### 2. District Admin Accounts.

- 2.1. Admin Accounts. In order to access the administrator report features of the District Service, Customer must register for one or more accounts for use by School Personnel who will administer the LEA's use of the District Service ("**Admin Accounts**"). Admin Accounts are provided for the sole purpose of oversight, administration, account management and access to District Service administrator features. Any use of an Admin Account for other purposes is not authorized.
- 2.2. Administrator reports. Admin Accounts provide access to district-level and school-level data insights via administrator reports. Usage and performance data will provide views of student account activation & usage as well as skill progress on Khan Academy. Admin Accounts assigned to principals and other school-site administrators will provide access to data for students and teachers in the relevant school, and Admin Accounts provided to district-wide administrators will provide access to Khan Academy data for all the students, teachers, and schools in the relevant district.
- 2.3. Account Access. Each authorized administrator will register for a separate account. Customer is solely responsible for maintaining the confidentiality of each Admin Account and access credentials for use of the accounts, and Customer accepts responsibility for all activities that occur under such accounts and access credentials. If you have reason to believe that any Admin Account or User Account is no longer secure (e.g., in the event of a loss, theft or unauthorized disclosure of use of the account ID, password or other access credential), then you will promptly notify your designated Khan Academy account representative. You may be liable for the losses incurred by Khan Academy or others due to any unauthorized use of Admin Accounts and/or User Accounts.
- 2.4. Limitations on Use. The District Service and Website are provided to you for educational purposes as part of the instructional program for schools in your LEA. You must use the District Service and the Website in compliance with all applicable laws, rules, regulations, and District policies. You will not reproduce, duplicate, copy, sell, resell or otherwise exploit for any commercial purpose, any portion of the District Service, the Website, or access to the District Service or Website.

### 3. User Accounts.

- 3.1. User Account Terms. User Accounts are provided free of charge to students, teachers, and other authorized School Personnel. User Accounts and use of the Website are governed exclusively by the Khan Academy Website Terms of Use ("**Website TOS**") and Privacy Policy.

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### 3.2. Use of Student Data; Customer Responsibility for Parental Consents and Notices.

- 3.2.1. Customer is familiar with and will be responsible for compliance with the Family Educational Rights and Privacy Act and the US Department of Education's implementing regulations at 34 CFR Part 99 (collectively, "FERPA"); and all other laws, rules or regulations concerning the collection, use, and disclosure of personally identifiable information about Users in your LEA (collectively, "**Applicable Privacy Law**").
- 3.2.2. Customer assumes sole responsibility for providing appropriate disclosures to students using Khan Academy for classroom use ("**Students**") and their parents regarding Student use of the Website, our Website TOS, and our Privacy Policy, including any notices required by the Children's Online Privacy Protection Act of 1998 ("**COPPA**"), FERPA, or other Applicable Privacy Law. Customer is responsible for complying with all parental notice requirements and parental requests regarding collection, use and disclosure of Student personal information, except as provided in Section 3.7 (Access Requests).
- 3.2.3. Customer assumes sole responsibility for obtaining any consents required from parents or guardians, to the extent required under COPPA, FERPA or other Applicable Privacy Law, in connection with the District Service, use of the Website for classroom use (including use of Linked Accounts referred to in Section 3.5 (Personal Accounts)), and disclosure of personally identifiable information to Khan Academy in connection therewith. Customer represents and warrants to Khan Academy that, prior to the creation of accounts under Section 3.3 (School Accounts), either:
- 3.2.3.1. it has obtained all necessary parent or guardian consents, or
- 3.2.3.2. it has complied and will continue to comply with all applicable requirements of an exemption from or exception to parental consent requirements, including:
- under FERPA, Customer has complied and will comply with the "school official" exception, or the "directory information" exception thereunder; and
  - under COPPA, with respect to Students under the age of 13, Customer is acting as the agent of the parent and consenting on their behalf to the sharing of the Student's personal information.

### 3.3. School Accounts.

- 3.3.1. Account Set-up and Rostering. Each Student and School Personnel requiring access to the Website for classroom use will be registered with a Khan Academy account associated with your LEA. Khan Academy will facilitate the creation of individual accounts and assign Students to initially designated classes solely at Customer's direction and in accordance with its instructions. Customer is solely responsible for providing Khan Academy with access to complete and accurate information required to facilitate account set-up and fulfill rostering requirements, and for maintaining the accuracy of such data. Such information will include information necessary to separately identify accounts to be held by Students under age 13 and age 13 or above (either, "**Student Accounts**"), and by School Personnel ("**Teacher Accounts**" and, together with Student Accounts, "**School Accounts**"). Khan Academy will attempt to identify and include in the LEA roster any pre-existing School Accounts that match the rostering data provided by Customer, rather than creating new accounts for those Users. Customer understands and agrees that Students are bound to the Website TOS.

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- 3.3.2. Updates. Rosters will be updated regularly based on updated information provided by Customer. Upon termination of School Personnel employment with your LEA, such School Personnel must return and cease using all login details they have in their possession. If at any time Customer learns that a User claims to be affiliated with your LEA who is not, in fact, affiliated with your LEA, or that a parent has refused or rescinded any parental consent required for Student use of the Website, or otherwise become aware of any errors in roster information, Customer will notify Khan Academy and will take prompt action to correct the roster data.
- 3.3.3. Use of Clever Secure Sync or ClassLink. Support for rostering and account set-up will be provided through Clever Inc.'s Secure Sync service or ClassLink, Inc. Roster Server (each, a "**Rostering Service**"). Customer acknowledges that use of the District Service is contingent upon Customer rostering through the Rostering Service. Customer's use of the Rostering Service is subject to the terms and conditions of the agreement between Customer and the Rostering Service, and Khan Academy assumes no liability for claims or damages resulting from Customer's use of the Rostering Service. Subscriber confirms its instruction to roster students based on the data provided to Khan Academy via the Rostering Service. Customer may not change the Rostering Service during the subscription term.
- 3.4. Integrated Service. Khan Academy may enable you to interact with the Website through, or otherwise associate the LEA's accounts with, certain third party services, including third-party rostering, authentication or single sign-on services, such as Google Accounts, ClassLink or Clever, or other sites providing supplemental educational materials, programs or services (and of these, as "**Integrated Service**"). By registering for the Website using (or otherwise granting access to or approving use of) an Integrated Service, Customer agrees that Khan Academy may access, store and use data obtained through the Integrated Service consistent with our Privacy Policy, and may disclose data to the Integrated Service if you use the Integrated Service to receive data. Customer agrees to any and all terms and conditions of the Integrated Service regarding use of the Website and District Service via the Integrated Service. Khan Academy does not endorse any particular Integrated Service, and Customer and associated account holders are solely responsible for interactions with the Integrated Service that occur as a result of accessing the Website or District Service through the Integrated Service. Khan Academy does not control the practices of Integrated Services, and you are advised to read the privacy policy and terms and conditions of any Integrated Service that you use to understand their practices. ACCESS AND USE OF INTEGRATED SERVICES, INCLUDING THE INFORMATION, MATERIALS, PRODUCTS, AND SERVICES ON OR AVAILABLE THROUGH THOSE SERVICES, IS SOLELY AT YOUR OWN RISK.
- 3.5. Personal Accounts.
- 3.5.1. Linked Accounts. Students and other School Users may have personal accounts (i.e., accounts associated with an email address other than the applicable LEA account or School email address) in addition to School Accounts. Khan Academy may (but is not required to) permit a User to associate a personal account with their School Account, by using the login credentials associated with a personal account to join a class or use the account for school-directed learning. If a User chooses to associate a personal account with their School Account, the two accounts will be deemed "Linked" Accounts, and the User's learning activity (information regarding use of the Website generated by the User through the use of the Website), whether generated during or outside of the school use, may be viewed by any person with access to either account. "Linked" Accounts are not

## Exhibit I

separately functioning accounts; they permit access to a singular Khan Academy account using more than one account interface or set of access credentials. Linked Accounts may benefit Students who want to use the Website for both personal and School purposes, by allowing School Personnel to have a deeper understanding of Student progress, and by allowing Users to keep track of all of their Khan Academy learning activity on an aggregate basis. The User's election to enable Account Linking must be made, if at all, in connection with the initial account registration and rostering process for a given school year.

- 3.5.2. Khan Academy Activity in Linked Accounts. Upon any termination of the School Account by authorized School Personnel, the User's learning activity (including any learning activity from school use) will be retained in any Linked personal account.
- 3.5.3. User-Generated Content. Prior to termination of School Accounts, Khan Academy may invite Users, or parents or legal guardians of Students, to establish and maintain a personal account for purposes of retaining any content generated or provided and owned by Users under the Website TOS (including such User's learning activity). Any such personal accounts will be established under Khan Academy's standard account opening process, including parent consent for Users under the age of 13.
- 3.6. Student Records. In the course of providing the District Service, Customer may provide Khan Academy with access to certain Student Records. "Student Records" are information relating to a student which is personally identifiable, or which is linked to personally identifiable information in a manner that would allow a reasonable person to identify the student with reasonable certainty, and is (i) provided to Khan Academy by the Customer, Students or parents of Students, or (ii) collected by Khan Academy from Customer, Students or parents of Students, in each case, during the provision of the Service to Customer pursuant to this Agreement. Student Records may include "education records" as that term is defined under FERPA. Customer represents and warrants that it is authorized to provide such data to Khan Academy. Khan Academy confirms that Student Records will be maintained and used in accordance with Khan Academy's Privacy Policy and any separate Data Protection Agreement (a "DPA") entered into by and between Customer and Khan Academy. Customer acknowledges that for the provision of the Services, Khan Academy does not need (and Customer shall not send to us) sensitive information including social security number, driver's license number, identification card number, tribal identification number, financial account information (PCI or otherwise), personal contact information, social media handles, or medical or health insurance information. Student Records shall not include de-identified data or information that has been anonymized, including data regarding a Student's use of the Website.
- 3.7. Access Requests. Khan Academy shall cooperate and assist Customer in responding to requests made by a parent, legal guardian or eligible student for the review of personally identifiable information contained in the related Student Records and to correct erroneous information, consistent with the functionality of services. In the event that a parent/legal guardian of a student or eligible student contacts Khan Academy to review Student Records (other than information that may be accessed in a parent account that is associated with that Student), Khan Academy may refer the parent or individual to the LEA, who will follow the necessary and proper procedures regarding the requested information. For context, parents may elect to create a personal account on the Website associated with their child's account and monitor their child's learning activity. These personal accounts set up directly by parents are not School Accounts. Khan Academy may provide direct assistance to parent or guardian with respect to information that may be accessed in the

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parent account.

**4. Programmatic Support Services.** The Service includes technology-enabled online services and additional support services. We refer to additional support services provided by Khan Academy personnel described in Section 4.1 and 4.2 below as “Programmatic Support Services.”

- 4.1. Professional Learning. Training will be provided via an on-demand course available on Khan Academy’s Website. Any additional training will be identified in the customer order and will be provided remotely (unless otherwise agreed between the parties, with all training and consultation will be provided remotely, via webinar, conference call or similar online / remote format. To the extent that in-person training is offered, Khan Academy reserves the right to postpone or substitute on-line/remote sessions as may be necessary or prudent for health and safety reasons (including but not limited to Covid risk conditions).
- 4.2. Relationship Manager. Relationship management is provided via email support and up to one scheduled meeting per month. The role of the relationship manager is to assist with implementation strategy and to act as a liaison to address district needs. Requests for technical support will be referred to the customer support team for resolution. Assistance with individual technical support will be provided by the customer support team via Khan Academy’s online help center. To help provide smooth implementation, the relationship manager will offer the opportunity for a meeting approximately one month after the launch of the District Service. Notwithstanding anything to the contrary, if the Customer is a school (and not school district), this section does not apply.
- 4.3. Technical Support. Technical support for teachers and staff is provided by the Khan Academy customer support team via our online help center. Users with support needs will be required to submit them via an online help center portal. All District teachers and staff will be tagged based on their district-provided email domain to receive top-tier priority technical support within the Khan Academy help center (this support tier is available to Khan Academy Districts customers but is not exclusive to any one district).

### 5. Course Content; Proprietary Materials

- 5.1. Course Content. Customer will select one or more primary subject areas for implementation and programmatic support, which will be specified in the customer order or contract. In addition, Customer will have access to other available Website content. The partnership manager can assist in providing guidance on how to align Khan Academy content for the primary subject area(s) to the scope and sequence of the Customer’s specific curriculum. Services do not include custom alignment or creation of custom content. Requests for custom course curation or new content will be handled by the relationship manager, and resolved in Khan Academy’s sole discretion.
- 5.2. Proprietary Materials; Licenses. The Website and District Service are owned and operated by Khan Academy. The visual interfaces, graphics, design, compilation, information, computer code (including source code or object code), software, services, content, educational videos and exercises, training materials, professional learning resources, and all other elements of the Website and District Service (the “**Services Materials**”) are protected by United States and international laws, international conventions, and other applicable laws governing intellectual property and proprietary rights. Except for any content provided and

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owned by Users under the Website TOS, all Services Materials, and all trademarks, service marks, and trade names, contained on or available through the Website or District Service are owned by or licensed to Khan Academy, and Khan Academy reserves all rights therein and thereto not expressly granted to Users under the Website TOS. For clarity, both parties acknowledge that the Website and District Service do not include development of any materials specifically for Customer. Khan Academy's services are a commercial-off-the-shelf offering and no development of resulting work product is contemplated in the licensing of such services to Customer. In no instance shall the services be deemed a "Work Made for Hire" or otherwise performed under a "funding agreement." Services to be provided do not relate to real property, use of mechanics or laborers, or the provision of physical goods.

5.3. Permitted Use: Prohibited Conduct. Subject to this TOS and Customer's payment of all applicable fees for the District Service, School Personnel may access and use the District Service, solely through their School Accounts, and solely for Customer's educational purposes. You shall not, nor permit any of your authorized Users to, use, or permit the use of, the educational videos, exercises, and related supplementary materials that are owned by Khan Academy or its third-party licensors (the "**Licensed Educational Content**") made available on the Website, or any educational, user-readable source code in connection with the "Computer Science" modules or exercises available on the Website (the "**Licensed Educational Code**"), except as permitted under, and pursuant to, the Website TOS. You shall not, nor permit any of your authorized Users to, engage in any conduct using the Website that is "Prohibited Conduct" under the Website TOS.

**6. Confidentiality.** Customer acknowledges that all security and compliance documentation (including reports and completed questionnaires) provided to you are deemed Khan Academy confidential information and shall not be submitted pursuant under any applicable public records or open records statute. You will keep such security and compliance documentation confidential, and agree to not disclose such confidential information to any third party, to the fullest extent permitted by law. In the event Customer receives a public records or open records request, Customer shall promptly notify Khan Academy and provide the opportunity to redact the requested information as permitted under statute.

### 7. Intentionally Omitted.

### 8. Disclaimers; No Warranties.

8.1. No Warranties. EXCEPT FOR THE EXPRESS LIMITED WARRANTY SET FORTH IN SECTION 9 (LIMITED WARRANTY), THE SERVICE, THE WEBSITE, AND ANY ASSOCIATED CONTENT, THIRD-PARTY CONTENT, THIRD-PARTY WEBSITES, THIRD-PARTY APPLICATIONS, USER CONTENT, AND ALL DATA AND INFORMATION MADE AVAILABLE IN CONJUNCTION WITH THE SERVICE AND WEBSITE (COLLECTIVELY, THE "**KHAN ACADEMY OFFERINGS**" ), ARE PROVIDED ON AN "AS IS," "AS AVAILABLE," AND "WITH ALL FAULTS" BASIS. TO THE FULLEST EXTENT PERMISSIBLE PURSUANT TO APPLICABLE LAW, THE KHAN ACADEMY PARTIES DISCLAIM ANY AND ALL WARRANTIES AND CONDITIONS, WHETHER STATUTORY, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, ALL IMPLIED WARRANTIES OF QUALITY, ACCURACY, PERFORMANCE, AVAILABILITY, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, AND NON-INFRINGEMENT.

NO ADVICE OR INFORMATION, WHETHER ORAL OR WRITTEN, OBTAINED BY YOU FROM KHAN ACADEMY OR THROUGH THE WEBSITE WILL CREATE ANY WARRANTY NOT EXPRESSLY STATED HEREIN.

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8.2. Harm to Your Computer. YOU UNDERSTAND AND AGREE THAT YOUR USE, ACCESS, DOWNLOAD, OR OTHERWISE OBTAINING OF DATA, CONTENT, AND MATERIALS, IS AT YOUR OWN DISCRETION AND RISK, AND THAT YOU WILL BE SOLELY RESPONSIBLE FOR ANY DAMAGE TO YOUR PROPERTY (INCLUDING YOUR COMPUTER SYSTEM) OR LOSS OF DATA THAT RESULTS THEREFROM.

8.3. Limitations Under Applicable Law. SOME STATES OR OTHER JURISDICTIONS DO NOT ALLOW THE EXCLUSION OF IMPLIED WARRANTIES, SO THE ABOVE EXCLUSIONS MAY NOT APPLY TO YOU. YOU MAY ALSO HAVE OTHER RIGHTS THAT VARY FROM STATE TO STATE AND JURISDICTION TO JURISDICTION.

**9. Limited Warranty.** Khan Academy warrants, during the Term, that the District Service delivered by Khan Academy, when used in accordance with the terms of this Agreement, will substantially perform in accordance with the District Service Documentation made available to Customer by Khan Academy. "Documentation" means the description of services set forth in Customer's agreement, including technical specifications, but excludes any marketing materials or brochures. If the District Service is not provided as indicated in the Documentation, and Customer has provided written notice of the non-conformity to Khan Academy within thirty (30) days of discovery of such non-conformity, then Customer's sole and exclusive remedy is that Khan Academy shall at its option (i) rectify the non-conformity; (ii) replace the applicable product or service with a system of substantially the same functionality that conforms to the Documentation; or (iii) terminate this Agreement with respect to the non-conforming District Service and provide Customer a refund representing the portion of any fees previously paid by Customer for the unused portion of the terminated District Service measured from the effective date of termination. The foregoing warranty specifically excludes defects in or non-conformance of the District Service resulting from (a) use of the District Service or Website in a manner not in accordance with the Documentation, this TOS or the Website TOS; (b) faults or liabilities disclaimed pursuant to this TOS or the Website TOS; (c) improper or inadequate maintenance of Customer's own computers, computer networks, operating environment, security programs, and internet connections; or (d) abuse of the District Service or Website.

**10. Limitation of Liability and Damages.**

10.1. Limitation of Liability. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, UNDER NO CIRCUMSTANCES WILL KHAN ACADEMY OR THE KHAN ACADEMY PARTIES BE LIABLE FOR ANY SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL, PUNITIVE, RELIANCE, OR EXEMPLARY DAMAGES (INCLUDING WITHOUT LIMITATION LOST BUSINESS, LOST REVENUES OR PROFITS, LOSS OF DATA, OR ANY OTHER PECUNIARY OR NON-PECUNIARY LOSS OR DAMAGE OF ANY NATURE WHATSOEVER) ARISING OUT OF OR RELATING TO THE TOS, YOUR USE OF (OR INABILITY TO USE) THE KHAN ACADEMY OFFERINGS OR ANY OTHER INTERACTIONS WITH KHAN ACADEMY OR WITH THIRD PARTIES THROUGH OR IN CONNECTION WITH THE KHAN ACADEMY OFFERINGS, INCLUDING OTHER USERS, EVEN IF KHAN ACADEMY OR A KHAN ACADEMY PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. APPLICABLE LAW MAY NOT ALLOW THE LIMITATION OR EXCLUSION OF LIABILITY OR INCIDENTAL OR CONSEQUENTIAL DAMAGES, SO THE ABOVE LIMITATION OR EXCLUSION MAY NOT APPLY TO YOU. IN SUCH CASES, KHAN ACADEMY'S LIABILITY WILL BE LIMITED TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW.

10.2. Limitation of Damages. IN NO EVENT WILL KHAN ACADEMY'S OR ANY KHAN ACADEMY PARTY'S TOTAL

## Exhibit I

LIABILITY TO YOU FOR ALL DAMAGES, LOSSES, AND CAUSES OF ACTION ARISING OUT OF OR RELATING TO THE TOS, YOUR USE OF THE WEBSITE OR ANY KHAN ACADEMY OFFERING, OR YOUR INTERACTION WITH OTHER WEBSITE USERS (WHETHER IN CONTRACT, TORT (INCLUDING NEGLIGENCE), WARRANTY, OR OTHERWISE), EXCEED THE GREATER OF THE ACTUAL AMOUNT PAID BY YOU, IF ANY, DURING THE TWELVE MONTHS IMMEDIATELY PRECEDING THE DATE OF THE FIRST CLAIM, OR ONE HUNDRED DOLLARS (\$100.00).

### 11. Modification of Terms.

- 11.1. Terms Subject to Change. Except as provided in Section 11.2 (Material Changes) below, Khan Academy reserves the right, at our discretion, to change, modify, add, or remove any portion of the Website TOS or this TOS at any time. Please check the Website TOS and any Guidelines periodically for changes to the Website TOS. Your continued use of the Website after the posting of changes constitutes your binding acceptance of such changes. For any material changes to the Website TOS or this TOS, Khan Academy will provide notice to you of such amended terms, and such amended terms will be effective against you on the earlier of (i) your actual notice of such changes and (ii) thirty (30) days after Khan Academy makes a reasonable attempt to provide you such notice, including by posting amended terms on the Website. However, changes addressing new functions for a service or changes made for legal reasons will be effective immediately.
- 11.2. Material Changes. Khan Academy will not make any material change to this TOS, or change how personal Information contained in Student Records is used or shared under this TOS during the term of this Agreement, without notice to you. If a change with respect to how personal Information contained in Student Records is used or shared under the Website TOS or the TOS has a material adverse impact on Student Users or Customer, and Customer does not agree to the change, Customer must notify Khan Academy within thirty (30) days of receiving the notice of change as described under the "Miscellaneous - Notices" below. If Customer notifies Khan Academy as required, then the Customer will remain governed by the TOS in effect immediately prior to the change until the end of the then current term of the Agreement. If the Service is renewed, it will be renewed under Khan Academy's then current TOS and Website TOS. Disputes arising under the TOS ("Dispute") will be resolved in accordance with the version of the TOS in place at the time the dispute arose.

### 12. Termination.

- 12.1. Termination by Customer. Customer's only remedy with respect to any dissatisfaction with (i) the Website, (ii) any term of the TOS or the Website TOS, (iii) the District Service, (iv) any policy or practice of Khan Academy in operating the Website or District Service, or (v) any content or information transmitted through the Website, is to terminate the TOS and your account. You may terminate this Agreement at any time by providing written notice to your designated account representative, with any outstanding fees due upon the termination. Unless otherwise provided for herein, all cancellations requested before the end of the then-current term will be effective at the end of the current term. To the extent Customer has any concerns regarding us satisfactorily performing the duties set out in the Agreement, Customer shall timely raise any such concerns and specifically describe so as to be understood and addressed. For the avoidance of doubt, for the 2024-2025 academic year and through July 1, 2025, there are no outstanding fees applicable to 2024-2025 academic year. (through July 1, 2025) District Service shall be provided to all New Hampshire public

## Exhibit I

schools, New Hampshire Chartered Public Schools and nonpublic schools at no cost to the Customer.

- 12.2. **Administrator and District Data Access.** For clarity, Admin Account access will be terminated at the end of the subscription term, unless Customer executes a renewal order. Upon termination, Khan Academy may delete Admin Accounts and associated district-level reports (as these are features unique to the District Service) in accordance with this Agreement and the Privacy Policy. It is Customer's sole responsibility to request renewal of the Agreement to maintain continued access to Administrator accounts and the associated data.
- 12.3. **No Refunds.** Customer understands and agrees that, except in the case of cessation of Website services, a termination at the option of Khan Academy pursuant to Section 8 (Disclaimers; No Warranties), or to the extent required by applicable law, fees will not be refunded in the event of Customer's early cancellation or notice of cancellation of the Agreement. In the event of an early cancellation due to cessation of Website services, or to the extent required by applicable law, Customer is responsible for all amounts due and payable before the date of early cancellation without proration or to the greatest extent permitted by law. The parties agree that Khan Academy's efforts in connection with account set-up, rostering and implementation are front-loaded and for that reason, proration of fees in the event of early cancellation is not necessary or appropriate. Any unused Relationship Management support and Professional Learning sessions expire at the end of the term of the subscription.
- 12.4. **Termination by Khan Academy.** Khan Academy reserves the right to terminate the District Service at any time if Customer does not comply with the TOS, including in the case of non-payment. Khan Academy may terminate any User Account (or any part thereof) in accordance with the Website TOS, and reserves the right at any time and from time to time to modify or temporarily discontinue the Website (or any part thereof) with or without notice. These remedies are in addition to any other remedies Khan Academy may have at law or in equity.

### 13. Miscellaneous.

- 13.1. **Notices.** Any notice required under this Agreement shall be in writing and effective when (i) delivered personally against receipt, (ii) deposited in the mail and registered or certified with return receipt requested, postage prepaid, (iii) shipped by a recognized courier service and addressed to either party as designated in this Agreement, (iv) delivered by email to the email address specified herein or in a Customer order, or (v) when delivered via any of the foregoing at such other address as may be provided by the recipient in accordance with this section.

#### **Notices to Khan Academy:**

Khan Academy, Inc.

P.O. Box 1630

Mountain View, CA 94042

Email: [notices@khanacademy.org](mailto:notices@khanacademy.org) for the purposes of Khan Academy. If a physical notice is sent, a copy will be provided to such email address.

Notices to Customer will be sent to the email address and/or mailing address set forth in the "Contact

## Exhibit I

Information" section of the Customer Order or Agreement, or if left blank, the address on file with Khan Academy.

- 13.2. Independent Contractor. No agency, partnership, joint venture, or employment is created as a result of this Agreement and neither party has any authority of any kind to bind the other in any respect whatsoever.
- 13.3. Waiver. The failure of Khan Academy to exercise or enforce any right or provision of the TOS will not constitute a waiver of such right or provision. Any waiver of any provision of the TOS will be effective only if in writing and signed by Khan Academy.
- 13.4. Force Majeure. Neither party shall be liable for any failure or delay in performing any duty, requirement, or obligation under these TOS or the Agreement (except for a failure to pay fees) that is due to events beyond its reasonable control, such as, explosions, wars, sabotage, acts of terrorism, riots, acts of God, epidemics, pandemics, riots, civil commotions, acts of government authorities, changes in laws or regulations, strikes or other labor disputes, failure or diminishment of power or telecommunications or data networks or services, acts or omissions of Internet traffic carriers, or natural disasters (such as fires, hurricanes, severe storms, earthquakes, or floods).
- 13.5. Governing Law and Venue. Unless the law of the jurisdiction where Subscriber is domiciled requires otherwise, the parties intend that this Agreement be construed and controlled by the laws of the State of New Hampshire, without giving effect to principles of conflict of laws. Notwithstanding anything to the contrary, the Uniform Commercial Code, and Uniform Computer Information Transactions Act are specifically disclaimed and do not apply to this Agreement. Any litigation arising out of this Agreement must be conducted in courts located in Merrimack County Superior Court of New Hampshire. Notwithstanding this, Khan Academy shall still be allowed to apply for injunctive or other equitable relief to protect or enforce its intellectual property rights in any court of competent jurisdiction.
- 13.6. Dispute Resolution. In the event of a Dispute, you or Khan Academy must give the other a written statement that sets forth the name, address, and contact information of the party giving it, the facts giving rise to the Dispute, and a proposed solution (a "**Notice of Dispute**"). Any Notice of Dispute must be sent as provided in Section 12.1 (Termination by Customer). You and Khan Academy will attempt in good faith to resolve any Dispute through informal negotiation within sixty (60) days from the date the Notice of Dispute is sent. After sixty (60) days, you or Khan Academy may commence legal proceedings.
- 13.7. Severability. If any provision of the TOS is held to be unlawful, void, or for any reason unenforceable, then that provision will be limited or eliminated from the TOS to the minimum extent necessary and will not affect the validity and enforceability of any remaining provisions.
- 13.8. Assignment. Customer may not assign this Agreement to any third party without Khan Academy's prior written consent, which consent shall not be unreasonably withheld. This Agreement binds and inures to the benefit of each party and its respective successors and approved assigns, if any.
- 13.9. No Third-Party Beneficiaries. The parties do not intend to confer any right or remedy on any third party.

Exhibit I

- 13.10. Representation of Signatories. Each person signing this Agreement and any purchase order or other contract for services associated herewith or governed hereby represents and warrants that such person is duly authorized and has legal capacity to execute and deliver such agreement for its respective party.
- 13.11. Counterparts. The parties may execute this Agreement in counterparts, each of which is an original, and the counterparts constitute one and the same Agreement. The parties may also deliver and accept facsimile or electronically scanned signatures, which bind a party as if the signature were an original.
- 13.12. Entire Agreement. This Agreement and any separate Data Protection Agreement entered into by and between Customer and Khan Academy contains the entire understanding of the parties regarding the subject matter of this Agreement and supersedes all prior and contemporaneous negotiations and agreements, whether written or oral, between the parties with respect to the subject matter of this Agreement. The terms of this Agreement apply to all subscriptions. If Customer issues a purchase order, then any such purchase order is for its internal purposes only, and any purchase order terms that conflict with (or purport to add to the terms of this Agreement or any Customer order issued by Khan Academy) will have no effect.
- 13.13. Survival. Upon termination of the TOS, any provision which, by its nature or express terms should survive, will survive such termination or expiration, including, but not limited to, Sections 1.2 (Payment), 2.4 (Limitations on Use), 3.5 (Personal Accounts), 3.6 (Student Records), 5 (Course Content; Proprietary Materials), 6 (Confidentiality), 7 (Indemnification), 8 (Disclaimers; No Warranties), 10 (Limitation of Liability and Damages), 12.2 (No Refunds), 13 (Miscellaneous).

KAD\_TOS\_NH\_04.10.2024

## Exhibit I

### Attachment 2 Khanmigo Addendum

Set forth below is the Khanmigo Addendum (“**Addendum**”) made between Khan Academy and Customer. This Addendum governs the use of certain new features, technologies, or services in development (“beta” previews or otherwise experimental prototypes) of Khan Academy’s AI enabled learning guide and AI enabled learning activities (“**Khanmigo**”). Terms used but not defined herein have the meanings assigned in the Districts Terms of Service (“**Customer Agreement**”).

#### 1. Pilot Program.

1.1 **Purpose.** Customer understands and acknowledges that Khanmigo is offered as part of a pilot program (“**Pilot**”) that will allow Customer to access Khanmigo, a Beta. Customer acknowledges that access to Khanmigo is being offered on a pilot basis to enable Khan Academy to test, evaluate, modify and improve AI-enabled features and their classroom applications, including by collecting Customer feedback on Khanmigo.

1.2 **Customer Participation.** In connection with the Pilot, Customer, and Customer’s participating School Personnel and Students (referred to as authorized Users) will participate in User testing activities led by members of Khan Academy’s product design team (“**User Experience Feedback**”). Customer will: (i) Identify specific school staff, teachers, and students for participation in the feedback program (“**Participants**”), and connect the Khan Academy Contact with these Participants; (ii) collaborate with Khan Academy to communicate with the Participants about the expectations and benefits of Khanmigo for Districts and User Experience Feedback, including interviews with Participants, classroom observations, surveys, and testing sessions for new features; (iii) identify a cohort of teachers to participate in monthly virtual conversations; (iv) participate in user experience surveys to be filled out by teachers; and coordinate with Khan Academy classroom observations at least twice per academic year. Such classroom visits will be in person or virtual, depending upon the needs of the Customer and Khan Academy.

1.3 **Feedback.** We encourage and welcome your feedback on Khanmigo. As part of the Pilot, Customer, and Customer’s authorized Users, may identify errors or bugs, may provide feedback on the user experience, and provide other ideas, suggestions, guidance or other information related to Khanmigo (collectively, deemed “**Feedback**”). Khan Academy may solicit Feedback from you, and from participating School Personnel and Students via surveys, interviews, observations, or other interactions. You and your authorized Users may also provide Feedback to us by labeling Output with a thumbs up or thumbs down, or otherwise directly offering Feedback in the Pilot Feature itself or otherwise. By submitting suggestions or other Feedback, you agree that we (or our licensees) can (but do not have to) use, share, and otherwise exploit such Feedback for any purpose without compensation to you.

#### 2. School Access.

2.1 **Eligible Accounts.** Khanmigo will be enabled on certain accounts for School Personnel and, if eligible, Students that are included in current subscriptions for the Khan Academy Districts Service. Use of Khanmigo is governed by the Districts Terms of Service and this Addendum.

## Exhibit I

2.2 Access to Khanmigo. Khan Academy will provide access to Khanmigo at Customer's direction and in accordance with its instructions. Customer shall specify the School Personnel (and, if Students are included, the Students and classes) who are authorized to access Khanmigo.

2.3 Incorporated Guidelines. When using Khanmigo, you will be subject to any additional posted Guidelines we provide. It is your obligation to educate participating School Personnel and, if eligible, Students on responsible use of AI in general and Khanmigo specifically. We strongly encourage that you require authorized Users to review any available guidance prior to accessing Khanmigo. For instance, authorized Users should be aware that Khanmigo may make mistakes and the authorized User needs to fact check the response provided (referred to as Output below).

2.4 Management of User Accounts. For the Khanmigo for Districts User Accounts, (1) You will first roster students and teachers for Khan Academy Districts through their Rostering Service to set up the School Accounts; (2) You will identify a specific individual responsible for Khanmigo for Districts implementation and overall rostering maintenance ("**Implementation Lead**"); (3) subject to the Khanmigo for Districts Order Information, You will then provide Khan Academy with a list of your Users eligible for Khanmigo for Districts, where any Student Account with Khanmigo for Districts enabled will also identify the corresponding teacher that has Khanmigo for Districts enabled ("**Identified Khanmigo Users**"); (4) Khan Academy will then activate those accounts by acting on your instructions for Identified Khanmigo Users; (5) you will timely validate proper activation; and (6) throughout the Term, you will ensure that all students with access to Khanmigo have a teacher who also has access to Khanmigo. For the allocation of administrator User Accounts, Customer may determine whether to allocate to a school administrator or district administrator. If Customer wishes to obtain additional seats for administrators, then such additional seats will need to be licensed Khanmigo for Districts - Teaching Assistant User Accounts. At Khan Academy's discretion, Khan Academy may automatically enable all School Personnel with Khanmigo teacher tools, in addition to the School Personnel have students with paid licenses for Khanmigo for Districts – Student Tutor.

### 3. Use of Khanmigo.

3.1 Permitted Use: Prohibited Conduct. Access to Khanmigo is provided solely for Customer's educational purposes, as an aid to classroom instruction and to guide learners in mastery learning. You must use the Khanmigo in compliance with all applicable laws, rules, and regulations. You shall not, nor permit any of your authorized Users to, engage in any conduct using the Website that is "Prohibited Conduct" under the Website TOS or otherwise prohibited under this Section 3.1 (Permitted Use; Prohibited Conduct). In addition, You shall use Khanmigo in a manner consistent with any OpenAI Policy, including their Sharing and Publication Policy and Usage Policy. The following uses of Khanmigo are considered Prohibited Conduct:

- Use of Khanmigo to generate the following types of content: hate speech or hateful content; defamatory or discriminatory content, including references about religion, race, sexual orientation, gender, nationality, ethnic origin; unlawful or promoting unlawful activity; harassment; promotion or glorification of violence; promotion or depiction of self-harm or harm to individuals, organizations or society; sexually explicit content; misleading political speech; electoral or political campaign materials; false or misleading content; misinformation; malware or other software intended to cause harm; or any content that

## Exhibit I

would infringe upon the intellectual property rights of others.

- Use of Khanmigo to commit any act of educational dishonesty, or to mislead any person that Output generated use of AI features included in Khanmigo is human-generated.
- Use of Khanmigo for assessment purposes or to make decisions about a student, teacher, principal, or other School Personnel.
- Participation in any prompt injection attack or other attempt to interfere with intended functionality of Khanmigo.

Khan Academy reserves the right, but does not have any obligation, to, in its sole discretion, determine whether any AI Content violates our Prohibited Conduct terms, and can refuse, remove, or edit such AI Content, and may remove access to Khanmigo at any time for non-compliance with these terms.

3.2 Privacy Guidance. Khanmigo enables users to interact with a “large language model,” an artificial intelligence tool developed and maintained by OpenAI. While Khanmigo places some constraints on use of the underlying model, such constraints are still in development and cannot be relied upon to screen user queries or filter responses that are returned to users. Khanmigo is not intended to be used to process personally identifiable information. YOU ARE ADVISED NOT TO, AND TO INSTRUCT YOUR AUTHORIZED USERS NOT TO, INCLUDE ANY PERSONALLY IDENTIFIABLE INFORMATION IN CHAT QUERIES SUBMITTED TO KHANMIGO.

3.3 Student Use. School Personnel whose Student Accounts include access to Khanmigo are responsible for educating their students on responsible use of Khanmigo, including Prohibited Conduct, refraining from submitting any personally identifiable information in Input submitted to Khanmigo, and avoidance of plagiarism. You have the obligation to monitor and approve the use of Khanmigo for Student Users, and we strongly recommend adult oversight. In all instances, you will ensure that all Student Accounts with access to Khanmigo have a teacher with Khanmigo for Districts - Teaching Assistant. In other words, Khanmigo for Districts - Teaching Assistant is a precondition for implementing Khanmigo for Districts - Student Tutor. In other words, Customers cannot have Khanmigo for Districts - Student Tutor without implementing Khanmigo for Districts - Teaching Assistant, and all students accessing Khanmigo need to have a teacher with Khanmigo for Districts - Teaching Assistant.

3.4 School Personnel Use. School Personnel should apply their judgment and discretion in use of all Khanmigo activities (including but limited to essay features) and should not rely solely (nor predominantly) on a feature for assessing a student’s performance. Khanmigo is a tool that assists School Personnel, and is not a replacement for the unique role of humans. As a part of Khanmigo for Districts, there is training for School Personnel on Khanmigo and use of AI within education. We also recommend School Personnel view our AI course on Khan Academy.

3.5 Features in Development: “As-Is” Terms; No Guarantees; No Representation or Warranties. Khanmigo includes new technologies and features that are at an early stage of development, often referred to as alphas, betas, previews, or prototypes. Some of the features are still being tested, are known to make errors and to provide incorrect information at times, and may have other bugs. Khanmigo may not become fully developed or generally available. Khan Academy does not commit to maintaining any Pilot Feature and may change or remove Khanmigo at any time. You understand that Khan Academy is not obligated to provide support for Khanmigo. YOU ACKNOWLEDGE AND AGREE THAT KHANMIGO MAY FUNCTION FOR A LIMITED PERIOD OF

## Exhibit I

TIME, HAVE LIMITED FEATURES, MAY MAKE ERRORS (INCLUDING, WITHOUT LIMITATION, MATH ERRORS), MAY REFLECT BIASED, INCOMPLETE OR INCORRECT INFORMATION, MAY PROVIDE OBJECTIONABLE OR OFFENSIVE RESPONSES, MAY NOT ACCOUNT FOR EVENTS OR CHANGES TO UNDERLYING FACTS OCCURRING AFTER THE AI MODEL WAS TRAINED, AND HAVE OTHER LIMITATIONS. YOU SHOULD NOT RELY ON THE FACTUAL ASSERTIONS IN OUTPUT WITHOUT INDEPENDENTLY FACT CHECKING THEIR ACCURACY. OUTPUT MAY APPEAR ACCURATE DUE TO ITS DETAIL OR SPECIFICITY BUT CONTAIN MATERIAL INACCURACIES. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE CUSTOMER AGREEMENT, KHAN ACADEMY IS PROVIDING KHANMIGO "AS IS", AND KHAN ACADEMY DISCLAIMS ANY AND ALL WARRANTIES INCLUDING ANY IMPLIED WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE, MERCHANTABILITY, AND STATUTORY WARRANTIES OF NON-INFRINGEMENT, AND LIABILITIES OF ANY KIND. IN THE EVENT OF A CONFLICT BETWEEN THIS SECTION 3.5 AND ANY OTHER TERMS OF THE CUSTOMER AGREEMENT, THIS SECTION 3.5 WILL SUPERSEDE SUCH TERMS WITH RESPECT TO KHANMIGO.

### 4. AI Aided Content

4.1 User-Generated Content. You (and your authorized Users) may provide input to Khanmigo ("Input"), and receive output generated and returned by Khanmigo based on the Input ("Output"). Input and Output are collectively "AI Content." AI Content is subject to the terms applicable to User Content set forth in Section 5 (User Content License Grant) of the Website TOS. For clarity, AI Content is User Content. You acknowledge that due to the nature of machine learning and the technology powering certain Khanmigo, Output may not be unique and the same or similar output may be provided to other users. Without limiting the terms of the Website TOS, you are responsible for the AI Content that you and your authorized Users generate, including for ensuring that you have rights to submit the Input and that your use of Input does not infringe upon the intellectual property rights of others or violate any applicable law or this Agreement.

4.2 Personal Use and Sharing. Khanmigo are intended for personal use and not to generate content for broad-based publication. It is your responsibility to review Outputs and double check Outputs with reputable sources. You may choose to share AI Content you generate for any legal, personal, non-commercial purpose, under the following conditions: (i) the role of AI in formulating the content is clearly and prominently disclosed; (ii) the content is attributed to your name or organization; (iii) topics of the content do not violate our terms on Prohibited Conduct; and (iv) you directly review the AI Content to ensure compliance with this Agreement. We kindly ask that you refrain from sharing Outputs that may offend others.

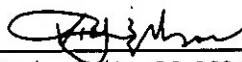
4.3 Force Majeure. If Khan Academy is unable to provide Khanmigo by reason of being unable to obtain access to services required to operate Khanmigo, or by reason of any law, regulation or administrative order, or by reason of any other cause beyond its reasonable control, Khan Academy may modify, suspend or terminate access to Khanmigo for such time as is reasonably necessary to address the cause. If Khan Academy is unable to restore access to Khanmigo within 30 days ("Resolution Period"), then Customer may notify Khan Academy after such Resolution Period of its intent to terminate its Khanmigo subscription. Customer's sole and exclusive remedy to any such termination exercised under this Section 4.3 is to obtain a pro-rata refund representing the portion of any fees previously paid by Customer for the unused portion of Khanmigo measured from the effective date of termination.

KHANMIGO\_DIST\_NH\_04.10.2024

**Certificate of Authority**

I, Vicki Zubovic, hereby certify that I am a duly appointed representative of Khan Academy, Inc. ("Khan Academy"). I hereby certify that Julian Roberts, CFO of Khan Academy, is authorized to execute contracts on behalf of Khan Academy and may bind the organization thereby.

**I hereby certify** that said authority has not been amended or repealed and remains in full force and effect as of the date of the contract to which this certificate is attached. This authority **remains valid for thirty (30) days**. I further certify that it is understood that the State of New Hampshire will rely on this certificate as evidence that the person(s) listed above currently occupy the position(s) indicated and that they have full authority to bind the corporation. To the extent that there are any limits on the authority of any listed individual to bind the corporation in contracts with the State of New Hampshire, all such limitations are expressly stated herein.



\_\_\_\_\_  
Vicki Zubovic (Apr 26, 2024 10:26 EDT)

Dated: 4/26/2024

Attest: Vicki Zubovic, VP of External Relations



# Secretary of State Certificate of Status

I, SHIRLEY N. WEBER, PH.D., California Secretary of State, hereby certify:

**Entity Name:** KHAN ACADEMY, INC.  
**Entity No.:** 3063278  
**Registration Date:** 12/18/2007  
**Entity Type:** Nonprofit Corporation - CA - Public Benefit  
**Formed In:** CALIFORNIA  
**Status:** Active

The above referenced entity is active on the Secretary of State's records and is authorized to exercise all its powers, rights and privileges in California.

This certificate relates to the status of the entity on the Secretary of State's records as of the date of this certificate and does not reflect documents that are pending review or other events that may impact status.

No information is available from this office regarding the financial condition, status of licenses, if any, business activities or practices of the entity.



**IN WITNESS WHEREOF**, I execute this certificate and affix the Great Seal of the State of California this day of December 21, 2023.

**SHIRLEY N. WEBER, PH.D.**  
Secretary of State

**Certificate No.:** 167943232

To verify the issuance of this Certificate, use the Certificate No. above with the Secretary of State Certification Verification Search available at [bizfileOnline.sos.ca.gov](http://bizfileOnline.sos.ca.gov).



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

4/19/2024

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> Risk Strategies Company Burlingame Office PO Box 818078 Cleveland, OH 44181-8078  BURL	<b>CONTACT NAME:</b> Justine Bilodeau <b>PHONE (A/C, No, Ext):</b> 6507620482 <b>FAX (A/C, No):</b> <b>E-MAIL ADDRESS:</b> jbilodeau@risk-strategies.com													
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INSURER D :														
INSURER E :														
INSURER F :														
<b>INSURED</b> Khan Academy, Inc. PO BOX 1630 Mountain View CA 94042														

**COVERAGES**                      **CERTIFICATE NUMBER: 79632801**                      **REVISION NUMBER:**

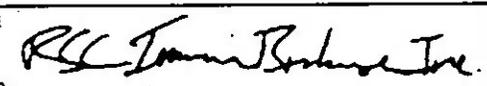
THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADOL	SUBR	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> <b>COMMERCIAL GENERAL LIABILITY</b> <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:	<input checked="" type="checkbox"/>			7/1/2023	7/1/2024	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 500,000 MED EXP (Any one person) \$ 20,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COM/PO/AGG \$ 2,000,000 \$
A	<input type="checkbox"/> <b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY <input type="checkbox"/> AUTOS ONLY				7/1/2023	7/1/2024	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	<input type="checkbox"/> <b>UMBRELLA LIAB</b> <input type="checkbox"/> OCCUR <input type="checkbox"/> <b>EXCESS LIAB</b> <input type="checkbox"/> CLAIMS-MADE DED    RETENTIONS \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
B	<input type="checkbox"/> <b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A		1/1/2024	1/1/2025	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

**DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)**

NH Department of Education is included as Additional Insured as respects General Liability per attached form CG 20 26.

Policies contain 30 days notice of cancellation with a 10 day notice for non-payment of premium.

<b>CERTIFICATE HOLDER</b>  NH Department of Education 25 Half Street Concord NH 03301	<b>CANCELLATION</b>  SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.  AUTHORIZED REPRESENTATIVE  RSC Insurance Brokerage.
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## Khan Academy's Current Board of Directors, Names, and Titles

#	Name	Title
1	Ann Doer	Board Chair
2	Larry Cohen	CEO, Gates Ventures
3	Sean O'Sullivan	Founder and Managing Partner, SOSV: The Accelerator VC
4	Ted Mitchell	Former Under Secretary of the US Department of Education
5	Curtis Feeny	Investor
6	Laura Overdeck	Chair, Overdeck Family Foundation
7	Patricia Levesque	CEO, Foundation for Excellence in Education
8	David Siegel	Co-Founder & Co-Chairman, Two Sigma; Chairman, Siegel Family Endowment
9	Sanjiv Yajnik	President of Financial Services, Capital One
10	Carlos Rodriguez-Pastor	Chairman of Intercorp Peru Ltd., Founder / Managing Partner of Nexus Group
11	Reed Hastings	Co-founder and Executive Chairman, Netflix, Inc.
12	Sal Khan	Founder & CEO, Khan Academy

Additional information, including detailed bios for each board member, is available on our website:  
<https://www.khanacademy.org/about/our-board>

### Mission Statement

To provide a free, world-class education for anyone, everywhere.

**KHAN ACADEMY, INC. AND  
SUBSIDIARIES**

**DECEMBER 31, 2022**

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**INDEPENDENT AUDITORS' REPORT AND  
CONSOLIDATED FINANCIAL STATEMENTS**

**HOOD &  
STRONG LLP**  
CERTIFIED PUBLIC ACCOUNTANTS

# **Khan Academy, Inc. and Subsidiaries**

## **Independent Auditors' Report and Consolidated Financial Statements**

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### **Consolidated Financial Statements**

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Consolidated Statement of Activities and Changes in Net Assets 4

Consolidated Statement of Functional Expenses 5

Consolidated Statement of Cash Flows 6

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A Century Strong

## Independent Auditors' Report

THE BOARD OF DIRECTORS  
KHAN ACADEMY, INC.  
Mountain View, California

### Opinion

We have audited the consolidated financial statements of **KHAN ACADEMY, INC. (the Academy)**, which comprise the consolidated statement of financial position as of December 31, 2022, the related consolidated statement of activities and changes in net assets, functional expense, and cash flow for the year then ended, and the related notes to the consolidated financial statements (collectively, the financial statements).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Academy as of December 31, 2022, and the changes in net assets and its cash flow for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Academy and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Academy's ability to continue as a going concern for one year from the date of this report.

## **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Academy's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Academy's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

*Hood & Strong LLP*

San Francisco, California  
May 18, 2023

# Khan Academy, Inc. and Subsidiaries

## Consolidated Statement of Financial Position

December 31, 2022

### Assets

Cash and cash equivalents	\$ 4,922,042
Contracts and other receivables	2,550,304
Contributions receivable, net	3,960,131
Operating investments, at fair value	72,316,860
Other assets	1,503,826
Right-of-use leased assets	943,310
Long-term investments, at fair value	19,488,510
Property and equipment, net	27,158
<b>Total Assets</b>	<b>\$ 105,712,141</b>

### Liabilities and Net Assets

#### Liabilities:

Accounts payable and accrued expenses	\$ 3,395,747
Lease obligations	968,585
Deferred contract and grant revenue	7,618,501
<b>Total liabilities</b>	<b>11,982,833</b>

#### Net Assets:

Without donor restrictions:	
Undesignated	61,282,069
Board-designated endowment	13,843,542
<b>Total net assets without donor restrictions</b>	<b>75,125,611</b>
With donor restrictions:	
Purpose and time donor restrictions	12,107,479
Endowment - perpetual donor restrictions	6,496,218
<b>Total net assets with donor restrictions</b>	<b>18,603,697</b>
<b>Total net assets</b>	<b>93,729,308</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 105,712,141</b>

See accompanying notes to the consolidated financial statements.

## Khan Academy, Inc. and Subsidiaries

### Consolidated Statement of Activities and Changes in Net Assets

*Year Ended December 31, 2022*

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Support and Revenue:</b>			
Contributions, net	\$ 16,370,102	\$ 25,531,841	\$ 41,901,943
Licensing, maintenance and subscriptions	10,482,467	-	10,482,467
Platform development	2,412,117	-	2,412,117
Net investment loss	(5,657,871)	(1,244,233)	(6,902,104)
Other income	28,362	-	28,362
Net assets released from restrictions	26,734,699	(26,734,699)	-
Subtotal	50,369,876	(2,447,091)	47,922,785
Contributions-in-kind	3,954,107	-	3,954,107
Total support and revenue	54,323,983	(2,447,091)	51,876,892
<b>Expenses:</b>			
Program services:			
Khan Academy, Inc.	52,920,163	-	52,920,163
Khan Academy India	1,528,080	-	1,528,080
Total program services	54,448,243	-	54,448,243
General and administrative	5,849,915	-	5,849,915
Fundraising	3,610,922	-	3,610,922
Total expenses	63,909,080	-	63,909,080
Change in Net Assets Before Other Changes	(9,585,097)	(2,447,091)	(12,032,188)
<b>Other Changes in Net Assets:</b>			
Currency translation adjustment	8,702	(7,473)	1,229
Change in Net Assets	(9,576,395)	(2,454,564)	(12,030,959)
Net Assets - beginning of year	84,702,006	21,058,261	105,760,267
Net Assets - end of year	\$ 75,125,611	\$ 18,603,697	\$ 93,729,308

See accompanying notes to the consolidated financial statements.

## Khan Academy, Inc. and Subsidiaries

### Consolidated Statement of Functional Expenses

*Year Ended December 31, 2022*

	Program Services	General and Administrative	Fundraising	Total
Salaries	\$ 32,158,580	\$ 3,615,580	\$ 1,745,731	\$ 37,519,891
Payroll taxes and benefits	6,132,966	659,630	306,467	7,099,063
<b>Total salaries, payroll taxes and benefits</b>	<b>38,291,546</b>	<b>4,275,210</b>	<b>2,052,198</b>	<b>44,618,954</b>
Fees for services:				
Legal	7,932	210,792	-	218,724
Accounting	-	119,798	-	119,798
Contractors	6,486,465	630,718	597,764	7,714,947
Advertising and promotion	1,230,782	14,968	21,905	1,267,655
Office expenses	618,660	117,977	304,447	1,041,084
Information technology	6,045,875	323,177	552,140	6,921,192
Occupancy	1,107,041	91,093	44,532	1,242,666
Travel	447,151	42,947	28,722	518,820
Conferences, conventions, and meetings	27,510	507	-	28,017
Depreciation and amortization	21,667	1,819	957	24,443
Insurance	148,806	15,341	6,418	170,565
Other expenses	14,808	5,568	1,839	22,215
<b>Total expenses</b>	<b>\$ 54,448,243</b>	<b>\$ 5,849,915</b>	<b>\$ 3,610,922</b>	<b>\$ 63,909,080</b>

See accompanying notes to the consolidated financial statements.

# Khan Academy, Inc. and Subsidiaries

## Consolidated Statement of Cash Flows

Year Ended December 31, 2022

<b>Cash Flows from Operating Activities:</b>	
Change in net assets	\$ (12,030,959)
Adjustments to reconcile change in net assets to net cash (used) provided by operating activities:	
Depreciation and amortization	24,443
Amortization of right-to-use leased assets	1,067,503
Loss on disposal of property and equipment	(1,196)
Contributions received for long-term investments	(1,500,000)
Net realized and unrealized loss on investments	8,172,686
Changes in operating assets and liabilities:	
Contracts and other receivables	829,807
Contributions receivable	(229,352)
Other assets	(734,775)
Accounts payable and accrued expenses	(3,269,174)
Lease obligations	(1,042,228)
Deferred revenue	4,283,566
<b>Net cash used by operating activities</b>	<b>(4,429,679)</b>
<b>Cash Flows from Investing Activities:</b>	
Purchases of operating investments	(20,987,064)
Proceeds from sale of operating investments	17,343,607
Proceeds from sale of long-term investments	(1,438,229)
<b>Net cash used by investing activities</b>	<b>(5,081,686)</b>
<b>Cash Flows from Financing Activities:</b>	
Proceeds from contributions received for long term investments	1,500,000
<b>Net cash provided by financing activities</b>	<b>1,500,000</b>
<b>Change in Cash and Cash Equivalents</b>	<b>(8,011,365)</b>
<b>Cash, Cash Equivalents and Restricted Cash - beginning of year</b>	<b>12,933,407</b>
<b>Cash, Cash Equivalents and Restricted Cash - end of year</b>	<b>\$ 4,922,042</b>
<b>Non-Cash Operating Activities:</b>	
Operating right-of-use assets obtained by lease liabilities	\$ 2,010,814
<b>Supplementary Cash Flow Disclosure:</b>	
Cash paid during the year for operating leases	\$ 1,046,942

See accompanying notes to the consolidated financial statements.

# Khan Academy, Inc. and Subsidiaries

## Notes to the Consolidated Financial Statements

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### Note 1 - Organization and Nature of Operations:

Khan Academy, Inc. (the Academy) is a 501(c)(3) non-profit organization with a mission to change education for the better by providing a free world-class education for anyone, anywhere. The Academy believes that learners of all ages should have free, unlimited access to world-class educational content, and that they should be able to consume and master this content at their own pace. In addition, the Academy believes that there are opportunities to use intelligent software development, deep data analytics and intuitive user interfaces to surface and present these educational resources to learners and teachers around the world more effectively.

The Academy's platform contains practice exercises, instructional videos, dashboard analytics and teacher tools which empower learners in and outside of the classroom to study at their own pace. The platform covers subjects from math to science, economics, reading and language arts, computing, arts and humanities, life skills, and more. The Academy has also partnered with institutions like the College Board, ETS, and the Law School Admissions Council to offer free specialized educational content on the Academy's test prep platform.

During 2016, the Academy created a new company called Duck Duck Moose LLC (DDM), a single member LLC, of which the Academy is the sole member. On August 2, 2016, DDM purchased for \$1 the assets of Duck Duck Moose, Inc. DDM creates free educational apps that encourage imagination, creativity, and learning in children. The Academy acquired DDM in order to enter into the online "early childhood learning" space with a like-minded, mission-driven organization rather than having to build this capability in-house with current existing resources.

On December 31, 2018, the Academy entered into an Asset Purchase Agreement in which the Academy purchased substantially all of the assets of DDM, the effect of which is that the two companies operate as a single company within the Academy starting January 1, 2019; however, the Duck Duck Moose, LLC entity will continue to exist due to certain contractual obligations.

The consolidated financial statements also include Khan Academy India (KAI) which began operations on May 6, 2017 in New Delhi, India. KAI is a non-profit organization, within the meaning of Section-8 of the Indian Companies Act, 2013, to expand the programs and mission of the Academy. KAI was incorporated as a company limited by the guarantee of its two members on March 28, 2017. The Academy controls and appoints the majority of KAI's Board of Directors, and the Academy has an economic interest in KAI.

# Khan Academy, Inc. and Subsidiaries

## Notes to the Consolidated Financial Statements

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The consolidated financial statements also include Khan Academy Brasil (KAB) which began operations on December 20, 2021 in Sao Paulo, Brazil. The KAB Brazilian bylaws identify Khan Academy, Inc. and Duck Duck Moose LLC as its members. KAB was incorporated according to the Civil Registry of Legal Entities (RCPJ) Article. 44 of the law 10.406/02, as a non-profit company under section 150 of the Brazilian Federal Constitution, whose purpose is to support the use of the Academy's website, applications and associated educational services in Brazil. The Academy controls and appoints the majority of KAB's Board of Directors, and the Academy has an economic interest in KAB. The KAB administration is conducted by the Executive Director, who was elected by its members to represent Khan Academy Brasil.

### Note 2 - Summary of Significant Accounting Policies:

#### a. Method of Accounting

The Academy's consolidated financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) relevant to non-profit organizations.

#### b. Principles of Consolidation

The consolidated financial statements include the accounts of Khan Academy, Inc., Duck Duck Moose, LLC, and Khan Academy India, collectively the Academy. As of December 31, 2022, KAB has had no activity to be reflected and consolidated in the Academy's financial statements. All significant intercompany accounts have been eliminated in consolidation.

The Academy reports information regarding its consolidated financial position and activities and changes in net assets based on the existence or absence of donor-imposed restrictions.

#### c. Description of Net Assets

*Net assets without donor restrictions* - net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Academy. These net assets may be used at the discretion of the Academy's management and the Board of Directors. The Academy's Board of Directors has established a designated endowment fund as described in Note 7.

## Khan Academy, Inc. and Subsidiaries

### Notes to the Consolidated Financial Statements

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*Net assets with donor restrictions* - net assets subject to donor-imposed stipulations that may or will be met by actions of the Academy and/or the passage of time. When a donor-stipulated time restriction ends or the Academy satisfies a purpose restriction, the Academy reclassifies net assets with donor restrictions to net assets without donor restrictions and reports such as net assets released from restrictions in the consolidated statement of activities and changes in net assets. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Certain donors require unexpended funds to be held in interest-bearing accounts.

Revenues are reported as increases in net assets without donor restrictions unless use of related assets is limited by donor-imposed restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. The Academy reports as reclassifications between the applicable classes of net assets expirations in net assets with donor restrictions, such as the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed.

d. Contributions

Contributions and grants are recognized at their fair value when the donor makes an unconditional promise to give to the Academy. Contributions that are restricted by the donor are reported as increases in net assets with donor restrictions. As restrictions are fulfilled, net assets are released from net assets with donor restrictions to net assets without donor restrictions in the consolidated statement of activities and changes in net assets. Deferred grant revenue includes funds received in advance of revenue recognition from grants in which the Academy has not met the specified condition of the grant as set forth by the donor.

Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using the United States Prime Rate or the India Prime Rate, as applicable to the month in which those promises were made. The discount is amortized in future periods and recorded as additional contribution revenue in accordance with the donor's restrictions, if any.

Conditional promises to give are not recorded as contribution revenue until the conditions are substantially met. The Academy has received conditional promises to give from six organizations amounting to \$8,635,700, which have not been recorded at December 31, 2022.

e. Contributed Services

Contributions of services are recognized when received if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

# Khan Academy, Inc. and Subsidiaries

## Notes to the Consolidated Financial Statements

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In-kind contributions consist of donated professional services, website hosting and subscription services, and advertising. Professional services, including legal and consulting services, are valued at standard industry pricing based on time provided by the service provider. Advertising, website hosting, and subscriptions estimates are provided by the service provider using billing rates for the same service in similar circumstances.

The estimated fair values of these donations were approximately as follows for the year ended December 31, 2022:

Legal services	\$ 184,300
Consulting services	2,101,200
Advertising	566,200
Website hosting and subscriptions	1,102,400
	<hr/>
	\$ 3,954,100

f. Revenue Recognition

The Academy recognizes revenue in accordance with a five-step model for recognizing revenue from contracts with customers as follows:

- Identify the contract with a customer
- Identify the performance obligations in the contract
- Determine the transaction price
- Allocate the transaction price to the performance obligations in the contract
- Recognize revenue when or as performance obligations are satisfied

The Academy's earned revenue is primarily derived from sales of subscriptions, platform development and maintenance. The Academy's products and services generally are marketed and sold directly to commercial or educational entities.

The Academy assesses the contract term as the period in which the parties to the contract have presently enforceable rights and obligations. The contracts generally are customized to each customer and non-cancellable for the duration of the stated contract term. There are no sales outside of the United States.

# Khan Academy, Inc. and Subsidiaries

## Notes to the Consolidated Financial Statements

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### Nature of Products and Services

#### Licensing, Maintenance and Subscriptions

Licensing fees are based on the annual use of a non-exclusive, non-transferable, royalty-free license to use or display Khan Academy content. Because the customized content has no alternative use to the Academy and the Academy has an enforceable right to payment for performance to date throughout the contract term, revenue related to this performance obligation is recognized ratably over the contract term.

Maintenance fees are annual fees charged to maintain the customized product platform and provide product support. Because the maintenance services represent a stand-ready obligation to provide a series of distinct support periods that are all substantially the same and have the same pattern of transfer to the customer, maintenance is accounted for as a series and revenue is recognized ratably over the contract term, beginning at the point when the customer is able to use and benefit from the related platform.

Fees for dashboard subscriptions are recognized upon rostering of students within a school district into a Khan Academy dashboard which is when the software becomes available to the school district. Training is also provided to the school district related to the dashboard and is recognized upon completion of the in-person training.

#### Platform Development

Platform development revenue includes the development, upgrade and modifications of standardized test preparation platforms. These agreements consist of multiple element arrangements that are determined to be separate units of accounting at the inception of the arrangement. The Academy allocates the value to each element based on the relative selling price method when possible. Otherwise, the Academy allocates the value to each element based on the relative cost incurred. Revenue is recognized upon completion of each element.

Total revenues recognized at a point in time and over time for licensing, maintenance, and subscriptions and platform development were as follows for the year ended December 31, 2022:

Revenue recognized at a point in time	\$ 8,624,584
Revenue recognized over time	4,270,000
	<hr/>
	\$ 12,894,584

# Khan Academy, Inc. and Subsidiaries

## Notes to the Consolidated Financial Statements

### g. Receivables and Deferred Revenue

Each customer contract defines the contract payment terms. The timing of revenue recognition may not align with the right to invoice the customer. The Academy records accounts receivable when it has the unconditional right to issue an invoice and receive payment regardless of whether revenue has been recognized. If revenue has not yet been recognized, a contract liability (deferred contract revenue) also is recorded. If revenue is recognized in advance of the right to invoice, a contract asset (unbilled receivable) is recorded. Opening and closing balances were as follows:

	December 31, 2021	December 31, 2022
Contracts receivable	\$ 3,355,050	\$ 2,550,183
Unbilled contracts receivable	\$ 25,000	\$ -
Deferred contract revenue	\$ 2,875,365	\$ 1,218,181

In instances where the timing of revenue recognition differs from the timing of the right to invoice, the Academy has determined that a significant financing component generally does not exist. The primary purpose of the Academy's invoicing terms is to provide customers with simplified and predictable ways of purchasing the products and services and not to receive financing from or provide financing to the customer. Additionally, the Academy has elected the practical expedient that permits an entity not to recognize a significant financing component if the time between the transfer of a good or service and payment is one year or less. The Academy does not offer rights of return for its products and services in the normal course of business.

The Academy reviews individual receivable balances at year-end to evaluate the appropriate allowance based on subsequent collection and historical collection experience with the donors and customers for uncollectible receivables and contributions. Management has deemed all receivables to be fully collectible and therefore no allowance for doubtful accounts has been provided.

### h. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, money market accounts, and foreign currency deposits. It does not include cash restricted by donors for long-term purposes. As of December 31, 2022, KAI's cash balance includes \$9,672, to be held as collateral with banks that administer their credit cards.

# Khan Academy, Inc. and Subsidiaries

## Notes to the Consolidated Financial Statements

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### i. Investments

Operating investments are invested for preservation of value and liquidity to fund the current operating needs of the Academy. Long-term investments will be invested to provide a return on the endowed assets consisting of the donor restricted and the board designated endowments sufficient to preserve its capital, while generating an income stream to support the spending needs.

Investments consist of investment-related cash, United States Treasuries, federated government obligations, convertible corporate bonds, U.S equities, exchange-traded funds, closed-ended funds, mutual funds, and an alternative investment which are reported at fair value based on unadjusted quoted market prices with realized and unrealized gains and losses reflected in the consolidated statement of activities and changes in net assets.

Alternative investments consist of a hedge fund which is valued using the net asset value (NAV) per share or ownership interest of the investment under the so-called practical expedient. The practical expedient allows NAV per share to represent the fair value for reporting purposes when the criteria for using this method are met.

See Note 5 for the composition of the investments.

### j. Fair Value Measurements

The Academy classifies its assets and liabilities measured at fair value on a recurring basis based on a fair value hierarchy with three levels of inputs. The fair value is defined as the price that one would receive by selling an asset or pay to transfer a liability in an orderly transaction among market participants at the measurement date.

Level 1 values are based on quoted market prices (unadjusted) in active markets for identical assets or liabilities that the entity has the ability to access at the measurement date. Level 2 values are based on significant observable market inputs, such as quoted prices for similar assets or liabilities and quoted prices in inactive markets. Level 3 values are based on significant unobservable inputs that reflect the Academy's determination of assumptions that market participants might reasonably use in valuing the asset or liability that are not corroborated by market data.

### k. Property and Equipment

Property and equipment are stated at cost, if purchased or, at approximate fair value if donated, less accumulated depreciation. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets or lease term, whichever is shorter. Useful lives range from two to ten years.

Renewals and betterments that amend the economic useful lives of the related assets are capitalized. The Academy expenses, as incurred, other expenditures for repairs and maintenance.

# Khan Academy, Inc. and Subsidiaries

## Notes to the Consolidated Financial Statements

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### l. Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

### m. Functional Expense Allocations

Certain expenses are allocated among program services, fundraising, and general and administrative based on the program benefited and estimates made by management.

The costs of providing program and other activities have been summarized on a functional basis in the consolidated statement of activities and changes in net assets. Accordingly, certain costs have been allocated among program services and supporting services benefited as determined by management on an equitable basis. Salaries and benefits are allocated based on time and effort. All other shared administrative costs including office expenses, information technology, occupancy, travel, and other expenses have been allocated based on a full-time equivalent basis.

### n. Foreign Currency Transactions and Translations

Assets and liabilities denominated in foreign currencies at year end are translated into U.S. dollars based upon exchange rates at December 31, 2022 with any resulting adjustment included in unrealized foreign currency gain in the consolidated statement of activities and changes in net assets. Cumulative translation adjustments associated with net assets or liabilities are reported as part of changes in net assets.

Transactions in foreign currencies during the year are translated into U.S. dollars at the average exchange rate for the period of the transactions and are recorded as part of other income in the consolidated statement of activities and changes in net assets. Such transactions generally relate to the operations of KAI in India.

### o. Tax-Exempt Status

Khan Academy, Inc. is a tax-exempt organization under Internal Revenue Service Code Section 501(c)(3) and the California Tax Code. DDM is exempt from federal tax as a single member limited liability company under the Academy. KAI is registered under section 12AA of the Income Tax Act, 1961 in India vide Commissioner of Income Tax's communication reference letter number CIT(E)/2017-18/DEL-KR 26575-16102017/824, dated October 16, 2017 ("Approval Letter") and accordingly, is exempt from paying income taxes on excess of revenue over expenses subject to compliance with the conditions as stipulated in aforesaid Approval Letter. KAI is also registered under section 80G of the Income Tax Act and the registration is valid until it is rescinded. KAB was incorporated according to the Civil Registry of Legal Entities (RCPJ) Article. 44 of the law 10.406/02, as a non-profit company under section 150 of the Brazilian Federal Constitution.

## Khan Academy, Inc. and Subsidiaries

### Notes to the Consolidated Financial Statements

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As of December 31, 2022, management evaluated the Academy's tax positions and concluded that the Academy had maintained its tax-exempt status and had taken no uncertain tax positions that required adjustment to the consolidated financial statements. Therefore, no provision or liability for income taxes has been included in the consolidated financial statements.

p. Leases

The Academy accounts for its leases in accordance with Accounting Standards Codification (ASC) 842, as discussed in the "Pronouncements adopted" section below. The Academy determines whether an arrangement is or includes a lease and categorizes leases as either operating or finance leases. The Academy does not have any finance leases. Upon adoption of the new lease standard, the Academy recognized a right-of-use (ROU) asset and a ROU liability for leases classified as operating leases in the consolidated statement of financial position. Operating lease ROU assets and liabilities are recognized based on the present value of the future minimum lease payments over the lease term. As the Academy's leases do not provide an implicit rate, the Academy used a risk-free discount rate at the adoption date of the new lease standard to determine the present value of future lease payments in accordance with the private company expedient available under FASB ASC 842. For new leases, the Academy has adopted the private company expedient available under FASB ASC 842 to use a risk free rate if the new lease agreements do not provide implicit rates. Lease expense for minimum lease payments is recognized on a straight-line basis over the lease term. The Academy made an accounting policy election available under FASB ASC 842 not to recognize ROU assets and lease liabilities for leases with a term of 12 months or less.

# Khan Academy, Inc. and Subsidiaries

## Notes to the Consolidated Financial Statements

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### q. Recent Accounting Pronouncements

#### *Pronouncements adopted*

In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-02: *Leases (Topic 842)*. The guidance in this ASU supersedes the leasing guidance in Topic 840, *Leases*. Under the new guidance, lessees are required to recognize lease assets and lease liabilities on the consolidated statement of financial position for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the consolidated statement of activities and changes in net assets. The new standard is effective for fiscal years beginning after December 15, 2021. A modified retrospective transition approach is required for lessees for capital and operating leases existing at, or entered into after, the beginning of the earliest comparative period presented in the consolidated financial statements, with certain practical expedients available. The Academy elected the “package of practical expedients” under the transition guidance within the ASU, in which the Academy does not reassess (1) the historical lease classification, (2) whether any existing contracts at transition are or contain leases, or (3) the initial direct costs for any existing leases. The Academy has not elected to adopt the “hindsight” practical expedient, and therefore will measure the ROU asset and lease liability using the remaining portion of the lease term upon adoption of the ASU on January 1, 2022. The adoption of this ASU did not have a significant effect on the consolidated statement of activities and changes in net assets and consolidated statement of cash flows.

In September 2020, the FASB issued ASU 2020-07, *Presentation and Disclosure by Not-for-Profit Entities for Contributed Nonfinancial Assets (Topic 958)*. The guidance in this ASU changes the required presentation and disclosures for in-kind contributions. The Academy adopted the ASU without a significant impact on its consolidated financial statements effective January 1, 2022.

#### *Pronouncements Effective in the Future*

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*. The guidance in this ASU creates a new credit impairment standard for financial assets measured at amortized cost and available-for-sale debt securities. The guidance requires financial assets measured at amortized cost (including contract receivables) to be presented at the net amount expected to be collected, through an allowance for credit losses that are expected to occur over the remaining life of the asset, rather than incurred losses. The guidance requires that credit losses on available-for-sale debt securities be presented as an allowance rather than as a direct write down. The measurement of credit losses for newly recognized financial assets (other than certain purchased assets) and subsequent changes in the allowance for credit losses are recorded in the consolidated statement of activities and changes in net assets as the amounts expected to be collected change. The standard will be effective for fiscal years beginning after December 15, 2022. The Academy is currently evaluating the impact of the pending adoption of the ASU on its consolidated financial statements.

# Khan Academy, Inc. and Subsidiaries

## Notes to the Consolidated Financial Statements

### r. Subsequent Events

The Academy has evaluated subsequent events from December 31, 2022 through May 18, 2023, the date these consolidated financial statements were available to be issued. There were no material subsequent events that required recognition or additional disclosure, except as disclosed in Note 8.

### Note 3 - Availability and Liquidity:

The Academy regularly monitors the availability of resources required to meet its operating needs and contractual commitments while also striving to maximize the investment of its available funds in principal preserving investments. For the purposes of analyzing resources to meet general expenditures over a 12-month period, the Academy considers all expenditures of its ongoing day to day activities to be general expenditures. As of December 31, 2022, the Academy had \$13,843,542 of a Board-designated endowment that, with the Board of Director's approval, could be made available for operations.

The following represents Khan Academy financial assets available for general expenditures at December 31, 2022:

Financial assets at year end:	
Cash and cash equivalents	\$ 4,922,042
Contract and other receivables	2,550,304
Contributions receivable, net	3,960,131
Operating investments	72,316,860
Long-term investments – endowment	19,488,510
<hr/>	
Total financial assets	103,237,847
Amounts not available to be used within one year:	
Net assets with purpose restrictions not to be met within one year	(1,950,451)
Net assets with donor restrictions of a perpetual nature	(6,496,218)
Board-designated endowment without donor restrictions	(13,843,542)
Contribution receivable – due after one year, net	(100,000)
Collateral with a bank that administers KAI's credit cards	(9,672)
<hr/>	
	(22,399,883)
Financial assets available to meet general expenditures over the next twelve months	\$ 80,837,964

# Khan Academy, Inc. and Subsidiaries

## Notes to the Consolidated Financial Statements

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### Note 4 - Contributions Receivable:

Contributions receivable were due as follows at December 31, 2022:

In one year or less	\$ 2,857,194
Between one and five years	1,165,000
	<hr/>
	4,022,194
Less discount to present value	(62,063)
	<hr/>
	\$ 3,960,131

### Note 5 - Investments and Fair Value Measurements:

Operating investments were as follows at December 31, 2022:

United States Treasury – bills and notes	\$ 8,682,690
Federated government obligations – mutual fund	7,011,292
Convertible corporate bonds	56,622,878
	<hr/>
	\$ 72,316,860

Long-term investments were as follows at December 31, 2022:

Cash	\$ 138,894
Convertible corporate bonds	1,140,301
U.S. equities	3,936,200
Exchange-traded and closed-end funds	7,016,019
Mutual funds	6,205,790
Long/short hedge fund	1,051,306
	<hr/>
	\$ 19,488,510

## Khan Academy, Inc. and Subsidiaries

### Notes to the Consolidated Financial Statements

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Net investment loss consisted of the following for the year ended December 31, 2022:

Interest and dividends	\$ 1,270,582
Net realized loss on investments	(1,041,679)
Net unrealized loss on investments	(7,131,007)
	<hr/>
	\$ (6,902,104)

Investment loss is recorded net of investment fees of approximately \$119,800 for the year ended December 31, 2022.

## Khan Academy, Inc. and Subsidiaries

### Notes to the Consolidated Financial Statements

Investments measured at fair value on a recurring basis at December 31, 2022 were as follows:

	Level 1	Level 2	(a) NAV	Total
<b>Operating Investments:</b>				
United States Treasury – bills and notes		\$ 8,682,690		\$ 8,682,690
<b>Mutual Fund:</b>				
Federated government obligations	\$ 7,011,292			7,011,292
<b>Convertible Corporate Bonds:</b>				
Financial Services		19,559,555		19,559,555
Technology		13,829,466		13,829,466
Healthcare		11,091,535		11,091,535
Consumer Discretionary		6,336,925		6,336,925
Communication Services		2,929,906		2,929,906
Consumer Staples		1,908,763		1,908,763
Industrials		966,728		966,728
<b>Total operating investments</b>	<b>7,011,292</b>	<b>65,305,568</b>		<b>72,316,860</b>
<b>Long-Term Investments -</b>				
<b>Endowment:</b>				
Cash	138,894			138,894
Convertible Corporate Bonds		1,140,301		1,140,301
U.S. Equities - Domestic Exchange-Traded & Closed-End Funds:	3,936,200			3,936,200
Domestic	5,478,107			5,478,107
Global	1,537,912			1,537,912
<b>Mutual Funds:</b>				
Domestic	4,372,709			4,372,709
Global	1,833,081			1,833,081
Alternative Investment			\$ 1,051,306	1,051,306
<b>Total long-term investments - endowment</b>	<b>17,296,903</b>	<b>1,140,301</b>	<b>1,051,306</b>	<b>19,488,510</b>
<b>Total</b>	<b>\$ 24,308,195</b>	<b>\$ 66,445,869</b>	<b>\$ 1,051,306</b>	<b>\$ 91,805,370</b>

# Khan Academy, Inc. and Subsidiaries

## Notes to the Consolidated Financial Statements

- (a) In accordance with FASB ASC subtopic 820-10, certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the consolidated statement of financial position.

### Net Asset Value (NAV) Per Share

The Academy's alternative investment consists of a hedge fund for which fair value is not readily determinable and whose fair value is estimated using the NAV per share or its equivalent.

The hedge fund's investment objective is to seek positive absolute returns through a combination of long-term and short-term investments while mitigating the risk of permanent capital loss. The fund mostly focuses its investments in publicly-traded equities in the technology, communications and emerging energy sectors. As of December 31, 2022, the Academy has no unfunded commitments to the fund. The Academy may withdraw funds as of the last day of each quarter with 45 days prior written notice. The withdrawal must be at least \$50,000 and may not reduce the Academy's capital account balance below \$200,000 unless an exception is made by the general partner of the hedge fund. Any withdrawals within twelve months after investment are subject to a withdrawal fee equal to 5% of the amount withdrawn.

### **Note 6 - Net Assets With Donor Restrictions:**

As of December 31, 2022, net assets with donor restrictions were available for the following purposes or periods:

Time and purpose:

Platform Development	
Content & Curriculum Development	\$ 10,268,927
School Districts	1,189,863
International Programs	718,911
For Future Periods	336,596
COVID Response	444,432
Endowment Loss	(851,250)
	<hr/>
	12,107,479
	<hr/>
Perpetual restrictions:	
Operations	6,496,218
	<hr/>
Total net assets with donor restrictions	\$ 18,603,697

## Khan Academy, Inc. and Subsidiaries

### Notes to the Consolidated Financial Statements

Net assets were released from donor restrictions by incurring expenses satisfying the purpose of the restriction, by the passage of time, or by the occurrence of other specific events as follows, for the year ended December 31, 2022:

Platform Development	\$ 1,199,430
Content & Curriculum Development	18,202,319
School Districts	2,092,514
International Programs	3,232,590
COVID Response	781,867
For Future Periods	1,225,979
	\$ 26,734,699

**Note 7 - Endowment Funds:**

Endowment net asset composition by type of fund was as follows as of December 31, 2022:

	Without Donor Restrictions	<u>With Donor Restrictions</u>		Total
		Time or Purpose	Perpetuity	
Donor-restricted endowment funds		\$ (851,250)	\$ 6,496,218	\$ 5,644,968
Board-designated endowment fund	\$ 13,843,542			13,843,542
<b>Total Endowment Fund</b>	<b>\$ 13,843,542</b>	<b>\$ (851,250)</b>	<b>\$ 6,496,218</b>	<b>\$ 19,488,510</b>

The Board-designated endowment fund is subject to the Academy's endowment spending policy. The Board of Directors may at its discretion use the funds for any Academy purposes including but not limited to operations and future programs.

## Khan Academy, Inc. and Subsidiaries

### Notes to the Consolidated Financial Statements

Changes in endowment net assets were as follows for the year ended December 31, 2022:

	Without Donor Restrictions	With Donor Restrictions		Total
		Purpose & Time Restrictions	Restrictions in Perpetuity	
Net assets, beginning of year	\$ 17,336,452	\$ 397,857	\$ 4,996,218	\$ 22,730,527
Investment return, net:				
Investment income, net	209,989	397,330		607,319
Net depreciation, realized and unrealized	(3,702,899)	(1,646,437)		(5,349,336)
Total investment return, net	(3,492,910)	(1,249,107)		(4,742,017)
New gifts			1,500,000	1,500,000
Net assets, end of year	\$ 13,843,542	\$ (851,250)	\$ 6,496,218	\$ 19,488,510

For endowments for which donors have not specifically defined a spending policy, state law allows the Academy to appropriate a certain amount of net appreciation on endowment investments as is prudent. The Academy considers long and short-term needs, present and anticipated financial requirements, expected total return on its investments, price level trends, and general economic conditions to establish its endowment spending policy. The Academy's spending policy is based on the average market return of the endowment funds over the previous four years. Amounts appropriated for spending may exceed actual realized earnings from endowments funds. For 2022, due to the recent endowment portfolio investment losses, the Academy did not distribute any of its endowment fund's value or returns.

To satisfy its long-term rate-of-return objectives, the Academy relies on a total return strategy where investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Academy adopted a diversified asset allocation strategy for its pooled investments, managed by an outside investment advisor, to achieve its long-term return objectives within prudent risk constraints.

## Khan Academy, Inc. and Subsidiaries

### Notes to the Consolidated Financial Statements

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The Board of Directors has interpreted the State Prudent Management of Institutional Funds Act (SPMIFA) as enacted by the State of California as requiring the preservation of the fair value of the original gift of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Academy classifies as net assets with donor restrictions in perpetuity a) the original value of gifts donated to the perpetual endowment, b) the original value of subsequent gifts to the perpetual endowment, and c) accumulations to the perpetual endowment made in accordance with the direction of the donor gift instrument. The portion of the donor-restricted endowment that is not classified as net assets with donor restrictions in perpetuity is classified as net assets with donor restrictions of a time nature until those amounts are appropriated for expenditures. In accordance with SPMIFA, the Academy considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- 1) The duration and preservation of the fund
- 2) The mission of the Academy and the purposes of the donor-restricted endowment fund
- 3) General economic conditions
- 4) The possible effect of inflation and deflation
- 5) The expected total return from income and the appreciation of investments
- 6) Other Academy resources
- 7) The investments policies of the Academy

Although SPMIFA does not preclude the Academy from spending below the original gift value of donor-restricted endowments, the Academy considers a fund to be underwater if the fair value of the fund is less than the sum of (a) the original value of initial and subsequent gift amounts donated to the fund and (b) any accumulations to the fund that are required to be maintained in perpetuity in accordance with the direction of the applicable donor gift instrument.

From time to time, the fair value of assets associated with individual donor restricted endowment funds may fall below the level that the donor or SPMIFA requires the Academy to retain as a fund of perpetual duration. Deficiencies of this nature exist in three donor-restricted endowment funds, which have original gift values totaling approximately \$6,496,218, a total current fair value of approximately \$5,644,968 and a total deficiency of approximately \$851,250 as of December 31, 2022. This deficiency was reported in net assets with donor restrictions. This deficiency was caused by unfavorable market fluctuations in fiscal year 2022.

## Khan Academy, Inc. and Subsidiaries

### Notes to the Consolidated Financial Statements

#### Note 8 - Commitments:

##### *Lease Commitments*

The Academy has non-cancelable operating leases for office space in Mountain View, California and San Mateo, California expiring in August 2023 and November 2024, respectively. KAI has month-to-month leases for office spaces in New Delhi, India.

Lease ROU assets and liabilities were recognized upon the adoption of the new lease standard, FASB ASC 842, based on the present value of the remaining minimum lease payments over the lease term. As the Academy's leases do not provide an implicit rate, the Academy used a risk-free discount rate at the adoption date of the new lease standard to determine the present value of future lease payments in accordance with the private company expedient available under FASB ASC 842.

As of December 31, 2022, the Academy had right-to-use leased assets of approximately \$943,300 and lease liabilities related to its operating leases of approximately \$968,500.

Operating lease cost is recognized on a straight-line basis over the lease term. The components of lease expense were approximately as follows for the year ended December 31, 2022:

Operating lease cost	\$ 1,043,100
Short term lease cost	43,700
<hr/>	
Total lease cost	\$ 1,086,800

Future undiscounted cash flows were approximately as follows:

Year Ending December 31.	
2023	\$ 775,700
2024	207,600
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	983,300
Less imputed discount	(14,800)
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Total present value of right-of-use lease liabilities	\$ 968,500

# Khan Academy, Inc. and Subsidiaries

## Notes to the Consolidated Financial Statements

### *Other Commitments*

In connection with the hosting of the Academy's platform, the Academy entered into a non-cancelable hosting agreement in 2020 that commenced on January 1, 2021 and ends December 31, 2025 whereby the Academy committed to a minimum amount of hosting services used in its normal operations during the term of the agreement. The Academy was obligated to spend \$10,000,000 within the first two years of the agreement and an aggregate of \$25,000,000 by December 31, 2025. Subsequent to year end, a new hosting agreement with the same vendor cancelled the obligated minimum spend commitment of the previous agreement. The new agreement obligates the Academy to spend \$8,000,000 within two years of the implementation date of the new agreement beginning March 17, 2023 and an aggregate of \$19,000,000 within four years of the implementation date of the new agreement.

### **Note 9 - Related Party Transactions and Organizations:**

For the year ended December 31, 2022, contributions from members of the Board of Directors and the organizations that have a relationship with them, totaled approximately \$3,836,700. At December 31, 2022, contributions receivable includes approximately \$139,000 from board members and organizations that have a relationship with members of the Board of Directors.

The Academy has and may continue to have staff who hold interests in partnerships held as investments by the Academy. The Academy has a conflict-of-interest policy which covers investments and vendor relationships with board members and staff. The policy requires annual disclosures, discussion of potential conflicts, and recusal from decisions related to the conflict-of-interest, so board members and staff may continue to serve the Academy through their professional knowledge and expertise.

### **Note 10 - Concentrations of Risk:**

The Academy has identified its financial instruments that are potentially subject to risk as cash and investments. The Academy holds its operational cash accounts at Bank of America. Morgan Stanley acts as the custodian of the investments for operating investments, Board-designated endowment, and donor endowment. During the year ended December 31, 2022, the Academy regularly held cash deposits in excess of federally insured limits.

The Academy received approximately \$5,000,000 in contributions from one major donor in 2022, none of which was recorded as contributions receivables at December 31, 2022. Major donors are defined as donors that contribute greater than 10% of the Academy's contribution revenue for that year.

# Khan Academy, Inc. and Subsidiaries

## Notes to the Consolidated Financial Statements

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### Note 11 - Retirement Plan:

Khan Academy, Inc. has a 401(k) defined contribution plan (the Plan) with discretionary matching employer contributions. The Academy contributes matching contributions of up to 4% of eligible compensation deferred by eligible employees to the Plan. The Academy's matching contributions to the Plan for the year ended December 31, 2022 were approximately \$1,343,200.



# Sal Khan

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**Salman "Sal" Amin Khan** (born October 11, 1976) is an American educator and the founder of Khan Academy, a free online non-profit educational platform with which he has produced over 6,500 video lessons teaching a wide spectrum of academic subjects, originally focusing on mathematics and science.<sup>[1]</sup> He is also the founder of Khan Lab School, a private in-person school in Mountain View, California.<sup>[2]</sup>

As of December 2023, the Khan Academy channel on YouTube has 8.17 million subscribers, and its videos have been viewed more than two billion times.<sup>[3]</sup> In 2012, Khan was named in the annual publication of Time 100.<sup>[4]</sup> In the same year, he was featured on the cover of Forbes, with the tagline "The \$1 Trillion Opportunity."<sup>[5]</sup>

## Early life and family

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Khan was born in Metairie, Louisiana, on October 11, 1976, into a Bengali Muslim family.<sup>[6]</sup> His father Fakhrul Amin Khan (d. 1990) was a physician,<sup>[7][8]</sup> originally hailing from the village of Rahmatpur in Babuganj Upazila, Bangladesh. His mother Masuda Khan is from Murshidabad in West Bengal, India.<sup>[6][9]</sup> He grew up poor, recalling that his mother made \$16,000 in 1993—he knew this because he had to do her taxes to get financial aid.<sup>[10]</sup> They are descendants of Rahmat Khan, a 16th-century Pashtun chieftain who was killed in battle with Kandarpanarayan Rai, the erstwhile Raja of Chandradwip.<sup>[11]</sup> Khan's grandfather Abdul Wahab Khan was a prominent Pakistani politician who served as the country's second official Speaker of the National Assembly.

## Education

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He attended Grace King High School, where, as he recalls, "a few classmates were fresh out of jail and others were bound for top universities."<sup>[12]</sup> He was a cartoonist for the high school's newspaper.<sup>[13]</sup> Khan took upper-level mathematics courses at the University of New Orleans while he was in high school and graduated as valedictorian in 1994.<sup>[14][15]</sup>

He attended the Massachusetts Institute of Technology (MIT), graduating in 1998 with Bachelor's and Master of Science degrees in the electrical engineering and computer science program, and another bachelor's degree in mathematics.<sup>[16][17]</sup> In his final year, Khan was the president of the "Senior Gift Committee," a philanthropy program of the graduating class.<sup>[18]</sup>

Khan also holds a Master of Business Administration from Harvard Business School.<sup>[19]</sup>

## Career

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In 2002, Khan was a summertime intern at PARC. From 2003 to late 2009, he worked as a hedge fund analyst at Connective Capital Management.<sup>[20][21]</sup>

## Khan Academy

In 2004, Khan began tutoring his cousin, Nadia, in mathematics over the internet using Yahoo!'s Doodle notepad.<sup>[22]</sup> When other relatives and friends sought his tutoring, he moved his tutorials to YouTube, where he created an account on November 16, 2006.<sup>[23]</sup>

The popularity of his educational videos on the video-sharing website prompted Khan to quit his job as a financial analyst in late 2009.<sup>[24]</sup> He moved his focus to developing his YouTube channel, Khan Academy, full-time with the aid of close friend Josh Gefner.<sup>[20]</sup> Khan subsequently received sponsorship from Ann Doerr, the wife of John Doerr.<sup>[25]</sup>

His videos received worldwide interest from both students and non-students, with more than 458 million views in the first number of years.<sup>[24]</sup> In 2023, Khan Academy has more than 155 million registered users, with students spending billions of hours of learning on the platform.<sup>[26]</sup>

Khan outlined his mission as to "accelerate learning for students of all ages. With this in mind, we want to share our content with whoever may find it useful." Khan plans to extend the "free school" to cover topics such as English literature.<sup>[27]</sup>

Khan published a book about Khan Academy and education goals titled *The One World Schoolhouse: Education Reimagined*.<sup>[28]</sup>

Khan Academy, initially a tool for students, added the Coach feature in 2012, promoting the connection of teachers with students through videos and monitor tools.<sup>[24]</sup> In 2012, Khan received the American Academy of Achievement's Gold Medal.<sup>[29][30]</sup> In 2014, Khan received the 19th Annual Heinz Award in the Human Condition category.<sup>[31]</sup>

In 2015, Khan announced that Khan Academy was partnering with the College Board to create free practice resources for the SAT test.<sup>[32]</sup>

Khan believes that supplementing traditional classroom education with the technology being developed by his Academy can improve the effectiveness of teachers by freeing them from traditional lectures and giving them more time for instruction specific to individual students' needs.<sup>[33]</sup>

**Sal Khan**



Khan speaking at a TED conference in 2011

<b>Born</b>	<u>Salman Amin Khan</u> October 11, 1976 <u>Metairie, Louisiana, U.S.</u>
<b>Education</b>	<u>Massachusetts Institute of Technology (BS, MS)</u> <u>Harvard University (MBA)</u>
<b>Occupations</b>	<u>Educator · entrepreneur</u>
<b>Title</b>	<u>Founder and CEO of Khan Academy</u> <u>Founder of Khan Lab School</u> <u>Founder and CEO of schoolhouse.world (<a href="http://schoolhouse.world">http://schoolhouse.world</a>)</u>
<b>Board member of</b>	<u>Aspen Institute</u>
<b>Spouse</b>	<u>Umaima Marvi (m. 2004)</u>
<b>Children</b>	3
<b>Relatives</b>	<u>Abdul Wahab Khan (grandfather)</u>

**A** For the **2022** calendar year, or tax year beginning **01-01-2022**, and ending **12-31-2022**

**B** Check if applicable:  
 Address change  
 Name change  
 Initial return  
 Final return/terminated  
 Amended return  
 Application pending

**C** Name of organization: **KHAN ACADEMY INC**  
 Doing business as:  
 Number and street (or P.O. box if mail is not delivered to street address): **PO BOX 1630** Room/suite:  
 City or town, state or province, country, and ZIP or foreign postal code: **MOUNTAIN VIEW, CA 94042**

**D** Employer identification number: **26-1544963**  
**E** Telephone number: **(650) 336-5426**  
**G** Gross receipts: **\$ 71,620,103**

**F** Name and address of principal officer:  
**SALMAN KHAN**  
**PO BOX 1630**  
**MOUNTAIN VIEW, CA 94042**

**H(a)** Is this a group return for subordinates?  Yes  No  
**H(b)** Are all subordinates included?  Yes  No  
 If "No," attach a list. See instructions.  
**H(c)** Group exemption number ▶

**I** Tax-exempt status:  501(c)(3)  501(c) ( ) ◀ (insert no.)  4947(a)(1) or  527

**J** Website: ▶ **WWW.KHANACADEMY.ORG**

**K** Form of organization:  Corporation  Trust  Association  Other ▶  
**L** Year of formation: **2007** **M** State of legal domicile: **CA**

**Part I Summary**

**1** Briefly describe the organization's mission or most significant activities:  
**A FREE WORLD-CLASS EDUCATION FOR ANYONE, ANYWHERE.**

**2** Check this box  if the organization discontinued its operations or disposed of more than 25% of its net assets.

<b>3</b> Number of voting members of the governing body (Part VI, line 1a)	<b>3</b>	<b>10</b>
<b>4</b> Number of independent voting members of the governing body (Part VI, line 1b)	<b>4</b>	<b>9</b>
<b>5</b> Total number of individuals employed in calendar year 2022 (Part V, line 2a)	<b>5</b>	<b>258</b>
<b>6</b> Total number of volunteers (estimate if necessary)	<b>6</b>	<b>650</b>
<b>7a</b> Total unrelated business revenue from Part VIII, column (C), line 12	<b>7a</b>	<b>0</b>
<b>7b</b> Net unrelated business taxable income from Form 990-T, Part I, line 11	<b>7b</b>	<b>0</b>

	Prior Year	Current Year
<b>8</b> Contributions and grants (Part VIII, line 1h)	<b>48,693,146</b>	<b>39,984,004</b>
<b>9</b> Program service revenue (Part VIII, line 2g)	<b>9,355,361</b>	<b>12,923,384</b>
<b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d)	<b>1,221,511</b>	<b>340,623</b>
<b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	<b>-6,275</b>	<b>-13,194</b>
<b>12</b> Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	<b>59,263,743</b>	<b>53,234,817</b>
<b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1-3)	<b>0</b>	<b>0</b>
<b>14</b> Benefits paid to or for members (Part IX, column (A), line 4)	<b>0</b>	<b>0</b>
<b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	<b>39,378,903</b>	<b>43,486,013</b>
<b>16a</b> Professional fundraising fees (Part IX, column (A), line 11e)	<b>0</b>	<b>0</b>
<b>b</b> Total fundraising expenses (Part IX, column (D), line 25) ▶ <b>3,515,896</b>		
<b>17</b> Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	<b>14,500,112</b>	<b>14,671,489</b>
<b>18</b> Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	<b>53,879,015</b>	<b>58,157,502</b>
<b>19</b> Revenue less expenses. Subtract line 18 from line 12	<b>5,384,728</b>	<b>-4,922,685</b>
	Beginning of Current Year	End of Year
<b>20</b> Total assets (Part X, line 16)	<b>115,035,528</b>	<b>105,255,724</b>
<b>21</b> Total liabilities (Part X, line 26)	<b>9,272,154</b>	<b>11,532,697</b>
<b>22</b> Net assets or fund balances. Subtract line 21 from line 20	<b>105,763,374</b>	<b>93,723,027</b>

**Part II Signature Block**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

**Sign Here**  
 Signature of officer: **SALMAN KHAN CEO**  
 Date: **2023-11-07**

**Paid Preparer Use Only**

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN P01008919
Firm's name ▶ <b>HOOD &amp; STRONG LLP</b>			Firm's EIN ▶ <b>94-1254756</b>	
Firm's address ▶ <b>60 SO MARKET ST STE 200</b> <b>SAN JOSE, CA 95113</b>			Phone no. (408) 998-6400	

**Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

Check if Schedule O contains a response or note to any line in this Part VII

**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees**

**1a** Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's current officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
  - List all of the organization's current key employees, if any. See the instructions for definition of "key employee."
  - List the organization's five current highest compensated employees (other than an officer, director, trustee or key employee) who received reportable compensation (box 5 of Form W-2, box 6 of Form 1099-MISC, and/or box 1 of Form 1099-NEC) of more than \$100,000 from the organization and any related organizations.
  - List all of the organization's former officers, key employees, or highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
  - List all of the organization's former directors or trustees that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.
- See the instructions for the order in which to list the persons above.

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)					(D) Reportable compensation from the organization (W-2/1099-MISC/1099-NEC)	(E) Reportable compensation from related organizations (W-2/1099-MISC/1099-NEC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee;	Officer	Key employee	Highest compensated employee			
(1) ANN DOERR CHAIRMAN	10.00 0.00	X		X			0	0	0
(2) CURTIS FEENEY DIRECTOR	2.00 0.00	X					0	0	0
(3) DAVID SIEGEL DIRECTOR	2.00 0.00	X					0	0	0
(4) JAMES MANYIKA DIRECTOR	2.00 0.00	X					0	0	0
(5) LARRY COMEN DIRECTOR	2.00 0.00	X					0	0	0
(6) LAURA OVERDECK DIRECTOR	2.00 0.00	X					0	0	0
(7) PATRICIA LEVESQUE DIRECTOR	2.00 0.00	X					0	0	0
(8) SEAN O'SULLIVAN DIRECTOR	2.00 0.00	X					0	0	0
(9) TED MITCHELL DIRECTOR	2.00 0.00	X					0	0	0
(10) SALMAN KHAN CHIEF EXECUTIVE OFFICER	40.00 2.00	X		X			1,174,897	0	31,125
(11) JULIA COWLES VP GENERAL COUNSEL AND SECRETARY	40.00 1.00			X			423,453	0	40,020
(12) TINA SACHS TREASURER (THRU 9/2/2022)	40.00 2.00			X			163,682	0	16,434
(13) JULIAN ROBERTS CHIEF FINANCIAL OFFICER	40.00 0.00			X			22,284	0	2,663
(14) VICKI ZUBOVIC CHIEF EXTERNAL RELATIONS OFFICER	40.00 0.00				X		522,312	0	22,214
(15) REGINA ROSS CHIEF PEOPLE OFFICER	40.00 0.00				X		373,273	0	39,747
(16) PAUL MORGAN CHIEF TECHNOLOGY OFFICER	40.00 0.00				X		385,716	0	30,666
(17) KRISTEN DICERBO CHIEF LEARNING OFFICER	40.00 1.00				X		376,903	0	22,177

**Part VII** Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)					(D) Reportable compensation from the organization (W-2/1099-MISC/1099-NEC)	(E) Reportable compensation from related organizations (W-2/1099-MISC/1099-NEC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee			
(18) CAROLINE FLEXER VP PRODUCT, KHAN KIDS	40.00 0.00				X		427,339	0	24,314
(19) MARTA KOSARCHYN CHIEF TECHNOLOGY OFFICER (THRU 4/8/2022)	40.00 1.00				X		192,712	0	15,097
(20) MICHAEL FLEXER CHIEF ARCHITECT, KHAN KIDS	40.00 0.00					X	404,877	0	19,308
(21) JOHN RESIG DIRECTOR ENGINEERING	40.00 0.00					X	366,076	0	33,345
(22) SUJATA SALEM DIRECTOR ENGINEERING	40.00 0.00					X	340,033	0	23,889
(23) JASON CHANCEY DIRECTOR ENGINEERING	40.00 0.00					X	314,670	0	44,105
(24) KELLY HILL DIRECTOR EFFICACY & ANALYTICS	40.00 0.00					X	296,291	0	48,884

<b>1b Sub-Total</b>			
<b>c Total from continuation sheets to Part VII, Section A</b>			
<b>d Total (add lines 1b and 1c)</b>	5,784,520	0	415,988

**2** Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **▶ 168**

	Yes	No
<b>3</b> Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual	3	No
<b>4</b> For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual	4	Yes
<b>5</b> Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person	5	No

**Section B. Independent Contractors**

**1** Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
VELOCITY GLOBAL 3858 WALNUT ST SUITE 107 DENVER, CO 80205	CONSULTING SERVICES	1,183,542
TARGET CW 9475 CHESAPEAKE DR SAN DIEGO, CA 92123	CONSULTING SERVICES	898,131
QBS LEARNING 242 WEST 30TH STREET SUITE 1100 NEW YORK, NY 10001	CONTENT CREATION	371,173
PARTNER HERO INC 570 EL CAMINO REAL 150-407 REDWOOD CITY, CA 94063	COMMUNITY SUPPORT CONSULTANTS	331,224
TYTON PARTNERS CONSULTING LLC 75 FEDERAL STREET SUITE 200 BOSTON, MA 02110	GRANT CONSULTING	322,804

**2** Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization **▶ 10**