

**Val Ed Leadership Evaluation Contract (“Contract”)
made as of 11/11/2015 between Discovery Education Assessment, LLC (“Discovery”) and
TRIGG CO SCHOOL DISTRICT, KY (“Customer”)**

1. Customer shall purchase and Discovery shall provide the services set forth below, (the “Val Ed Services”) to the instructional leaders in the school(s) listed in Exhibit A attached hereto and incorporated herein by reference.
2. The “Term” shall be 11/09/2015 through and including 11/08/2016.
3. The pricing for the Val Ed Services (the “Fees”) shall be as follows:

Description	Price Per Evaluation	No. of Evaluations	Total
Discovery Education Val Ed Evaluation Services			
Val Ed Leadership Evaluation	\$360.00	4	\$1,440.00
		Total	\$1,440.00

4. The Fees are non-cancellable and are due and payable no later than 30 days after receipt of invoice.
5. Customer may request additional evaluations be added to this Contract by providing an “Additional Evaluation Request Notice” to Discovery, which may be in the form of a purchase order. Upon receipt of an Additional Evaluation Request Notice, the evaluations for the schools referenced therein shall be added to this Contract effective as of the date such Additional Evaluation Request Notice is received. The Additional Evaluation Request Notice must include the information below:

Name and address of each school
Number of instructional leaders in each school to be evaluated

The Fees for the Additional Evaluations shall be due and payable no later than 30 days after receipt of invoice.

6. Customer shall ensure that any administrators who take the assessments release Discovery of any claims in accordance with the Release set forth in Attachment A hereto.
7. Customer agrees that all other terms and conditions are as set forth in Discovery’s standard Terms of Use as set forth at http://www.discoveryeducation.com/aboutus/terms_of_use.cfm and this Contract, together with the Terms of Use (solely with respect to Customer, as attached hereto as Exhibit B), constitutes the complete and exclusive terms of the agreement between the parties regarding the subject matter. Customer shall ensure that all of its administrators, educators or students who either administer or take the assessments do so in accordance with the Terms of Use. There shall be no modifications to this Contract unless they are in writing, and duly signed by both parties. In no event shall the terms and conditions of a purchase order or any other purchase agreement amend or modify the terms and conditions of this Contract or the Terms of Use. In the event of a direct conflict between the terms of this Contract and the terms of the applicable then-current Terms of Use, the terms of this Contract shall control.
8. Discovery agrees to use any personal information and data provided to it by Customer in compliance with the Family Educational Rights & Privacy Act of 1974 (“FERPA”) and other applicable laws, regulations and statutes and Discovery’s Data Security Policy attached hereto as Exhibit C.
9. Discovery understands that government entities, such as Customer, may be required to disclose information pursuant to applicable open records acts. Prior to any such disclosure, Customer shall make any claim of privilege that may be applicable to prevent such disclosure and will make reasonable efforts to give Discovery reasonable prior notice and a reasonable opportunity to resist such disclosure. In all other respects, all provisions of this Contract (“Confidential Information”) shall be kept strictly confidential by Customer and may not be disclosed without prior written consent, except for any disclosure required by any order of a court or governmental authority with jurisdiction over Customer.

10. Customer certifies that Customer is exempt from all federal, state, and local taxes and will furnish Discovery with copies of all relevant certificates demonstrating such tax-exempt status upon request. In the event Customer is not exempt from certain of such taxes, Customer agrees to remit payment for such taxes to Discovery.

SPECIAL PROVISIONS

- 11. This Contract shall be construed in accordance with the laws of the Commonwealth of Kentucky without giving regard to its choice of law principals.
- 12. Neither party shall be required to submit to arbitration for the purpose of dispute resolution.
- 13. In the event that any provision of this Contract is held by a court of competent jurisdiction to be unenforceable for any reason, the remaining provisions shall remain valid and enforceable
- 14. This Contract contains the entire understanding and supersedes all prior understandings between the parties relating to the subject matter herein. The terms and conditions set forth herein shall not be binding on Discovery, or any of its affiliates, until fully executed by an authorized signatory for both Customer and Discovery (or its applicable affiliate). Signatures may be exchanged in counterparts. Signatures transmitted electronically by fax or PDF shall be binding and effective as original ink signatures.

TRIGG CO SCHOOL DISTRICT

DISCOVERY EDUCATION ASSESSMENT, LLC.

By: _____
(Signature Required)

By: _____

Title: _____

Title: _____

Printed Name: _____

Printed Name: _____

Date: _____

Date: _____

Ref. No. O6UJ9C0023EV

RETURN THE ATTACHED EXHIBIT A WITH THIS SIGNED AGREEMENT TO FAX NO. 844-635-2313

**ATTACHMENT A
GENERAL RELEASE AND WAIVER**

PLEASE READ CAREFULLY BEFORE CONTINUING TO TAKE THE ASSESSMENT.

- **By clicking here, you agree to this General Release and Waiver and shall be bound by the Terms of Use. If you do not agree, do not click here and do not take the assessment.**

I hereby agree to release and waive all claims against Discovery Education Assessment, LLC, its parent, subsidiaries, affiliated companies, agents or content providers, and the directors, trustees, officers, shareholders, employees, agents and representatives of each of the foregoing, from any and all claims, damages, liabilities, costs and expenses arising out of my use of the Assessment and any results thereof.

**EXHIBIT A
LIST OF SCHOOLS**

Name of School	Address	Number of Evaluations
TRIGG CO HIGH SCHOOL	203 MAIN ST CADIZ, KY 42211-9157	1
TRIGG CO MIDDLE SCHOOL	206 LAFAYETTE ST CADIZ, KY 42211-9142	1
TRIGG CO PRIMARY SCH	205 MAIN ST CADIZ, KY 42211-9157	1
TRIGG COUNTY INTERMEDIATE SCHOOL	205 MAIN ST CADIZ, KY 42211-9157	1

**EXHIBIT B
VAL ED LEADERSHIP EVALUATION TERMS OF USE**

These Terms of Use are incorporated into the Val Ed Leadership Evaluation Contract solely with respect to The Board of Education of Trigg County Kentucky (“Customer”)

I. Grant of Rights. Discovery Education Assessment, LLC (“Discovery Education Assessment”) has granted to the purchasing school or entity (each, an “Assessment Customer”) and its authorized Users (as defined below), for the term of the services purchased by Assessment Customer, a limited, non-exclusive, terminable, non-transferable license to access the Discovery Education Assessment website (the “Website”) and any and all content included therein, including, without limitation, all the search pages, indexes, databases, online help, text, still images, Assessment Content and Video Content and all other content provided or hosted on the Website or otherwise offered in connection with the Predictive Assessment service (the “Content”), and to download, stream, and use the Content pursuant to the terms and conditions set forth in the Assessment Customer’s purchase order and these Terms of Use, such grant of rights subject to Discovery Education Assessment’s rights thereto. “Assessment Content” includes, but is not limited to, the questions and answers in diagnostic assessments, curricular resources, materials in the Progress Zone Item Bank, assessment reports, and other features of the Predictive Assessment service. “Audiovisual Content” means streaming and downloadable educational audio and visual materials provided on the Website. “User” means the Assessment Customer, an educator, administrator or student in the schools covered under Assessment Customer’s purchase order.

Discovery Education Assessment may, in its sole discretion, make changes to the Website and/or the Content, including but not limited to adding and/or removing video titles or other Content, adding closed-captioning, and implementing new encoding rates.

All rights not expressly granted to Assessment Customer and its Users pursuant to the Assessment Customer’s purchase order and/or these Terms of Use are reserved to Discovery Education Assessment, and all uses of the Content by Assessment Customer and its Users not expressly permitted hereunder are prohibited.

II. Permitted and Prohibited Uses.

a. Use for Educational, Non-Commercial Purposes Only. Assessment Customer and its Users may use the Website and the Content for bona fide educational and research purposes only, and may not use them in any commercial or for-profit manner. Discovery Education Assessment reserves the right, in its sole and absolute discretion, to limit Assessment Customer’s and/or any Users’ use of the Website in the event that Discovery Education Assessment, in its sole and absolute discretion, deems Assessment Customer’s and/or such Users’ use thereof to be inconsistent with educational and research purposes, and/or inconsistent with these Terms of Use.

b. Assessment Content. User may administer tests to students, retain questions, answers, scores, class summaries and data reports, create mini-assessments with materials from the Progress Zone Item Bank and administer to students; and use curricular resources for classroom instruction.

c. Video Content.

1. Downloading of Content. Users may download, for noncommercial instructional use, including for lesson plans, copies of (i) images and (ii) videos and video clips designated on the website as downloadable. Copies must be deleted or erased after use. Such downloading shall be for individual User convenience only, and Users may not (1) systematically download any of the Content, (2) create distribution “libraries”, or (3) transfer, sell, rent, display, or exhibit any of the Content to any third party.

2. Editing Content. Users may edit videos and video clips designated on the Website as editable, solely in connection with classroom or other school-related projects. Such videos and video clips, as edited by User, as well as any work containing User-edited videos or video clips, may not contain any libelous or unlawful materials or content or any commercial advertising materials, will not infringe upon any party’s proprietary rights, including but not limited to statutory or common-law copyright, trademark and right of privacy, and may not violate any law, regulation or right of any kind whatsoever or give rise to any actionable claim or liability.

User must maintain all copyright, trademark and proprietary notices included with, attached to or embedded all editable videos and video clips without modification, obstruction or deletion.

The Content may include certain ancillary educational materials, such as student activity sheets, blackline masters and teachers' guides ("Ancillary Materials"). User may modify, alter and revise the Ancillary Materials to meet specific instructional needs, provided that the following statement is prominently displayed on all such revised Ancillary Materials, in addition to any other proprietary notices, and with the understanding that Discovery Education Assessment or its content provider shall continue to own the Ancillary Materials: *"Revised with the permission of Discovery Education Assessment. Discovery Education Assessment and its content providers are not responsible for the content or accuracy of the revision"*.

d. Dissemination of Content. In the course of using any Content as permitted hereunder, Assessment Customer and its Users may not make the Content, or any part thereof, available to any party who is not an Assessment Customer or a User, except as permitted herein. Assessment Customer and its Users must ensure that the Content is at all times kept on a secure server, viewable only by Assessment Customers and/or its Users. If Assessment Customer wishes to use a third party to host the Content, Discovery Education Assessment must approve the use of such host in advance and in writing, and Discovery Education Assessment shall have the right to approve the terms of agreement between such host and Assessment Customer.

e. Prohibited Uses. Except as expressly set forth herein, neither Assessment Customer nor the Users may (i) copy, reproduce, alter, modify, transmit, perform, create derivative works of, publish, sub-license, distribute, or circulate the Website, the Content, or any portion thereof; (ii) disassemble, decompile, or reverse engineer the Website or any portion thereof, or use a robot, spider, or any similar device to copy or catalog the Content or any portion thereof; (iii) take any actions, whether intentional or unintentional, that may circumvent, disable, damage or impair the Website's or the Content's control or security systems, nor allow or assist a third party to do so; or (iv) use the Content in a manner that disparages the Website, the Content or Discovery Education Assessment or its content providers, or in any manner that Discovery Education Assessment may, in its sole discretion, deem inappropriate.

Assessment Customer and the Users acknowledge and agree that the Website and the Content possess a special, unique and extraordinary character that makes difficult the assessment of the monetary damages that would be sustained as a result of unauthorized use, and that unauthorized use may cause immediate and irreparable damage to Discovery Education Assessment for which Discovery Education Assessment would not have an adequate remedy at law. Therefore, Assessment Customer agrees that, in the event of such unauthorized use, in addition to such other legal and equitable rights and remedies as may be available to Discovery Education Assessment, Discovery Education Assessment shall be entitled to injunctive and other equitable relief without the necessity of proving damages or furnishing a bond or other security.

III. Ownership. As between Assessment Customer, the Users, and Discovery Education Assessment, the Website and the Content are the property of Discovery Education Assessment, and are protected by United States and international copyright and trademark law. By using the Website and the Content, even as permitted hereunder, neither Assessment Customer nor any of its Users gain any ownership interest in the Website or the Content.

IV. Security and Use of Passwords. Each User shall have a valid username, password, and passcode for the purpose of accessing the Website and the Content (the "Log-In Information"). Assessment Customer and its Users must keep all Log-In Information strictly confidential, and all Log-In Information may be used only by the assigned User. Assessment Customer and its Users are responsible for maintaining the security and confidentiality of all Log-In Information, and for preventing access to the Website and/or the Content by unauthorized persons using a User's Log-In Information. Unauthorized access to or use of the Website and/or the Content by someone using a User's Log-In information may be attributed to such User.

V. Citations. User must include citation information, including Discovery Education Assessment or the applicable content provider (if identified) as the source, for all portions of the Content used in any end product.

VI. Communications from Discovery Education Assessment. Discovery Education Assessment may periodically contact Users for customer service purposes. By accessing the Website and the Content, Users consent to receive such communications. Assessment Customer shall promptly provide Discovery Education Assessment with any and all information regarding its Users and/or use of the Website and the Content by its Users that Discovery Education Assessment reasonably requests. Assessment Customer agrees that Discovery Education Assessment may reference its business relationship with Assessment Customer in its marketing or sales materials.

VII. Changes to Terms of Use. Discovery Education Assessment reserves the right to change these Terms of Use from time to time. Such changes will become effective when Discovery Education Assessment posts the revised Terms of Use on the Website. Users should check the Terms of Use from time to time, as they are bound by the Terms of Use posted on the Website at the time of access. Any revised Terms of Use shall supersede all previous versions.

VIII. Termination of the Assessment Customer Access; Effect of Termination or Expiration. In the event that Assessment Customer breaches any of its terms of purchase, or Assessment Customer and/or any of its Users breach these Terms of Use, and such breach is not cured within 10 days after receipt of notice thereof from Discovery Education Assessment, Discovery Education Assessment may terminate the Assessment Customer's order in whole or in part immediately upon written notice to Assessment Customer. Notwithstanding the foregoing, there shall be no cure period for any Event of Default that is not curable.

Upon expiration or prior termination of the Assessment Customer's purchase, all rights granted herein shall revert to Discovery Education Assessment; all access to and use of the Website and the Content by Users must cease; all materials downloaded from the Website must be erased, deleted, or destroyed; and all storage devices provided by Discovery Education Assessment (if any), must be immediately returned to Discovery Education Assessment at its business address.

IX. No Warranties, Limitation of Liability. THE WEBSITE AND THE CONTENT ARE PROVIDED AS IS, AND ALL WARRANTIES OF ANY KIND, PAST OR PRESENT, WHETHER STATUTORY, COMMON-LAW OR FROM A COURSE OF DEALING OR USAGE OF TRADE, INCLUDING WITHOUT LIMITATION IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, SECURITY AND, EXCEPT AS MAY BE OTHERWISE STATED IN THIS AGREEMENT, NON-INFRINGEMENT, ARE EXPRESSLY DISCLAIMED TO THE FULLEST EXTENT PERMITTED BY LAW. DISCOVERY EDUCATION ASSESSMENT DOES NOT GUARANTEE OR MAKE ANY REPRESENTATIONS REGARDING THE USE OR ACCURACY OF THE WEBSITE OR THE CONTENT. NO ORAL OR WRITTEN INFORMATION OR ADVICE GIVEN BY DISCOVERY EDUCATION ASSESSMENT OR ITS EMPLOYEES SHALL CREATE A WARRANTY OR IN ANY WAY INCREASE THE SCOPE OF DISCOVERY EDUCATION ASSESSMENT'S OBLIGATIONS HEREUNDER, AND ASSESSMENT CUSTOMER MAY NOT RELY ON ANY SUCH INFORMATION OR ADVICE. IN NO EVENT SHALL DISCOVERY EDUCATION ASSESSMENT BE LIABLE FOR ANY LOST DATA, LOST PROFITS, BUSINESS INTERRUPTION, REPLACEMENT SERVICE OR OTHER SPECIAL, INCIDENTAL, CONSEQUENTIAL, PUNITIVE OR INDIRECT DAMAGES, HOWEVER CAUSED AND REGARDLESS OF THEORY OF LIABILITY.

X. Release. Assessment Customer and its Users release and waive all claims against Discovery Education Assessment, its parent, subsidiaries, affiliated companies, agents or content providers, and the directors, trustees, officers, shareholders, employees, agents and representatives of each of the foregoing, from any and all claims, damages, liabilities, costs and expenses arising out of User's use of the Website and the Content. California residents waive any rights they may have under §1542 of the California Civil Code, which reads: "A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor." Assessment Customer and its Users agree to release unknown claims and waive all available rights under California Civil Code §1542 or under any other statute or common law principle of similar effect.

XI. Representations/Indemnity. Assessment Customer represents and warrants that (i) it has full power and authority to authorize and submit the Assessment purchase order, and to agree to all the terms and conditions contained therein and in these Terms of Use, and has received all parental and other permissions required to permit Discovery Education Assessment to obtain and retain information (including personal information) from Users; (ii) only Assessment Customer or its Users shall access the Website and the Content; (iii) Assessment Customer and its Users will at all times use the Website and the Content only as expressly permitted by the Assessment Customer terms of purchase and these Terms of Use; (iv) in the event that Assessment Customer requests that Discovery Education Assessment customize the Website interface with Assessment Customer's trade name, trademarks or logos, and/or digitize and/or encode and/or host any of Assessment Customer's content on the Content and/or the Website, Assessment Customer has the right to so use and exploit any and all such trade names, trademarks, logos and content, including without limitation any and all underlying elements (the "Assessment Customer IP"), and (v) the Assessment Customer IP, any content, materials, and/or information contributed by Users, and any revisions to the Content by Users does not and will not contain any libelous, unlawful or infringing materials or content, will not infringe upon any party's proprietary rights, including without limitation statutory or common-law copyright, trademark and right of privacy, and will not violate any law, regulation or right of any kind whatsoever or give rise to any actionable claim or liability.

Assessment Customer and its Users shall defend, indemnify and hold Discovery Education Assessment, its parent, subsidiaries, affiliated companies, agents or content providers, and the directors, officers, shareholders, employees, agents and representatives of each of the foregoing, harmless against and from any and all claims, damages, liabilities, costs and expenses arising out of any violation by Assessment Customer and/or its Users of these Terms of Use, any downloading of the Content, any modification or edit made to any portion of the Content, and the use of any portion of the Content with products or services not supplied by Discovery Education Assessment.

All representations, warranties, and indemnities shall survive the expiration or prior termination of the Assessment Customer Agreement.

XII. Reporting Infringement. By accessing and/or using the Website and the Content, Users agree to report to Discovery Education Assessment all claims or suspected claims of copyright or other infringement of Discovery Education Assessment's intellectual property or other proprietary rights. Claims of infringement should be directed to Legal Department, Discovery Education, One Discovery Place, Silver Spring, Maryland 20910.

XIII. Miscellaneous. Failure to perform by reason of any law, natural disaster, labor controversy, encumbered intellectual property right, war or any similar event beyond a party's reasonable control shall not be a breach hereof. This Agreement shall be construed and enforced under the laws of the State of Maryland, USA without reference to the choice of law principles thereof. User hereby consents to and submits to the jurisdiction of the federal and state courts located in the State of Maryland. User waives any defenses based upon lack of personal jurisdiction or venue, or inconvenient forum. If any provision herein is unenforceable, then such provision shall be of no effect on any other provision hereof. No waiver of any breach hereof shall be deemed a waiver of any other breach hereof. Section headings are provided for convenience only, and shall not be used to construe the meaning of any section hereof.

**RIDER
TO THE TERMS OF USE**

1. Section VII (“Changes to the Terms of Use”)

The paragraph shall be deleted in its entirety and replaced with the following:

“Discovery Education Assessment reserves the right to change these Terms of Use from time to time. Such changes will become effective when Discovery Education Assessment posts the revised Terms of Use on the Website. Users should check the Terms of Use from time to time, as they are bound by the Terms of Use posted on the Website at the time of access; provided however that any such changes shall not take effect with respect to Customer. Any revised Terms of Use posted to the Website shall supersede all previous versions with respect to User and shall not take effect with respect to Customer.”

2. Section IX (“No Warranties, Limitation of Liability”)

The last sentence shall be deleted in its entirety and replaced with the following:

“TO THE EXTENT PERMITTED BY KENTUCKY LAW, IN NO EVENT SHALL DISCOVERY EDUCATION ASSESSMENT BE LIABLE FOR ANY LOST DATA, LOST PROFITS, BUSINESS INTERRUPTION, REPLACEMENT SERVICE OR OTHER SPECIAL, INCIDENTAL, CONSEQUENTIAL, PUNITIVE OR INDIRECT DAMAGES, HOWEVER CAUSED AND REGARDLESS OF THEORY OF LIABILITY.”

3. Section X (“Release”)

The paragraph shall be deleted in its entirety and replaced with the following:

“To the extent permitted by Kentucky law, Assessment Customer and its Users release and waive all claims against Discovery Education Assessment, its parent, subsidiaries, affiliated companies, agents or content providers, and the directors, trustees, officers, shareholders, employees, agents and representatives of each of the foregoing, from any and all claims, damages, liabilities, costs and expenses arising out of User’s use of the Website and the Content.”

4. Section XI (“Representations/Indemnity”)

The second paragraph shall be deleted in its entirety and replaced with the following:

“To the extent permitted by Kentucky law, Assessment Customer and its Users shall defend, indemnify and hold Discovery Education Assessment, its parent, subsidiaries, affiliated companies, agents or content providers, and the directors, officers, shareholders, employees, agents and representatives of each of the foregoing, harmless against and from any and all claims, damages, liabilities, costs and expenses arising out of any violation by Assessment Customer and/or its Users of these Terms of Use, any downloading of the Content, any modification or edit made to any portion of the Content, and the use of any portion of the Content with products or services not supplied by Discovery Education Assessment.”

5. Section XIII (“Miscellaneous”)

Both references to “the State of Maryland” shall be replaced with “the Commonwealth of Kentucky”

EXHIBIT C
DISCOVERY EDUCATION ASSESSMENT, LLC
DATA SECURITY POLICY

This Policy describes, in general, (i) what steps Discovery Education Assessment, LLC ("Discovery") takes to protect personally identifiable information ("PII") that is provided to Discovery; (ii) how PII may be used; (iii) with whom Discovery may share PII, and (iv) the steps Discovery takes to protect the PII.

I. DEFINITIONS

Capitalized terms referenced herein but not otherwise defined shall have the meanings as set forth below:

"Authorized Disclosee" means the following: (1) third parties to whom the Subscriber/Customer/Distributor has given Discovery written approval to disclose PII; (2) third parties to whom disclosure is required by law; and (3) if applicable, third party vendors working on Discovery's behalf or performing duties in connection with Discovery's services (e.g. hosting companies) and who are required to implement administrative, physical, and technical infrastructure and procedural safeguards in accordance with accepted industry standards.

"Authorized Use" means a Discovery employee authorized by the Subscriber/Customer/Distributor to access PII in order to perform services under an Agreement.

"Destroy" or "Destruction" means the act of ensuring the PII cannot be reused or reconstituted in a format which could be used as originally intended and that the PII is virtually impossible to recover or is prohibitively expensive to reconstitute in its original format.

"FERPA" means the Family Educational Rights and Privacy Act of 1974 (codified at 20 U.S.C. § 1232g) and its implementing regulations, as they may be amended from time to time. The regulations are issued by the U.S Department of Education, and are available at <http://www2.ed.gov/policy/gen/reg/ferpa/index.html>.

"Personally Identifiable Information" (or "PII") means any information defined as personally identifiable information under FERPA.

II. PRIVACY OF PERSONALLY IDENTIFIABLE INFORMATION

Basic Privacy Protections

1. Compliance with Law and Policy. All PII provided to Discovery is handled, processed, stored, transmitted and protected by Discovery in accordance with all applicable federal data privacy and security laws (including FERPA) and with this Policy.
2. Training. Employees (including temporary and contract employees) of Discovery are educated and trained on the proper uses and disclosures of PII and the importance of information privacy and security.
3. Personnel Guidelines. All Discovery employees are required to be aware of and work to protect the confidentiality, privacy, and security of PII. Discovery, and its respective personnel do not access PII except to comply with a legal obligation under federal or state law, regulation, subpoena, or if there is legitimate need for the information to maintain data systems or to perform required services under the Agreement with Subscriber/Customer/Distributor. The following provides a general description of the internal policies to which Discovery and its respective personnel adhere:
 - a. Limit internal access to PII to Discovery personnel with proper authorization and allow use and/or disclosure internally, when necessary, solely to personnel with a legitimate need for the PII to carry out the services provided under the Agreement.
 - b. Disclose PII only to Authorized Disclosees
 - c. Access PII only by Authorized Users.
 - d. When PII is no longer needed, delete access to PII.
 - e. Permit employees to store or download information onto a local or encrypted portable devices or storage only when necessary, and to create a written record for retention verifying that the information is encrypted and stored in password-protected files, and that devices containing the information have appropriate security settings in place (such as encryption, firewall protection, anti-virus software and malware protection).

- f. Any downloaded materials consisting of PII remain in the United States.
- g. Prohibit the unencrypted transmission of information, or any other source of PII, wirelessly or across a public network to any third party.
- h. Upon expiration or termination of Agreement, Discovery shall Destroy all PII previously received from Subscriber/Customer/Distributor no later than sixty (60) days following such termination, unless a reasonable written request is submitted by Subscriber/Customer/Distributor to Discovery to hold such PII. Each electronic file containing PII provided by Subscriber/Customer/Distributor to Discovery will be securely Destroyed. This provision shall apply to PII that is in the possession of Discovery, Discovery employees/personnel and/or Authorized Disclosees.

Information Security Risk Assessment

Discovery periodically conducts an accurate and thorough assessment of the potential risks and vulnerabilities to the confidentiality, integrity, and availability of electronic, paper, or other records containing PII maintained by Discovery; Discovery reports such risks as promptly as possible to Subscribers/Customers/Distributors; and Discovery implements security measures sufficient to reduce identified risks and vulnerabilities. Such measures are implemented by Discovery based on the level of risks, capabilities, and operating requirements. These measures include, as appropriate and reasonable, the following safeguards:

1. Administrative Safeguards

- a. Sanctions: Appropriate sanctions against Contractor personnel who fail to comply with Discovery's security policies and procedures.
- b. System Monitoring: Procedures to regularly review records of information systems activity, including maintaining access logs, access reports, security incident tracking reports, and periodic access audits.
- c. Security Oversight: Assignment of one or more appropriate management level employees of Discovery to be responsible for developing, implementing, and monitoring of safeguards and security issues.
- d. Appropriate Access: Procedures to determine that the access of Discovery personnel to PII is appropriate and meets a legitimate need to support their roles in business or educational operations. Procedures for establishing appropriate authorization and authentication mechanisms for Discovery personnel who have access to PII.
- e. Employee Supervision: Procedures for regularly monitoring and supervising Discovery personnel who have access to PII.
- f. Access Termination: Procedures for terminating access to PII when employment ends, or when an individual no longer has a legitimate need for access.

2. Physical Safeguards

- a. Access to PII: Procedures that grant access to PII by establishing, documenting, reviewing, and modifying a user's right of access to a workstation, software application/transaction, or process.
- b. Awareness Training: On-going security awareness through training or other means that provide Discovery personnel (including management) with updates to security procedures and policies (including guarding against, detecting, and reporting malicious software). Awareness training also addresses procedures for monitoring log-in attempts and reporting discrepancies, as well as procedures for safeguarding passwords.
- c. Incident Response Plan: Procedures for responding to, documenting, and mitigating where practicable suspected or known incidents involving a possible breach of security and their outcomes.
- d. Physical Access: Procedures to limit physical access to PII and the facility or facilities in which they are housed while ensuring that properly authorized access is allowed, including physical barriers that require electronic control validation (e.g., card access systems) or validation by human security personnel.
- e. Physical Identification Validation: Access is physically safeguarded to prevent tampering and theft, including procedures to address control and validation of a person's access to facilities based on his or her need for access to the PII.
- f. Operational Environment: Procedures that specify the proper functions to be performed, the manner in which they are to be performed, and the physical attributes of the surroundings of facilities where PII is stored.
- g. Media Movement: Procedures that govern the receipt and removal of hardware and electronic media that contain PII into and out of a facility.

3. Technical Safeguards

- a. Data Transmissions: Technical safeguards, including encryption, to ensure PII transmitted over an electronic communications network is not accessed by unauthorized persons or groups.
- b. Data Integrity: Procedures that protect PII maintained by Discovery from improper alteration or destruction. These procedures include mechanisms to authenticate records and corroborate that they have not been altered or destroyed in an unauthorized manner.
- c. Logging off Inactive Users: Inactive electronic sessions are designed to terminate automatically after a specified period of time.

Security Controls Implementation

Discovery has procedures addressing the acquisition and operation of technology, the specific assignment of duties and responsibilities to managers and staff, the deployment of risk-appropriate controls, and the need for management and staff to understand their responsibilities and have the knowledge, skills and motivation necessary to fulfill their duties.

Security Monitoring

In combination with periodic security risk assessments, Discovery uses a variety of approaches and technologies to make sure that risks and incidents are appropriately detected, assessed and mitigated on an ongoing basis. Discovery also assesses on an ongoing basis whether controls are effective and perform as intended, including intrusion monitoring and data loss prevention.

Security Process Improvement

Based on Discovery's security risk assessments and ongoing security monitoring, Discovery gathers and analyzes information regarding new threats and vulnerabilities, actual data attacks, and new opportunities for managing security risks and incidents. Discovery uses this information to update and improve its risk assessment strategy and control processes.

Audit

Discovery acknowledges Subscriber's/Customer's/Distributor's right to audit any PII collected by Discovery and/or the security processes listed herein upon reasonable prior written notice to Discovery's principal place of business, during normal business hours, and no more than once per year. Discovery shall maintain records and documentation directly and specifically related to the services performed under the Agreement for a period of three (3) years, unless otherwise stated in Section II(3)(h) of this Policy.

Breach Remediation

Discovery keeps PII provided to Discovery secure and uses reasonable administrative, technical, and physical safeguards to do so. Discovery maintains and updates incident response plans that establish procedures in the event a breach occurs. Discovery also identifies individuals responsible for implementing incident response plans should a breach should occur.

If a Subscriber/Customer/Distributor or Discovery determines that a breach has occurred, when there is a reasonable risk of identity theft or other harm, or where otherwise required by law, Discovery provides any legally required notification to affected parties as promptly as possible, and fully cooperates as needed to ensure compliance with all breach of confidentiality laws.

Discovery reports as promptly as possible to Subscribers/Customers/Distributors (or their designees) and persons responsible for managing their respective organization's incident response plan any incident or threatened incident involving unauthorized access to or acquisition of PII of which they become aware. Such incidents include any breach or hacking of Discovery's Electronic Data System or any loss or theft of data, other electronic storage, or paper. As used herein, "Electronic Data System" means all information processing and communications hardware and software employed in Discovery's business, whether or not owned by Discovery or operated by its employees or agents in performing work for Discovery.

Personnel Security Policy Overview

Discovery mitigates risks by:

1. Performing appropriate background checks and screening of new personnel, in particular those who have access to PII.
2. Obtaining agreements from internal users covering confidentiality, nondisclosure and authorized use of PII.
3. Providing training to support awareness and policy compliance for new hires and annually for personnel.