

AMENDED AND RESTATED
EDUCATIONAL, ADMINISTRATIVE, AND TECHNOLOGY
SERVICES AGREEMENT

Between the Idaho Virtual Academy, K12 Idaho L.L.C.
and, solely with respect to the provisions of Article IX, K12 Inc.

Amendment 1

The Amended and Restated Education, Administrative, and Technology Services Agreement made and entered into as of July 20, 2006 ("Agreement"), by and between K12 Idaho L.L.C. ("K12 L.L.C."), K12 Inc. ("K12") and Idaho Virtual Academy. ("Academy"), is hereby amended as follows as of this 30 day of June 2006:

1. Paragraph 5.04(b) now reads as follows: Academy Decrease in Net Assets. If at the end of a fiscal year and prior to the calculation of any forgiveness of debt, the Academy's total revenue is less than the Academy's total expenses (based on an audit conducted in accordance with the *Government Auditing Standards* issued by the Comptroller General of the United States and in conformity with accounting principles generally accepted in the United States), K12 shall forgive all the then outstanding K12 L.L.C. invoices ("Forgiven Debt") up to the amount necessary to assure that the Academy does not end the fiscal year with negative Net Assets. All expenses incurred by K12 L.L.C. on behalf of the Academy for a given year will be submitted prior to the completion of the Academy's audited financial statements. If the Agreement is renewed, the parties agree that in subsequent years if the Academy generates Net Assets (based on audited financial statements using generally accepted accounting principles) that exceed 3% of prior year expenditures within three years subsequent to the Forgiven Debt, K12 L.L.C. shall be entitled to the excess funds up to the total amount of the cumulative Forgiven Debt. In consideration of the foregoing commitment by K12 L.L.C. to forgive annually any decrease in Net Assets, the Governing Authority agrees that any expenditure increase that will produce or add to a decrease in Net Assets shall be agreed to by K12 L.L.C. in advance. To the extent this amendment contains terms that are in conflict with the terms of the Agreement, this amendment will control.

All other provisions of the Agreement shall remain in full force and effect.

K12 Idaho L.L.C., a Delaware Limited
Liability Company

By: [Signature]

Its: CFU

K12 Inc., a Delaware Corporation

By: [Signature]

Its: CFU

Idaho Virtual Academy, an Idaho non-profit
corporation

By: [Signature]

Its: IDVA Board of Directors, Chairman