

LETTER OF AGREEMENT

This Letter of Agreement, effective as of the later of the two signature dates appearing below, is entered into by and between PUGET SOUND EDUCATIONAL SERVICE DISTRICT No. 121 (“PSESD”) and EDUCATIONAL SERVICE DISTRICT No. 123 (“ESD No. 123”). By the Interlocal Cooperative Agreement dated July 13, 2004 (the “Interlocal Agreement”), the nine Educational Service Districts (“ESDs”) agreed to work together and to provide services authorized by Chapter 28A.310 RCW to school districts located within each other’s regions, and to affirm the cooperative working relationships between the nine ESDs in the State of Washington. Pursuant to the Interlocal Agreement and the statutory authority recited therein, PSESD and ESD No. 123 agree that:

1. Parties:

PSESD is the Initiating ESD and ESD No. 123 is the Receiving ESD as the terms are defined in the Interlocal Agreement. The Superintendent of PSESD and the Superintendent of ESD No. 123 have reached agreement regarding the scope of the services to be provided.

2. Scope of Services:

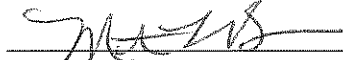
PSESD, through the Washington Learning Source (“WLS”), will provide the services and programs listed in Appendix A, attached hereto, to school districts within ESD No. 123’s region, as further provided and authorized by separate interlocal agreements entered into between the Board of Directors of such school district(s) and PSESD (“Customer Agreement”).

3. ESD Services and Revenue Sharing:

ESD No. 123 will provide certain contract management, promotion, support, and/or similar services, as described in a Revenue Sharing Schedule that will be agreed upon and amended from time to time by the WLS Advisory Team (the “Schedule”). If ESD No. 123 provides such contract management, promotion, support, and/or similar services described in the Schedule, PSESD or at PSESD’s option, the applicable vendor, will pay ESD No. 123 the corresponding revenue share amount set forth in the Schedule for that service with respect to the applicable Customer Agreement. ESD No. 123 may decline to provide some or all of the services described in the Schedule, by giving written notice to the PSESD, but in doing so it will waive any right to receive any payments with respect to such services under the Schedule.

IN WITNESS WHEREOF, the Parties have executed this Letter of Agreement as of the later of the dates shown below.

**PUGET SOUND EDUCATIONAL
SERVICE DISTRICT NO. 121**



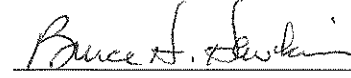
SIGNATURE

PRINTED NAME: Monte L. Bridges

TITLE: Superintendent

9-18-06
DATE

**EDUCATIONAL SERVICE
DISTRICT NO. 123**



SIGNATURE

PRINTED NAME: Bruce Hawkins

TITLE: Superintendent

9-01-06
DATE


8-16-04

APPENDIX A

Not all services described below are required to be provided at all times and/or to every school district. Applicable services will be provided pursuant to the terms of the applicable Customer Agreement.

- I. Cooperative and informational services, including but not limited to:
 - A. Providing information about technology-related products and services offered by various third party manufacturers, providers, and resellers (“Vendors”);
 - B. Providing training, support, maintenance, updates, and other assistance concerning Vendors’ products and services; and
 - C. Providing other services supporting the effective use of technology in education.
- II. Joint purchasing programs, including but not limited to:
 - A. Conducting the procurement process vis-à-vis various Vendors, to enter into agreements for the provision of goods and services, which agreements will be accessible to the school districts within ESD No. 123’s region that have entered into a Customer Agreement;
 - B. Accepting payments from the school districts within ESD No. 123’s region that have entered into a Customer Agreement for Vendors’ products and services and forwarding those payments to the respective Vendors;
 - C. Accepting orders from the school districts within ESD No. 123’s region that have entered into a Customer Agreement for Vendors’ products and services, forwarding those orders to the respective Vendors, and providing for shipment of such products to those school districts and authorized individuals; and
 - D. Distributing product keys to the school districts within ESD No. 123’s region that have entered into a Customer Agreement.