

Perception Dynamics Institute PO Box 231305 Encinitas, CA USA 92023-1305

Email: info@pathtoreading.com Telephone: 310-903-6009 https:// pathtoreading.com

PERCEPTION DYNAMICS INCORPORATED TERMS AND CONDITIONS

These Terms and Conditions ("Terms") govern all purchases of software licenses and services from Perception Dynamics Incorporated ("PDI"), unless PDI and the individual or entity purchasing ("Customer") have entered into a separate written agreement signed by both parties containing different terms. By using PATH to Reading®/InsightTM you accept these Terms and the Privacy Policy (https://pathtoreading.com/app).

1. Definitions.

- a. Customer means a person who is Using PATH to Reading/Insight.
- b. **PATH to Reading/Insight** means PDI's online hosted software as a service, including the programs Motion MemoryTM and Reading RateTM.
- c. **Support Material** means the technical and instructional support, product manual, and other product-related materials (written or electronic) provided to Customer in connection with PATH to Reading/Insight.
- d. **Online Material** means the visual interfaces, graphics, design, compilation, information, computer code, products, software (including any downloadable software), and the services.
- e. **Licensed Material** means, collectively, PATH to Reading/Insight, the Online Material and the Support Material.
- f. **Site(s)** means a school, clinic, therapy center where more than one (1) Customer is enrolled to Use PATH to Reading/Insight.
- g. Use means PATH to Reading/Insight is being accessed or viewed in any way by a person.
- 2. **Product Licenses**. PDI grants to Customer, and Customer accepts, a limited, revocable, non-exclusive, nontransferable license to Use PATH to Reading/Insight solely for educational and related administrative purposes and subject to the following conditions:
 - a. **Payment Options**: PATH to Reading/Insight is provided as a one-time payment for either 96 or 48 sessions of PATH to Reading/Insight for both therapists and individuals OR as a monthly license fee for individual users. Customer may purchase it for one-month or on automatic renewal each month. If Customer's license fee is set to auto-renewal, Customer will be charged approximately every 30 days from the date of the initial purchase. To cancel the license, Customer must cancel it within 24 hours of the billing date, within the connected Paypal account. Sixty sessions will be provided to use within each one-month active license period.
 - b. **Time limitations**: PATH to Reading/Insight may be used when your subscription is active or for one year if 96 sessions purchased, or 6 months if 48 sessions purchased. Customer will be entitled to Use PATH to Reading/Insight on app.PATHtoReading.com, subject to the following:
 - i. Customer's continuing access to the PATH to Reading/Insight requires payment of the license fee at the beginning of each month if purchased a monthly subscription.

- ii. If Customer ceases at any time to pay the license fee the license will terminate.
- iii. Customer may reinstate its access to PATH to Reading/Insight by paying the then current applicable license fee.
- iii. All support and service availability, including any unused sessions, expires at the end of the license period, once terminated. Unused services cannot be carried forward to future periods.
- c. **Site license**: PATH to Reading/Insight under a Site license may be used only by students who are regularly enrolled students or clients at the Site(s), teachers and administrators for the Site(s), and children who are family members of those teachers and administrators. In addition, PATH to Reading/Insight under a Site license may be used on an unlimited number of computers only at the specified Site(s), except if the Site has activated the home access feature, that Product may also be used by an authorized user at another location where the authorized user is then located. The administrative functions of PATH to Reading/Insight may be Used only by Customer staff with responsibilities for the specified Site.
- d. Per person license: Each per person license permits use of PATH to Reading/Insight during the specified license term by one single participant whose use is supervised by Customer. If the license was purchased by a school, school district, therapy office, or similar educational institution and one of the institution's participants stops using PATH to Reading/Insight at the beginning of the license term and less than 10 sessions were used, another participant may be substituted for the original participant only if all data relating to the original participant's Product use is deleted from Customer's and PDI's computers and servers.
- 3. **License Restrictions.** The Licensed Material is protected by United States and international copyright, trade dress, patent, and trademark laws, international conventions, and all other relevant intellectual property and proprietary rights, and applicable laws. The Licensed Material is licensed, not sold. All rights to the Licensed Material that are not expressly granted hereunder are reserved to PDI and/or its third-party licensors. Customer agrees not to, and agrees to cause all persons to whom it makes Licensed Material available **not to**:
 - a. Use, copy, publicly perform or display, rent, lease, lend, license, sublicense, sell, export, assign, transfer, distribute, transmit, publish, or in any other way disseminate, or otherwise make unauthorized use of any Licensed Material, except as expressly permitted by these Terms Customer is permitted to copy Support Material, for use only in connection with use of PATH to Reading/Insight under Customer's license. Any permitted copy must fully preserve all proprietary, copyright and identification notices contained in the original Licensed Material.
 - b. Reverse engineer, decompile, disassemble or otherwise attempt to derive the source code for PATH to Reading/Insight or for any software included in the Licensed Material.
 - c. Modify, translate or create derivative works or adaptations from the Licensed Material.
 - d. Use any portion of PATH to Reading/Insight other than allowed in these Terms.
 - e. Use any Licensed Material other than in connection with and to facilitate the use of PATH to Reading/Insight.
 - f. Modify or attempt to modify any license terms encoded in PATH to Reading/Insight or modify any settings for the purpose of circumventing the limitations of the license. Failure to comply with these restrictions will constitute a material breach of these Terms and a violation of the law, and will give PDI the right to immediately terminate the licenses granted hereunder and all rights granted hereby. All rights not expressly granted by these Terms are reserved by PDI

g. Build a competitive product or service, copy any features or functions of PATH to Reading/Insight, or use PATH to Reading/Insight as part of any research without the prior written consent of PDI.

4. Online Offerings:

a. Hosting

- i. Hosting services consist of PDI providing access to PATH to Reading/Insight to Customer and its participants over the Internet. Customer is responsible for providing client-side computers, equipment, Internet connections, software and other system requirements. In order for Customer to Use PATH to Reading/Insight, Customer's device must have a screen at least 6.5 inches by 6.5 inches.
- ii. PDI shall use commercially reasonable efforts to cause PATH to Reading/Insight to be available no less than 99% of the time. Upon learning of any material interruption of the availability of PATH to Reading/Insight PDI shall devote commercially reasonably available and appropriate resources to remedy such interruption.
- b. Data. The following data collected from PATH to Reading/Insight will upload to PDI: (i) data related to participants, and/or (ii) technical data, including but not limited to configuration and log files. Customer may also provide PDI with information about participants, their use of PATH to Reading/Insight and their results on tests or other assessments in another manner. All of this information is referred to as "Data." Customer acknowledges and agrees to this upload of data. Customer agrees that PDI may use the Data for the purpose of providing services and licenses to Customer and for research, norming, marketing and other purposes, provided that PDI shall comply with all applicable laws relating to such use, and Customer and participants may only be publicly identified as the source of any particular information where required by law or with the prior consent of the person whose identity would be disclosed. Customer covenants, represents and warrants that Customer has obtained and maintains in force all authorizations needed to send PDI any and all Data and to permit PDI to process the Data to provide services to Customer and the use of the Data as described above, including processing the Data.
- c. Security. PDI will host PATH to Reading/Insight at a reputable third party Internet service provider and hosting facility (the "Data Center") in PDI's discretion and determination, where it is subject to commercially reasonable security precautions designed to prevent unauthorized access. All data is HIPAA (Health Insurance Portability and Accountability Act of 1996) encrypted. Therefore, Customer acknowledges that, because of such security precautions, use of or connection to the Internet will not provide the opportunity for unauthorized third parties to circumvent such precautions and illegally gain access to PATH to Reading/Insight and Customer data. Accordingly, PDI guarantees the privacy, security or authenticity of any information so transmitted over or stored in any system connected to the Internet.
- d. **Prohibited Conduct** Customer understands and agrees that no person to whom it provides access to the Site may:
 - i. Harass, threaten, or defraud other users of PATH to Reading/Insight;
 - ii. Impersonate another person or access another user's account without that person's permission;
 - iii. Misrepresent the source, identity, or content of information transmitted via the services;
 - iv. Use PATH to Reading/Insight for any illegal purpose;
 - v. Use PATH to Reading/Insight in any manner that could damage, disable, overburden, or impair it or interfere with any other party's use and enjoyment of the services;

- vi. Attempt to gain unauthorized access to PATH to Reading/Insight, or any part of PATH to Reading/Insight, or content contained on PATH to Reading/Insight, other accounts, computer systems or networks connected to PATH to Reading/Insight, or any part of PATH to Reading/Insight, through hacking, password mining or any other means or interfere or attempt to interfere with the proper working of PATH to Reading/Insight or any activities conducted on PATH to Reading/Insight; or
- vii. Use any robot, spider, scraper, or other automated means to access PATH to Reading/Insight for any purpose without our express written permission or bypass any robot exclusion headers or other measures PDI may use to prevent or restrict access to PATH to Reading/Insight.
- Support. PDI will provide the following support activities for registered users of PATH to Reading/Insight:
 - a. Support for PATH to Reading/Insight includes:
 - i. Access to PDI's service representatives by any personnel of Customer by telephone, email or web chat, or zoom meeting.
 - ii. Access to PATH to Reading/Insight via PATHtoReading.com.
 - iii. Technical updates and modifications to PATH to Reading/Insight, as made available by PDI from time to time. Such updates and modifications are typically made available through a new update to PATH to Reading/Insight.
 - iv. Access to Support Materials, as such may be made available by PDI from time to time.
 - b. Support is limited to the licenses purchased.
- 6. All Services. PATH to Reading/Insight may include the following services:
 - a. PDI may provide services through its own personnel, third parties, or contractors.
 - b. PDI may, from time to time, in its sole discretion, add new content to or modify or discontinue content provided in connection with any services.
 - c. If Customer provides PDI with any comments, bug reports, feedback, or proposed modifications ("Feedback"), PDI shall have the right to use such Feedback at its discretion, including, but not limited to the incorporation of such suggested changes into PATH to Reading/Insight and/or services and the distribution, use or transfer of such Feedback. Customer hereby grants PDI a perpetual, irrevocable, nonexclusive license under all rights necessary to incorporate and use Customer's Feedback for any purpose.
 - d. To receive support services, Customer agrees to (i) supply PDI with sufficient information and data to reproduce any problems reported by Customer; (ii) use PATH to Reading/Insight on a computer, tablet, or iPad, and operating systems consistent with PDI's requirements; (iii) use a release of PATH to Reading/Insight then being supported by PDI; and (iv) maintain an operating environment free of any programs or modifications that might interfere with PATH to Reading/Insight.
 - e. Service days and web-delivered trainings and meetings will be scheduled by mutual agreement of Customer and PDI. PDI requires two (2) business days' notice to reschedule. If Customer reschedules less than two (2) business days prior to a scheduled service event, Customer may be charged for one (1) service event.
 - f. If Customer requests services outside the scope of PDI's standard services, PDI may charge Customer for those services at PDI's then-current time and materials rates and may require payment and/or a purchase order prior to providing such services.

7. Discontinued Products; Changes in Operating Systems.

- a. Once a new release, edition or version (collectively, a "Version") of a Product has been released, PDI may stop providing services (including support and other services) with respect to the discontinued Version, or may provide lower levels of services for the discontinued Version. PDI may, in its sole discretion, determine when services will be provided at a lower level or ended.
- b. Customer acknowledges that operating systems and browsers change from time to time and that PDI has no control over such changes and that PDI is not required to provide updates or revisions that will make PATH to Reading/Insight compatible with the operating system or browser that Customer may wish to use with the Product.

8. Using the Products and Services.

- a. Confirmed Orders. When an order for PATH to Reading/Insight is placed by Customer and accepted by PDI, the purchase commitment is confirmed and cannot be canceled by Customer. Once PATH to Reading/Insight is subject to a license that is made accessible to the Customer online or otherwise supplied to the Customer, PDI has completed performance of its obligations under that license, although PDI may continue to have obligations to provide related services (including hosting) that Customer has purchased.
- b. Customer is solely responsible for selecting appropriate participants to use PATH to Reading/Insight.
- c. Customer is solely responsible for providing the computer equipment, other software, headphones, telecommunications links, and/or Internet access required to use PATH to Reading/Insight and services in accordance with the system requirements provided by PDI. Customer is solely responsible for all expenses incurred by it when using PATH to Reading/Insight.
- d. Customer agrees to keep confidential any activation, product, organization or other codes, passwords and identification numbers relating to PATH to Reading/Insight or services that are issued to Customer by PDI or created by Customer and to use them only for the purposes of using PATH to Reading/Insight and services as permitted under these Terms.
- e. Customer is responsible for controlling and managing access to PATH to Reading/Insight and services and the data stored on PATH to Reading/Insight, using user identifications provided by PDI and generated by Customer. Customer agrees that in using PATH to Reading/Insight, Customer will comply with all applicable privacy and student records laws.

9. Limited Warranties

- a. Customer understands that any and all Content is made available to PATH to Reading/Insight users on an AS-IS, AS-AVAILABLE basis. PDI does not guarantee the availability of the Content for use, editing, viewing or downloading will be uninterrupted, bug free or available at all times. PDI reserves the right to discontinue any aspect of PATH to Reading/Insight at any time.
- b. Customer acknowledges that PATH to Reading/Insight must be followed by cognitive exercises that strengthen the same cognitive skills Customer is seeking to improve, (e.g. reading or problem solving) for at least 30 minutes following each session in order to expect improvements as published in leading scientific journals.

c. For individual licenses (not Site license), the Customer may request a refund within thirty (30) days of the date of purchase. Upon termination, Customer will immediately lose access to PATH to Reading/Insight.

10. No Other Warranties; Limitation of Liability.

- a. Neither PDI nor PATH to Reading/Insight provides medical advice, or medical or diagnostic services. Use of PATH to Reading/Insight is not a substitute for the professional judgment of health care providers in diagnosing and treating patients. As a reminder, treatment-related decisions regarding actual medical diseases, illnesses, and symptoms are best made in direct collaboration with a well-informed licensed medical or therapeutic professional. Always seek the advice of your physician or other qualified health provider with any questions you may have regarding a medical condition.
- b. To the maximum extent permitted by applicable law, PDI, on behalf of itself and its licensors. disclaims all other representations and warranties with respect to PATH to Reading/Insight, and services and, either expressed, implied, statutory or otherwise, including, but not limited to, implied warranties of merchantability, fitness for a particular purpose, title and noninfringement. PDI makes no warranty with respect to the efficacy of PATH to Reading/Insight, including but not limited to its efficacy in dealing with any learning problem or other condition. Regardless of the success or effectiveness of other remedies, in no event will PDI or its licensors be liable for any special, incidental, indirect, consequential or exemplary damages whatsoever arising out of these Terms or the use of or inability to use any product or service provided hereunder (including, without limitation, damages for lost information, lost revenues or profits or business interruption), however arising and under any theory of liability including, without limitation, breach of contract, breach of warranty, or tort (including negligence and strict liability) even if PDI or its licensors have been advised of or should have known of the possibility of such damages. In no event will PDI or its licensors be liable in damages or otherwise in excess of the amount paid to PDI for the software or service on which the claim is based. Customer acknowledges and agrees that the disclaimer of warranties, limitations on liability and limited remedies contained in these terms are fundamental parts of the basis of PDI's bargain hereunder. To the extent that PDI may not disclaim any warranty, the scope and duration of such warranty shall be the minimum permitted under applicable law.

11. General

- a. **Taxes**. Customer agrees to pay PDI all applicable sales, use or other taxes related to the purchase and these Terms, however designated, except for taxes based on PDI's income. If Customer claims tax exempt status, Customer agrees to provide PDI with evidence of such tax exemption upon PDI's request.
- b. **Breach; Termination**. PDI may charge a late fee of 1% per month (or if less, the maximum amount permitted by law) on any amount not paid within 60 days of its due date. If Customer fails to pay any amount due for more than 60 days past its due date, then PDI may also, without notice to Customer, suspend Customer's product licenses and the performance of any services until the past due amount (and any applicable late fee) is paid. In addition, either party may terminate any licenses and any obligations to perform services in whole or in part upon at least 30 days written notice to the other party, in the event the other party materially breaches its obligations under these Terms (including failure to pay) and fails to correct such breach within such 30-day period. Upon any such termination, all related licenses and all obligations to perform services terminate, Customer must stop using any Licensed Material to which the

terminated licenses relate, and Customer shall destroy or return all copies of Licensed Material under its control to PDI. All payments due prior to such termination remain due and payable.

- c. **Audit of Site Licenses**. Customer of Site licenses agree, at PDI's request, to give PDI reasonable access to Customer's premises and records and to all computers on which PATH to Reading/Insight has been used or accessed for the purpose of auditing Customer's compliance with its obligations. If PDI's audit finds that Customer has used PATH to Reading/Insight in a manner not permitted, Customer will pay any additional fees due under PDI's standard pricing schedule.
- d. **Entire Agreement**. These Terms constitute the entire agreement between PDI and Customer relating to the subjects hereof and supersede any prior understandings between the parties with respect thereto. If any terms in Customer's purchase order or similar document contradict these Terms, these Terms prevail. The agreement formed by these Terms may not be changed except by a written agreement executed by both parties. No terms of any purchase order, invoice or other document submitted by either party shall modify or supersede this agreement unless signed by both parties. The waiver or failure of PDI to exercise any rights hereunder will not be deemed a waiver of any further rights hereunder.
- e. **Severability**. If any part of these Terms is declared invalid by a court of competent jurisdiction or by operation of law, the remainder will be unimpaired, and the invalid term will be replaced by such valid term as comes closest to the intention underlying the invalid term.
- f. **Injunctive Relief**. Customer expressly acknowledges and agrees that damages alone would be an inadequate remedy for any threatened or actual violation by Customer of any of the provisions of these terms. Accordingly, Customer agrees that PDI shall be entitled to petition a court of competent jurisdiction to provide preliminary or permanent equitable relief, including injunctive relief, without necessity of posting a bond, to prevent threatened breach of these Terms or to otherwise preserve PDI's intellectual property rights and that such remedy shall be in addition to all other rights and remedies available to PDI.
- g. **Attorneys Fees**. In the event of any dispute between the parties concerning the Terms, PDI and PATH to Reading/Insight, the prevailing party in such dispute shall be entitled to recover from the losing party all fees, costs and expenses of enforcing any right of such prevailing party under or with respect to this Agreement, including without limitation, such reasonable fees and expenses of attorneys and accountants, which shall include, without limitation, all fees, costs and expenses of appeals.
- h. **Governing Law; Jurisdiction and Venue**. This Agreement shall be governed by and interpreted in accordance with the laws of the state of California without giving effect to any applicable conflicts of law provisions. The parties agree that in the event that any suit or proceeding is brought in connection with these Terms, such suit or proceeding shall be brought in the state or federal courts located in San Diego County, California, and the parties shall submit to the exclusive jurisdiction of such courts and waive any and all jurisdictional, venue and inconvenient forum objections to such courts.

PERCEPTION DYNAMICS INCORPORATED PRIVACY POLICY

This Privacy Policy is effective as of February 29, 2020.

This privacy policy ("Privacy Policy") explains how Perception Dynamics Incorporated ("PDI") (the "Company," "we" or "our") collects, uses, and discloses information in connection with PATH to Reading/Insight (the "Services").

For the purposes of this Privacy Policy, "you" and "user" means an employee of a local education agency (which we refer to as a "school" in this Privacy Policy), a service provider, a child who uses the Services, or the parent or guardian of a child who uses the Services, or an adult who is accessing the Services for their own use, in each case who is accessing the Services through a particular username and password. Accounts for children may be created by authorized individuals such as their teachers, another entity or affiliate of the school, a service provider working with the child, or a parent or guardian (an "Authorized Person"). Please note that this Privacy Policy applies only to information collected from you (or, if you were enrolled by a third party, such as a school district, teacher or service provider (each, an "Authorized Person" from such Authorized Person) by the Company via the Services and does not apply to information obtained or disclosed through offline correspondence or personal contacts with the Company's representatives.

1. YOUR ACCEPTANCE OF THIS PRIVACY POLICY AND REVISIONS TO THIS PRIVACY POLICY

By using the Services you agree to this Privacy Policy and consent to the collection and use of your personal information as set forth in this Privacy Policy. If you do not agree to this Privacy Policy, you may not use the Services. The Company reserves the right, in our discretion, to change, modify, add or remove portions of this Privacy Policy from time to time, upon providing you with prior notice. Notice will be provided by sending you an email at the address we have on file for you with your account.

2. INFORMATION COLLECTED AND HOW WE USE IT

- a. You always remain in control of the information you provide to the Company. We may collect the types of personally identifiable information about a User that are described in Schedule 1 at the end of this Privacy Policy, which an Authorized Person or User voluntarily submits to us. If you would like your information deleted, please see section 6 below.
- b. All data is HIPAA (Health Insurance Portability and Accountability Act) encrypted to protect user identification and health information.

3. DATA SHARING AND TRANSFER

- a. The Company will provide data and the personal identifiable information on individual children and adults, and the analysis of results and trends for all children and adults on an aggregate basis to some or all of the following's authorized personnel (collectively "Customer"): the individual's applicable state education agency, school district, school, teacher, parent service provider, or individual, or other applicable agency. The Company provides such information as a service to its Customer, but it does not control the use of such data after it provides it to the Customer. Consequently, the Company takes no responsibility or liability for the use of such data after it provides it to the Customer. PDI does not provide, sell or lend any personally identifiable information to any third party.
- b. The Company reserves the right to disclose your personally identifiable information based on the good faith belief that such action is necessary or appropriate to: (i) protect and defend the rights or property of the Company, or (ii) act in urgent circumstances to protect the safety or security of a child, the public or of users of the Company's services and/or the Services.

c. In the event that the Company is involved in a transaction such as a merger, stock purchase or sale, or sale of substantially all of the Company's assets, personal information may be transferred to the other party in such transaction under the same level of security it had before the transaction.

4. THIRD PARTIES AND YOUR PERSONAL INFORMATION

PDI uses tools from service providers to help PDI operate the Services ("Service Providers"), and depending on the service, these Service Providers may have access to your personal information. Although PDI contractually requires all Service Providers to use your information in connection with the requested services, to treat your information as confidential, and to only use it for the services PDI needs, PDI does not control how Service Provider's actual use of your information and PDI is not responsible for Service Providers' use of your information for purposes not authorized by PDI.

5. USE OF CHILDREN'S PERSONALLY IDENTIFIABLE INFORMATION

The Company stores only the child records provided to us by our Customers. As a custodian of a Child's personally identifiable information, the Company complies with the federal Family Educational Rights and Privacy Act (FERPA) in its handling of a child's records. Upon our collection of your personally identifiable information, the Company may use such personally identifiable information internally, separately or in combination with pre-existing information, for the following purposes:

- · To provide any requested services limited to the educational context in which the information was provided;
- · To troubleshoot problems with the Services, or any services, as requested; or
- · To enforce our Terms.

6. DELETION OF INFORMATION

- a. **Parents.** If you are the parent of a child who was enrolled by an Authorized Person you may contact the Authorized Person to have your child's information removed.
- b. **Children.** You must contact the Authorized Person who created your account with regard to any questions or concerns with respect to your information. We may collect, maintain and use contact information you (or an Authorized Person) have voluntarily submitted so that we can contact you to respond to your comments or requests for information.
- c. **Adults**. You may contact PDI at info@pathtoreading.com to request the deletion of your information.
- d. Upon a Customer's request, the Company will delete all personally identifiable child data from its records. The Company may retain aggregate, non-identifying child usage information for the purpose of reporting, analytics, and improving the Company's products and services. Perception Dynamics Incorporated does not provide, sell or lend any personally identifiable information to any third party.

7. SECURITY

a. Your personal information will be stored in the Company's cloud-based data hosting Service Provider, which IS located in the United States. We take steps to make all information received from you online as secure as commercially reasonably possible against unauthorized access

and use. Since all data is HIPAA encrypted PDI guarantees your information's absolute security.

- b. If we know or have reason to know of a systems security breach by an unauthorized party that results in the disclosure of personally identifiable information (not likely since all data is HIPAA encrypted) or that any of your Information was used for an unauthorized purpose, then we will notify you as soon as possible electronically so that you can take appropriate protective steps. We will also post an additional notice through the Services if a security breach occurs that reveals personally identifiable information.
- c. Depending on where you live or where your schools are located, you may also have a legal right to receive notice of a security breach that reveals personally identifiable information in writing, and we will provide you with such required written notice in addition to the electronic notice.

8. CHILDREN'S PRIVACY

The Company is strongly committed to protecting the safety and privacy of children who use the Services. We do not knowingly collect personal information online from children under 16 without consent from the Authorized Person. The Company acknowledges and agrees that when administered in a school setting, the school's ability to consent for the parent is limited to the educational context – where an operator collects personal information from children for the use and benefit of the school, and for no other commercial purpose. The Company does not use personally identifiable information for any other commercial purpose. When provided by an Authorized Person, we may receive some or all of the personally identifiable information described in Schedule 1 to this Privacy Policy, which the parent, guardian or Authorized Person has voluntarily submitted. The Company will provide this information to its Customer, as described in the "Data Sharing and Transfer" section above, and the Company takes no responsibility or liability for the use of such data after it provides it to the Customer. Any information submitted by children and adults, whether it would be considered personally identifiable information or not, is treated by the Company with the same safeguards as personally identifiable information. An Authorized Person who has given the Company permission to collect and use a child's personal information can modify, update, correct a child's information or discontinue further collection or use of a child's information in accordance with the procedures described in the "Access to Your Information" section above.

9. FOR USERS IN THE EUROPEAN UNION.

- a. **Legal Basis for Processing.** Since all personal data is HIPAA encrypted, our legal basis for collecting, using, and sharing your information will not be an issue.
- b. **Your Personal Information Rights.** If you would like to exercise your rights of access rectification, erasure, restriction of processing, data portability, and/or your right to object to the processing of your personal information, please follow the instructions provided in Section 6.

10. CHOICE AND OPT-OUT PREFERENCES

The Company does not collect your personally identifiable information unless you choose to provide it. If, at any time, you prefer not to receive further email communications from the Company, you will have the ability to unsubscribe from such communications by means of a link or to write to us to opt out. If, at any time, you prefer not to receive any other form of communication from the Company, you will have the ability to unsubscribe from such communications by contacting us at the address below.

QUESTIONS OR COMMENTS

The Company welcomes questions and comments about this Privacy Policy. Questions or comments should be directed to the address below:

Perception Dynamics Institute

P.O. Box 231305

Encinitas, CA 92023-1305

info@pathtoreading.com 310-903-6009

SCHEDULE 1

Types of Student Information and Data

In PATHtoReading/Insight, PDI may collect the information listed in the first section below is required to register a User on PATHtoReading/Insight.

The first name, last name, date of birth, address, phone number, gender, school, username and password establishes an account for an individual User on PATHtoReading®/Insight and the associated login credentials. The information on grade, ELL and/or Special Education designations are needed to group students by learning problem.

- · First Name, Last Name
- · Address and Phone Number
- · Date of Birth
- · Student Username
- · Student Password
- · Grade
- · Gender
- · School and/or Teacher or Therapist

The following optional information can be entered for a student while registering but is not required:

- · Student ID
- · Parent email
- · Race/Ethnicity
- · English Language Learner (yes or no)
- · Special Needs Student
- · Dyslexia / Specific Reading Disability
- · Internal Timing or Balance Disorder
- · Multitasking or Memory Disorder
- Math Disorder
- · Intellectual Disability, e.g. Downs Syndrome
- · Phonological Disorder
- · Autism
- · Asperger's Syndrome
- · Expressive Communicative Disorder
- · Developmental Delay
- · Specific Learning Disability
- · Attention Deficit Disorder
- · Rett's Disorder
- · Childhood Disintegrative Disorder
- · Receptive Communication Disorder
- · Concussion (Traumatic Brain Injury): mild or severe
- · Convergence Insufficiency (two eyes not working together correctly)

· Vision problems, e.g. tunnel vision, movement disorders, depth perception, amblyopia, or poor acuity

Student progress information and data is collected primarily for use by school educators or therapists and administrators to help students and adults with their learning and reading skills.

· PATHtoReading/Insight[™] program

Individual exercise progress and results:

- Attendance (date and time that the student worked on the exercises)
- Participation (amount of time per day working on the exercises)
- Percentage of exercise content mastered (daily, weekly, monthly) based on number of complexity levels completed
- Contrast Sensitivity function at each level of complexity (details level by level).
- Number of sessions completed, each session being ½ training cycle.
- Number of Fish earned (contrast thresholds at 1% contrast or lower).
- Score at end of each session, and Personal Best score.