



The Children's Online **Privacy** Protection Act (or "**COPPA**") – not to be confused with the Children's Online Protection Act (or "COPA") – is a Federal law that specifies the responsibilities of "website operators" to protect children's privacy online. COPPA requires, among other things, that website operators obtain "**verifiable parental consent**" in connection with the online collection of information from children who are less than 13 years of age.

ALEKS fully supports the goals and policies reflected in COPPA. See our Privacy Statement at http://www.aleks.com/privacy_statement, particularly "Special Policies Regarding Children Under 13," where we state:

We will not collect personally identifiable information from children under 13 without prior verifiable parental consent. We will not distribute to third parties any personally identifiable information collected from a child under 13 without prior verifiable parental consent. We will not give the ability to children under 13 to publicly post or otherwise distribute personally identifiable information without prior verifiable parental consent, and will make best efforts to prohibit a child from posting any such information. We will not entice a child under 13 by the prospect of a special game, prize or other activity, to divulge more information than is needed to participate in such activity.

The sole business of ALEKS Corporation is to provide educational resources, so it may seem improbable that the Federal Trade Commission ("FTC") would prosecute ALEKS under COPPA. There is no exemption, however, for companies like ours whose sole mission is to improve education. The penalties imposed by the Federal government for violating COPPA are extreme.

COPPA and the regulations issued by the FTC under COPPA require ALEKS to obtain verifiable consent from someone we can legally verify is the parent or guardian of each ALEKS student that we aren't certain is age 13 or older. This is a major challenge. Although the Federal government theoretically provides several ways of obtaining verifiable parental consent, in fact, there is only one that is at all practical in our circumstances:

Accepting and verifying a credit card number

Accordingly, it is the policy of ALEKS to allow the use of ALEKS consumer products only when we have achieved verifiable parental consent under COPPA in the form of a credit card in accordance with the Federal government's rules described above.

When someone obtains free use of ALEKS for a period of time, we "accept and verify" a credit card number solely to accomplish the legal goals set forth above. We **never** charge the credit card of someone who has not purchased an ALEKS subscription.