

WHEREAS: businesses have a recognized legal right to express opinions to legislators and regulators on public policy matters.

We believe in full disclosure of our company's lobbying activities and expenditures to assess whether our lobbying is in the best interests of shareholders and our stated mission "to put students first and maximize their potential to learn and achieve."

Since 2004, K12 has spent nearly 2 million dollars on state lobbying, according to the National Institute on Money in State Politics, yet over that same period, K12 stock has fallen approximately 45 percent, nearly 65 percent over the last 5 years, and 15 percent over the last year. K12 is also involved in the highly controversial American Exchange Legislative Council (ALEC), but does not disclose or explain to investors its contributions to ALEC or other lobbying groups. In 2013, ALEC put forth at least 139 bills for the benefit of K12, 31 of which were written into law to promote private, for-profit education models.

But prior to and subsequent to ALEC's model legislation campaign, K12's performance has not fallen in line with our stated mission. *Bloomberg* reports a 2013 National Education Policy Center study found only 27 percent of K12's online schools met Adequate Yearly Progress standards from 2010 to 2011, compared to 52 percent of public schools. And a 2016 *Mercury News* investigation into California Virtual Academies found fewer than half of the students graduate, less than half were proficient in reading, only a third were proficient in math, and almost none were qualified to attend the state's public universities. *Mercury News* also reported inflated attendance and enrollment records used to determine taxpayer funding, and charges in excess of what the schools can afford, leading lawmakers to launch a state probe.

RESOLVED: the shareholders of K12 Inc. request the Board prepare a report, updated annually, disclosing:

1. Company policy and procedures governing lobbying, both direct and indirect, and grassroots lobbying communications.
2. Payments by K12 used for (a) direct or indirect lobbying or (b) grassroots lobbying communications, in each case including the amount of the payment and the recipient.
3. K12's membership in and payments to any tax-exempt organization that writes and endorses model legislation.
4. Description of the decision making process and oversight by management and the Board for making payments described in section 2 above.

For purposes of this proposal, a "grassroots lobbying communication" is a communication directed to the general public that (a) refers to specific legislation or regulation, (b) reflects a view on the legislation or regulation and (c) encourages the recipient of the communication to take action with respect to the legislation or regulation. "Indirect lobbying" is lobbying engaged in by a trade association or other organization of which K12 is a member. "Direct and indirect lobbying" and "grassroots lobbying communications" include efforts at the local, state and federal levels.

The report shall be presented to the Audit Committee or another relevant Board committee and posted on the company's website.