

MILKEN MICHAEL R
Form 4
July 27, 2010

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
MILKEN MICHAEL R

(Last) (First) (Middle)

1250 FOURTH STREET

(Street)

SANTA MONICA, CA 90401

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
K12 INC [LRN]

3. Date of Earliest Transaction
(Month/Day/Year)
07/23/2010

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

___ Director ___ 10% Owner
___ Officer (give title below) ___X___ Other (specify below)

See Footnotes 1 to 7

6. Individual or Joint/Group Filing(Check Applicable Line)

___ Form filed by One Reporting Person
X Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|--|--------------------------------------|--|--------------------------------|---|---|--|---|
| | | | Code | V | Amount | (A) or (D) | Price |
| Series A Special Stock, par value \$0.0001 (1) | 07/23/2010 | | J(2) | | 2,750,000 | A (2) | 2,750,000 |
| Common Stock | | | | | 4,374 | I (4) (5) (6) (7) | Knowledge Universe Learning Group LLC |
| Common Stock | | | | | 82,503 | I (4) (5) (6) (7) | Knowledge Industries |

| Common Stock | 1,522 | I (4) (5) (6) (7) | Hampstead Associates L.L.C. | LLC |
|--------------|-----------|-------------------|-----------------------------|-----|
| Common Stock | 4,665,083 | I (4) (5) (6) (7) | Learning Group LLC | |
| Common Stock | 399,171 | I (4) (5) (6) (7) | Learning Group Partners | |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Nu Deriv Secur Bene Own Follo Repo Trans (Instr |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|--|
| | | | | | | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| | | | | | | Code | V (A) (D) | | |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|---------|---------------------------|
| | Director | 10% Owner | Officer | Other |
| MILKEN MICHAEL R 1250 FOURTH STREET SANTA MONICA, CA 90401 | | | | See Footnotes 1 to 7 |
| KNOWLEDGE UNIVERSE LEARNING GROUP LLC 1250 FOURTH STREET SANTA MONICA, CA 90401 | | | | See Footnotes 4, 5, 6 & 7 |
| KCDL HOLDINGS LLC 1250 FOURTH STREET | | | | See Footnotes 1 to 7 |

SANTA MONICA, CA 90401

Signatures

| | |
|--|------------|
| /s/ Michael R. Milken, By: Michael R. Milken, An individual | 07/27/2010 |
| __Signature of Reporting Person | Date |
| /s/ Stanley E. Maron, By: Stanley E. Maron, Secretary of Knowledge Universe Learning Group LLC | 07/27/2010 |
| __Signature of Reporting Person | Date |
| /s/ Stanley E. Maron, By: Stanley E. Maron, Secretary of KCDL Holdings LLC | 07/27/2010 |
| __Signature of Reporting Person | Date |

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
 - ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) The Series A Special Stock (the "Special Stock") represents a series of K12 Inc. (the "Issuer") Preferred Stock.
- The shares of Special Stock have been issued to KCDL Holdings LLC ("KCDL") pursuant to an Agreement and Plan of Merger, dated as of July 23, 2010, among the Issuer, Kayleigh Sub Two LLC, a wholly owned subsidiary of the Issuer, Kayleigh Sub One Corp., a wholly owned subsidiary of the Issuer, KCDL and KC Distance Learning, Inc. ("KC Distance"), a wholly owned subsidiary of KCDL, pursuant to which, among other matters, KC Distance has been merged with Kayleigh Sub One Corp., with KC Distance continuing as the surviving corporation of the merger, in which each share of common stock, par value \$0.0001 per share, of KC Distance has been converted into shares of the Special Stock. As of July 23, 2010, the estimated value of the consideration exchanged for the Special Stock is \$63,112,500.
- The Special Stock shall be convertible into shares of Common Stock of the Issuer upon the satisfaction of certain conditions set forth in a Certificate of Designations, Preferences and Relative and Other Special Rights, dated as of July 23, 2010 (the "Certificate of Designations"), on a one-for-one basis, subject to certain anti-dilution provisions as set forth in the Certificate of Designations. The Special Stock shall be redeemable for cash upon the satisfaction of certain conditions set forth in the Certificate of Designations and subject to certain anti-dilution provisions as set forth in the Certificate of Designations.
- (2) The shares of common stock of the Issuer are held of record by each of Knowledge Industries LLC ("Knowledge Industries"), Hampstead Associates, L.L.C. ("Hampstead"), Learning Group LLC ("Learning Group"), Learning Group Partners ("Learning Group Partners"), and Knowledge Universe Learning Group LLC ("KULG"), respectively. (continued on footnote 5)
- Ridgeview Associates, LLC ("Ridgeview") is the manager and a member of Hampstead, and in such capacities may be deemed to have the power to direct the voting and disposition of, and to share beneficial ownership of, any securities owned of record by Hampstead.
- (3) KULG may also be deemed a controlling person of each of Learning Group and KCDL, and in such capacity may be deemed to have the power to direct the voting and disposition of, and to share beneficial ownership of, any securities owned of record by each of Learning Group and KCDL.
- Michael R. Milken may be deemed to be a controlling person of each of Knowledge Industries, Hampstead, Learning Group, Learning Group Partners, Ridgeview, KULG and KCDL and in such capacities may be deemed to have the power to direct the voting and disposition of, and to share beneficial ownership of, any securities owned of record, or beneficially owned, by each of Knowledge Industries, Hampstead, Learning Group, Learning Group Partners, Ridgeview, KULG and KCDL, but disclaims such beneficial ownership except to the extent of his pecuniary interest therein.
- (4) The Reporting Persons may be deemed to be a group, and also may be deemed to be a group with Lowell J. Milken and other entities which are controlled, directly or indirectly, by Lowell J. Milken. The Reporting Persons disclaim such group membership. The filing of this statement shall not be deemed an admission that, for purposes of Section 16 of the Securities Exchange Act of 1934, or otherwise, a Reporting Person is the beneficial owner of equity securities covered by this statement or any other statement that are beneficially owned, directly or indirectly, by any other person.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.