

MILKEN LOWELL J
 Form 4
 January 31, 2011

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
 Expires: January 31, 2005
 Estimated average burden hours per response... 0.5

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 *
 KCDL HOLDINGS LLC

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
 1250 FOURTH STREET

3. Date of Earliest Transaction (Month/Day/Year)
 01/27/2011

____ Director _____ 10% Owner
 ____ Officer (give title below) Other (specify below)
 X See Fn. (1)(2)(3)(4)(5)(6)

(Street)
 SANTA MONICA, CA 90401

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

6. Individual or Joint/Group Filing(Check Applicable Line)
 ____ Form filed by One Reporting Person
 Form filed by More than One Reporting Person

(City) (State) (Zip)

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 Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Ownership Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| | | | | (A) or (D) | Code V Amount (D) Price | | |

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 | 2. Conversion or Exercise | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any | 4. Transaction Code | 5. Number of Derivative Securities | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) |
|---------------------------------|---------------------------|--------------------------------------|-----------------------------------|---------------------|------------------------------------|--|---|
|---------------------------------|---------------------------|--------------------------------------|-----------------------------------|---------------------|------------------------------------|--|---|

Edgar Filing: MILKEN LOWELL J - Form 4

- (1) The Series A Special Stock (the "Special Stock") represents a series of K12 Inc. (the "Issuer") Preferred Stock.

The shares of Special Stock were issued to KCDL Holdings LLC ("KCDL") on July 23, 2010 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., a wholly owned subsidiary of KCDL. The acquisition of the Special Stock was previously reported on a Form 4 filed on July 27, 2010.

- (2) Following approval by the holders of a majority of the Issuer's Common Stock at a special meeting of stockholders on January 27, 2011, the Special Stock is convertible into shares of Common Stock of the Issuer at any time on a one-for-one basis, with no expiration date,
- (3) subject to certain anti-dilution provisions as set forth in the Certificate of Designations, Preferences and Relative and Other Special Rights, dated as of July 23, 2010 (the "Certificate of Designations"). Upon the satisfaction of certain conditions set forth in the Certificate of Designations, the Special Stock will automatically convert into 2,750,000 shares of Common Stock.

- (4) Knowledge Universe Learning Group LLC ("KULG") may be deemed a controlling person of 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 KCDL.

- (5) Each of Lowell J. Milken and Michael R. Milken may be deemed to be a controlling person of each of KULG and KCDL. In such capacities, each of Lowell J. Milken and Michael R. Milken 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 KULG and KCDL, but each of Msrs. L. Milken and M. Milken disclaims such beneficial ownership except to the extent of his pecuniary interest therein.

- (6) The Reporting Persons may be deemed to be a group, and also may be deemed to be a group with other entities which are controlled, directly or indirectly, by Lowell J. Milken and/or Michael R. 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.