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From: [Redacted]
Sent: Wednesday, August 18, 2010 8:37 AM
To: Brian Swartz
Cc: [Redacted]
Subject: i3 Contract - Ready for your execution
Attachments: 20100818 - i3 MSA FINAL.docx

Hi Brian,

Attached is the final contract for i3 to perform our "swat" effort on the WIU FY09 late stage delinquent student borrower population. The contract is our standard form contract with the added regulatory language consistent with the content included in the GRC contract. It has undergone legal review, as well as [Redacted] has reviewed.

If you have any questions as you read through please give me a call to discuss.

[Redacted]

– Can you please prepare the attached document for Brian’s signature and let me know when ready to send to i3.

Thank you.

[Redacted]

AVP - Apollo Financial Aid

Apollo Group | Apollo Financial Aid | FP&A and Financial Reporting

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 Please consider the environment before printing this email.

COHORT DEFAULT MANAGEMENT SOLUTIONS AGREEMENT

This Cohort Default Management Solutions Agreement (“Agreement”) is made and entered into this 1st day of July, 2010 (“Effective Date”) by and between Apollo Group, Inc. (“Apollo Entity” or “Apollo”), and i3 Group, LLC, a wholly owned subsidiary of FMS Investment Corp (collectively “Company”).

1. PURPOSE OF AGREEMENT. This Agreement sets forth the terms and conditions applicable to all services (“Services”) to be provided by Company to Apollo Entity as more fully described on the Work Statement and Pricing Schedule and Statement of Work (“Master Agreement Rider”) (**Exhibit A**) that is signed by an authorized representative of each party to this Agreement.

2. DEFINITIONS:

“Apollo Affiliate” means Apollo Group, Inc. and any entity that wholly or partially controls, is controlled by, or is in common control with Apollo Group, Inc.

“Apollo Indemnified Parties” means Apollo Entity, Apollo Affiliates, their respective directors, officers, employees, shareholders and agents and all of their respective successors and permitted assigns.

“Confidential Information” means all confidential and proprietary information of Apollo Entity and Apollo Affiliates, disclosed, prior to the execution of this Agreement or after, whether orally or in writing, that is specifically designated as confidential or that reasonably should be understood to be confidential given the nature of the information and the circumstances of disclosure, including, but not limited to, the following: terms and conditions of this Agreement (including pricing and other terms set forth herein), customer information and data, Student Information (as defined below), Personal Information (as defined below), financial information, any information pertaining to the business organization, operations or plans, business records and plans, marketing strategies, cost, discounts, product design information and technical information.

“Deliverables” means the tangible items (including without limitation any computer programs, plans, business metrics, configurations, documents, processes models, interfaces, test cases, notes and data) that Company will provide to Apollo Entity as specified in the SOW or the Master Agreement Rider.

“Personal Information” means any information that Company obtains in any manner from any source during or in connection with its performance of this Agreement that concerns any of Apollo Entity’s or any Apollo Affiliate’s prospective, former and existing students, customers or employees. Personal Information includes, without limitation, names, addresses, telephone numbers, e-mail addresses, social security numbers, credit card numbers, call-detail information, student records, purchase information, product and service usage information, account information, credit information, demographic and any other personally identifiable information.

“Student Information” means any student or alumni information of Apollo Entity or an Apollo Affiliate, including but not limited to student or alumni names, email addresses, identification code or other academic or financial records.

“Third Party Processor” means a third party that Apollo Entity uses to process purchase orders and invoices.

3. MASTER AGREEMENT RIDERS; STATEMENTS OF WORK. Each Master Agreement Rider shall contain an itemized list of all Services to be provided, together with the price to be charged therefor. A statement of work (“SOW”) that is signed by an authorized representative of each party to this Agreement may, from time to time, accompany the Master Agreement Rider. Each Master Agreement Rider and/or SOW shall incorporate this Agreement by reference as though the Agreement is fully set forth therein. Each Master Agreement Rider and/or SOW shall include, at a minimum: (i) a description of the Services and/or Deliverables to be provided by Company under the Master Agreement Rider and/or SOW; (ii) each party’s specific responsibilities and obligations with respect thereto; (iii) delivery and/or performance schedules; and (iv) any other information the parties deem necessary or appropriate to be included in the Master Agreement rider and/or SOW. The terms and conditions of this Agreement shall be applicable to all Deliverables. In the event of a conflict between any Master Agreement Rider and/or SOW and this Agreement, the terms and conditions set forth in this Agreement shall govern unless the parties specifically and expressly state otherwise in such Master Agreement Rider and/or SOW.

4. PAYMENT TERMS.

(a) **Fees.** In consideration for the Services and/or Deliverables, subject to Sections 5 and 6 of this Agreement, Apollo Entity shall pay Company the fees and/or other consideration for the Services and/or Deliverables ("Fees") set forth in the relevant Master Agreement Rider and/or SOW. Unless otherwise agreed by the parties in writing, the currency to be used for payment of the Fees is the United States Dollar.

(b) **Expenses.** Apollo Entity shall reimburse Company for any expenses incurred in connection with performing the Services and/or Deliverables ("Expenses"), but only to the extent the Expenses are specifically itemized in the Master Agreement Rider and/or SOW and authorized in advance by Apollo Entity in writing. Except as specified in the Master Agreement Rider and/or SOW, Company shall not be entitled to payment from Apollo Entity for any other expenses, charges, fees or costs incurred by Company and associated with the Services and/or Deliverables. Notwithstanding anything to the contrary in any document, reimbursable Expenses shall be on a pass-through basis only, and in no event shall Apollo Entity pay Company a mark-up or process fee of any kind with respect to such Expenses. To the extent Apollo Entity advances payment to Company for any Expenses to be incurred by Company, upon payment of such Expenses by Apollo Entity to Company, Company shall be fully liable for the payment and performance of all such Expenses and shall defend, indemnify and hold Apollo Indemnified Parties harmless from any third-party claims for all or any portion of such Expenses.

(c) **Invoice Terms.** Unless otherwise specified in the Master Agreement Rider and/or SOW, Company shall issue invoices to Apollo Entity on a monthly basis. Invoices shall contain sufficient descriptions of activities that have or shall be performed in the billing period, with supporting data and reports, as applicable, and such other information, all as reasonably required by Apollo Entity for its internal accounting purposes and specified by Apollo Entity to Company from time to time. Unless otherwise set forth in writing between the parties, Apollo Entity will pay all undisputed invoices within sixty (60) calendar days of Apollo Entity's receipt of such invoice. Unless expressly stated otherwise in writing between the parties, all Services and/or Deliverables must be delivered and/or fully completed and accepted prior to payment. Apollo Entity may setoff monies owed to Company against monies due from Company under any other contract(s) between Apollo Entity or an Apollo Affiliate and Company and its affiliated companies.

(d) **Invoice Processing.** Company acknowledges that Apollo Entity may use a Third Party Processor to process its invoices and purchase orders. Such Third Party Processor will have standard terms and conditions that will govern Company's use of the Third Party Processor services in connection with Apollo Entity purchase orders and invoices. Company agrees to accept such terms and conditions, including, without limitation, any required service fees. Company further agrees that, by accepting such Third Party Processor terms, it is entering into a separate agreement with such Third Party Processor, and Apollo Entity will have no liability for, or relationship to, such transaction. Without the prior written consent of Apollo Entity, Apollo Entity will not accept any invoices or purchase orders unless Company uses such Third Party Processor.

(e) **Taxes.** Company shall be responsible for collecting and remitting all applicable taxes, if any, due in connection with Company's sale of Services and delivery of any Deliverables to Apollo Entity. Company shall pay, satisfy and perform, and hold Apollo Indemnified Parties harmless from, all related taxes and other governmentally imposed fees and charges including, but not limited to, all federal, state and local taxes, levies, fees and assessments.

5. TERM AND TERMINATION.

(a) **Termination of Agreement.** This Agreement may be terminated: (i) in whole or in part, without cause, by Apollo Entity by providing thirty (30) calendar days written notice to Company; (ii) immediately by Apollo Entity upon any violation of the law by Company; (iii) immediately by Apollo Entity if Company breaches this Agreement or fails to fulfill its obligations in accordance with the terms of this Agreement, and such failure continues for ten (10) business days after notice is provided by Apollo Entity to Company; (iv) upon any insolvency or suspension of Company's operations or any petitions filed or proceeding made by or against Company under any state, federal or other applicable law relating to bankruptcy, arrangement, reorganization, receivership or assignment for the benefit of creditors or other similar proceedings; or (v) as otherwise provided herein.

(b) **Effect of Termination.** Upon termination of the Agreement, Apollo Entity shall be responsible for payment for all conforming Services and/or Deliverables provided by Company and accepted by Apollo Entity in accordance with the acceptance procedures set forth in this Agreement, through the effective date of termination, less any money paid in advance for Services or Deliverables that are nonconforming, rejected or not rendered to Apollo Entity. Upon termination of the

EXHIBIT A

MASTER AGREEMENT RIDER

Proprietary

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