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COHORT DEFAULT MANAGEMENT SERVICES AGREEMENT

This Cohort Default Management Services Agreement (this "Agreement") is entered into as of the 26th day of June, 2009, between GENERAL REVENUE CORPORATION ("GRC"), and BRIDGEPOINT EDUCATION, INC. ("BRIDGEPOINT EDUCATION")

WHEREAS, BRIDGEPOINT EDUCATION and its subsidiaries operate post-secondary educational institutions, including Ashford University and The University of the Rockies (collectively, the "Schools");

WHEREAS, some of the students at the Schools finance their education at the Schools with Federal Family Education Loan Program ("FFELP") and Federal Direct Loan Program ("FDLP") student loans, as applicable;

WHEREAS, BRIDGEPOINT EDUCATION desires to minimize the number of defaults among student loan accounts of students at its schools who are borrowers in BRIDGEPOINT EDUCATION's federal "Cohort", as defined in 34 C.F.R. 668.181, et seq., for the current Federal Fiscal year; and

WHEREAS, GRC is in the business of providing Cohort Default Management Services, and desires to assist BRIDGEPOINT EDUCATION with managing its Cohort Default Rate;

NOW THEREFORE, in consideration of the foregoing and of the mutual covenants contained herein and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto agree as follows:

I. CONTRACTING PARTIES:

GRC is an Ohio corporation with its principal place of business at 11501 Northlake Drive, Cincinnati, Ohio 45249, and BRIDGEPOINT EDUCATION is a Delaware Corporation with its principal place of business at 13500 Evening Creek Drive North Suite 600, San Diego, California 92128. Each party warrants to the other party that the person executing this Agreement on its behalf is duly authorized to do so.

II. BORROWER AND ACCOUNT PLACEMENT:

From time to time during the term of this Agreement, BRIDGEPOINT EDUCATION may, in its sole discretion, designate certain student loan accounts (each such designated account, an "Account", and collectively "Accounts") of students at its Schools who are borrowers in its federal Cohort, as determined pursuant to 34 C.F.R. 668.183(b) (each such borrower with a designated Account, a "Borrower", and collectively "Borrowers"), for each specific Cohort year as being serviced by GRC, and GRC shall provide the applicable Services (as defined below) with respect to Accounts with the goal to prevent Accounts from entering into default, and to minimize the BRIDGEPOINT EDUCATION Cohort Default Rate, as such term is defined and calculated pursuant to 34 C.F.R. 668.181, et. seq., for the applicable Cohort year.

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VI. FEE FOR SERVICES:

BRIDGEPOINT EDUCATION shall pay to GRC a one-time placement fee (the "Fee") per Account, which fee shall be paid promptly after receipt of a related invoice from GRC, in accordance with Article II of this Agreement as follows:

Pricing Tiers

- Tier I: \$38.00 per Account (1 to 15,000 Account placements)
- Tier II: \$36.00 per Account (15,001 to 30,000 Account placements)
- Tier III: \$34.00 per Account (over 30,000 Account placements)

Tiers are based on cumulative Account placement volume through a period of three (3) years.

Certain Account placements will trigger new pricing 'tiers' (as illustrated above). Account placements will be calculated over the contract term of three (3) years in length. Pricing applies to Accounts for Students that were enrolled at Ashford University ("Ashford University Accounts") and Accounts for Students that were enrolled at the University of the Rockies ("University of the Rockies Accounts").

Fiscal Year 2009 - Bonus/Rebate for Performance:

Bonus for Fiscal Year 2009. BRIDGEPOINT EDUCATION will pay to GRC a Bonus, equal to 7.5-percent of fees paid to GRC related to Ashford University Accounts for Fiscal Year 2009, if Ashford University achieves a Cohort Default Rate of less than 10-percent, as calculated pursuant to the 2-year Cohort Default Rate formula for Fiscal Year 2009. The Bonus shall be paid no later than 30 days following the publication of the final Cohort Default Rate for Fiscal Year 2009 by the Department of Education.

Rebate for Fiscal Year 2009. GRC will pay to BRIDGEPOINT EDUCATION a Rebate, equal to 7.5-percent of fees paid to GRC related to Ashford University Accounts for Fiscal Year 2009, if Ashford University has a Cohort Default Rate of greater than or equal to 10-percent, as calculated pursuant to the 2-year Cohort Default Rate formula for Fiscal Year 2009. The Rebate shall be paid no later than 30 days following the publication of the final Cohort Default Rate for Fiscal Year 2009 by the Department of Education.

For sake of clarity, a Bonus or Rebate shall only be paid only with respect to Ashford University Accounts, and shall not be paid with respect to University of the Rockies Accounts.

Bonus/Rebate for Performance in Fiscal Year 2010 and Beyond:

BRIDGEPOINT EDUCATION and GRC agree to re-evaluate the 10-percent Bonus/Rebate Threshold for future Fiscal Years starting in Fiscal Year 2010. This will allow BRIDGEPOINT EDUCATION and GRC to consider historical information, recent portfolio characteristics and external factors that could materially impact Cohort Default Rate performance when determining future Bonus/Rebate Thresholds.

Bonus Example (for illustrative purposes only)

Ashford University places 5,000 Accounts with GRC for Cohort Default Management Services at a fee of \$38 per Account during Fiscal Year 2009 totaling \$190,000 in fees paid to GRC by BRIDGEPOINT EDUCATION. Accounts that enter repayment in Fiscal Year 2009 (October 1, 2008 - September 30, 2009) are monitored by Department of Education for default during Fiscal Years 2009 and 2010 (October 1, 2008 through September 30, 2010) with Ashford University's final 2-year Cohort Default Rate (CDR) published by Department of Education in September 2011.

Ashford University achieves a Fiscal Year 2009 Cohort Default Rate of 9.0-percent (favorable to the 10-percent Bonus/Rebate Threshold); therefore, BRIDGEPOINT EDUCATION will pay GRC a one-time Bonus amount of \$14,250 (7.5-percent of \$190,000 billed for Fiscal Year 2009 Accounts).

Rebate Example (for illustrative purposes only)

Ashford University places 5,000 Accounts with GRC for Cohort Default Management Services at a fee of \$38 per Account during Fiscal Year 2009 totaling \$190,000 in fees paid to GRC by BRIDGEPOINT EDUCATION. Accounts that enter repayment in Fiscal Year 2009 (October 1, 2008 - September 30, 2009) are monitored by the Department of Education for default during Fiscal Years 2009 and 2010 (October 1, 2008 through September 30, 2010) with Ashford University's final 2-year Cohort Default Rate (CDR) published by the Department of Education in September 2011.

Ashford University achieves a Fiscal Year 2009 Cohort Default Rate of 11.0-percent (unfavorable to the 10-percent Bonus/Rebate Threshold); therefore, GRC will pay BRIDGEPOINT EDUCATION a one-time Rebate amount of \$14,250 (7.5-percent of \$190,000 billed for Fiscal Year 2009 Accounts).

VII. REPRESENTATIONS AND WARRANTIES OF GRC:

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