



Henley-Putnam University™

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February 26, 2008

R -- Redacted by HELP Committee

Executive Director

DETC Accrediting Commission

1601 18th Street, N.W.

Washington, D.C. 20009

RE: Restructuring of Liberty Partners' Majority Stock Ownership

Dear R -- Redacted by HELP Committee

It was great to spend time with you last week at the CCME conference. I am writing to you on an administrative matter described below.

In accordance with the DETC Accreditation Handbook C.3, we are writing to inform you of an anticipated restructuring in the majority stock ownership of Henley-Putnam University ("Henley-Putnam" or the "University") by Liberty Partners. However, as described below, this stock restructuring will not result in any changes to the University's management team, mission, faculty, educational programs or curricula. Moreover, the stock restructuring will not involve an acquisition of control over the University's management or policies by any new individual or entity.

As you may recall from earlier discussions, Liberty Partners is a highly respected private equity investment firm that has established a very strong reputation in for-profit education. In addition to Henley-Putnam, its current portfolio includes Edison Schools, Inc., Concorde Career Colleges, Inc., YTI Career Institute and the Ogle Schools of Hair Design. Liberty Partners maintains its portfolio investments as independent companies.



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Liberty Partners has exercised control over Henley-Putnam through its management (on behalf the Florida State Board of Administration) of Liberty Partners Holdings 49, LLC (“LPH 49”), which presently owns approximately 56% of the University’s shares.¹

Liberty Partners is currently in the process of creating a new investment fund, Liberty Partners II, L.P. (“LP-II”) with capital contributions from several new institutional investors, and plans to transfer majority stock ownership of the University from LPH 49 to LP-II. The various investors in LP-II will be limited partners with passive ownership interests and control over LP-II will reside with its general partner, Liberty Capital Partners. Thus, as shown on the attached chart, this restructuring will not affect the ultimate control of the University.

We respectfully seek your confirmation that the proposed restructuring requires no formal approval by the DETC Accrediting Commission. In the event you determine that approval or some other action is required, particularly if such action must be completed before we consummate the transaction, we would greatly appreciate your assistance in providing any required application materials and reviewing them on an expedited basis.

Thank you again for your continuing support of our program. Please feel free to contact me should you have any questions with respect to the foregoing. I look forward to seeing you in Boston in April.

Sincerely,

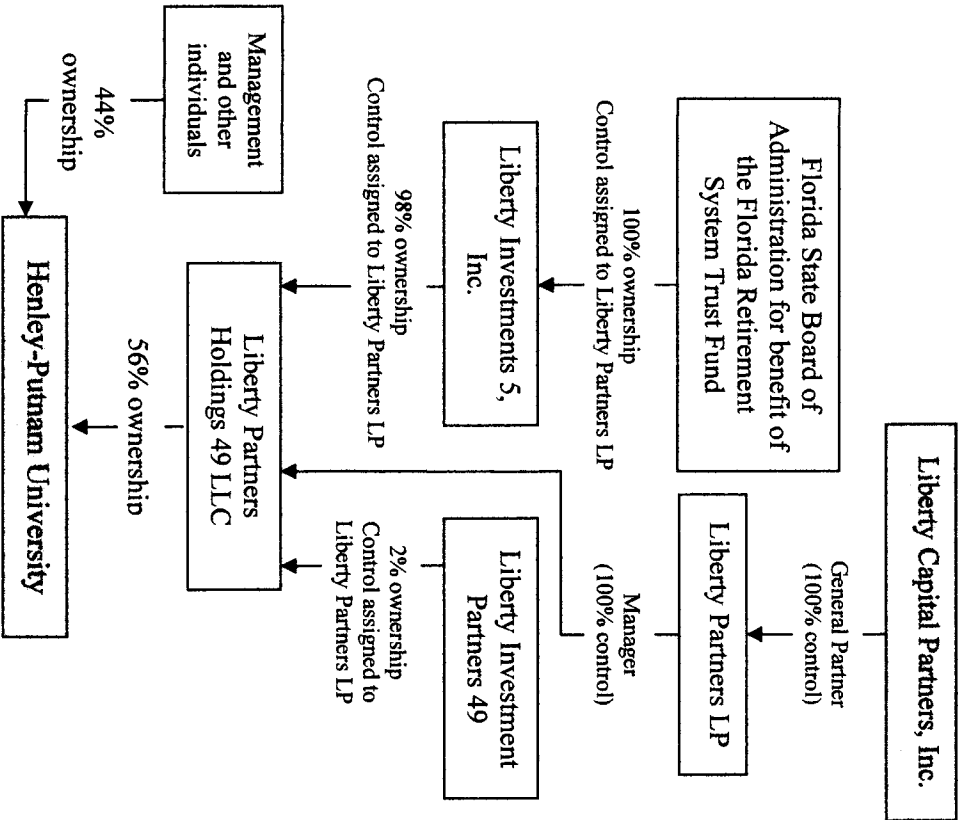
Gregory H. Von Gehr

Chief Executive Officer

¹ The remaining 37% of the University’s shares are held in the aggregate by our founder, Mr. Nirmalya Bhowmick, management personnel and several individual investors.

HENLEY-PUTNAM UNIVERSITY
CURRENT AND REVISED OWNERSHIP STRUCTURE

CURRENT



REVISED

