

COHORT DEFAULT MANAGEMENT SERVICES AGREEMENT

This Cohort Default Management Services Agreement (this "Agreement") is entered into as of the 20th day of November, 2008, between Redacted and KAPLAN HIGHER EDUCATION CORPORATION ("KAPLAN").

WHEREAS, KAPLAN and its subsidiaries operate post-secondary educational institutions ("Schools");

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

WHEREAS, KAPLAN desires to minimize the number of student loans accounts which default in their current year federal Cohort, as defined in 34 C.F.R. 668.181, et seq.; and

WHEREAS, Redacted is in the business of providing Cohort Default Management Services, and desires to assist KAPLAN 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:

Redacted is an Redacted corporation with its principal place of business at Redacted and KAPLAN is a Delaware corporation with its principal place of business at 311 S. Wacker, Ste. 3300, Chicago, Illinois 60606. 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, KAPLAN shall, at its sole discretion, designate certain student loan accounts (each 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 a "Borrower", and collectively "Borrowers"), for each specific Cohort year as being serviced by Redacted and Redacted shall provide the applicable Services (as defined below) with the goal to prevent Accounts from entering into default, and to minimize KAPLAN's Cohort Default Rate, as such term is defined and calculated pursuant to 34 C.F.R. 668.181, et. seq., for that specific Cohort year.

III. STATEMENT OF SERVICES TO BE PERFORMED:

Redacted shall provide KAPLAN with specialized FFELP and FDLP student loan borrower default management services, including, without limitation, monitoring of Accounts to avoid delinquency and default of Accounts, contacting and informing Borrowers via telephone and mail regarding their Account, updating Borrower demographic information, obtaining Borrower and Account information from third party lenders, servicers and guarantors, file balancing all data files received to ensure all records are

received and processed, and providing KAPLAN with reports and online access to review Borrower and Account data, all as further specified as follows (collectively, the "Services"):

A. ACCOUNT MONITORING AND BORROWER CONTACT.

Redacted will monitor Accounts and contact Borrowers with respect to their Accounts with the objective of reducing the number of delinquent Accounts, reducing the number of default Accounts, and reducing the KAPLAN's federal Cohort Default Rate. Redacted shall accomplish such monitoring of Accounts and contact of Borrowers in three-phases, depending on the status of Borrower's Account as follows:

1. Grace Period – For the period commencing with a Borrower's graduation, leaving school, or dropping below half-time enrollment until when first repayment is due under that particular Borrower's Account (the "Grace Period"), Redacted shall monitor such Account and contact such Borrower as set forth in Exhibit "A" attached hereto and incorporated herein.
2. Early Delinquency Period – For those Borrowers who are delinquent with their first payment under their Account, Redacted shall monitor such Account and contact such Borrower as set forth in Exhibit "B" attached hereto and incorporated herein.
3. Continued Delinquency Monitoring – After the Grace Period and after Borrowers have made their first payment under their respective Accounts, Redacted shall monitor such Accounts and contact such Borrowers as set forth in Exhibit "C" attached hereto and incorporated herein.

B. SKIP-TRACING.

Immediately upon determining that a Borrower's address or telephone number is invalid or incorrect, Redacted will, at its own cost and expense, perform all necessary skip-tracing, including the use of all available vendors on Borrower, and determine the current telephone number and/or address of Borrower. Redacted shall cross-reference the demographic data of Borrower provided by Kaplan with multiple skip-tracing vendors to attempt to validate the current demographic data of Borrower. Redacted shall then attempt to contact Borrower or other sources to verify the demographic data received by skip-tracing vendor. Redacted shall provide KAPLAN with the most updated demographic data with regard to a Borrower as part of its monthly reports pursuant to Section C of this Article III, including providing the data in a file format mutually agreed upon by both parties on media and using the media reasonably requested by Kaplan.

C. REPORTS.

Within seven (7) calendar days after the end of each calendar month during the term of this Agreement, Redacted shall prepare reports and data and furnish information to the KAPLAN, with such reports containing updated Borrower and Account information, information regarding all activity taken by Redacted relating to Cohort Default Management Services, Borrower and Account delinquency and default status, KAPLAN's then current federal Cohort Default Rate, Redacted

projected Cohort Default Rate for KAPLAN for each Cohort year, master student listings containing all Borrower statuses by Cohort year, monthly exception reports by individual campuses, Account billing reports (in detail and summary form) for all Accounts, and such other information that may be requested from time to time by KAPLAN (the "Reports")

Within seven (7) days of the execution of this Agreement, [Redacted] shall provide KAPLAN with a listing of all data windows and fields contained within the [Redacted] computer system. [Redacted] agrees and acknowledges that the Reports shall contain any specialized or customized reports requested by Kaplan containing and utilizing any and all defined fields available within the [Redacted] computer system.

[Redacted] shall systematically track and report, as part of the Report, critical metrics with respect to its performance including Borrower and Account delinquency status, conversion of Borrowers from delinquency status to current status, and KAPLAN federal Cohort Default Rate. The Reports contain such information and be in such form, format and media as may be requested by KAPLAN from time to time.

D. DATA EXCHANGE WITH LENDERS, SERVICERS AND GUARANTORS.

1. Immediately upon execution of this Agreement and at all times during the term of this Agreement, [Redacted] shall establish the necessary relationships and enter into any required agreements with the lenders, loan servicers and loan guarantors with respect to Accounts to enable [Redacted] to obtain prior and on-going information regarding Accounts and Borrowers, including, without limitation, delinquency status of Borrowers and Accounts.
2. During the term of this Agreement, [Redacted] will adopt and maintain an accurate method of exchanging data with the necessary FFELP or FDLP lenders, loan servicers or loan guarantors relating to Borrowers and Accounts.
3. [Redacted] shall exchange data with the appropriate lenders, loan servicers and loan guarantors of Accounts to obtain information with respect to Accounts and Borrowers, including, without limitation, account number, interest remaining due under an Account, late charges under an Account, payment due dates under an Account, delinquency status under an Account, and any other information with respect to an Account to the extent not provided by KAPLAN.
4. [Redacted] shall exchange data with the applicable Account lender, servicer and guarantor as frequently as permitted by such Account lender, servicer and guarantor, but no less frequently than once per each calendar month.
5. As part of its reporting obligations set forth in Article III, Section C, [Redacted] shall provide KAPLAN with all updated information regarding Borrowers and Accounts provided by the lenders, servicers or guarantors.

E. JOINT COOPERATION.

During the period starting with the execution of this Agreement and ending sixty (60) days thereafter, [Redacted] shall work with KAPLAN in developing (1) appropriate metrics to determine the success of [Redacted] in reducing KAPLAN's federal Cohort Default Rate and provide such metrics in the Reports, (2) appropriate telephone scripts for use in telephone contact with Borrowers, (3) appropriate written correspondence for use in contact with Borrowers, and (4) form, frequency and format of Reports to be provided by [Redacted] to KAPLAN. After such period, [Redacted] shall be prepared to handle all operational and technical considerations relating to providing the Services.

F. PERIOD OF SERVICES.

[Redacted] shall provide the Services for all Accounts designated in accordance with Article II of this Agreement for their repayment period as provided for the Fiscal Year Cohorts for that particular Account (the "Repayment Period") and the six month (6) grace period prior to such Repayment Period. By way of illustration, and not restriction, if the Repayment Period for an Account is thirty-six (36) months, [Redacted] shall provide Services for such Account for a period of forty-two (42) months, consisting of the six (6) month grace period prior to the Repayment Period and the thirty-six (36) months of the Repayment Period.

IV. KAPLAN'S RIGHTS AND RESPONSIBILITIES:

A. AUDIT OF [Redacted]

[Redacted] and all records and reports relating to the Services, including, without limitation, the Books and Records, shall be subject to review, audit and copying by KAPLAN, its designated representative and/or any other regulatory body or supervisory agency having jurisdiction over KAPLAN, and external and internal auditors, upon no less than twenty-four (24) hours notice to [Redacted], and then at times during normal business hours of [Redacted] provided, however, that any review, audit and copying by any regulatory body or supervisory agency shall be with the prior written consent of KAPLAN authorizing [Redacted] to permit such audit by the regulatory body or supervisory agency. Such review, audit and copying shall be conducted, unless otherwise mutually agreed upon, at [Redacted] principal office set forth above or as otherwise maintained by [Redacted] or where the Services are provided. [Redacted] shall also make its officers, employees and/or designated representatives available to KAPLAN and shall cooperate with KAPLAN on all such examinations, audits and record collection activities. On-site examination of documents held in safekeeping and microfilm records or related documentation will be performed with as little disruption as possible to [Redacted] normal operation. All KAPLAN out-of-pocket expenses, non-[Redacted] personnel costs and copying expenses relating to such review, audit and copying shall be borne by KAPLAN.

B. INFORMATION REGARDING DESIGNATED ACCOUNTS AND BORROWERS.

KAPLAN shall designate Accounts and Borrowers for which [Redacted] is to provide the Services using a computer-generated list and/or electronic transfer. KAPLAN shall provide Borrower's name, social security number, current address, telephone numbers, expected graduation date, last date of attendance,

withdrawal date, lender/servicer name, guarantor name, loan types and amounts, and references (when available). [Redacted] may obtain additional data points through lenders, guarantors and servicers of Accounts.

C. ASSISTANCE WITH LENDERS, SERVICERS AND GUARANTORS.

KAPLAN use commercially reasonable efforts to assist [Redacted] in establishing the necessary lender, servicer and guarantor relationships. To the extent permitted, KAPLAN will provide [Redacted] with copies of all reports (electronic and hardcopy) received from lenders, servicers and guarantors regarding Borrowers and Accounts.

V. [Redacted] RIGHTS AND RESPONSIBILITIES:

A. PRIVACY.

[Redacted] agrees to comply with all applicable state and federal privacy laws and will not disseminate any information received from KAPLAN to outside entities without KAPLAN's prior written consent. With respect to information which is "non-public personal information" (as defined in the Federal Trade Commission's Privacy of Consumer Financial Information; Final Rule (16 CFR 313) implementing Title V of the Gramm-Leach-Bliley Act, Public Law 106-102) disclosed or provided by or on behalf of KAPLAN to [Redacted] in connection with this Agreement, [Redacted] has implemented and will maintain during the term of this Agreement an information security program designed to meet the objectives of the Federal Trade Commission's standards for Safeguarding Customer Information; Final Rule (16 CFR Part 314).

[Redacted] agrees that it shall comply with all reuse, re-disclosure and other customer information handling, processing, security, and protection requirements that are specifically required of a non-affiliated third-party processor or servicer (or subcontractor) under the Federal Trade Commission's Privacy of consumer Financial Information; Final Rule (16 CFR 313) implementing Title V of the Gramm-Leach Bliley Act, Public Law 106-102 (the "GLB Requirements") and other applicable federal and state consumer privacy laws, rules, and regulations. Without limiting the foregoing, [Redacted] agrees that:

1. It is prohibited from disclosing or using any nonpublic personal information (as defined in the GLB Requirements) disclosed to it by KAPLAN (the "KAPLAN Customer Information"), except solely to carry out the purposes for which it was disclosed, including use under an exception contained in Section 313.14 or 313.15, as applicable, or the GLB Requirements in the ordinary course of business to carry out those purposes; and
2. It has implemented and will maintain an information security program designed to meet the objectives of the Interagency Guidelines Established Standards for Safeguarding Customer Information; Final Rule (12 CFR Part 30, et al.) (The "Information Security Program Requirements").

As soon as practicable after the execution of this Agreement, [Redacted] shall provide KAPLAN with copies of its information security program as described in subsection (2) above, and shall provide KAPLAN with any updates or modifications to such information security programs upon any such update or modification and at least thirty (30) days prior to the effective date of such update or modification.

B. SECURITY AUDITS.

During the term of this Agreement and thereafter for as long as [Redacted] retains KAPLAN Customer Information, KAPLAN, its representative and agents will be entitled to conduct audits of [Redacted] relevant operations, facilities, systems, etc. to confirm that [Redacted] has complied with the Information Security Program Requirements (the "Security Audits"). Any Security Audit shall be scheduled and conducted during normal business hours and shall not unreasonably interfere with [Redacted] business activities.

In the event that any Security Audit results in the discovery of material security risks to KAPLAN Customer Information, [Redacted] shall (i) respond to KAPLAN in writing with [Redacted] plan to promptly take reasonable measures and corrective actions necessary to effectively eliminate the risk, at no cost to KAPLAN, and (ii) allow KAPLAN to review any system and transaction logs related thereto which pertain to KAPLAN's information or data potentially compromised. [Redacted] shall have five (5) business days to cure such security risk, unless the parties mutually agree in writing to a longer period of time for such cure or for mitigation in lieu of such cure.

KAPLAN's right, and the right of its representatives and agents, to conduct Security Audits, and any exercise of such right, shall not in any way diminish or affect [Redacted] duties and liabilities under this Agreement.

[Redacted] shall report to KAPLAN all known or suspected Security Incidents. "Security Incident" means any unauthorized action by a known or unknown person which, if attempted, threatened, or successfully completed, should reasonably be considered one of the following: an attack, penetration, denial of service, disclosure of confidential customer or other sensitive information, misuse of system access, unauthorized access or intrusion (hacking), virus intrusion, scan of [Redacted] systems or networks, or any other activity that could affect [Redacted] systems or data, or the security, confidentiality or integrity of KAPLAN Customer Information received, stored, processed, or maintained by [Redacted]. "Security Incident" shall also include any contact by a law enforcement agency with [Redacted] regarding any KAPLAN Customer Information. For purposes hereof, [Redacted] shall include any of [Redacted] employees, agents, contractors or third parties (including, without limitation, any vendors used by [Redacted] for the provision of services to be provided by [Redacted] to KAPLAN) that have access (either authorized or unauthorized) to KAPLAN customer information. If a Security Incident occurs, [Redacted] shall immediately notify KAPLAN by telephone (with a follow-up written notification sent immediately via overnight mail to KAPLAN, and provide the following information: nature and impact of the Security Incident; actions already taken by [Redacted]; [Redacted] assessment of immediate risk; and corrective measures to be taken, evaluation of alternatives, and next steps. [Redacted] shall continue providing (i) appropriate status reports to KAPLAN regarding the resolution of the

Security Incident and prevention of future such Security Incidents, and (ii) cooperation, as reasonably requested by KAPLAN, in order to further investigate and resolve the Security Incident. KAPLAN may require that the services provided by [Redacted] to KAPLAN be suspended, connectivity with [Redacted] be terminated, or other appropriate action be taken pending such resolution.

C. NOTIFICATION UPON OCCURRENCE OF CERTAIN EVENTS.

[Redacted] shall immediately notify KAPLAN in writing upon the occurrence of any of the following: (1) receipt of any complaints from, or on behalf of, Borrowers or Accounts; (2) any inquiries by federal, state, or local governmental authorities relating to KAPLAN, Borrowers, Accounts or the Services; (3) knowledge of any allegations of improprieties from any federal, state or local governmental authorities, any credit reporting agency or from the Better Business Bureau, or similar organizations related to KAPLAN, Borrowers, Accounts, Services or [Redacted] practices, including but not limited to violations of consumer protection, debt collection or anti-fraud laws; and (4) the initiation of any lawsuit, administrative proceeding or customer complaint is initiated with respect to a Borrower, an Account or the Services. Upon the occurrence of any of the items enumerated in the preceding sentence, [Redacted] shall promptly provide KAPLAN with all documentation and information within [Redacted] possession or control affecting the subject Account. [Redacted] shall also cooperate with KAPLAN in the defense or response to any such occurrences, and shall provide declarations or documentation reasonable required by KAPLAN to assist in KAPLAN's defense or response, or in KAPLAN's prosecution of any lawsuit or proceeding. [Redacted] shall, at the request and direction of KAPLAN, make all files and records available to KAPLAN and to any federal or state regulator with regulatory authority over KAPLAN.

D. CONFIDENTIALITY.

[Redacted] agrees to keep confidential, except as KAPLAN may otherwise consent to in writing, and not to disclose, or make use of except for the specific purposes of providing the Services, at any time either during or subsequent to the term of this Agreement, any Confidential Information. "Confidential Information" means any trade secrets, confidential information, knowledge, data or other information of KAPLAN relating to its current and former students, Accounts, Borrowers, products, know-how, customer lists, business plans, marketing plans and strategies, arrangements, price and strategies or other subject matter pertaining to any business of KAPLAN or any of its respective current or former students, Borrowers, clients, customers, agents, licensees or affiliates, [Redacted] may obtain or otherwise acquire during the term of this Agreement, except as herein provided; provided, however, that Confidential Information does not include information of KAPLAN that (a) is, through no act or failure to act on the part of [Redacted], generally known or available to the public; (b) is rightfully known by [Redacted] before receiving such information from KAPLAN; (c) is rightfully obtained by [Redacted] from a third party, without breach of any obligation to KAPLAN; or (d) is independently developed by [Redacted] without use of or reference to KAPLAN's Confidential Information. [Redacted] further agrees not to deliver, reproduce, or in any way allow any such Confidential Information or any documentation relating thereto, to be delivered or used by any third parties without prior specific direction or consent in writing of KAPLAN.

Redacted shall, upon expiration or termination of this Agreement or otherwise upon demand, at KAPLAN's option, either return to KAPLAN or destroy and certify in writing to KAPLAN the destruction of any and all documents, papers and materials and notes thereon in Redacted possession, including copies or reproductions thereof, to the extent they contain Confidential Information of KAPLAN.

E. RECORD RETENTION.

Redacted shall, and shall cause its subcontractors to maintain complete and accurate records of and supporting documentation for all Services and all routinely prepared reports and records, created, generated, collected, processed or stored by Redacted in the performance of its obligations under this Agreement ("Books and Records"). Redacted shall maintain such Books and Records in accordance with all applicable Federal, state and local laws and regulations, as applicable, for at least seven (7) years after the expiration or termination of this Agreement.

F. TRAINING.

Redacted shall provide sufficient training to its employees and contractors providing the Services, which training shall contain the information and be in accordance with the specifications and standards of KAPLAN, as may be modified from time to time by KAPLAN. In addition, Redacted will provide Kaplan staff training regarding the Redacted process as requested by Kaplan. The training will ensure that the employees and contractors understand that the Borrowers are customers of KAPLAN, and that the employees and contractors shall treat all Borrowers with courtesy and respect and shall be fair, courteous and professional in all dealings with Borrowers. Redacted assumes all responsibility for providing its employees and contractors training that may be required to ensure compliance with federal, state and local laws. Redacted shall obtain KAPLAN's prior written consent to the training and any modifications of such training, including, without limitation, the course, all training material, and all documentation.

G. EMPLOYMENT OF INDIVIDUALS IN DEFAULT ON LOANS.

At no time during the term of this Agreement shall Redacted employ any individual who is in default in any debt owed to KAPLAN.

H. ELECTRONIC SYSTEM ACCESS.

Redacted shall provide KAPLAN with online access to its records and data with respect to Borrowers and Accounts.

I. INSURANCE AND BONDING.

Redacted shall, at all times and at Redacted sole cost and expense, maintain the following insurance in the following amounts for the protection of the KAPLAN:

• Professional Liability Insurance (Errors and Omissions)	\$2,000,000
• Commercial General Liability Insurance	\$5,000,000
• Employee Fidelity Bond	\$ 250,000
• Business Auto Liability Insurance	\$1,000,000
• Business Property Insurance	\$ 950,000

- Umbrella Insurance over the General Liability & Workers' Compensation \$1,000,000

Notwithstanding the foregoing, the insurance to be maintained by [Redacted] shall, at a minimum, be of the type and in such amounts not less than as is customary in the case of institutions of the same type and size as that of [Redacted]. As of the date of the execution of this Agreement, and upon any subsequent request from the KAPLAN, [Redacted] shall promptly provide KAPLAN with a copy of the effective policy or other proof of coverage.

J. ATTESTATION AUDIT REPORT.

Upon execution of this Agreement, and annually thereafter during the term of this Agreement, [Redacted] shall provide a copy of its most recent and three (3) prior annual compliance attestation audit reports, as required by Title IV of the Higher Education Act of 1965, or any successor legislation, as amended.

K. COMMUNICATION WITH BORROWERS:

All written correspondence by [Redacted] with Borrowers shall be pursuant to correspondence that has been previously approved by KAPLAN. Any modification of the written correspondence requires the prior written approval of KAPLAN, which it may withhold in its sole discretion.

All telephone contact by [Redacted] with Borrowers shall be pursuant to telephone scripts that have been previously approved by KAPLAN. Any modification of the telephone scripts requires the prior written approval of KAPLAN, which it may withhold in its sole discretion.

[Redacted] will follow all applicable state and federal requirements and guidelines for verbal and written communication with all Borrowers.

L. STANDARD OF PERFORMANCE.

All Services performed by [Redacted] or its agents or representatives shall be performed in full compliance with all applicable federal, state and local laws, including without limitation federal and state laws governing business practices and debt collection practices. [Redacted] may not use any threats, intimidation, harassment, or otherwise violate any applicable law or regulation in performing the Services under this Agreement. [Redacted] shall be duly licensed and bonded in all states that require licensure and/or bonding for the provider of such Services as [Redacted] is providing under this Agreement. [Redacted] shall: (1) act prudently in accordance with customary and usual procedures for other cohort debt management companies which manage cohort debt similar to Accounts; and (2) use and exercise that degree of skill and attention that is customary with other cohort debt management companies which manage cohort debt similar to Accounts. [Redacted] understands that the Borrowers are students and customers of KAPLAN, and [Redacted] and its agents, representatives and subcontractors, shall treat all Borrowers with courtesy and respect and shall be fair, courteous and professional in all dealing with the Borrowers.

M. FILE BALANCING

[Redacted] shall conduct file balancing (data integrity validation) on all data files received from KAPLAN or any guarantor, lender or servicer and shall (1) ensure that all of the records are received and processed, (2) review all such data files and compare records received to [Redacted] current database to ensure updates were received for all records and that no extra records were received. [Redacted] shall transfer all such data files to and from [Redacted] in mutually agreed upon consistent and predefined formats using FTP's or SallieMae's file exchange web site and established [Redacted] procedures.

VI. FEE FOR SERVICES:

KAPLAN shall pay [Redacted] a one-time placement fee (the "Fee") per Account upon the designation of such Account in accordance with Article II of this Agreement as follows:

A. FISCAL YEAR 2008 COHORT.

For those Accounts in the Fiscal Year 2008 Cohort in which the close of the Cohort period is September 30, 2009, KAPLAN shall pay [Redacted] a one-time placement Fee of \$16.00 per Borrower.

B. SUBSEQUENT FISCAL YEAR COHORTS.

For those Accounts in other Fiscal Year Cohorts after the Fiscal Year 2008 Cohort, KAPLAN shall pay a one-time placement Fee per Borrower as follows:

Tiered Pricing

Based on volume placed by KAPLAN with [Redacted] during a federal fiscal year (October 1–September 30)

<u>Tier (Number of Borrowers Placed)</u>	<u>Fee Per Borrower Placed Within Tier</u>
1 to 75,000	\$36.00
75,001 to 100,000	\$32.90
100,001 to 125,000	\$31.10
125,001 and Greater	\$30.15

VII. REPRESENTATIONS AND WARRANTIES OF [Redacted]

A. [Redacted] is duly organized, validly existing and in good standing under the laws of its state of incorporation and is duly qualified to do business, and is in good standing in every jurisdiction in which the nature of its business requires it to be so qualified. [Redacted] has full corporate power and authority to enter into this Agreement and to carry out the provisions of this Agreement. [Redacted] will comply with the laws of each state to the extent necessary to perform its obligations under this Agreement.

B. This Agreement and all other instruments or documents to be delivered hereunder or pursuant hereto, and the transactions contemplated hereby, have been duly authorized by all necessary corporate proceedings of [Redacted]

- C. The execution and delivery of this Agreement by [Redacted] hereunder and the compliance by [Redacted] with all provisions of this Agreement do not conflict with or violate any applicable law, regulation, or order and do not conflict with or result in a breach of or default under any of the terms or provisions of any contract or agreement to which [Redacted] is subject or by which it or its property is bound, nor does such execution, delivery, or compliance violate the by-laws or articles of incorporation or formation of [Redacted].
- D. This Agreement constitutes a legal, valid and binding obligation of [Redacted] enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, or other similar laws affecting the enforcement of creditors' rights generally and by equitable limitations on the availability of specific remedies, regardless of whether such enforceability is considered in a proceeding in equity or at law.
- E. There are no proceedings or investigations pending or, to [Redacted] knowledge, threatened against [Redacted] before any court, regulatory body, administrative agency or other tribunal or governmental instrumentality having jurisdiction over [Redacted] or its properties (i) asserting the invalidity of this Agreement, (ii) seeking to prevent the consummation of any of the transactions contemplated by this Agreement, (iii) seeking any determination or ruling that might materially and adversely affect the performance by [Redacted] of its obligations under, or the validity or enforceability of, this Agreement or (iv) that could have a material adverse effect on the Loans.
- F. [Redacted] is not required to obtain the consent of any other party or any consent, license, approval or authorization, or registration or declaration with, any governmental authority, bureau or agency in connection with the execution, delivery, performance, validity or enforceability of this Agreement which has not already been obtained. [Redacted] has in place the errors and omissions and/or blanket crime policies required to be maintained pursuant to Section I of Article V.

VIII. TERM AND TERMINATION:

A. TERM.

This Agreement shall become effective as of the date both parties execute this Agreement and shall continue in effect until such time as the Agreement is terminated by either party.

B. TERMINATION.

This Agreement may be terminated by either party with thirty (30) days prior written notice to the other party. A non-breaching party shall have the right to terminate this Agreement immediately on notice upon the occurrence of an Event of Default as described in Section D of this Article VIII.

C. POST-TERMINATION.

1. Upon termination or expiration of this Agreement for any reason, [Redacted] will return to KAPLAN all media provided by KAPLAN and a final report on

media and in a form determined by KAPLAN of the status of all Accounts at the time of the Agreement expiration or termination. [Redacted] shall provide copies to KAPLAN of all documentation, data, information data process records, reports, and available recorded or written correspondence maintained by [Redacted] with respect to the Services, Borrowers and Accounts within five (5) business days after the termination or expiration of this Agreement.

2. Upon termination of this Agreement for any reason other than the non-payment of amounts due by KAPLAN, KAPLAN shall receive from [Redacted] a refund of \$0.45 per month, per Borrower for the unused portion of the Services paid for by KAPLAN for each Borrower and Account. By way of illustration but not limitation, for a Borrower placed by KAPLAN with [Redacted] in April 2009 and returned to KAPLAN in April 2010 due to any termination of this Agreement other than for the non-payment of amounts due by KAPLAN, [Redacted] would refund \$13.50 to KAPLAN. Such amount is calculated as follows: $\$0.45 \times 30$ months where the Services are unused (42 months of coverage less 12 month period in which [Redacted] provided the Services with respect to such Account).

D. EVENTS OF DEFAULT.

If any one of the following events (each an "Event of Default", and collectively "Events of Default") shall occur and be continuing:

1. Failure on the part of [Redacted] to observe or to perform in any material respect any other covenants or agreements set forth in this Agreement;
2. If there is breach of any representation or warranty;
3. A voluntary or involuntary petition for bankruptcy concerning [Redacted] is filed under Title 11 of the United States Code, [Redacted] makes a general assignment for the benefit of creditors or commences any other proceeding under any reorganization, arrangement, adjustment of debt, relief of debtors, dissolution, insolvency or liquidation or similar law of any jurisdiction whether now or hereafter in effect relating to [Redacted], or a custodian is appointed for, or takes charge of, all or any substantial part of the property of [Redacted];
4. Any representation, warranty, certification or statement made by [Redacted] in this Agreement or in any certificate or report delivered by it pursuant to this Agreement shall prove to have been incorrect in any material respect when made or deemed made and such error, if curable, shall not be cured in all material respects within thirty (30) consecutive days after the earlier of (i) receipt of written notice from KAPLAN or (ii) upon discovery by [Redacted]; or
5. Any merger or consolidation of [Redacted] (including, without limitation, any conveyance, transfer or lease of substantially all of its assets to another person) that has not been previously consented to by KAPLAN.

Then, and in each and every case and so long as such Event of Default shall not

have been remedied (where applicable), KAPLAN may terminate this Agreement in accordance with Section B of this Article VIII. In addition to the indemnification rights and the right to terminate this Agreement as provided herein, KAPLAN agrees that upon the happening of any of the foregoing Events of Default, KAPLAN may avail itself of any other relief to which it may be legally or equitably entitled.

IX. MISCELLANEOUS:

A. INDEMNIFICATION.

Redacted agrees to indemnify and hold KAPLAN (including its officers, agents and employees) harmless from and against any and all losses, claims, demands, damages, liabilities and costs incurred by KAPLAN, including reasonable attorney's fees arising out of or relating to any acts or omissions of Redacted, Redacted performance under the terms of this Agreement, or arising from any breach by Redacted of the representations and warranties of this Agreement, including, without limitation, any claims arising out any improper collection practices of Redacted

KAPLAN agrees to indemnify and to hold Redacted (including its officers, agents and employees) harmless from and against any and all losses, claims, demands, damages, liabilities and costs incurred by Redacted including reasonable attorneys' fees arising out of the willful or gross negligence in the performance of any of KAPLAN's obligations or responsibilities under this Agreement.

B. WAIVER.

Any waiver by either party of any breach of any provision of this Agreement shall be contained in a separate written instrument signed by the waiving party and shall not be construed as a waiver of any subsequent breach of the same or any other provision. The failure to exercise any right hereunder shall not operate as a waiver of such right. All rights and remedies provided for herein are cumulative.

C. GOVERNING LAW.

This Agreement shall be interpreted, construed and enforced in all respects in accordance with the laws of the State of Illinois, and venue for any action arising out of this Agreement shall be in the federal or state courts in Cook County, Illinois. If any provision herein is held to be invalid or unenforceable, the remaining provisions shall nevertheless continue in full force and effect, unless the provision held invalid or unenforceable shall substantially impair the benefits of the remaining portions of this Agreement.

D. NOTICES.

Any notice required to be given pursuant to this Agreement shall be in writing and hand-delivered, or mailed certified, return receipt requested, or facsimile confirmed with overnight delivery and sent to the addresses provided below.

Kaplan Higher Education
3750 Brookside Parkway, Suite 150
Alpharetta, GA 30022
Attn: Compliance Employee

Phone: Redacted
Fax: Redacted
EMAIL: Redacted

Redacted

Attn: Redacted
President/COO
Phone: Redacted
Fax: Redacted

with a copy to (which copy shall not serve as notice):

Kaplan Higher Education Corporation
Attn: Legal Department
6301 Kaplan University Avenue
Fort Lauderdale, FL 33309

E. MODIFICATION.

This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and shall supersede as of the date first below written, any previous agreements or understandings, written or oral, between the parties hereto with respect to the subject matter here of. Amendments, changes or modifications shall be effective upon the mutual written consent of both parties.

F. SURVIVAL.

Articles IV, V, VII, VIII.C. and IX shall survive the termination or expiration of this Agreement.

[NEXT PAGE SIGNATURE PAGE]

IN WITNESS WHEREOF, the parties have executed this Agreement.

KAPLAN HIGHER EDUCATION
CORPORATION
311 S. Wacker, Ste. 3300
Chicago, Illinois 60606

Redacted

By: M.C. Seelye
Matthew C. Seelye
(Print Name)

Title: CFO

Date: 11/20/08

By: _____

Redacted
(Print Name)

Title: President & COO

Date: _____

EXHIBIT "A"
ACCOUNT MONITORING AND BORROWER CONTACT
GRACE PERIOD

1. Initial Contact.

- a. Telephone Contact. [Redacted] shall initiate telephone contact with Borrower within three (3) days of the Borrower's placement (withdrawn, or dismissed students) or commencement of the Grace Period (graduating students) with respect to such Borrower's Account. If [Redacted] is unable to contact Borrower by telephone, [Redacted] shall continue attempting to contact Borrower by telephone until either Borrower is contacted or [Redacted] determines that the telephone number it has for Borrower is invalid or incorrect.
- b. Written Contact. In addition to telephone contact, [Redacted] shall initiate written contact with Borrower within three (3) days of the Borrower placement or commencement of the Grace Period with respect to such Borrower's Account.
- c. Information to be Provided to Borrower. In its telephonic or written contact with Borrower, [Redacted] shall furnish the following information to Borrower regarding Borrower's Account:
- When Borrower is required to make payment under Borrower's Account (the first payment and all subsequent payments),
 - Where Borrower is required to send payments under Borrower's Account,
 - Amount of payment Borrower is required to make under Borrower's Account,
 - The lender or servicer of such Account and the address and telephone number of such lender or servicer,
 - Resources for Borrower to help in the case of a financial hardship, including information on obtaining a loan forbearance, and
 - [Redacted] Customer Service Contact Information for future assistance.

2. Subsequent Contact.

After the initial contact with Borrower as described above, [Redacted] shall resume both telephone and written contact with Borrower no later than forty-five (45) days prior to the date that first payment due under Borrower's Account. During such contact with Borrower, [Redacted] shall once again provide Borrower with information set forth in 1.c. (above) regarding Borrower's Account. [Redacted] shall advise Borrower of the forthcoming payment coupon or booklet and the importance of Borrower making Account payments on time. [Redacted] shall also inform and remind Borrower of deferment and forbearance options that are available to Borrower, and provide Borrower with any forms necessary to facilitate Borrower's completion of deferment or forbearance requirements.

3. Invalid or Incorrect Telephone Number or Address.

If at any time during this period, [Redacted] reasonably determines that Borrower's telephone number or address is invalid or incorrect, [Redacted] shall commence locating Borrower in accordance with Article III, Section B of the Agreement.

Exhibit A - 1

CONFIDENTIAL

KHE 0036561

EXHIBIT "B"
ACCOUNT MONITORING AND BORROWER CONTACT
EARLY DELINQUENCY PERIOD

1. Initial Contact.

Within three (3) days of [Redacted] determination (determination to be made at a minimum of every 30 days based on lender/servicer data) of a Borrower's delinquency with respect to the first payment or subsequent payment under Borrower's Account, [Redacted] shall:

- determine Borrower's current situation, both financial or otherwise, which is causing Borrower to be late on his/her first payment under Borrower's Account,
- provide Borrower with the appropriate solution to Borrower's situation to bring Borrower current on his/her Account,
- provide Borrower with counseling on repayment options on Borrower's Account available to Borrower,
- provide Borrower with the necessary forms to facilitate a quick resolution through deferment or forbearance of Borrower's Account, if necessary, and
- ensure that any appropriate forms of Borrower with respect to Borrower's Account are mailed or faxed and forwarded to the lender/servicer.

2. Continued Contact.

If Borrower remains in delinquent status on his/her repayment of the first payment or subsequent payment under Borrower's Account, Borrower shall continue contact (both by telephone and in writing) with [Redacted] to resolve Borrower's delinquent status with respect to such Borrower's repayment of Borrower's Account, including, without limitation, a letter attempting to resolve Borrower's delinquent status in his/her repayment of the first payment under Borrower's Account. [Redacted] shall make such determination of Borrower's delinquency with respect to the first payment under Borrower's Account based on [Redacted] electronic data exchanges with the FFELP or FDLP lender, servicer and/or guarantor in accordance with Article III, Section D of the Agreement.

3. Invalid or Incorrect Telephone Number or Address.

If at any time during this period, [Redacted] reasonably determines that Borrower's telephone number or address is invalid or incorrect, [Redacted] shall commence locating Borrower in accordance with Article III, Section B of the Agreement.

Exhibit B - 1

CONFIDENTIAL

KHE 0036562

EXHIBIT "C"
ACCOUNT MONITORING AND BORROWER CONTACT
CONTINUED DELINQUENCY MONITORING

1. Account Monitoring.

[Redacted] shall monitor the status of all Accounts to determine when such Account becomes delinquent or remains delinquent at a minimum of 1 x per month. [Redacted] shall make such determination of Borrower's delinquency with respect to a payment under Borrower's Account based on [Redacted] electronic data exchanges or manual report exchanges with the FFELP or FDLP lender, servicer and/or guarantor in accordance with Article III, Section D of the Agreement.

2. Initial Contact.

Within three (3) days of [Redacted] determination of a Borrower's delinquency with respect to a payment under Borrower's Account, [Redacted] shall:

- determine Borrower's current situation, both financial or otherwise, which is causing Borrower to be late on his/her first payment under Borrower's Account,
- provide Borrower with the appropriate solution to Borrower's situation to bring Borrower current on his/her Account,
- provide Borrower with counseling on repayment options on Borrower's Account available to Borrower,
- provide Borrower with the necessary forms to facilitate a quick resolution through deferment or forbearance of Borrower's Account, if necessary, and
- ensure that any appropriate forms of Borrower with respect to Borrower's Account are mailed or faxed and forwarded to the lender/servicer.

3. Continued Contact.

If Borrower remains in delinquent status with respect to a payment under Borrower's Account, Borrower shall continue contact (both by telephone and in writing) with Borrower to resolve Borrower's delinquent status with respect to a payment under Borrower's Account, including, without limitation, a letter attempting to resolve Borrower's delinquent status with respect to a payment under Borrower's Account

4. Invalid or Incorrect Telephone Number or Address.

If at any time during this period, [Redacted] reasonably determines that Borrower's telephone number or address is invalid or incorrect, [Redacted] shall commence locating Borrower in accordance with Article III, Section B of the Agreement.

Exhibit C - 1

CONFIDENTIAL

KHE 0036563