

AGENDA FOR THE SPECIAL MEETING OF THE
UNIVERSITY OF ARKANSAS BOARD OF TRUSTEES
WINTHROP ROCKEFELLER INSTITUTE
9:00 A.M., AUGUST 11, 2021

University of Arkansas System

1. Consideration of Request for Approvals Concerning Grantham University, UASYS (Action)

University of Arkansas, Fayetteville

2. Consideration of Request for Approval of Salaries in Excess of the Line-Item Maximum, UAF (Action)

University of Arkansas at Little Rock

3. Consideration of Request for Approval of Salaries in Excess of the Line-Item Maximum, UALR (Action)
4. Consideration of Request for Approval to Sell Property Located at 410 River Street in Benton, Arkansas, UALR (Action)

Phillips Community College of the University of Arkansas

5. Consideration of Request for Project Approval for the Grand Prairie Center/Stuttgart Campus Building Water Damage Repair Project and Selection of SCM Architects for the Project, PCCUA (Action)



Office of the President

August 6, 2021

TO THE MEMBERS OF THE BOARD OF TRUSTEES:

Trustees:

Enclosed are documents for consideration of acquiring substantially all assets and discrete liabilities of Grantham University (Lenexa, KS) to expand the UA System's online educational offerings. Under the terms of the enclosed Asset Purchase Agreement, the Board would acquire all aspects of Grantham University, including approximately 4,000 active students, intellectual property to support more than 60 degree programs, and approximately 170 full-time staff and 240 part-time faculty for \$1.

After exploring many options, the board of The Level Playing Field Corporation (LPF), which owns Grantham University, determined it is in the best interest of the university and its constituents to enter into an Asset Purchase Agreement to transfer substantially all the assets and certain discrete liabilities of Grantham University to the UA Board of Trustees in exchange for \$1. If approved, the UA System would take over all operations of Grantham University, including assuming substantially all assets and discrete liabilities of the university. Once acquired, it is envisioned that the newly named University of Arkansas – Grantham would provide critical resources to support 100 percent online learning opportunities throughout the UA System.

Founded in 1951 to serve World War II veteran educational needs, Grantham University in recent years has developed a reputation in online education for its quality, affordable and flexible degree programs focused in workforce subjects such as business, health professions and information technology. GU maintains its focus on military students today with service members making up 67 percent of its current student population. Grantham and eVersity are both accredited through the Distance Education Accrediting Commission (DEAC), a U.S. Department of Education recognized accreditor.

The opportunity for this transaction evolved from initial conversations with potential partners to expand the impact of eVersity. While eVersity has achieved success through its award-winning online programs, we have been looking for ways to scale its reach through enhanced student recruitment, including outside of Arkansas. Through purchasing an existing online university and combining its effort with that of eVersity, we have the opportunity to

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University of Arkansas, Fayetteville / University of Arkansas at Little Rock / University of Arkansas at Pine Bluff
University of Arkansas for Medical Sciences / University of Arkansas at Monticello / Division of Agriculture / Criminal Justice Institute
Arkansas Archeological Survey / Phillips Community College of the University of Arkansas / University of Arkansas Community College at Hope
University of Arkansas Community College at Batesville / Cossatot Community College of the University of Arkansas
University of Arkansas Community College at Morrilton / University of Arkansas at Fort Smith
University of Arkansas – Pulaski Technical College / University of Arkansas Community College at Rich Mountain
Arkansas School for Mathematics, Sciences and the Arts / University of Arkansas Clinton School of Public Service / University of Arkansas System eVersity

The University of Arkansas is an equal opportunity/affirmative action institution.

immediately scale our online portfolio during a time of disruption in the online education marketplace. If approved, this unique transaction, in which we would own all aspects of a formerly for-profit university, would set the UA System apart as a leader in our region in nonprofit, online education. The proposed acquisition comes as other public universities have acquired for-profit, online institutions across the country, including Purdue University's purchase of Kaplan University and the University of Arizona's more recent purchase of Ashford University.

Enclosed you will find a summary of the proposed transaction, a proposed Asset Purchase Agreement, links to articles about similar transactions across the country, and a resolution approving the transaction.

I look forward to visiting with you regarding this opportunity.

Sincerely,

A handwritten signature in black ink, appearing to read "Donald R. Bobbitt", with a long horizontal flourish extending to the right.

Donald R. Bobbitt
President
Charles E. Scharlau Presidential Leadership Chair

Attachments

RESOLUTION

WHEREAS, the Board of Trustees charged the University of Arkansas System to develop a plan to coordinate and expand distance education in Arkansas; and

WHEREAS, the UA System met that charge by creating a new, accredited online university, the University of Arkansas System *eVersity*, to expand educational opportunities to Arkansans that were not reached by traditional modes of instructional delivery; and

WHEREAS, in the five years since its creation *eVersity* has successfully built affordable, award-winning online programs that have helped adult learners return to college to complete their education and better their lives; and

WHEREAS, *eVersity* has recently sought to expand its reach to more students both in and outside of the state through investment in enhanced marketing and student recruitment; and

WHEREAS, the board of The Level Playing Field Corporation (LPF), which owns Grantham University, determined it is in the best interest of the university and its constituents to enter into an Asset Purchase Agreement to transfer substantially all the assets and certain discrete liabilities of Grantham University to the UA Board of Trustees in exchange for \$1; and

WHEREAS, Grantham University, founded in 1951, has developed a strong reputation with students who are in the military and others for its quality, affordable and flexible degree programs focused in workforce subjects such as business, health professions and information technology; and

WHEREAS, Grantham and *eVersity* are both accredited through the Distance Education Accrediting Commission (DEAC), a U.S. Department of Education recognized accreditor; and

WHEREAS, acquiring the assets of Grantham University would increase the number of unique credentials offered by the UA System's fully online institutions from 24 to more than 60 with an immediate enrollment increase of approximately 4,000 students; and

WHEREAS, after careful due diligence by both the UA System and the owners of Grantham University, an Asset Purchase Agreement has been proposed for the Board to acquire substantially all the assets and certain discrete liabilities of Grantham University;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE UNIVERSITY OF ARKANSAS THAT the Board approves the purchase of the assets of Grantham University, on terms set forth in the form of Asset Purchase Agreement provided to the Board, and authorizes the President to execute an Asset Purchase Agreement among Grantham University, Inc., The Level Playing Field Corporation (LPF), and the Board of Trustees of the University of Arkansas in substantially the form heretofore distributed to the Board, subject to approval of the final documents by the General Counsel.

BE IT FURTHER RESOLVED THAT the President is authorized to proceed expeditiously to work with the leadership of Grantham and LPF and to execute such other documents and take such other actions as required to secure all necessary approvals and take such other steps as are necessary to close the transaction and consummate the purchase of Grantham University.

BE IT FURTHER RESOLVED BY THE BOARD OF TRUSTEES OF THE UNIVERSITY OF ARKANSAS THAT upon the conditions of closing being met, that the University of Arkansas - Grantham be established effective with the passage of this resolution.

BE IT FURTHER RESOLVED BY THE BOARD OF TRUSTEES OF THE UNIVERSITY OF ARKANSAS THAT the President is authorized to take such additional steps as are necessary to establish University of Arkansas - Grantham as a campus of the University of Arkansas System, and is further authorized to form a limited liability company for which the Board of Trustees will be the sole member, to provide services necessary to the provision of quality education to students of University of Arkansas - Grantham.

BE IT FURTHER RESOLVED THAT the University of Arkansas - Grantham shall immediately begin the process of constituting an academic governance structure consistent with all Board of Trustees Policies and University of Arkansas Systemwide Policies and Procedures.

BE IT FURTHER RESOLVED THAT the University of Arkansas - Grantham is authorized, subject to appropriate Board approvals, to promulgate academic policies and business procedures needed to continue to operate as a nationally respected online university.

BE IT FURTHER RESOLVED THAT UA campuses and appropriate units do everything possible to support the University of Arkansas - Grantham in its role of further expanding educational opportunity to all Arkansans and across the country.

BE IT FURTHER RESOLVED THAT the Board authorizes the President, Chief Financial Officer, Vice President for Academic Affairs or their designees, to execute such other documents and instruments as may be necessary to close the transaction and put into place the necessary infrastructure, including establishing a separate limited liability company organization to provide services and support to the University of Arkansas - Grantham, provided that all such documents and instruments shall be reviewed by the General Counsel.



ACQUISITION PROPOSAL

GRANTHAM
UNIVERSITY

eVersity
UNIVERSITY OF ARKANSAS SYSTEM

Aug. 11, 2021

WR
WINTHROP
ROCKEFELLER
INSTITUTE

INTRODUCTION

The Lumina Foundation estimates there are nearly 400,000 Arkansans who have completed some college credit without earning an associate or higher degree. The University of Arkansas System's own internal survey identified more than 200,000 former students who stopped attending one or more of the system's institutions over the past seven years without earning a credential. Additionally, there are 7.4 million more adults who have completed some college without an associate or higher degree in the states that border Arkansas. Meanwhile, it is estimated that by 2025, 60 percent of Americans in the workforce will need a high-quality credential. The national average for credential attainment for adults 25-64 years of age is 51.9 percent, and Arkansas (43.6 percent) and our bordering states are all below that average. This is a tremendous economic loss for these students and their families, their state of residence and the U.S. overall. The majority of these students left their institutions not because of academic difficulty, but because their personal situation (family, children, illness) or their job took priority. In short, "Life got in the way."

Encouraging these students to return to higher education to complete a degree is difficult because of their past experience with higher education, which is often jaded, personal financial circumstances exacerbated by lower educational attainment, and the continuing complexities of their lives. To meet this need, the University of Arkansas Board of Trustees established the University of Arkansas System eVersity, a 100 percent-online university, in 2015 to serve those working adults who need the flexibility to return to college online.

During the past five years, eVersity has proven to be a strong success. Every seven weeks another group of students graduate with an eVersity degree and the chance for a better future for themselves and their families. The institution has provided a lifeline to students with very few other options – eVersity students are overwhelmingly from Arkansas; 36 years-old on average; 30 percent are underrepresented minorities; 65 percent are women; 67 percent receive financial aid; and they transfer an average of 69 prior college credits.

eVersity has demonstrated that it is possible to rethink the method of delivering online education to fit the complex lives of working adults – no student ever purchases a textbook (or pays any fees) as the courses have been designed to use 100 percent open educational resources (OER). Further, the high-quality eVersity courses have received several national awards, recognition which is rare for any institution, let alone one still within the first five years of its founding. Finally, the university has secured accreditation and participates in Title IV financial aid programs. More than 90 percent of eVersity students pass their courses and student satisfaction scores routinely meet or exceed 95 percent. The eVersity model has shown success, and it is now time to take this model to scale.

STUDENT SUCCESS



The University of Arkansas System eVersity has played a pivotal role in providing opportunities to those who previously attended college but never earned a degree. Joe Traylor's inspiration to complete his college degree — a journey years in the making — starts with a story he likes to tell about his father, Al.

"He was a radiographer, he did X-rays and CT scans and MRIs," Traylor said. "He got his training in the Air Force and he was able to build a career, but he reached a point where he wasn't able to go forward without any formal degree. So this man, in his 40s, went back to college and finished. He even went on to get his Master's degree."

Traylor, a lieutenant in the Saline County Sheriff's Office, applied the example of his father well. The Maryland native completed two degrees last summer, both earned at eVersity.

"I'm fortunate in my career where a bachelor's or a Master's degree is not required, but it's certainly very helpful," Traylor said. "I'm almost 11 years into my career now. At some point, I'm going to want to rise to the chief level of some department somewhere and education will be very helpful."

Traylor is currently pursuing a Master's degree because of the bachelor's degrees eVersity helped him earn.

"I have a full-time career, I have a family, so I have their extra-curricular activities, which I enjoy," he said. "School had to be workable within my lifestyle. I wasn't willing to compromise my career or my family to be able to attend classes in person."

THE PROPOSAL

Recruiting working adults is difficult as they are not easily identified through high school graduation lists, or through SAT or ACT exam rosters. Successful online institutions that cater to working adults have developed and honed sophisticated student on-boarding operations that are able to identify adult learners in need of an institution designed to meet their unique needs. These onboarding operations include sophisticated marketing and recruiting algorithms to locate former students who may have given up on the dream of completing their college degree, highly responsive student care teams that assist applicants in navigating the complexities of financial aid and transferring credits, and instructional designers who build high-quality courses for 100 percent online delivery.

Building a sophisticated online recruitment, onboarding, and instruction environment at scale takes tremendous time and resources. To accelerate this process, many institutions turn to private companies that serve as online program managers (OPMs). These OPMs provide marketing and recruitment services and assist in “back office” functions such as course design, IT, and student support in exchange for a share of the tuition, often in excess of 50 percent. Given the growing importance of online programs in higher education, the UA System considered a variety of options to accelerate the growth of eVersity, including the use of an OPM. While reviewing options, we were approached by a for-profit, accredited, fully online university that was seeking an opportunity for growth and further development of the institution. This university started as a small technical school with face-to-face operations after WWII and evolved to a robust provider of over 60 high quality online credentials and adheres to a mission, values, and an operational history that align with ours. **This university has a long history of outstanding service to its students, including a strong commitment to students in the military and first responders.** Given the current climate facing for-profit institutions, the owners are seeking a successor, nonprofit higher education provider that can continue and enhance their tradition of excellence.

After initially exploring an at-market purchase or an OPM structure, it was determined that neither of those options were a perfect fit. The owners subsequently proposed a transaction to provide substantially all assets and discrete liabilities of the university in exchange for \$1, again, to protect the interests of Grantham University and all its constituents. All aspects of the university including curriculum, intellectual property (IP), trademarks, students, faculty, employees, alumni, military and business relationships, and other items would be acquired. And unlike often-criticized OPM relationships, there would be no long-term service agreement, revenue sharing, or ongoing relationship with the current owners of the university after the transaction is complete. **We believe the value proposition presented by this proposal is unprecedented in higher education.**

Through very careful due diligence, including a review and analysis of financial, legal and other records, we are proposing an acquisition of substantially all assets and discrete liabilities of Grantham University in order to increase the scale and reach of the UA System’s online educational offerings. After much consideration, we believe Grantham shares the same ethical and philosophical standards as the UA System and its Board of Trustees. **With this acquisition, we are proposing to significantly expand the portfolio of degrees available online through the UA System.** The number of unique credentials offered by eVersity would increase from 24 to over 60, with an immediate enrollment increase from approximately 700 students per semester to serving roughly 4,000 active students across a single academic year. Grantham currently generates more than \$40 million in annual revenues, a number expected to grow through the merger with eVersity. **These additional revenues will provide an important source of funds to the UA System to grow our investment in online education.** More importantly, we will be acquiring significant resources to market eVersity, allowing the institution to compete on a more expansive scale in Arkansas and neighboring states. If approved, **this transaction will immediately scale our online, adult-focused educational offerings, giving the UA System a firm footing to continue to reach these students in Arkansas and beyond.**

In recent months there have been several high-profile online university acquisitions reported in the media related to how higher education is positioning itself for a future with fewer traditional aged students. Whether it be agreements to enter into long-term OPM relationships, acquiring entire universities, or merging existing institutions into fewer units, higher education is in a period of disruption. We believe early movers into this area will have a significant competitive advantage in the marketplace. In the upper Midwest, Purdue University acquired Kaplan University. In the East, the University of Massachusetts is partnering with Brandman University to compete with the University of Maryland Global campus, Penn State World campus, and Southern New Hampshire University. Finally, the University of Arizona recently acquired Ashford University to compete with Grand Canyon University, Western Governors University and Arizona State University Global in the west. That leaves the south and mid-south regions as available for an early mover, and with the reputation that the UA System has in the region, we believe we are well positioned to take a bold step toward being the premier online institution serving working adults in the south.

WHY GRANTHAM?
UNIVERSITY

Grantham University meets the strict ethical standards which we hold UA System institutions to with respect to student success. Grantham's mission and commitment to quality aligns well with that of eVersity and the rest of the UA System. Grantham's degree programs compliment and expand eVersity with a continued focus on workforce ready degrees, and the institution has developed a strong reputation serving those in the military and first responders. Unlike many for-profit institutions, Grantham has maintained a reputation for quality and rigor during a time of increased regulation of the sector. The institution has produced more than 10,000 degrees and certificates during the past five years, according to IPEDS.



HOW WILL GRANTHAM FIT IN?

After the transaction closes, the assets of Grantham University will exist as a stand-alone, degree-granting institution within the UA System. As soon as regulatory approvals can be secured and academic program administration issues aligned, the new campus will be merged with eVersity forming a single-online university specifically designed to serve nontraditional students and others interested in high quality affordable online degree programs. The existing Grantham resources will be used to accelerate the growth of online programming for the UA System.

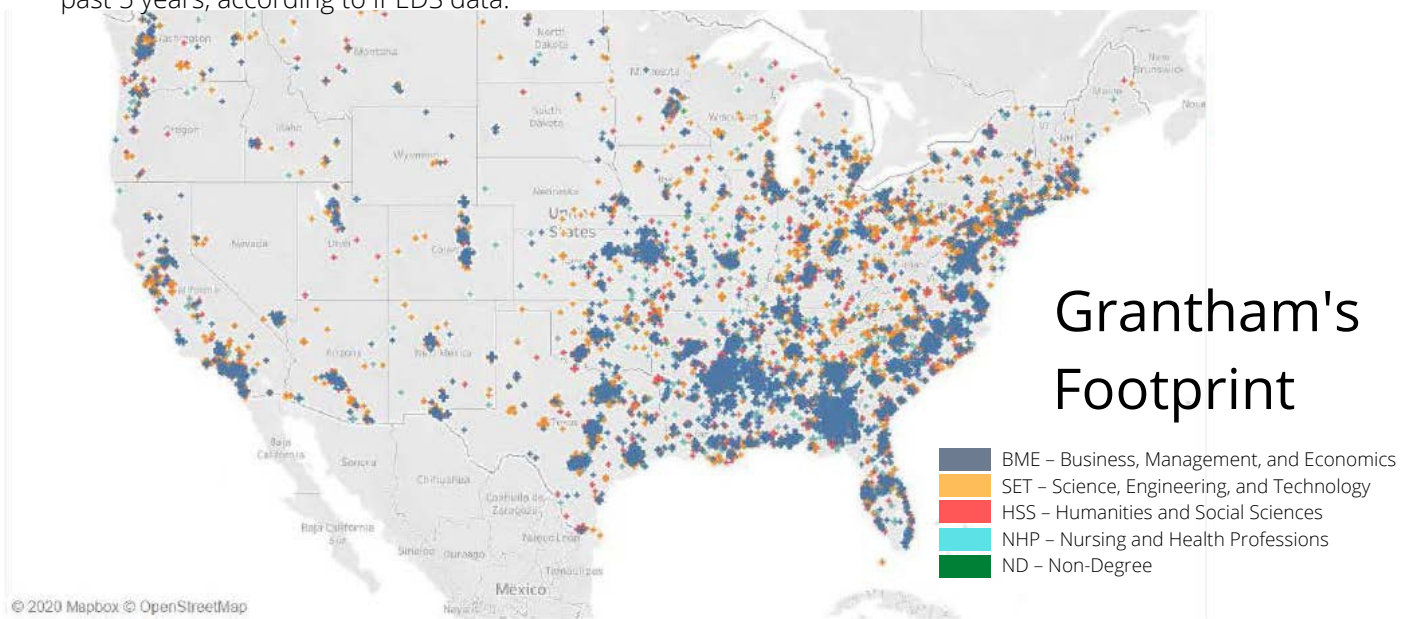


ABOUT GRANTHAM



Grantham University is a private, for-profit university based in Lenexa, KS, offering online certificate programs and associate, bachelor and master's degree programs. Grantham University is owned and operated by Grantham University, Inc., a Kansas corporation. The Level Playing Field is a Delaware corporation and owns all of the shares of capital stock of Grantham University, Inc.

Founded as Grantham Radio License School in 1951 by a World War II Veteran to serve Veteran educational needs, Grantham University developed over the decades as a traditional university with its main campus in Southern California and expanding to establish campuses across the country. As interest in Grantham's degree programs grew beyond traditional campus boundaries, Grantham developed distance education programs to serve a geographically dispersed student body. In the late 1990s, Grantham began offering its degree programs exclusively online. It is accredited by the Distance Education Accrediting Commission (DEAC) and holds various professional accreditations. Grantham's stated mission is to provide quality, accessible, affordable, professionally relevant programs in a continuously changing global society. Grantham serves approximately 4,000 active students annually in over 60 programs spanning 12 associate degrees, 25 bachelor's degrees, 14 master's degrees and 14 undergraduate and graduate certificates. The institution has produced more than 10,000 degrees and certificates during the past 5 years, according to IPEDS data.



Grantham's Footprint

PROPOSED TRANSACTION

This proposal is for the Board of Trustees to acquire Grantham University (i.e. programs, curriculum and courseware, goodwill, intellectual property, active student agreements, and prospective student leads, etc.) for \$1, and for those assets to be used to form a new UA System campus. If approved, the UA System would take over all operations of Grantham University, including assuming substantially all assets and discreet liabilities of the university. After closing and all regulatory approvals have been obtained, the new campus will eventually integrate with eVersity, resulting in a single online university. Initially, the Board will employ approximately 240 full-time and adjunct faculty. In addition, the Board will require the services of approximately 170 other individuals (current Grantham University staff and administration employees), who will work for and be managed through a professional employee organization. An LLC, in which the Board of Trustees of the University of Arkansas will be the only member, will provide services to support the operation of the new university through these leased employees. At some point in the future, some or all of these leased employees may become employees of the University.

\$1

Proposed Transaction

60+

Unique Credentials/Degrees

>10,000

Degrees granted by
Grantham last five years

>400K

Arkansans with
some college
and no degree

UA - GRANTHAM BY THE NUMBERS



2014

1,032

DEAC

Yes

37

65%

25%

67%

2%

Founded

Annual Students

Accreditation

Title IV

Avg. Age

Female

Black

Receiving Fin. Aid

Military Students

1951

10,000+

DEAC, ACEN, CCNE,
IACBE, ABET, PMI

Yes

65% over 30

48%

33%

78%

67%

Satisfaction

Scores based on end-of-
term student surveys:

Did you achieve, or will
you have achieved upon
completing your studies,
the goals you had when
you started this course
or program?



92%

96.1%

Would you recommend
these studies to a
friend?



96%

93.3%

All things considered,
were you satisfied with
your studies with us?



95%

94.2%

In the News: Examples of Higher Education Online Disruption

Higher Education is in a period of unprecedented disruption as evidenced by some institutions positioning themselves for the future by acquiring new resources, making strategic investments, merging, or in some classes, even closing.

Below is a small sample of news articles detailing the rapidly changing higher education landscape in recent years.

Acquisitions

- **Purdue University buys Kaplan University**

Purdue University said Thursday it will buy for-profit Kaplan University for \$1, with plans to turn it into a new, nonprofit Indiana public university for “nontraditional adult learners.” The surprise announcement was made public in a [Securities and Exchange Commission filing](https://www.sec.gov/Archives/edgar/data/100990102/00010099010217000021700001.htm) after Purdue’s board of trustees approved the deal. According to the filing, about 32,000 current Kaplan students will transfer to the new, as-yet-unnamed university. <https://www.usatoday.com/story/news/2017/04/27/purdue-buys-kaplan-university/100990102/>

- **University of Arizona Acquires Ashford University**

In August, the University of Arizona (UA) in Tucson announced that it would acquire Ashford University, a for-profit institution providing fully online education. UA will purchase Ashford from Zovio Inc., an education technology services company formerly known as Bridgepoint Education. Ashford currently serves approximately 35,000 students, enrolled in 50 associate’s, bachelor’s, master’s, and doctoral degree programs. <https://bized.aacsb.edu/articles/2020/october/university-of-arizona-acquires-ashford>

- **UMass Partners with Brandman University**

The UMass system announced it was pursuing a "strategic partnership" with Brandman University, a nonprofit spin-off of Chapman University that specializes in educating adult students, 85 percent of them online. <https://www.insidehighered.com/quicktakes/2020/06/17/umass-onlines-grand-plan-partnership-brandman>

- **2U buys edX for \$800M**

2U and edX, two major players in the online learning ecosystem, that they would combine to create an entity that would reach 50 million learners and serve most of the best universities in the United States and the world <https://www.insidehighered.com/news/2021/06/29/2u-edx-combine-create-online-learning-behemoth>

Mergers

- **Pennsylvania State University merge six institutions into two institutions**

Six schools would be merged into two entities, but keep their individual campuses. The move should save the system \$18.4 million over five years, and put it on a path to financial sustainability. <https://www.inquirer.com/education/pennsylvania-state-universities-merger-plans-20210426.html>

- **University of Georgia Merges Several Campuses**

The University of System of Georgia is merging four more campuses, sealing its reputation as a pacesetter in college consolidations. [An article in University Business](#) said Georgia had "what is likely the nation's most aggressive and high-profile campus consolidation program.

<https://www.ajc.com/blog/get-schooled/state-merges-more-campuses-georgia-saves-money-but-something-lost/4i10u8rKKNlwETzw4hsyH/>

Closures

- **Will Half of All Colleges Really Close In the Next Decade?**

Harvard Business School Professor Clayton Christensen consistently turns heads in higher education by predicting that 50% of colleges and universities will close or go bankrupt in the next decade.

<https://www.christenseninstitute.org/blog/will-half-of-all-colleges-really-close-in-the-next-decade/>

- **Higher Education Closures Since 2016**

The last few years have been tumultuous for many U.S. colleges. Pressure to lower tuition, stagnating state funding and a shrinking pool of high school graduates has strained many institutions' bottom lines and questioned their long-term viability. Those pressures have caused some to close. An interactive data set provides a state-by-state accounting of higher ed closures and consolidations.

https://www.highereddive.com/news/how-many-colleges-and-universities-have-closed-since-2016/539379/?utm_source=Sailthru&utm_medium=email&utm_campaign=Issue%3A+2021-08-02+Higher+Ed+Dive+%5Bissue%3A35809%5D&utm_term=Higher+Ed+Dive

Investments In Online Growth Plans

- **University of Missouri Announces Missouri Online**

The University of Missouri System today launched [Missouri Online](#), a new unified resource and administrative structure that supports online certificate and degree programs at all four UM System universities. The launch represents the culmination of strategic priorities made by the UM Board of Curators and UM President Mun Choi over the last three years to expand its online education enterprise and upgrade learning technologies to help more Missourians and others achieve the dream of earning a college degree and to further their success in the workforce.

https://www.umsystem.edu/ums/news/news_releases/20210309388378472_news

- **LSU looks to expand online learning**

While it currently teaches fewer than 1,000 remote students, Louisiana State University's Baton Rouge campus plans to bring their courses online and make them nationally available. LSU currently boasts 30,000 students on their campus in the state's capital, and Provost Richard Koubek sees no reason why the institution shouldn't match that number with their online offerings.

<https://news.elearninginside.com/lsu-joins-growing-trend-universities-looking-significantly-expand-online-enrollment/>

ASSET PURCHASE AGREEMENT

among

GRANTHAM UNIVERSITY, INC.

as Seller,

THE LEVEL PLAYING FIELD CORPORATION

as LPF,

and

THE BOARD OF TRUSTEES OF THE UNIVERSITY OF ARKANSAS

as Buyer

Dated July , 2021

TABLE OF CONTENTS

	<u>Page</u>
ARTICLE 1 DEFINITIONS.....	1
1.1 Definitions.....	1
1.2 Rules of Construction	1
ARTICLE 2 CONTRIBUTION.....	2
2.1 Purchase of Assets	2
2.2 Excluded Assets	4
2.3 Assumption and Retention of Liabilities	5
2.4 Consideration; Closing Net Worth.....	6
2.5 Closing Net Worth Adjustment	7
2.6 Allocation of Consideration.....	8
2.7 Deferred Consents.....	8
ARTICLE 3 THE CLOSING.....	9
3.1 Place and Time.....	9
3.2 Deliveries by or on behalf of Seller.....	9
3.3 Deliveries by or on behalf of Buyer.....	10
ARTICLE 4 CONDITIONS TO BUYER’S OBLIGATIONS	11
4.1 Representations, Warranties and Agreements	11
4.2 Required Consents	11
4.3 Absence of Actions	11
4.4 No Material Adverse Effect.....	12
4.5 Receipt of Closing Deliverables	12
4.6 Frustration of Closing Conditions.....	12
ARTICLE 5 CONDITIONS TO SELLER PARTIES’ OBLIGATIONS.....	12
5.1 Representations, Warranties and Agreements	12
5.2 Required Consents	12

TABLE OF CONTENTS CONTINUED

	<u>Page</u>
5.3 Absence of Actions	12
5.4 Receipt of Closing Deliverables	13
5.5 Frustration of Closing Conditions.....	13
ARTICLE 6 REPRESENTATIONS AND WARRANTIES OF THE SELLER	
PARTIES	13
6.1 Organization and Standing.....	13
6.2 Authorization; Enforceability	13
6.3 No Conflicts; Consents	14
6.4 Subsidiaries	14
6.5 Title to and Condition of the Purchased Assets	14
6.6 Contracts	14
6.7 Real Property; Leases	15
6.8 Intellectual Property	15
6.9 Financial Statements	17
6.10 Events Subsequent to Most Recent Fiscal Year End.....	17
6.11 Litigation.....	18
6.12 Compliance with Laws	18
6.13 Educational Approvals and Educational Requirements.....	19
6.14 Taxes	23
6.15 Insurance	23
6.16 Powers of Attorney	23
6.17 Employees.....	24
6.18 Employee Benefit Plans.....	25
6.19 Environmental Compliance	26
6.20 Brokers.....	27
6.21 Affiliate Transactions.....	27

TABLE OF CONTENTS CONTINUED

	<u>Page</u>
6.22 Accounts Receivable.....	27
6.23 Suppliers	27
6.24 Undisclosed Liabilities.....	27
6.25 No Implied Representations or Warranties.....	28
ARTICLE 7 REPRESENTATIONS AND WARRANTIES OF BUYER.....	28
7.1 Organization and Standing.....	28
7.2 Authorization; Enforceability	28
7.3 No Conflicts; Consents	28
7.4 Buyer Parties' Brokers	29
7.5 Actions	29
7.6 Educational Compliance of Buyer	29
ARTICLE 8 CERTAIN COVENANTS	29
8.1 Access; Consultation.....	29
8.2 Notice of Certain Events.....	29
8.3 Operations Pending Closing	30
8.4 Supplemental Disclosure Statements; Supplemental Financial Statements; Regulatory Filings.....	31
8.5 Cooperation; Consents; Filings.....	32
8.6 Public Announcements	33
8.7 Exclusivity	34
ARTICLE 9 COVENANTS AND AGREEMENTS.....	34
9.1 Employee Matters	34
9.2 Further Assurances.....	36
9.3 Confidentiality	36
9.4 Non-Compete; Non-Solicitation	37
9.5 Transfer Taxes	38

TABLE OF CONTENTS CONTINUED

	<u>Page</u>
9.6 Access to Records	38
ARTICLE 10 SURVIVAL, DISCLAIMERS, FRAUD EXCEPTION	38
10.1 Survival	38
10.2 Certain Understandings and Disclaimers	39
10.3 Fraud	39
ARTICLE 11 TERMINATION	39
11.1 Termination	39
11.2 Procedure and Effect of Termination	40
ARTICLE 12 FEES AND EXPENSES	41
12.1 Governmental Filing Fees	41
12.2 Expenses	41
ARTICLE 13 MISCELLANEOUS	41
13.1 Entire Agreement, Amendment	41
13.2 Waivers; Consents	41
13.3 Benefit; Assignment	42
13.4 Notices	42
13.5 Counterparts	43
13.6 Headings	43
13.7 Severability	43
13.8 No Third Party Beneficiaries	43
13.9 Governing Law	43
13.10 No Strict Construction	43
13.11 No Recourse or Personal Liability	44
13.12 Saturdays, Sundays and Legal Holidays	44
13.13 Incorporation of Exhibits, Annexes and Schedules	44

TABLE OF CONTENTS CONTINUED

	<u>Page</u>
13.14 Governing Language.....	44
13.15 Time of the Essence	44
13.16 Jurisdiction.....	44

Exhibits

Exhibit A	Assignment and Assumption Agreement and Bill of Sale
Exhibit B	Intellectual Property Assignment Agreement
Exhibit C	Required Consents
Exhibit D	List of Transferring Assets and Transferring Liabilities by Line Item
Exhibit E	Sample Calculation of Closing Net Worth
Exhibit F	Escrow Agreement

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT is made and entered into this _____ day of July 2021, among GRANTHAM UNIVERSITY, INC., a Kansas corporation (“***Seller***”), THE LEVEL PLAYING FIELD CORPORATION, a Delaware corporation (“***LPF***”, and together with Seller, the “***Seller Parties***”), on the one hand and THE BOARD OF TRUSTEES OF THE UNIVERSITY OF ARKANSAS, a body politic and corporate and a state-supported educational institution organized under and existing by virtue of the laws of the State of Arkansas (“***Buyer***”), on the other hand. Thomas Macon, individually, (“***Macon***”) is made a party hereto for the limited purposes of Section 9.4 hereto.

WITNESSETH:

WHEREAS, Seller owns and operates Grantham University (as defined herein);

WHEREAS, LPF is the owner of all of the outstanding shares of capital stock of Seller;

WHEREAS, Seller desires to sell to Buyer, and Buyer desires to purchase certain of the assets and assume certain liabilities of Seller used to operate Grantham University, on the terms and subject to the conditions set forth herein; and

WHEREAS, each party hereto believes that it will benefit directly from the consummation of the transactions contemplated hereunder.

NOW, THEREFORE, in consideration of the above premises and of the mutual covenants, conditions and agreements set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, hereby agree as follows:

ARTICLE 1 DEFINITIONS

1.1 Definitions. Unless the context shall otherwise require, terms used in this Agreement with initial capital letters shall have the meanings ascribed to them in Annex A, which is incorporated herein by reference into this Agreement and made a part hereof.

1.2 Rules of Construction. For purposes of this Agreement:

(a) whenever the context requires, any pronoun shall include the corresponding masculine, feminine and neutral forms;

(b) where the context so requires or Permits, the use of the singular form includes the plural, and the use of the plural form includes the singular, and without limiting the generality of the foregoing, it is hereby acknowledged and agreed that (i) the term “Seller Parties” shall include and mean, as applicable, any one or more of the Seller Parties singly or together and not just the Seller Parties collectively or as a group and (ii) the term “party” as it refers to a Seller Party, shall include and mean both of the Seller Parties;

(c) the words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”;

(d) all references to “party” and “parties” shall be deemed references to parties to this Agreement, unless the context shall otherwise require;

(e) except as specifically otherwise provided in this Agreement, a reference to an Article, Annex, Section, Schedule or Exhibit is a reference to an Article or Section of this Agreement or an Annex, Schedule or Exhibit of or to this Agreement;

(f) the term “or” is used in its inclusive sense and shall be deemed to have the meaning “and/or”, and, together with the terms “either” and “any” shall not be exclusive;

(g) the term “any” shall be deemed to have the meaning “any and/or all”;

(h) when used in this Agreement, words such as “herein”, “hereinafter”, “hereby”, “hereof”, “hereto”, “hereunder” and words of similar import shall refer to this Agreement as a whole, including Annexes, Schedules and Exhibits hereto, and not to any particular provision of this Agreement, unless the context clearly requires otherwise;

(i) when used herein, the words “ordinary course of business” or any variation thereof includes any action, inaction, determination, purchase or expenditure taken, made or incurred by or on behalf of Seller that management of Seller believed in good faith was necessary or desirable to respond to, address, ameliorate or comply with any of the items described in clause (v) of the definition of Material Adverse Effect in Annex A or protect the employees, independent contractors, students or customers of Seller in respect of any of the items described in clause (v) of the definition of Material Adverse Effect in Annex A;

(j) any reference to any Law is to it as amended and supplemented from time to time (and in the case of any Law, to any successor provisions, and to any rules and regulations promulgated thereunder), unless the context requires otherwise;

(k) any reference to a Person shall include the successors and assigns of such Person;

(l) any reference to any materials, including any document, report, record, file or other data, shall, in each case, include any form or medium of such materials (including electronic form); and,

(m) Terms not specifically defined shall be interpreted according to the meaning of such terms as commonly understood as of the date of this Agreement.

ARTICLE 2 CONTRIBUTION

2.1 Purchase of Assets. Upon all of the terms and subject to all of the conditions of this Agreement, at the closing, Seller shall sell, assign, transfer, convey and deliver to Buyer (or Buyer’s affiliate as designated by Buyer), and Buyer shall acquire, all of Seller’s right, title and

interest in and to all of the assets, properties, privileges, rights, benefits, interests and claims, whether real or personal or mixed, tangible or intangible, of every type and description that are owned, leased, licensed, or otherwise held for use by Seller (collectively, the “**Purchased Assets**”), free and clear of all Liens other than Permitted Liens; *provided, however*, that the Purchased Assets shall not include any of the Excluded Assets. Except as otherwise provided in Section 2.2, the Purchased Assets shall include without limitation all of the Seller Parties’ right, title and interest in and to the following:

- (a) Grantham University’s goodwill, website and all internet domain names;
- (b) all furniture, fixtures, equipment and other tangible personal property of Seller;
- (c) the Contracts listed on Schedule 2.1(c), including without limitation rights under software licenses to which Seller is a party and agreements with the U.S. Department of Defense and veterans associations (the “**Assumed Contracts**”);
- (d) the Curricula;
- (e) to the extent not included in Curricula , all programs, courseware (publisher eBook content, digital supplements and, to the extent an ownership interest exists, open source eBook and open source content), materials associated with courseware and authoring tools and environments (both licensed and to the extent an ownership exists, open source) owned by either of the Seller Parties;
- (f) the Seller Intellectual Property;
- (g) the Seller IT Assets;
- (h) the Permits and Educational Approvals of Seller or Grantham University to the extent transferable;
- (i) the Records;
- (j) the Student Accounts Receivable and all other accounts receivables other than Tax receivables, including any federal or state Tax refunds and any amount owed to either Seller Party under the Promoting Employment Across Kansas Program;
- (k) the Educational Bond issued on behalf of Grantham University listed on Schedule 2.1(k) (the “**Transferred Educational Bond**”);
- (l) all other tangible and intangible assets, including all sales and promotional literature, prospective student lists, lead generation addresses, ad words, internet, broadcast and print media content, marketing data, promotional materials, other marketing, sales-related and promotion-related materials owned by Seller or held for use by Grantham University, products and services currently in development, as well as any plans for new services, classes or programs;

(m) all Actions, causes of action, rights of recovery, rights of set-off and rights of recoupment relating to or arising out of the Purchased Assets or offsetting any of the Assumed Liabilities, whether known or unknown, including rights under warranties, insurance policies, indemnities and similar rights;

(n) all prepaid items related to Grantham University activities;

(o) all inventory related to Grantham University activities;

(p) insurance benefits and receivables arising from any outstanding and unresolved claim made under any of Seller Parties' insurance policies with respect to the Purchased Assets;

(q) all telephone numbers, email addresses, internet websites and addresses, post office boxes and other numbers or addresses exclusively used by Seller in connection with Grantham University, including the right to receive mail and other communications addressed to Grantham and pertaining to Grantham University;

(r) all rights and interests in the name "Grantham University" and any variation thereof; and

(s) all goodwill associated with Grantham University.

2.2 Excluded Assets. Notwithstanding anything contained herein to the contrary, the following properties, assets and rights of Seller, as well as all of the assets of LPF (other than as expressly listed in 2.1(d) through (i), (l) and (n) through (s)), are expressly excluded from the purchase and sale contemplated hereby, and, as such, shall not constitute Purchased Assets (collectively, the "**Excluded Assets**");

(a) all Cash Equivalents;

(b) all Tax receivables, including any federal or state Tax refunds and any amount owed to either Seller Party under the Promoting Employment Across Kansas Program.

(c) all Tax-related assets, including all deferred Tax assets, estimated Taxes, rights to refunds and credits and other recoveries, Tax Returns, Tax books and Records and Tax work papers;

(d) Seller's certificate of incorporation, bylaws, Tax identification number, minute book, stock certificates and other documents relating to the organization and existence of Seller as a corporation;

(e) all rights of Seller to enforce (i) the obligations of Buyer to pay, perform or discharge the Assumed Liabilities and (ii) all other obligations of Buyer under or in connection with, as well as all other rights of the Seller Parties under or in connection with, this Agreement or any of the other Buyer Ancillary Documents;

(f) all inter-company accounts between the Seller Parties;

(g) any assets associated with any compensation arrangement with Employees, pension, profit-sharing or employee benefit plans, including all of the Seller Parties' right, title and interest in and to any Benefit Plans; and

(h) all bank accounts of Seller.

Notwithstanding the foregoing subsections (a) and (h), the cash included in Accounts 11061 and 11071 as identified on Exhibit D hereto (which is net of any amounts held payable to students) shall not be deemed an Excluded Asset.¹ Assumption and Retention of Liabilities.

(i) Other than the Retained Liabilities, Buyer shall assume, pay, discharge and perform the Liabilities of Seller arising out of the operation of Grantham University (the "**Assumed Liabilities**") including without limitation the following: (i) Liabilities arising under the Assumed Contracts after the Effective Time (excluding Liabilities arising by reason of any breach by Seller based on events, occurrences or circumstances prior to the Closing, regardless of when any such Liabilities are asserted); (ii) Liabilities that constitute deferred or prepaid tuition or obligations to provide educational services to students who are enrolled in and attending Grantham University, or who have been accepted for enrollment in Grantham University, on or before the Closing Date (all of which shall be included in the Closing Net Worth calculation); (iii) all Liabilities arising under the Transferred Educational Bond; (iv) all obligations to current students under enrollment agreements including any student refund and return of federal student aid obligations (all of which shall be included in the Closing Net Worth calculation); and (v) accrued Transferring Liabilities (all of which shall be included in the Closing Net Worth calculation).

(j) Seller shall retain and remain responsible for the following Liabilities (collectively, the "**Retained Liabilities**"):

(i) all Tax Liabilities of Seller, whether incurred prior to, on or after the Effective Time;

(ii) all Liabilities for Benefit Plans listed on Schedule 6.18(b) and any Benefit Plan that is required to be listed on Schedule 6.18(b) but is not so listed;

(iii) Liabilities of Seller accruing or arising prior to Closing (regardless of when any such Liabilities are asserted) under employment, consulting, severance and similar relationships with employees and independent contractors of Seller including without limitation liabilities of the type described in Sections 9.1(c), (d), (e) and (f);

(iv) Liabilities of Seller accruing or arising under any contract that is not an Assumed Contract and all Liabilities arising under any Assumed Contract by reason of any breach by Seller based on events, occurrences or circumstances prior to the Closing, regardless of when any such Liabilities are asserted (other than to the extent such amounts are included in Transferring Liabilities);²

¹ **NTD:** Additional discussion and language may be necessary following call with all parties.

² Note to Seller: This is the same language included in 2.3(a)(i).

- (v) Accounts payable that are past due;
- (vi) Tort liability arising from events, acts, omissions and occurrences prior to Closing; and
- (vii) Intercompany liabilities between the Seller Parties.

(k) Seller agrees that at Closing it will place \$250,000 in an escrow account (the “**Holdback Account**”) to be held and disbursed pursuant to the terms of an escrow agreement in substantially the form of Exhibit F hereto (the “**Escrow Agreement**”) for the sole purposes of covering any unsatisfied Retained Liabilities asserted against Buyer.³ Funds from the Holdback Account shall be disbursed upon the joint written instruction of Buyer and LPF to _____ (the “**Escrow Agent**”) pursuant to the terms of the Escrow Agreement solely for the purpose of paying any unsatisfied Retained Liability asserted against Buyer. Upon the date that is twelve (12) months after Closing, any funds remaining in the Holdback Account shall be remitted by the Escrow Agent to Seller; provided, however, that the Escrow Agent shall not release funds from the Holdback Account to the extent that it has received notice from Buyer of a claim against such funds.

2.3 Consideration; Closing Net Worth.

(a) Consideration. In consideration for the Purchased Assets, at the Closing, Buyer shall assume the Assumed Liabilities and pay Seller One Dollar (\$1.00) in cash, and Buyer shall execute and deliver to Seller all other Transaction Documents to which it is a party.

(b) Closing Net Worth. In determining the consideration described in Section 2.4(a), the parties agree that Closing Net Worth at the Effective Time should equal Zero Dollars (\$0.00). To the extent that Estimated Closing Net Worth is a positive number, Buyer shall pay Seller the amount of such positive number by wire transfer of immediately available funds at the Closing. To the extent that Estimated Closing Net Worth at the Effective Time is a negative number, Seller shall pay Buyer the amount of such negative number by wire transfer of immediately available funds at the Closing.

(c) Sample Calculation of Closing Net Worth. An example of the calculation of Closing Net Worth is included as Exhibit E hereto. The parties acknowledge that the amounts of the line items in the actual Closing Net Worth may differ from the amounts of the line items set forth in Exhibit E.

(d) Estimated Statement. At least ten (10) Business Days prior to the Closing Date, the chief financial officer of LPF shall prepare and deliver, or cause to be prepared and delivered, to Buyer a good faith estimate as of the Effective Time of the Transferring Assets and the Transferring Liabilities, in each case prepared in accordance with GAAP applied consistent with past practice and the resulting Closing Net Worth calculated on the basis of such estimates (the “**Estimated Closing Net Worth**”). Buyer may review the estimates of Transferring Assets and Transferring Liabilities and provide written notice to Seller at least five (5) Business Days prior to the Closing Date of its good faith belief that any of such estimates are not consistent with any of

³ **NTD**: Third party financial institution to serve as escrow agent.

this Agreement or GAAP applied consistent with past practice. In the event of any such written notice, the parties shall use good faith efforts to agree upon the content and amounts of such estimates before the Closing.

2.4 Closing Net Worth Adjustment.

(a) Closing Statement. Within ninety (90) days after the Closing Date, Buyer shall prepare and deliver to Seller a statement (the “**Closing Statement**”) setting forth Buyer’s good faith determination of the actual amount, as of the Effective Time, of each of the Transferring Assets and the Transferring Liabilities calculated in accordance with this Agreement and GAAP applied consistent with past practice, together with the resulting Closing Net Worth calculated on the basis of such determination. If Buyer does not deliver a Closing Statement within such ninety (90) day period, the Estimated Closing Net Worth shall be deemed to be Final Closing Net Worth. For the avoidance of doubt, the Closing Statement shall entirely disregard (i) any and all effects on the Purchased Assets, the Assumed Liabilities or Grantham University as a result of the Contemplated Transactions or of any financing or refinancing arrangements entered into at any time by Buyer or any other transactions entered into by Buyer in connection with the Contemplated Transactions, (ii) any of the plans, decisions, transactions or changes which Buyer intends to initiate or make or cause to be initiated or made after the Closing with respect to the Purchased Assets, the Assumed Liabilities or Grantham University, (iii) any events, conditions or circumstances which arise as a result of the change of Control or ownership of the Purchased Assets, the Assumed Liabilities or Grantham University contemplated by this Agreement, (iv) events taking place after the Effective Time and (v) any facts or circumstances that are a result of actions taken by Buyer after the Effective Time.

(b) Dispute. Within forty-five (45) days following receipt by Seller of the Closing Statement, Seller shall deliver written notice (a “**Notice of Disagreement**”) to Buyer of any dispute it has with respect to the preparation or content of the Closing Statement. If Seller does not provide a Notice of Disagreement to Buyer within such forty-five (45)-day period, such Closing Statement will be final, conclusive and binding on the parties and shall be deemed to determine the Final Closing Net Worth. In the event that a Notice of Disagreement provided within the time period described in the first sentence of this Section 2.5(b), Buyer and Seller shall negotiate in good faith to resolve such dispute. The Final Closing Net Worth set forth in the Closing Statement, as adjusted following the resolution of any disputed items set forth therein, shall be referred to herein as the “**Final Closing Net Worth**”.

(c) Access. For purposes of complying with the terms set forth in this Section 2.5, each party shall cooperate with and make available to the other parties and their respective representatives all information, records, data and working papers, and shall permit access upon reasonable advance notice to their respective facilities and personnel during normal business hours, as may be reasonably required in connection with the preparation and analysis of the Closing Statement and the resolution of any disputes thereunder. Without limiting the generality of the foregoing, Seller and its accountants may make inquiries of Buyer and its accountants regarding questions concerning or disagreements with the Closing Statement arising in the course of their review thereof, and Buyer shall use its commercially reasonable efforts to cause its accountants to cooperate with and promptly respond to such inquiries. All information learned or received by

Seller or its representatives pursuant to this Section 2.5(c) shall be held confidential pursuant to the provisions of Section 9.3.

(d) Adjustment. Upon completion of the calculation of the Final Closing Net Worth in accordance with this Section 2.5, the following adjustments shall be made:

(i) If the Final Closing Net Worth is less than the Estimated Closing Net Worth, then Seller shall, within five (5) Business Days from the date on which the Final Closing Net Worth has been determined, pay to Buyer an amount in cash equal to such shortfall by wire transfer of immediately available funds to an account designated in writing by Buyer to Seller at least two (2) Business Days prior to the date that such payment is due hereunder.

(ii) If the Final Closing Net Worth is greater than the Estimated Closing Net Worth, then Buyer shall, within five (5) Business Days from the date on which the Final Closing Net Worth has been determined, pay to Seller an amount in cash equal to such excess by wire transfer of immediately available funds to an account designated in writing by Seller to Buyer at least two (2) Business Days prior to the date such payment is due hereunder.

(iii) If the Final Closing Net Worth is equal to the Estimated Closing Net Worth, there will be no adjustment pursuant to this Section 2.5(d).

2.5 Allocation of Consideration.

(a) After a thorough analysis of the Contemplated Transactions and arms' length negotiations between the parties, the Seller Parties and Buyer agree that an amount equal to the sum of One Dollar (\$1), the aggregate amount of the Final Closing Net Worth and the aggregate amount of Assumed Liabilities other than those relating to periods after the Effective Time shall be allocated among the Purchased Assets and the Assumed Liabilities pursuant to this Agreement as follows:

(i) an amount equal to the book value (not of any contra account) as set forth on the Final Closing Statement as finally determined of all Student Accounts Receivables (net of the reserve for bad debt) shall be allocated to the Student Accounts Receivables;

(ii) an amount equal to Five Thousand Dollars (\$5,000) shall be allocated to the covenants set forth in Section 9.4; and

(iii) any remaining amount shall be allocated to goodwill.

(b) Buyer and the Seller Parties shall be bound by the allocation as set forth in this Section 2.6, shall apply such allocation for all purposes (including determining any Tax), and shall not take (or permit any Affiliate to take) any position inconsistent with such allocation in any Tax Return, proceeding before any Taxing Authority or otherwise. In the event that any allocation thereof shall promptly notify the other parties, and shall keep the other parties apprised of the status of such question, audit or contest and the resolution thereof.

2.6 Deferred Consents. Neither assignment nor transfer of an Assumed Contract or Purchased Asset the assignment or transfer of which is subject to a consent requirement shall be

effective until such consent has been obtained. If any such consent, authorization, approval or waiver has not been obtained prior to Closing (a “**Deferred Consent**”) and Buyer waives such Deferred Consent as a condition of Closing, then (a) Seller and Buyer will cooperate, in all commercially reasonable respects, for a period of six (6) months following the Closing Date, to obtain such Deferred Consents as soon as practicable following the Closing Date; and (b) until such Deferred Consent is obtained, Seller and Buyer will cooperate, in all commercially reasonable respects, to provide to Buyer the benefits under the Assumed Contract or in respect of such other Purchased Asset to which such Deferred Consent relates. In particular, in the event that any Deferred Consent has not been obtained on or prior to Closing and Buyer has not waived such Deferred Consent as a condition of Closing, then Buyer and Seller shall enter into such arrangements (including subleasing or subcontracting if permitted) to provide to the parties the economic and operational equivalent of obtaining such Deferred Consent and assigning or transferring such Assumed Contract, including enforcement for the benefit of Buyer of all claims or rights arising thereunder, and the performance by Buyer of the obligations thereunder arising on or after the Closing Date on a prompt and punctual basis. Buyer and Seller shall each be responsible for fifty percent (50%) of all costs (excluding costs of Seller’s and Buyer’s respective legal counsel) associated with obtaining any Deferred Consents. Once any Deferred Consent is obtained, Seller shall sell, assign, transfer, convey and deliver to Buyer the relevant Purchased Asset to which such Deferred Consent relates for no additional consideration. Notwithstanding the foregoing, nothing herein shall be deemed a waiver by Buyer to require a Required Consent on or before Closing.⁴

ARTICLE 3 THE CLOSING

3.1 Place and Time. Subject to the satisfaction of the conditions set forth in Articles 4 and 5 hereof (or the waiver thereof by the party entitled to waive the applicable condition), the consummation of the Contemplated Transactions (the “**Closing**”) shall take place remotely by the exchange of the deliverables described in Sections 3.2 and 3.3 by electronic means or at such other place as the parties may designate in writing on a date and time to be specified by the parties, which date shall be the Business Day that is Seller’s first payroll day following the satisfaction or waiver of the conditions to the Closing set forth in Articles 4 and 5 hereof (other than those to be satisfied or waived at the Closing or on the Closing Date, but subject to the satisfaction or waiver of those conditions), unless another time or date, or both are agreed to in writing by the parties hereto. The date on which the Closing shall be held is referred to in this Agreement as the “**Closing Date**”. The Closing will be deemed to occur at the Effective Time.

3.2 Deliveries by or on behalf of Seller. At the Closing, Seller shall deliver or cause to be delivered to Buyer the following items:

(a) if the Estimated Closing Net Worth is a negative number, the payment required by Section 2.4(b);

⁴ **NTD**: this is subject to continued contract review.

(b) an Assignment and Assumption Agreement and Bill of Sale in substantially the form of **Exhibit A** (the “*Assignment Agreement*”) duly executed by the Seller Parties;

(c) an Intellectual Property Assignment Agreement in substantially the form of **Exhibit B** (the “*Intellectual Property Assignment*”) duly executed by the Seller Parties;

(d) a properly executed certificate of non-foreign status from Seller substantially in the form set forth in Treasury Regulations Section 1.1445-2(b)(2)(iv)(B);

(e) a certificate executed by a duly authorized officer of Seller, given by him on behalf of Seller and not in his individual capacity, certifying the satisfaction of the conditions set forth in Section 4.1 and attaching and certifying as true, correct and complete, resolutions of the board of directors of Seller approving the execution and delivery of this Agreement and the consummation of the Contemplated Transactions;

(f) a certificate of the Secretary of State of the State of Kansas as to the good standing of Seller in the State of Kansas as of a recent date;

(g) Certificate of Tax clearance from the Kansas Department of Revenue dated within ninety (90) days of the Closing Date; and

(h) such other documents as may reasonably be requested by Buyer to effect the closing of the Contemplated Transactions.

3.3 Deliveries by or on behalf of Buyer. At the Closing, Buyer shall deliver or cause to be delivered to Seller (except as otherwise specified in this Section 3.3) the following items:

(a) if the Estimated Closing Net Worth is a positive number, the payment required by Section 2.4(b);

(b) the Assignment Agreement duly executed by Buyer;

(c) the Intellectual Property Assignment duly executed by Buyer;

(d) a certificate executed by a duly authorized officer of Buyer, given by him or her on behalf of Buyer and not in his or her individual capacity, certifying the satisfaction of the conditions set forth in Section 5.1 and attaching and certifying as true, correct and complete, and the resolutions of the board of trustees of Buyer approving the consummation of the Contemplated Transactions by Buyer; and

(e) such other documents as may reasonably be requested by Seller to effect the closing of the Contemplated Transactions.

ARTICLE 4 CONDITIONS TO BUYER'S OBLIGATIONS

The obligations of Buyer to effect the Closing shall be subject to the satisfaction at or prior to the Closing of the following conditions, any one or more of which may be waived (in whole or in part) by Buyer:

4.1 Representations, Warranties and Agreements.

(a) The representations and warranties of the Seller Parties contained in this Agreement shall be true and correct in all material respects as of the Closing Date (except to the extent made with reference to an earlier date, in which case as of such earlier date), except to the extent of changes or developments contemplated by the terms of this Agreement, provided, however, that in the case of representations and warranties of the Seller Parties contained in this Agreement that are already qualified by the words “materiality” or “in all material respects,” such representations and warranties shall be true and correct in all respects as of the Closing Date, not in a combination of either “materiality” plus “in all material respects” or “in all material respects” plus “in all material respects.”

(b) The Seller Parties shall have performed and complied in all material respects with the agreements contained in this Agreement required to be performed and complied with by them prior to or at the Closing.

4.2 Required Consents. All Consents of Governmental Authorities, all Educational Consents and third-party consents to Assumed Contracts (as applicable) and Purchased Assets that are required to be obtained prior to the Closing Date are listed on Exhibit C shall have been obtained. The items listed on Exhibit C are referred to as the “*Required Consents*”.⁵

4.3 Absence of Actions.

(a) No Order shall be in effect enjoining or preventing consummation of the Contemplated Transactions;

(b) No Action (other than an Action instituted or threatened by or on behalf of Buyer) shall have been instituted or threatened (and not subsequently dismissed, settled or otherwise terminated) wherein an unfavorable Order would (i) restrain, prevent, prohibit or invalidate the Contemplated Transactions or (ii) be reasonably expected to result in a Material Adverse Effect, and no such Order shall be in effect; provided, that prior to asserting this condition, with respect to any Order referenced in clause (a) or (b) of this Section 4.3 that is directed against Buyer, Buyer shall have used commercially reasonable efforts to prevent the entry of any such Order and to promptly appeal any such Order that may be entered; and

(c) There shall have been no assertion of appraisal or dissenter's rights by any shareholder of LPF.

⁵ **NTD:** Exhibit C shall include a consent and estoppel from both the landlord and the subtenant, consent of the Board of Trustees of Buyer, among others.

4.4 No Material Adverse Effect. No event shall have occurred since the date of this Agreement that would be reasonably expected to result in a Material Adverse Effect.

4.5 Receipt of Closing Deliverables. Buyer shall have received the deliveries contemplated by Section 3.2.

4.6 Frustration of Closing Conditions. Buyer may not rely on the failure of any condition set forth in Sections 4.2, 4.3, 4.4 or 4.5, as the case may be, if such failure was caused by Buyer's failure to comply with any provision of this Agreement.

If the Closing occurs, all Closing conditions set forth in this Article 4 that have not been fully satisfied as of the Closing shall be deemed to have been waived by Buyer.

ARTICLE 5

CONDITIONS TO SELLER PARTIES' OBLIGATIONS

The obligations of the Seller Parties to effect the Closing shall be subject to the satisfaction at or prior to the Closing of the following conditions, any one or more of which may be waived (in whole or in part) by Seller:

5.1 Representations, Warranties and Agreements.

(a) The representations and warranties of Buyer contained in this Agreement shall be true and correct in all material respects as of the Closing Date (except to the extent made with reference to an earlier date, in which case as of such earlier date), except to the extent of changes or developments contemplated by the terms of this Agreement, and

(b) Buyer shall have performed and complied in all material respects with the agreements contained in this Agreement required to be performed and complied with by it prior to or at the Closing.

5.2 Required Consents. The Required Consents shall have been obtained in form and substance reasonably acceptable to Seller and shall be in full force and effect.

5.3 Absence of Actions.

(a) No Order shall be in effect enjoining or preventing consummation of the Contemplated Transactions by this Agreement, and

(b) No Action (other than an Action instituted or threatened by or on behalf of Seller Parties) shall have been instituted or threatened (and not subsequently dismissed, settled or otherwise terminated) wherein an unfavorable Order would (i) restrain, prevent, prohibit or invalidate the Contemplated Transactions or (ii) be reasonably expected to result in a Material Adverse Effect, and no such Order shall be in effect; provided, that prior to asserting this condition, with respect to any Order referenced in clause (a) or (b) of this Section 5.3 that is directed to one or both of the Seller Parties, the Seller Parties shall have used commercially reasonable efforts to prevent the entry of any such Order and to promptly appeal any such Order that may be entered.

5.4 Receipt of Closing Deliverables. Seller shall have received the deliveries contemplated by Section 3.3.

5.5 Frustration of Closing Conditions. Neither Seller Party may rely on the failure of any condition set forth in Sections 5.2, 5.3 or 5.4, as the case may be, if such failure was caused by such Seller Party's failure to comply with any provisions of this Agreement.

If the Closing occurs, all Closing conditions set forth in this Article 5 that have not been fully satisfied as of the Closing shall be deemed to have been waived by the Seller Parties.

ARTICLE 6 REPRESENTATIONS AND WARRANTIES OF THE SELLER PARTIES

The Seller Parties, jointly and severally, represent and warrant to Buyer as of the date hereof as hereafter set forth in this Article 6. Each item disclosed in the schedules to this Agreement (the “***Disclosure Schedules***”) shall constitute an exception to the representations and warranties to which it makes reference and shall be deemed to be disclosed with respect to each Disclosure Schedule to this Agreement to which it relates or representation and warranty herein given, without the necessity of repetitive disclosure or cross-reference, so long as it is reasonably apparent from a reading of such disclosure item that it would also qualify or apply to such other Disclosure Schedule, representation or warranty. The Disclosure Schedules may include items or information that the Seller Parties are not required to disclose under this Agreement. Disclosure of such items or information shall not affect, directly or indirectly, the interpretation of this Agreement or the scope of the disclosure obligations of the Seller Parties under this Agreement, and inclusion of information in the Disclosure Schedules shall not be construed as an admission that such information is material or is not in the ordinary course of business. The description of any matter or the provisions of any agreement or relationship with third parties contained herein is solely for the benefit of the parties to this Agreement and shall not constitute an admission by either Seller Party vis-à-vis such third parties as to the interpretation or effect of such matter, agreement or relationship, nor otherwise modify the terms of such matter, agreement or relationship. Any descriptions or summaries contained in the Disclosure Schedules are qualified in their entirety by the more detailed information in the documents attached thereto or referenced therein.

6.1 Organization and Standing. Each Seller Party is a corporation duly organized, validly existing and in good standing under the Laws of its jurisdiction of incorporation and is duly qualified or licensed to conduct business as a foreign corporation in each jurisdiction in which the character of its properties owned, operated or leased, or the nature of its properties owned, operated or leased, make such qualification necessary except where the failure to so qualify would not reasonably be expected to result in a Material Adverse Effect. Seller has the requisite corporate power and authority to own, lease, and operate its properties, including Grantham University.

6.2 Authorization; Enforceability. The execution, delivery and performance of this Agreement by the Seller Parties and the agreements, documents, certificates and instruments contemplated under this Agreement to which either Seller Party is or will be a party (collectively, the “***Seller Parties’ Ancillary Documents***”), and the consummation by the Seller Parties of the Contemplated Transactions, are within the corporate power of the Seller Parties and have been

duly authorized by all necessary action by the Seller Parties, their boards of directors, and their stockholders, and no approval from or notice to any of the stockholders of the Seller Parties is required regarding the same that has not been obtained or given. This Agreement is, and the Seller Parties' Ancillary Documents will be, when executed and delivered by the Seller Parties, the valid, legal and binding obligations of the Seller Parties, enforceable against each of them in accordance with their respective terms, except as may be limited by (a) applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium or similar laws from time to time in effect affecting generally the enforcement of creditors' rights and remedies; and (b) general principles of equity including principles of commercial reasonableness, good faith and fair dealing (regardless of whether enforcement is sought in a proceeding at Law or in equity) (collectively, the "***Equitable Exceptions***").

6.3 No Conflicts; Consents. Except as set forth on Schedule 6.3, neither the execution, delivery or performance by the Seller Parties of this Agreement and the Seller Parties' Ancillary Documents, nor the consummation of the Contemplated Transactions by the Seller Parties, does or will, after the giving of notice, or the lapse of time or both, or otherwise: (a) contravene, conflict with, result in a breach of, or constitute a default under, the certificate of incorporation or bylaws, of either Seller Party; (b) contravene, conflict with or violate any material applicable Law to which the Seller Parties are subject or by which the Seller Parties or the Purchased Assets are bound; (c) contravene, or constitute a default under, or give any Person the right to declare a default or exercise any remedy under, or to accelerate the maturity or performance of, or payment under, or to cancel, terminate or modify, or result in the creation of any Lien on any of the Purchased Assets pursuant to or under, any Contract or require the Consent of any Person under any Contract; or (d) require the Consent of any Governmental Authority.

6.4 Subsidiaries. Seller does not have any Subsidiaries, and Seller does not own or hold, directly or indirectly, any other capital stock, membership, ownership, equity, profits or voting interest in or with respect to any Entity, and there exists no agreement or commitment to acquire such capital stock or other interests.

6.5 Title to and Condition of the Purchased Assets. The tangible personal property included in the Purchased Assets are, taken as a whole, in operating condition and repair (subject to normal wear and tear), in light of their respective ages. Seller holds good and marketable title in and to (or, in the case of leased or licensed Purchased Assets, a valid leasehold or licensee interest in) all of the Purchased Assets owned by it, free and clear of all Liens other than Permitted Liens. The Purchased Assets are sufficient for the continued conduct of Grantham University after the Closing in substantially the same manner as conducted prior to the Closing.

6.6 Contracts.

(a) Schedule 2.1(c) sets forth a correct and complete list of all of the Contracts; provided, however, that any unintentional omission of a Contract from Schedule 2.1(c) shall not be deemed a breach of this representation, but any Contract not included on Schedule 2.1(c) shall not be deemed an Assumed Contract.

(b) The Seller Parties have Made Available true, correct and complete copies of all Assumed Contracts, including all amendments, modifications and changes thereto. Except

as set forth on Schedule 6.6(b), since the Compliance Date: (i) Seller has performed, in all material respects, all terms, covenants, conditions and agreements of each of the Assumed Contracts that are required to be performed by it; (ii) neither Seller nor, to the Knowledge of the Seller Parties, any other Person that is a party to any such Assumed Contract is in default, in any material respect, under such Assumed Contract; (iii) no event has occurred that (before or after notice or lapse of time or both) is reasonably likely to become a breach or default, in any material respect, by Seller or to Knowledge of the Seller Parties, by any other Person that is a party thereto under any such Assumed Contract; and (iv) each of the Assumed Contracts is valid, binding, enforceable and in full force and effect and constitutes the legal, valid and binding obligation of Seller and, to the Knowledge of the Seller Parties, each other Person that is a party thereto, enforceable in accordance with its terms except as may be limited by the Equitable Exceptions.

6.7 Real Property; Leases.

(a) Seller does not presently own, and has never owned, any real property.

(b) The lease and sublease listed on Schedule 6.7(b) (the “***Leases***”) constitutes the only leases for the use or occupancy of real property by or from Seller (the “***Leased Real Property***”). With respect to each Lease: (i) neither Seller nor, to the Knowledge of the Seller Parties, any other Person that is a party thereto is in breach or in default in any material respect thereof; (ii) the Lease constitutes the legal, valid and binding obligation of Seller and, to the Knowledge of the Seller Parties, any other Person that is a party thereto, enforceable in accordance with its terms except as such enforceability may be limited by the Equitable Exceptions; (iii) Seller has not assigned, transferred, conveyed, mortgaged, deeded in trust or caused any Lien (other than any Permitted Lien) to exist with respect to any interest of Seller in such Lease; (iv) since the Compliance Date, Seller has not received written notice of any non-compliance with current zoning or land-use Laws or of any pending condemnation or similar proceeding affecting any Leased Real Property or any portion thereof, and, to the Knowledge of the Seller Parties, no such action is presently threatened; (v) Seller is in peaceful and undisturbed possession of the Leased Real Property; (vi) the Leased Real Property and any buildings, structures, improvements and fixtures thereon are in operating condition and adequate repair (ordinary wear and tear excepted in light of their respective ages); (vii) all existing water, sewer, steam, gas, electricity, telephone, cable, fiber optic cable, Internet access and other utilities required for the use, occupancy, operation and maintenance of the Leased Real Property are adequate for the conduct by Seller of its business as currently conducted; and (viii) Seller has not received written notice of default under any Lease. The Leased Real Property is accessible by public right-of-way or is otherwise reasonably accessible for purposes of conducting the use of such Leased Real Property as presently conducted by Seller.

(c) There are no material limitations, exceptions or restrictions set forth in any Permits upon or affecting the Leased Real Property.

6.8 Intellectual Property.

(a) Schedule 6.8(a) sets forth a true, correct and complete list of all (i) Owned Intellectual Property that is Registered, (ii) unregistered Trademarks and service marks included in the Owned Intellectual Property, (iii) Seller IP Agreements (other than licenses for software

generally available to the public or businesses that have been licensed pursuant to shrink-wrap, click-wrap, click to download or browse wrap agreements), (iv) Seller Software material to the operation of Grantham University and (v) other Owned Intellectual Property material to the operation of Grantham University.

(b) Except as set forth on Schedule 6.8(b), Seller Intellectual Property includes all Intellectual Property used or held for use by Seller in connection with the operation of Grantham University. Except as set forth on Schedule 6.8(b), Seller Parties (either individually or collectively) are the exclusive owners of all right, title and interest in and to each item of Owned Intellectual Property, in each case free and clear of all Liens or other claims (other than Permitted Liens and non-exclusive licenses). Seller has valid licenses to use the Licensed Intellectual Property in connection with the operation of Grantham University, subject only to the terms of the applicable Seller IP Agreement.

(c) To the Knowledge of the Seller Parties, each item of the Owned Intellectual Property is (i) valid, subsisting and enforceable, (ii) currently in compliance in all material respects with any and all formal legal requirements necessary to maintain the validity and enforceability thereof, and (iii) not subject to any Order or agreement adversely affecting Seller's use thereof or rights thereto, or that could impair the validity or enforceability thereof. There is no Action pending, or, to the Knowledge of the Seller Parties, threatened (x) against either Seller Party concerning the ownership, validity, registrability, enforceability or use of, or licensed right to use, any of the Owned Intellectual Property, or (y) contesting or challenging the ownership validity, registrability or enforceability of, or Seller Parties' right to use, any Owned Intellectual Property. To the Knowledge of the Seller Parties, neither the operation of Grantham University nor the use of Seller Intellectual Property infringes, misappropriates or otherwise violates or conflicts with, in any material respect, the Intellectual Property rights of any third Person.

(d) Seller has valid and sufficient right and interest to use the Seller IT Assets owned by it in the manner in which they are currently being used. The Seller IT Assets are adequate for the operation of Grantham University as currently conducted. To the Knowledge of the Seller Parties, since the Compliance Date, no Person has gained unauthorized access to any of the Seller IT Assets, which access has had or is reasonably likely to have a Material Adverse Effect.

(e) Seller and/or LPF owns and has good and marketable title to the Curricula, free and clear of all Liens other than Permitted Liens. No Seller Related Party or any other Person owns or has any interest, directly or indirectly, in any part of the Curricula. Neither of the Seller Parties uses any part of the Curricula by consent or approval of any Person and is not required to and does not make any payments to others with respect thereto. To the Knowledge of the Seller Parties, no component of the Curricula infringes or violates, in any material respect, any Intellectual Property right of any other Person, and since the Compliance Date, no Person has claimed in writing (or, to the Knowledge of the Seller Parties, orally) that the use by the Seller Parties of any part of the Curricula has infringed upon or violated any such right.

(f) Notwithstanding anything herein to the contrary, except as and to the extent set forth in Section 6.6, the representations and warranties contained in this Section 6.8 constitute the sole and exclusive representations and warranties of the Seller Parties with respect to Intellectual Property, the Seller IT Assets or Curricula.

6.9 Financial Statements. Attached as Schedule 6.9 are true, correct and complete copies of (i) the audited consolidated balance sheet of LPF as of December 31, 2019 and December 31, 2020, and the related consolidated statements of income, and cash flows for the fiscal years then ended (collectively, the “**Annual Financial Statements**”) and (ii) the unaudited balance sheet (the “**Most Recent Balance Sheet**”) of Seller as of June 30, 2021 (the “**Most Recent Fiscal Month End**”), and the related unaudited statements of income and cash flows for the six-month period then ended, (collectively, the “**Interim Financial Statements**” and, together with the Annual Financial Statements, the “**Financial Statements**”). Except as set forth on Schedule 6.9, all of the Financial Statements (i) have been prepared in accordance with GAAP and, with respect to the Annual Financial Statements, have been audited in accordance with GAGAS, in each case applied on a basis consistent throughout the periods covered thereby, (ii) present fairly, in all material respects, the consolidated financial condition of LPF or Seller, as the case may be, of and for the dates and periods indicated and the results of its operations and cash flows for the fiscal years then ended, (iii) are correct and complete in all material respects and (iv) are consistent in all material respects with the books and records of LPF and/or Seller, as the case may be. True, correct and complete copies of the Annual Financial Statements have been timely and properly filed with the DOE.

6.10 Events Subsequent to Most Recent Fiscal Year End. Except as disclosed on Schedule 6.10, since December 31, 2020, Seller has operated Grantham University in the ordinary course of business and, without limiting the generality of the foregoing, since such date, Seller has not:

(a) entered into any Contract or Lease, except in the ordinary course of business and identified in Schedule 2.1(c) or terminated (or received written notice of termination of) any Contract or Lease;

(b) merged with, entered into a consolidation with or acquired an interest in any Person or acquired substantially all of the assets or business of any Person;

(c) granted, amended, terminated or increased any compensation payable or to become payable to any Employee, except as reflected in Schedule 6.17(a);

(d) cancelled, compromised, waived, or released any right or claim (or series of rights or claims) that would constitute a Purchased Asset;

(e) written-down or written-up or failed to write-down or write-up (in accordance with GAAP consistent with past practice) the value of any Student Accounts Receivable or revalued any Purchased Asset;

(f) changed, in any material respect, its cash management practices and policies, practices and procedures with respect to collection of Student Accounts Receivable, establishment of reserves for uncollectible Student Accounts Receivable, accrual of Student Accounts Receivable, inventory control, prepayment expenses, payment of trade accounts payable, accrual of other expenses, deferral of revenue and acceptance of student deposits;

(g) made any capital expenditure in excess of Twenty Five Thousand Dollars (\$25,000) individually or One Hundred Thousand Dollars (\$100,000) in the aggregate or made

any commitment for any capital expenditure that has not been paid in full in any amount other than as reflected in an Assumed Contract listed on Schedule 2.1(c);

(h) experienced any casualty, loss or damage with respect to its assets or properties that in the aggregate have a replacement cost of more than Ten Thousand Dollars (\$10,000), whether or not such loss or damage shall have been covered by insurance;

(i) sold, transferred, assigned, leased, licensed or otherwise disposed of any of its properties or assets, except for inventory or supplies consumed or disposed of in the ordinary course of business, or assets transferred or disposed of in connection with the acquisition of replacement property of equivalent, or better, kind, value, and use;

(j) made any material change in any method of accounting or accounting practice, including any methods of calculating any bad debt, contingency or other reserves;

(k) suffered any event, occurrence or development that has had, or could reasonably be expected to have, individually or in the aggregate a Material Adverse Effect;

(l) adopted, modified or terminated any: (i) employment, severance, retention or other agreement with any current or former employee, officer, director, independent contractor or consultant; (ii) Benefit Plans; or (iii) collective bargaining or other agreement with a labor union, in each case whether written or oral;

(m) received written notice of any (i) withdrawal, revocation or denial of any Educational Approval or accreditation or any Order to show cause why any Educational Approval should not be revoked, (ii) probation Action, (iii) revocation, termination or denial of an Educational Approval to operate, or (iv) termination, limitation or suspension of eligibility to participate in the Title IV Programs, for Grantham University, or any educational program offered by Grantham University that is currently eligible for participation in Title IV on the date of this Agreement;

(n) incurred, assumed or guaranteed any indebtedness for borrowed money except unsecured, trade accounts payable incurred in the ordinary course of business consistent with past practice;

(o) allowed the imposition of any Lien upon any of the Purchased Assets; or

(p) agreed, whether orally or in writing, to do any of the foregoing.

6.11 Litigation. Except as set forth on Schedule 6.11, (a) there is no Action pending or, to the Knowledge of the Seller Parties, threatened against, by or with respect to the Seller Parties, Grantham University, the Purchased Assets or the Contemplated Transactions, (b) since the Compliance Date, there has been no material Action pending against, by or with respect to Seller or the Purchased Assets and (c) Seller is not a party to, and neither Seller nor the Purchased Assets is subject to or bound by, any Order.

6.12 Compliance with Laws. Seller is, and since the Compliance Date has been, in compliance in all material respects with all applicable Laws and Permits, and no event has occurred

that is reasonably likely (with or without notice or lapse of time) to constitute, or result directly or indirectly in, a default under, a breach or violation of, or a failure to comply, in any material respect, with any Laws or Permits. Seller currently maintains all material Permits necessary for Seller to conduct its business as presently being conducted. The representations contained in this Section 6.12 shall not apply to compliance with law matters that are the subject of Section 6.13 (Educational Approvals and Educational Requirements); Section 6.17 (Employees); Section 6.18 (Employee Benefit Plans); or Section 6.19 (Environmental Compliance) with the representations and warranties in Sections 6.13, 6.17, 6.18 and 6.19 constituting the sole and exclusive representations and warranties as to the subject matter of such representations and warranties.

6.13 Educational Approvals and Educational Requirements.

(a) Seller and Grantham University currently maintain and, since the Compliance Date have maintained, all material Educational Approvals necessary to the conduct of the business and operations of Grantham University issued by any Educational Agency. Seller represents that Grantham University is party to a valid and effective program participation agreement with the DOE. Except as set forth on Schedule 6.13(a), all educational programs offered by Grantham University are eligible to participate under the Title IV Programs. Schedule 6.13(a) contains a complete listing of all Educational Approvals currently held by Grantham University or by Seller which are related to Grantham University.

(b) Except as set forth on Schedule 6.13(b), there are no Actions pending to revoke, suspend, limit, condition, restrict or withdraw any material Educational Approval or accreditation. Since the Compliance Date, neither Seller nor Grantham University has received written notice that any material Educational Approval will not be renewed. Since the Compliance Date, other than as set forth on Schedule 6.13(b), neither Seller nor Grantham University has received written notice that it is in material violation of any of the terms or conditions of any material Educational Approval or alleging the failure to hold or obtain any material Educational Approval.

(c) Except as set forth on Schedule 6.13(c), Seller and Grantham University are and, since the Compliance Date, have been in compliance in all material respects with all Educational Requirements and with the terms and conditions of the Educational Approvals set forth in Schedule 6.13(a).

(d) In addition, and without limiting the foregoing:

(i) Schedule 6.13(d)(i) contains a complete listing of all Student Financial Assistance Programs by which Grantham University has awarded or administered student financial assistance to or on behalf of its students.

(ii) Seller and Grantham University are on the date hereof, and since the Compliance Date have been, in compliance in all material respects with all applicable rules, regulations and requirements pertaining to Grantham University's participation in any Student Financial Assistance Programs identified on Schedule 6.13(d)(i).

(iii) Except as set forth in Schedule 6.13(d)(iii), each educational program offered by Grantham University is on the date hereof, and since the Compliance Date has been, an eligible program in compliance with the requirements of 34 C.F.R. § 668.8.

(iv) Since the Compliance Date, Seller and Grantham University have been in compliance in all material respects with the requirements set forth at 20 U.S.C. § 1094(a)(20) and 34 C.F.R. § 668.14(b)(22) regarding the payment of commissions, bonuses, or other payments based directly or indirectly on success in securing enrollments or awarding Title IV Program funds to any Person responsible for any student recruiting or admission activities or engaged in or responsible for decisions regarding the awarding of Title IV Program funds for or on behalf of Seller or Grantham University.

(v) Except as set forth on Schedule 6.13(d)(v), since the Compliance Date, Grantham University has been in compliance in all material respects with the Educational Requirements related to the calculation and payment of refunds and dates of withdrawal and leaves of absence.

(vi) To the Knowledge of the Seller Parties, since the Compliance Date, Grantham University has not provided any portion of an education program by correspondence. To the Knowledge of the Seller Parties, since the Compliance Date, Grantham University has not admitted students who were incarcerated or had neither a high school diploma nor the recognized equivalent of a high school diploma.

(vii) Since the Compliance Date, Seller and Grantham University have been in compliance in all material respects with federal and state Laws regarding misrepresentation, including 34 C.F.R. § 668 Subpart F.

(viii) Grantham University had a “composite score” of at least 1.5 for its most recent fiscal year reported to the DOE, as calculated in accordance with 34 C.F.R. § 668.172. Schedule 6.13(d)(viii) sets forth Grantham University’s calculation of its composite score of financial responsibility as calculated in accordance with 34 C.F.R. § 668.172 and 34 C.F.R. Part 668, Subpart L, Appendix A, for each fiscal year ended on or after the Compliance Date based upon LPF’s consolidated audited Financial Statements for such time periods.

(ix) Except as set forth on Schedule 6.13(d)(ix), since the Compliance Date, no Educational Agency has required Grantham University to post a letter of credit or other form of surety for any reason, including any request for a letter of credit based on late refunds pursuant to 34 C.F.R. § 668.173, or required or requested that Grantham University process its Title IV Program funding under the reimbursement or heightened cash monitoring level 2 procedures set forth at 34 C.F.R. § 668.162(d) or (e)(2).

(x) Since the Compliance Date, Grantham University has been in compliance in all material respects with the disclosure and reporting requirements of 34 C.F.R. Part 600 related to: (i) the addition of any new educational programs or locations; and (ii) the proper ownership of Grantham University, including any shifts in ownership or control, and changes in reported ownership levels or percentages.

(xi) Since the Compliance Date, with respect to any location or facility that has closed or at which Grantham University ceased operating educational programs since the Compliance Date, or any program that it has ceased offering, Grantham University has been in compliance in all material respects with all Educational Requirements related to the closure or cessation of instruction at such location or facility, or with respect to any discontinued program, including requirements for teaching out students from such location, facility, or program.

(xii) Grantham University has materially complied with the disclosure and reporting requirements related to gainful employment, as set forth at 34 C.F.R. § 668.6, as applicable for the relevant periods.

(xiii) Since the Compliance Date, Seller and Grantham University have been in compliance in all material respects with the Educational Requirements regarding privacy and safeguarding of consumer information, including the Family Educational Rights and Privacy Act (“*FERPA*”) (20 U.S.C. § 1232g; 34 C.F.R. Part 99).

(xiv) Since the Compliance Date, Grantham University has been registered with NC-SARA and has been duly registered under the California Private Postsecondary Education Act.

(xv) Since the Compliance Date, Grantham University has been in compliance in all material respects with the applicable provisions of 20 U.S.C. § 1085(d)(19) and 34 C.F.R. § 682.212 regarding prohibited inducements in the Federal Family Education Loan Program.

(xvi) Since the Compliance Date, Grantham University has been in compliance in all material respects with the Educational Requirements applicable to the recruitment of students. Except as set forth on Schedule 6.13(d)(xvii), neither Seller nor Grantham University contracts, or since the Compliance Date, has contracted, with any Person, other than LPF, to provide marketing or student recruiting services.

(xvii) Schedule 6.13(d)(xvii) contains a list of all compliance audits and any other reviews by any Educational Agency (including pending audits and reviews), including any Entity that administers any Student Financial Assistance Program, relating to Seller or Grantham University since the Compliance Date (each, a “*Compliance Review*”). No such Compliance Reviews, individually or in the aggregate, have materially adversely affected Grantham University. Except as set forth on Schedule 6.13(d)(xvii), Grantham University has complied with, fully resolved and satisfied all material findings and conditions arising from any Compliance Review.

(xviii) Except as set forth on Schedule 6.13(d)(xviii), Grantham University is not on probation, monitoring or warning status, or subject to any additional reporting requirements, with any Educational Agency or Accrediting Body. Grantham University is not subject to any adverse action by any Educational Agency or Accrediting Body to revoke, withdraw, deny, suspend, condition or limit an Educational Approval or accreditation (including being directed to show cause why an Educational Approval or accreditation should not be revoked, withdrawn, conditioned, suspended or limited).

(xix) For the fiscal years ended December 31, 2020, December 31, 2019 and December 31, 2018, Grantham University has not received greater than ninety percent (90%) of its revenues from Title IV Programs, as such percentage is required to be calculated under 34 C.F.R. § 668.28. Schedule 6.13(d)(xix) sets forth a correct and complete list of the percentages of revenue Grantham University has received from Title IV Programs for each such fiscal year, as such percentage is required to be calculated under 34 C.F.R. § 668.28.

(xx) Since the Compliance Date and except as set forth on Schedule 6.13(d)(xx), neither Seller nor Grantham University has provided any educational instruction on behalf of any other institution or organization, and no other institution or organization has provided any educational instruction on behalf of Grantham University.

(xxi) Schedule 6.13(d)(xxi) sets forth a correct and complete list of Grantham University's official cohort default rates for loans administered under the Federal Family Education Loan program or the Federal Direct Loan Program, as calculated by the DOE pursuant to 34 C.F.R. Part 668 Subparts M and N, for the three most recently completed federal fiscal years for which such official rates have been published.

(xxii) Neither of the Seller Parties nor, to the Knowledge of the Seller Parties, any of the Seller Parties' executives have pled guilty to, pled nolo contendere to or been found guilty of, a crime involving the acquisition, use or expenditure of funds under the Title IV Programs or been judicially determined to have committed fraud involving funds under the Title IV Programs.

(xxiii) To the Knowledge of the Seller Parties, neither Seller nor Grantham University has employed in a capacity involving administration of funds under the Title IV Programs or the receipt of funds under the Title IV Programs, any individual who has been convicted of, or has pled nolo contendere or guilty to, a crime involving the acquisition, use or expenditure of federal, state or local government funds, or has been administratively or judicially determined to have committed fraud or any other material violation of law involving federal, state or local government funds.

(xxiv) None of Seller, Grantham University or any Person that exercises Substantial Control over Grantham University has filed for relief in bankruptcy or had entered against it an order for relief in bankruptcy.

(xxv) Grantham University is accredited by DEAC, and DEAC has not identified any issues that would affect this accreditation or given any notice or taken any action that it plans to impose any monitoring or other conditions on Grantham University.

(e) Seller and Grantham University are presently, and since the Compliance Date have been, in compliance in all material respects with applicable Educational Requirements regarding institutional loans and Private Educational Loans, including applicable provisions of the Higher Education Opportunity Act of 2008 (Public Law 110-315), the Truth in Lending Act (12 U.S.C. § 5301 *et seq.* and 12 C.F.R. Part 226) and the Dodd-Frank Wall Street Reform and Consumer Protection Act (15 U.S.C. § 1601 *et seq.*). Since the Compliance Date, no Entity that has a student lending relationship with Seller or Grantham University and that provides or

originates Private Educational Loans has provided written notice to the Seller Parties or Grantham University of any termination, significant modification or reduction in the availability of such loans to students enrolled in Grantham University. Seller, Grantham University and the employees, agents and officers of Grantham University are as of the date hereof, and since the Compliance Date have been, in compliance in all material respects with applicable Educational Requirements relating to the acceptance of gifts, payments, inducements, benefits, staffing assistance, advisory board positions or other thing of value in exchange for directing Private Educational Loan applications to any lender.

6.14 Taxes.

(a) The Seller Parties have filed all Tax Returns required to be filed by each Seller Party, and each such Tax Return is correct and complete in all material respects. All Taxes due and owing by Seller (or by LPF as it relates to Grantham University) (whether or not shown on any Tax Return) have been paid or will be paid prior to Closing. Seller has withheld and paid each Tax required to have been withheld and paid in connection with amounts paid or owing to any Employee or other party and complied with all information reporting and backup withholding provisions of applicable Law. There are no Liens for Taxes (other than Taxes not yet due and payable) upon any of the Purchased Assets. Upon and after the acceptance of the Purchased Assets by Buyer, Buyer will have no, and will not be subject to any, Liability, as a successor or otherwise, for or with respect to any Taxes of or pertaining to (i) Seller or (ii) Grantham University for any period or transaction on or before the Effective Time.

(b) Except as set forth on Schedule 6.14(b), there is no pending audit, examination, investigation nor dispute relating to any Tax on Seller relating to the Purchased Assets (collectively, a “**Tax Proceeding**”), and to the Knowledge of the Seller Parties, no Taxing Authority is contemplating such a Tax Proceeding.

6.15 Insurance.

(a) Schedule 6.15(a) contains an accurate and complete list of all policies of errors and omissions, workers’ compensation, property, liability and casualty and other forms of insurance maintained with respect to Seller or Grantham University (the “**Insurance Policies**”). All such policies are in full force and effect, all premiums with respect thereto covering all periods up to and including the Closing Date will have been paid, and since the Compliance Date, no written notice of cancellation, termination or reduction of coverage has been received by either Seller Party with respect to such policy.

(b) Except as set forth on Schedule 6.15(b), there are no claims related to Grantham University, the Purchased Assets or the Assumed Liabilities pending under any such Insurance Policies as to which coverage has been questioned, denied or disputed or in respect of which there is an outstanding reservation of rights. Neither of the Seller Parties has received written notice of cancellation of any Insurance Policy or is in default under, or has otherwise failed to comply with, in any material respect, any provision contained in any such Insurance Policy.

6.16 Powers of Attorney. Except as set forth on Schedule 6.16, there are no outstanding powers of attorney executed on behalf of Seller.

6.17 Employees.

(a) Schedule 6.17(a) contains a true, correct and complete list of all employees of Seller on the date of this Agreement (collectively, the “**Employees**”), showing each of their names, titles, status (full-time or part-time, active or inactive), and current annual base salary rates or rates of compensation. Schedule 6.17(a) also contains a true, correct and complete list of all independent contractors for which or for whom there is no written agreement included in Schedule 2.1(c) (collectively, “**Independent Contractors**”) that are presently engaged by Seller and an indication of which, if any, of such Independent Contractors cannot be terminated by Seller on thirty (30) days’ notice or less or at any time, without Liability; provided, however, that Schedule 6.17(a) does not include any Independent Contractor for which a contract is included in Schedule 2.1(c). Except as set forth in Schedule 6.17(a), the employment of all Employees is terminable at will.

(b) Except as set forth on Schedule 6.17(b): (i) Seller is not bound by any collective bargaining agreement or other labor union contract covering any of the Employees, and to the Knowledge of the Seller Parties, there exists no organizational effort presently being made or threatened by or on behalf of any labor union with respect to the Employees, and no such efforts have been made since the Compliance Date; (ii) to the Knowledge of the Seller Parties, Seller has not engaged in any unfair labor practice or other unlawful wage and hour or employment practice, and there are no charges of any unfair labor practice or other unlawful wage and hour or employment practice pending against Seller before the National Labor Relations Board, the Equal Opportunity Commission, the Occupational Safety and Health Review Commission, the U.S. Department of Labor or any other Governmental Authority or (iii) Seller has not experienced any strikes, grievances, claims of unfair labor practices, or other collective bargaining disputes or other labor disputes or controversies and, to the Knowledge of the Seller Parties, none of the foregoing are threatened. Since the Compliance Date, Seller has not implemented any plant closing or layoff of employees that could implicate the Worker Adjustment and Retraining Notification Act of 1988, as amended, or any similar state Law (collectively, the “**WARN Act**”), except as contemplated by Section 9.1.

(c) Seller is on the date hereof in compliance in all material respects, and, except as set forth on Schedule 6.17(c), since the Compliance Date has complied in all material respects, with all Laws concerning the classification of employees and independent contractors, and since the Compliance Date, Seller has, in all material respects, properly classified all such persons for purposes of participation in the Benefit Plans and other applicable Laws. Except as set forth on Schedule 6.17(c), Seller (i) is on the date hereof in compliance in all material respects, with all Laws concerning employment, employment practices, terms and conditions of employment and wages and hours (including all Laws relating to overtime, employment discrimination and retaliation, workplace harassment, family and medical leave, civil rights, health and safety, workers compensation, pay equity); (ii) has withheld and properly reported all amounts required by Law or by agreement to be withheld and reported from the wages, salaries and other payments to employees; (iii) is not liable for any Taxes or any penalty for failure to comply with any of the foregoing; and (iv) is not liable for any payment to any trust or other fund or to any Governmental Authority, with respect to unemployment compensation benefits, social security or other benefits for employees (other than routine payments to be made in the normal course of business and consistent with past practice). Seller is in compliance with and has complied with all

immigration laws, including Form I-9 requirements and any applicable mandatory E-Verify obligations.

(d) There are no Actions against Seller pending, or to the Knowledge of the Seller Parties, threatened to be brought or filed, by or with any Governmental Authority or arbitrator in connection with the employment of any current or former applicant, employee, consultant, volunteer, intern or independent contractor of Seller, including, without limitation, any charge, investigation or claim relating to unfair labor practices, equal employment opportunities, fair employment practices, employment discrimination, harassment, retaliation, reasonable accommodation, disability rights or benefits, immigration, wages, hours, overtime compensation, employee classification, child labor, hiring, promotion and termination of employees, working conditions, meal and break periods, privacy, health and safety, workers' compensation, leaves of absence, paid sick leave, unemployment insurance or any other employment related matter arising under applicable Laws.

(e) Seller is not a party to, and Seller is not otherwise bound by, any consent decree with any Governmental Authority relating to Employees or employment practices. Since the Compliance Date, Seller has not received written notice of intent by any Governmental Authority to conduct an investigation relating to Seller's employment practices.

6.18 Employee Benefit Plans.

(a) Schedule 6.18(a) lists all "employee benefit plans" (as defined in Section 3(3) of ERISA) and each other plan, policy or arrangement providing for compensation, bonus or other incentive compensation, change in control, deferred compensation, severance, retention, health, life or disability benefits, vacation benefits, restricted stock, stock option, profits interests, or other equity incentive compensation, or other material benefits of any kind whatsoever (whether written or oral), that are presently maintained, operated, funded, sponsored by, contributed to or required to be contributed to by Seller for the benefit of any Employee or other Person (collectively, the "**Benefit Plans**").

(b) Except as set forth on Schedule 6.18(b), neither Seller nor any Person that, together with Seller, would be treated as a single employer under Section 414 of the Code or under Section 4001(b) of ERISA has ever maintained, contributed to, been required to contribute to, or has or had any liability with respect to, any employee benefit plan (as defined in Section 3(3) of ERISA): (i) which is or has been subject to title IV of ERISA, Sections 412, 430, 431, 432, or 436 of the Code, Sections 302, 303, 304, or 305 of ERISA; (ii) which is or was a "multiemployer plan" (as defined under Section 3(37) of ERISA); (iii) which is or was a "multiple employer plan" within the meaning of Section 413(c) of the Code; or (iv) which is or was a "multiple employer welfare arrangement" within the meaning of Section 3(40) of ERISA.

(c) Except as set forth on Schedule 6.18(c), none of the Benefit Plans provides for or promises retiree or other post-termination medical or other welfare benefits to any Person, except to the extent required by state insurance laws or Section 4980B of the Code or Section 601 et seq. of ERISA ("**COBRA**").

(d) All Benefit Plans are and have since the Compliance Date, been established, maintained, funded and administered, in form and operation, in compliance in all material respects with ERISA, the Code, and other Laws, and Seller has not received written notice of any audits, investigations or proceedings by the IRS, the U.S. Department of Labor, or any other Governmental Authority with respect to any Benefit Plan.

(e) Each Benefit Plan that is subject to Section 409A of the Code has been administered in compliance with its terms and the operational and documentary requirements of Section 409A of the Code and all applicable regulatory guidance (including, notices, rulings and proposed and final regulations) thereunder. Seller does not have any obligation to gross up, indemnify or otherwise reimburse any individual for any excise taxes, interest or penalties incurred pursuant to Section 409A of the Code.

(f) Except as set forth on Schedule 6.18(f), neither the execution of this Agreement nor any of the transactions contemplated by this Agreement will (either alone or upon the occurrence of any additional or subsequent events): (i) entitle any current or former director, officer, employee, independent contractor or consultant of Seller or LPF to severance pay or any other payment; (ii) accelerate the time of payment, funding or vesting, or increase the amount of compensation (including stock-based compensation) due to any such individual; (iii) increase the amount payable under or result in any other material obligation pursuant to any Benefit Plan; (iv) result in “excess parachute payments” within the meaning of Section 280G(b) of the Code; or (v) require a “gross-up” or other payment to any “disqualified individual” within the meaning of Section 280G(c) of the Code.

6.19 Environmental Compliance.

(a) To the Knowledge of the Seller Parties, Seller is as of the date hereof, and since the Compliance Date has been, in compliance in all material respects with all Environmental Laws, and any past noncompliance by Seller with Environmental Laws has been resolved without any ongoing or future Liabilities. Seller possesses and is in compliance in all material respects with all Environmental Permits necessary to conduct its business as currently conducted.

(b) Seller has not transported or arranged for the treatment, storage or disposal of any Hazardous Materials at the Leased Real Property to any off-site location that has resulted or would reasonably be expected to result in a Liability to Seller or Buyer under Environmental Laws.

(c) Seller has not received any written notice of any Action, that has been filed, commenced or, to the Knowledge of the Seller Parties, threatened against Seller that: (i) asserts or alleges that Seller violated any Environmental Laws; (ii) asserts or alleges that Seller is required to conduct any Remedial Action at the Leased Real Property; (iii) asserts or alleges that Seller is required to pay all or a portion of the cost of any past, present or future Remedial Action at any of the Leased Real Property; or (iv) asserts or alleges that Seller is liable in connection with the exposure of any persons to Hazardous Materials that are present at or Released at or from any Real Property. Seller has not caused, permitted or suffered Hazardous Materials to be stored, deposited, treated, recycled, disposed of, or Released at any Leased Real Property in violation of any applicable Environmental Laws.

(d) Seller is not subject to, as a result of its interests in the Leased Real Property, any Order related to or arising out of any Environmental Laws, and, to the Knowledge of the Seller Parties, Seller has not been named or listed as a potentially responsible party in a matter related to or arising out of any Environmental Laws. Seller is not conducting or funding any Remedial Action.

(e) Neither the execution of this Agreement nor the consummation of the Contemplated Transactions will require any material remediation action with respect to any Hazardous Materials or Consent of any Governmental Authority pursuant to any applicable Environmental Law or Environmental Permit.

6.20 Brokers. Neither Seller Party has any Liability to pay any finders', brokers' or similar agents' fees or commissions with respect to the Contemplated Transactions.

6.21 Affiliate Transactions. Except for employment relationships and compensation, benefits, travel advances and employee loans in the ordinary course of business and the services agreements disclosed on Schedule 6.21, Seller is not a party to any Contract relating to the transfer or leasing of Purchased Assets, the providing of services or the loaning of money to, LPF or to any Affiliate, executive officer or director of LPF (each a "***Seller Related Party***").

6.22 Accounts Receivable. The Student Accounts Receivable and other accounts receivable reflected on the Most Recent Balance Sheet and the Student Accounts Receivable and other accounts receivable arising after the date thereof (a) have arisen from bona fide transactions entered into by Seller in the ordinary course of business consistent with past practice and (b) constitute only valid, undisputed claims of Seller not subject to claims of set-off or other defenses or counterclaims. The reserve for bad debts has been determined in accordance with GAAP, consistently applied, subject to normal year-end adjustments and the absence of disclosures normally made in footnotes.

6.23 Suppliers. Schedule 6.23 sets forth a true, correct and complete list of all suppliers who supplied products, materials or services (other than financial advisory, banking, legislative, legal or accounting services) to Seller in an amount in excess of Five Thousand Dollars (\$5,000) since January 1, 2020. To the Knowledge of the Seller Parties, no such supplier intends to stop, or decrease the rate of, supplying such products, material or services to Seller at any time after the Closing on terms and conditions similar in all material respects to those used in its current sales or services to Seller, subject only to general and customary price increases.

6.24 Undisclosed Liabilities. Seller does not have any Liabilities or obligations (whether absolute, accrued or contingent and whether due or to become due) of a nature and type required to be set forth on (or disclosed in notes to) a balance sheet prepared in accordance with GAAP, except (i) as and to the extent disclosed or reserved against in the Interim Financial Statements; (ii) for Liabilities or obligations incurred since the date of the Most Recent Balance Sheet in the ordinary course of business; (iii) as disclosed in the notes to the Annual Financial Statements or set forth in the Schedules (or omitted therefrom because they fall below the threshold established by the corresponding representation); (iv) for performance and payment Liabilities or obligations arising in the ordinary course of business under Assumed Contracts and Benefit Plans that are not overdue; (v) for Liabilities described on Schedule 6.24; (vi) for Liabilities or obligations incurred

in connection with this Agreement or the transactions contemplated by this Agreement or (vii) for other Liabilities or obligations that are included in the Closing Net Worth calculation as Transferring Liabilities.

6.25 No Implied Representations or Warranties. Except for the representations and warranties contained in this Article 6 and in any Seller Parties' Ancillary Documents, Buyer acknowledges that neither Seller Party nor any other Person on behalf of either Seller Party makes any other express or implied representations or warranties with respect to Seller or its business, operations, assets, Liabilities, conditions (financial or otherwise) or prospects. In particular, without limiting the foregoing disclaimer, neither Seller nor any other Person makes or has made on behalf of either Seller Party any representation or warranty to or any of Buyer its agents, Affiliates, financing sources or representatives with respect to any financial projection, forecast, estimate, budget or prospect relating to Seller or its business (including Grantham University).

ARTICLE 7 REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer represents and warrants to the Seller Parties that the statements contained in this Article 7 are true, correct and complete as of the date of this Agreement, except for those representations and warranties that, by their terms, refer to a specific date, which representations and warranties shall be made solely as of the specified date.

7.1 Organization and Standing. Buyer is a body corporate and politic institution of higher education duly organized and validly existing under the Laws of the State of Arkansas and is duly qualified or licensed to do business in each jurisdiction in which the character of its properties owned, operated, or leased make such qualification necessary.

7.2 Authorization; Enforceability. The execution, delivery and performance of this Agreement and the agreements, documents, certificates and instruments contemplated under this Agreement to which Buyer is a party (the "**Buyer Ancillary Documents**") and the consummation by Buyer of the Contemplated Transactions are within the power and authority of Buyer and have been duly authorized by all necessary action by Buyer and its board of trustees. This Agreement is, and the Buyer Ancillary Documents will be, when executed and delivered by Buyer, the valid and binding obligations of Buyer, enforceable against it in accordance with their respective terms, except as may be limited by the Equitable Exceptions.

7.3 No Conflicts; Consents. [Except as set forth on Schedule 7.3,] neither the execution, delivery or performance of this Agreement and the Buyer Ancillary Documents, nor the consummation of the Contemplated Transactions by Buyer does or will, after the giving of notice, or the lapse of time or both, or otherwise: (a) contravene, conflict with, result in a breach of, or constitute a default under, the charter or other applicable organizational or governing instruments or documents of Buyer; (b) contravene, conflict with or violate any applicable Law by which Buyer or its assets are bound; or (c) contravene, or constitute a default under, or give any Person the right to declare a default or exercise any remedy under, or to accelerate the maturity or performance of, or payment under, or to cancel, terminate or modify, or result in the creation of any Lien on any of the assets of Buyer pursuant to or under, or require the Consent of any Person

under any material contract or agreement to which Buyer is a party or by which Buyer or its assets are bound.

7.4 Buyer Parties' Brokers. None of Buyer or its Affiliates have any Liability to pay any finders', brokers' or similar agents' fees or commissions with respect to the Contemplated Transactions.

7.5 Actions. There is no Action pending or, to the knowledge of Buyer, threatened against, by or with respect to Buyer or its operations with respect to the Contemplated Transactions.

7.6 Educational Compliance of Buyer.

(a) None of Buyer nor any Person that exercises Substantial Control over Buyer or any Affiliate thereof or member of such person's family (as the term "family" is defined in 34 C.F.R. § 668.174(c)(4)), alone or together, exercises or exercised substantial control over another institution or third-party servicer (as that term is defined in 34 C.F.R. § 668.2) that knowingly and currently owes a liability for a violation for a Title IV Program requirement.

(b) None of Buyer nor any of its Affiliates that has the power, by contract or membership interest, to direct or cause the direction of management of policies of Buyer, or any Person who exercises Substantial Control over Buyer, has filed for relief in bankruptcy or had entered against it an order for relief in bankruptcy.

(c) None of Buyer, any of its Affiliates or any senior executive officer of Buyer has pled guilty to, pled nolo contendere to, or been found guilty of, a crime involving the acquisition, use or expenditure of funds under the Title IV Programs or been judicially determined to have committed fraud involving funds under the Title IV Programs.

ARTICLE 8 CERTAIN COVENANTS

8.1 Access; Consultation. From the date of this Agreement until the earlier of the Closing Date or the termination of this Agreement pursuant to Section 11.1, Buyer and its authorized agents, officers, advisors and representatives shall have access upon reasonable advance notice, during normal business hours, to the officers, representatives, and other personnel, properties, Purchased Assets, books and records of Seller that Buyer may reasonably request and Buyer's access under this Section 8.1 shall be exercised in a manner as to not unreasonably disrupt or interfere with the operations of Seller or Grantham University. Notwithstanding anything to the contrary contained in this Agreement, Seller shall not be required to provide any information or access that Seller reasonably believes could (x) violate applicable Law, including data protection or privacy Laws, any applicable Order or the terms of any applicable confidentiality obligation or (y) cause any forfeiture or impairment of any attorney client or other legal privilege.

8.2 Notice of Certain Events.

(a) From the date of this Agreement until the earlier of the Closing Date or the termination of this Agreement pursuant to Section 11.1, Seller shall give Buyer prompt written

notice of the occurrence of any of the following events or developments occurring after the date of this Agreement: (i) a loss, taking, condemnation, damage or destruction of or to any of the Purchased Assets; (ii) any labor grievance, strike, or other material labor dispute; (iii) any violation by Seller of any Law or Educational Requirement; (iv) any breach, default, claimed breach, claimed default or termination of any Assumed Contract; (v) any loss, suspension or threatened loss or suspension of an Educational Approval or accreditation; or (vi) the occurrence of any event that is reasonably likely to result in any Material Adverse Effect or a breach of a representation or warranty. From the date of this Agreement until the earlier of the Closing Date or the termination of this Agreement pursuant to Section 11.1, each of the Seller Parties and Buyer shall promptly notify the other in writing upon becoming aware of any fact, change, condition, circumstance or occurrence or nonoccurrence of any event of which they are aware that will or is reasonably likely to result in such party's inability to satisfy any of the conditions set forth in Article 4 or Article 5, as applicable, of this Agreement.

(b) The Seller Parties and Buyer shall promptly notify each other in writing upon becoming aware of any Order or any Action seeking the remedy of an Order restraining, enjoining or challenging the consummation of this Agreement or the Contemplated Transactions, or upon receiving any notice from any Governmental Authority of its intention to institute an Action to restrain or enjoin the consummation of this Agreement or the Contemplated Transactions. The Seller Parties and Buyer will each use commercially reasonable efforts to contest, defend and resolve any such Action or injunction so as to permit the prompt consummation of the Contemplated Transactions.

8.3 Operations Pending Closing.

(a) Except as otherwise contemplated or expressly permitted by this Agreement, and except as may be required by any applicable Law or Order, from the date of this Agreement until the earlier of the Closing Date and the termination of this Agreement pursuant to Section 11.1, unless Buyer shall otherwise approve in writing (such approval not to be unreasonably withheld, delayed or conditioned), Seller shall: (i) operate in the ordinary course of business; and (ii) use commercially reasonable efforts to preserve the goodwill, relationships and business of the officers, employees, faculty, consultants, students and suppliers.

(b) Except as otherwise contemplated or expressly permitted by this Agreement, and except as may be required by any applicable Law or Order, from the date of this Agreement until the earlier of the Closing Date and the termination of this Agreement pursuant to Section 11.1, unless Buyer shall otherwise approve in writing (such approval not to be unreasonably withheld, delayed or conditioned), Seller shall not: (i) sell, assign, lease, or otherwise dispose of any of its tangible assets, except for (A) inventory or supplies or other assets licensed, consumed or disposed of in the ordinary course of business, (B) assets transferred or disposed of in connection with the acquisition of replacement property of substantially equivalent, or better, kind, value, and use, (C) pursuant to Contracts in force on the date hereof and Made Available to Buyer on or prior to the date hereof, and (D) dispositions of obsolete or tangible assets that individually have a fair market value of less than Ten Thousand Dollars (\$10,000) or collectively have a fair market value of less than Twenty Five Thousand Dollars (\$25,000); (ii) establish, adopt, enter into or materially amend or terminate any Benefit Plan, except as required by applicable Law or Order or as required by the applicable Benefit Plan; (iii) revoke or change any material Tax

election or method of Tax accounting; (iv) voluntarily agree to enter into any collective bargaining agreement applicable to any Employees or otherwise recognize any union as the bargaining representative of any such Employees; (v) create, assume or permit to exist any Liens upon any of the Purchased Assets, except for Permitted Liens; (vi) amend or terminate (other than at the expiration of a states' term) any Assumed Contract; (vii) acquire (by merger, allowing for automatic termination, consolidation, acquisition of stock or assets or otherwise), directly or indirectly, any corporation, partnership or other business organization or assets comprising a business or any material amount of property or assets in or of any other Person, other than in the ordinary course of business; (viii) implement or adopt any change in its accounting principles, practices or methods, other than as may be required by changes in Laws, GAAP or GAGAS or by any Order; (ix) incur or guarantee any Indebtedness, or issue or sell any debt securities or guaranty any debt securities of others, other than the incurrence of short-term Indebtedness, intercompany Indebtedness or letters of credit incurred in the ordinary course of business, or borrowings under existing credit facilities or arrangements other than in connection with planned capital expenditures described in Schedule 6.24; (x) demolish, damage or remove any of the existing improvements, or erect new improvements on any of the Leased Real Property or any portion thereof or (xi) agree in writing to take any of the actions described in the foregoing clauses (i) through (x).

8.4 Supplemental Disclosure Statements; Supplemental Financial Statements; Regulatory Filings.

(a) From time to time prior to the Closing, the Seller Parties shall supplement or amend the Disclosure Schedules with respect to any event or development that occurs after the date of this Agreement and would render any statement, representation or warranty of the Seller Parties inaccurate or incomplete in any respect (each a "***Schedule Supplement***"), and each such Schedule Supplement shall be deemed to be incorporated into and to supplement and amend the Disclosure Schedules as of the Closing Date. In the event that any matter that is the subject of a Schedule Supplement constitutes or relates to something that will result in a failure to satisfy the Closing conditions set forth in Sections 4.1(a) or 4.1(b) (and not merely an update to reflect events occurring in the normal course of business), Buyer may terminate this Agreement in accordance with Section 11.1(b) within five (5) days following receipt of such Schedule Supplement. In the event that Buyer does not terminate within such 5-day period, each such Schedule Supplement shall, in respect of events or developments occurring after the date of this Agreement, be deemed to have amended the Disclosure Schedules, to have qualified the representations and warranties contained in Article 6 and to have cured any misrepresentation or breach of a representation or warranty that otherwise might have existed hereunder by reason of the matters disclosed on such Schedule Supplement.

(b) From the date of this Agreement until the earlier of the Closing Date or the termination of this Agreement pursuant to Section 11.1, Seller shall furnish Buyer with true, correct and complete copies of monthly unaudited balance sheets for Seller and statements of income of Seller promptly after such reports become available, and in the case of monthly balance sheets and statements of income, within thirty (30) days after the end of each month ending between the date of this Agreement and the Closing Date.

(c) From the date of this Agreement until the earlier of the Closing Date or the termination of this Agreement pursuant to Section 11.1, to the extent permitted by applicable Law, Seller shall promptly furnish Buyer with true, correct and complete copies of all filings of Seller with any Educational Agency or material correspondence received from any Educational Agency.

8.5 Cooperation; Consents; Filings.

(a) Buyer and the Seller Parties shall reasonably cooperate with each other and their respective counsel and accountants in connection with any actions reasonably required to be taken as part of their respective obligations under this Agreement, and Buyer and the Seller Parties shall execute such other documents as may be reasonably necessary or desirable to attempt in good faith to obtain any Consent or Educational Consent or to implement and consummate the Contemplated Transactions, and otherwise use their best efforts to consummate the Contemplated Transactions, including satisfaction, but not waiver, of the closing conditions set forth in Article 4 and Article 5, and to fulfill their respective obligations under this Agreement.

(b) If not previously filed, the Seller Parties and Buyer shall file, within five (5) days following the date of this Agreement, the DOE Application and attachments for Grantham University, in a form approved by Seller and Buyer, with the DOE in respect of the Contemplated Transactions. If not previously filed, within five (5) days following the date of this Agreement, Seller shall file a substantive change, change of ownership application for Grantham University, in a form that has been approved by Buyer, with DEAC in respect of the Contemplated Transactions. The Seller Parties and Buyer shall each provide the information concerning themselves that is required to be included in the applications set forth in this Section 8.5(b). Buyer and the Seller Parties shall reasonably cooperate with one another and use their respective best efforts to obtain the approval of Governmental Authorities and Educational Agencies referred to in this Section 8.5(b) as well all other Required Consents. No party shall attend, participate in or initiate any meetings, telephone calls or discussions with any Governmental Authority or Educational Agency concerning the Contemplated Transactions without the prior consent of the other parties; *provided, however*, that nothing in the preceding sentence shall prohibit any party or any of its respective representatives or advisors from receiving unsolicited telephone inquiries from representatives from any Educational Agency or Governmental Authority so long as the party or its counsel receiving such unsolicited inquiry does not engage in any substantive discussions with, or provide any responses to, any such Representative without first complying with its obligations under this Section. Prior to any Party attending any meetings, telephone calls, discussions or responding to unsolicited telephone inquiries from Representatives of any Educational Agency or Governmental Authority, the Parties shall discuss and agree upon strategy and issues to be pursued and responses to likely questions. The Parties agree that they will participate in all such meetings, telephone calls and discussions in a manner consistent with the agreement described in the preceding sentence and will not introduce any new issues not agreed to by the other Parties prior to any such meeting, telephone call or discussion. Each Party shall provide to the other within two (2) Business Days of receipt all written communications received by either of them from any Educational Agency or Governmental Authority which relate to the Contemplated Transactions.

(c) Further, and without limiting the generality of this Section 8.5, each of the Parties shall reasonably cooperate, as promptly as practicable, after the Closing, in all respects

with each other in connection with any filing or submission regarding the Contemplated Transactions and in connection with any Compliance Review, any Action by an Educational Agency or Governmental Authority, or any investigation or other inquiry related in whole or in part to the operation of Grantham University prior to the Closing. Such cooperation shall include, subject to applicable Law, promptly: (i) furnishing to the other such necessary information and reasonable assistance as the other Party may reasonably request in connection with the foregoing; (ii) informing the other Party of any material communication from, with or to any Educational Agency or Governmental Authority regarding any of the Contemplated Transactions or regarding any Compliance Review, any Action by an Educational Agency or Governmental Authority, or an investigation or other inquiry related in whole or in part to the operation of Grantham University prior to the Closing; and (iii) providing counsel for the other Party with copies of all filings made by such Party, and all correspondence between such Party (and its advisors) with any Educational Agency or Governmental Authority and any other information supplied by such Party to an Educational Agency or Governmental Authority or received from an Educational Agency or a Governmental Authority in connection with the Contemplated Transactions or regarding any Compliance Review, any Action by the Educational Agency or Governmental Authority, or any investigation or other inquiry related in whole or in part to the operation of Grantham University prior to the Closing; *provided*, that neither Party shall be required to share attorney-client privileged information with the other. Each Party shall, subject to applicable Law, permit counsel for the other Party to review in advance, and consider in good faith the views of the other Party in connection with, any proposed written communication, draft filing, correspondence or submission to any Governmental Authority or Educational Agency in connection with the Contemplated Transactions or regarding any Compliance Review, any Action by an Educational Agency or Governmental Authority, or any investigation or other inquiry related in whole or in part to the operation of Grantham University prior to the Closing. Prior to either Party attending any meetings, telephone calls, discussions or responding to unsolicited telephone inquiries from representatives of any Educational Agency or Governmental Authority, the Parties shall discuss and agree upon the strategy and issues to be pursued and responses to likely questions. The Parties agree that they will participate in all such meetings, telephone calls and discussions in a manner materially consistent with the provisions of this Section 8.5(c) and will not introduce any new substantive issues not agreed to by the other Party prior to any such meeting, telephone call or discussion. Each Party shall provide to the other within two (2) Business Days of receipt all written communications received by such Party from any Educational Agency or Governmental Authority that relate to the Contemplated Transactions or in whole or part to the operation of Grantham University prior to the Closing.

(d) As soon as practicable after the execution of this Agreement, the parties shall make appropriate requests and shall use commercially reasonable efforts to attempt in good faith, and on a joint basis, to obtain as expeditiously as possible any third party Consents required under any Assumed Contracts. The Seller Parties on one hand, and Buyer, on the other hand, shall be responsible for and shall pay one-half of all administrative or processing fees imposed by a Person as a condition to processing any Consent. The parties shall cooperate in connection with the preparation of the forms of Consent and shall keep each other reasonably informed as to the status of obtaining any such Consents.

8.6 Public Announcements. No party shall publish, issue or make any press Release or make any other public announcement concerning this Agreement or the Contemplated

Transactions without the prior written consent of the other parties; *provided, however*, that nothing contained in this Agreement shall prevent any party, after notification to the other party to the extent legally permissible, from making any announcement or publication required by applicable Law or Order or from making any filings with Governmental Authorities or Educational Agencies that may be required in connection with the execution and delivery of this Agreement or the consummation of the Contemplated Transactions.

8.7 Exclusivity. From the date of this Agreement until the earlier of the Closing Date or the termination of this Agreement pursuant to Section 11.1, neither Seller Party shall, and each Seller Party shall advise its representatives and agents not to, (i) solicit, initiate, encourage or accept any proposal or offer from any Person (other than Buyer) relating to the acquisition of any capital stock, equity, or other voting securities of either Seller Party, or any substantial portion of the Purchased Assets (including any acquisition structured as a merger, consolidation, or share exchange), (ii) participate in any discussions, conversations, negotiations or other communications regarding, furnish any information with respect to, assist or participate in or other way cooperate in any way with, or facilitate in any other manner, any effort or attempt by any Person (other than Buyer) to accomplish any such acquisition (other than by informing such other Person of each Seller Party's obligations under this Section 8.7).

ARTICLE 9 COVENANTS AND AGREEMENTS

9.1 Employee Matters.

(a) Prior to Closing, Seller will provide written notice to the Employees of the Contemplated Transactions and the fact that the Employees' employment or independent contractor relationship with Seller shall terminate on the Closing Date.

(b) Prior to Closing, Buyer shall use its best efforts to offer, or to cause an Affiliate or professional employment organization to offer, employment effective as of the Closing Date to all of the Employees. It is the intent of Buyer that offers of employment will provide for a base compensation that is substantially the same as the base compensation of employees of Buyer who hold similar positions; provided, however, that the compensation and benefits offered are ultimately at Buyer's discretion. Each Employee who accepts Buyer's or its Affiliate's offer of employment on the terms and conditions determined by Buyer and who commences employment with Buyer, Buyer's Affiliate or a professional employment organization retained by Buyer shall hereinafter be referred to as a "***Transferred Employee***." Notwithstanding anything to the contrary contained herein, except as may be agreed to in writing by Buyer, each Transferred Employee shall be employed on an at-will basis.

(c) Seller agrees that the Seller shall bear, pay, issue and be responsible for all notices, disclosures and Liabilities that may be due to Employees or to any Governmental Authority arising out of their employment or the termination of their employment with Seller, including notices, disclosures and Liabilities related to employee benefit and welfare plans (including the Benefit Plans), medical and dental benefits, retiree medical and dental benefits, disability benefits, life insurance benefits, workers compensation, vacation pay, severance pay, closing bonuses, sick leave pay, unemployment compensation, deferred compensation and other

benefits to Employees. Without limiting the generality of the foregoing, Seller shall be solely responsible for any notices and claims under the Benefit Plans, including for medical and dental benefits, retiree medical and dental benefits, disability benefits, life insurance benefits and workers compensation claims that are incurred before the Closing or are applicable to or accrued during service with Seller before the Closing, whether or not the claim is submitted to Seller's applicable Benefit Plan prior to the Closing.

(d) Buyer shall be responsible for any obligation or other Liability under the WARN Act with respect to the Transferred Employees arising as a result of actions taken by Buyer or its Affiliate following the Closing Date. Seller shall be responsible for any obligation or other Liability with respect to the Employees arising or accruing on or before the Closing Date under the WARN Act.

(e) Seller shall be responsible for the administration of and shall retain any and all obligations and other Liabilities for offering and providing COBRA continuation coverage (and all required notices related thereto) with respect to their Employees and former employees and their respective dependents and other COBRA qualified beneficiaries under the Sellers' group health plans for "qualifying events" (within the meaning of Section 4980B of the Code and applicable regulations) occurring prior to and including the Closing Date (including any "qualifying event" occurring by virtue of an Employee not being hired by either Buyer or its Affiliate in connection with the consummation of the Contemplated Transactions), and Buyer shall be responsible for all obligations and other Liabilities for offering and providing COBRA continuation coverage (and all required notices related thereto) for Transferred Employees and their dependents and other COBRA qualified beneficiaries with respect to "qualifying events" occurring after the Closing Date.

(f) Other than as included in the Closing Net Worth calculation, Buyer shall have no responsibility or Liability for any salary or other compensation, payroll Taxes, accrued or earned vacation pay, accrued or earned paid time off, fringe benefits, severance benefits, or any other obligations with respect to any Employee or Transferred Employee arising from or accruing during any period before the Closing Date, and all of such Liabilities shall remain with Seller and shall be Retained Liabilities under this Agreement. Buyer will assume no Liabilities arising from the employment or termination of employment by Seller of any Employees, and all of such Liabilities shall remain with the Seller and shall be Retained Liabilities under this Agreement. Seller shall use its commercially reasonable efforts to cooperate with Buyer, its Affiliate and their representatives and agents in connection with any employment offers to hire the Employees, including affording Buyer and its Affiliate opportunities to review employment records (other than medical records) of Employees to the extent not prohibited by applicable Law, to discuss terms and conditions of employment with Buyer or its Affiliate with any or all of the Employees and to distribute to any or all of the Employees forms and documents relating to employment with Buyer or its Affiliate. Except as prohibited by applicable Law, after the Closing, Seller shall promptly deliver to Buyer or its Affiliate originals or copies of all personnel files and records (including medical records and payroll records, if any), related to the Transferred Employees as of the Closing Date, and the Seller Parties shall have continuing access, to the extent reasonably necessary, to such files and records thereafter (excluding any files and records related to the Transferred Employees' employment relationship with Buyer or its Affiliate).

9.2 Further Assurances. From time to time after the Closing Date, upon the reasonable request of any party hereto, the other party or parties hereto shall execute and deliver or cause to be executed and delivered such further instruments of conveyance, assignment, transfer, acceptance and assumption, and take such further action as the requesting party may reasonably request in order to fully effectuate the purposes, terms and conditions of this Agreement and the other Transaction Documents. Following the Closing, the Seller Parties shall reasonably cooperate with Buyer and use their commercially reasonable efforts to assist Buyer in connection with satisfying any post-Closing requirements of any Educational Agencies required in connection with the Contemplated Transactions and obtaining all post-Closing Educational Consents and other consents.

9.3 Confidentiality.

(a) No party will use or disclose to any other Person (except as may be necessary for the consummation of the Contemplated Transactions, to obtain Required Consents or as required by applicable Law), this Agreement or any information received from any other party hereto or its agents in the course of investigating, negotiating and performing the Contemplated Transactions; provided, however, that each party may disclose such information to such party's Affiliates and its and their respective officers, directors, trustees, members, managers, employees, lenders, funding sources, advisors, attorneys and accountants who need to know such information in connection with the consummation of the Contemplated Transactions and who are informed by such party of the confidential nature of such information and agree to be bound by the confidentiality covenants set forth in this Section 9.3(a). Each party shall be responsible to the other parties for any breach by its Affiliates, and its and their respective officers, directors, trustees, managers, members, employees, lenders, funding sources, advisors, attorneys or accountants of such confidentiality agreements. Nothing shall be deemed to be confidential information that: (i) is already in such party's possession, prior to receipt from the other party or parties hereto or its agents, provided that such information is not known by such party to be subject to another confidentiality agreement with or other obligation of secrecy to the other party hereto; (ii) becomes generally available to the public other than as a result of a disclosure by such party or such party's officers, directors, trustees, employees, lenders, advisors, attorneys or accountants in breach of this Section 9.3(a); (iii) becomes available to such party on a non-confidential basis from a source other than another party or parties hereto or its advisors, *provided* that such source is not known by such party to be bound by a confidentiality agreement with or other obligation of secrecy to the other party or parties hereto with respect to such information; or (iv) is developed independently by a party without reference to the confidential information of the other party or parties. If this Agreement is terminated, then each party will, within ten (10) days of such termination, return to the other party or parties all information, including all documents (including all copies in whatever medium), work papers and other written confidential material obtained by such party from the other party or parties in connection with the Contemplated Transactions. The covenant contained in this Section 9.3(a) shall survive for a period of five (5) years from the first to occur of the Closing Date or termination of this Agreement pursuant to Section 11.1.

(b) Notwithstanding anything contained in Section 9.3(a), from and after the Closing Date until the fifth anniversary thereof, the Seller Parties agree to, and shall cause their agents and representatives to: (i) treat and hold as confidential (and not use or disclose or provide access to any Person to) all information in any form whatsoever relating to trade secrets, student

and prospective student lists, details of student contracts and financial records of Grantham University; (ii) in the event that the Seller Parties or any agent or representative of the Seller Parties becomes legally compelled to disclose any such information, provide Buyer with prompt written notice of such requirement so that Buyer may seek a protective order or other remedy or waive compliance with this Section 9.3(b); and (iii) in the event that such protective order or other remedy is not obtained, or Buyer waives compliance with this Section 9.3(b), furnish only that portion of such confidential information which is legally required to be provided and exercise their commercially reasonable efforts to obtain assurances that confidential treatment will be accorded such information; *provided, however*, that this sentence shall not apply to (x) any information that, at the time of disclosure, is available publicly and was not disclosed in breach of this Agreement by either Seller Party or any agent or representative of either Seller Party or (y) disclosure by any stockholder of LPF who is not a member of the board of directors of LPF or whose Affiliate is not a member of the board of directors of LPF.

9.4 Non-Compete; Non-Solicitation.

(a) Until the last to occur of the third anniversary of the Closing Date, neither Seller Party nor Macon shall, directly or indirectly: (i) engage in the Restricted Business anywhere in the United States; (ii) acquire an interest in any Entity that is directly or indirectly engaged in the Restricted Business in the United States including as a partner, shareholder, member, employee, principal, agent, trustee or consultant; or (iii) cause, induce or encourage any actual or prospective student of Grantham University or Buyer, or any other person who has a material business relationship with Grantham University or Buyer, to terminate or reduce the scope of such relationship with Buyer or Buyer's Affiliate. Notwithstanding the foregoing, Seller Parties and/or Macon may own, directly or indirectly, solely as an investment, securities of any Person traded on any national securities exchange if such Seller Party or Macon does not (individually or as a member of a group), directly or indirectly, own 5% or more of any class of securities of such Person.

(b) Until the last to occur of the third anniversary of the Closing Date, neither Seller Party shall, directly or indirectly: (i) solicit, induce or recruit, or attempt to solicit, induce or recruit, or cause others to solicit, induce or recruit, any Transferred Employee who is then or within the preceding three (3) month period was employed or engaged by any of Buyer or its Affiliates or a professional employment organization retained by Buyer (collectively, the "**Buyer Group**") to terminate such employment relationship or engagement and apply for or accept employment or engagement by either Seller Party; or (ii) hire any Transferred Employee who is then employed or engaged by the Buyer Group or was employed or engaged by the Buyer Group at any time during the preceding three (3) months prior to such hiring or engagement.

(c) The Seller Parties and Macon acknowledge that the covenants set forth in this Section 9.4 are critical components of this Agreement for Buyer and that, without agreement of the Seller Parties to comply with these covenants, Buyer would not have entered into this Agreement. The Seller Parties have independently consulted with their counsel and after such consultation agree that the covenants set forth in this Section 9.4 are reasonable, necessary and proper. The Seller Parties agree and acknowledge that remedies at Law for any breach of their obligations under this Section 9.4 are inadequate and that, in addition thereto, in the event of any such breach, Buyer shall be entitled to seek and obtain equitable relief, including temporary,

preliminary or permanent injunctive relief and specific performance to compel the Seller Parties' compliance with, and enjoin the Seller Parties from continuing or commencing any activity which would violate any of, the covenants set forth in this Section 9.4. In the event that any court determines that the duration or the geographic scope, or both, of the covenants set forth in this Section 9.4 is or are unreasonable or overbroad as written, or that any such covenant or provision is to that extent unenforceable, the parties hereto agree that the covenant or provision in question shall remain in full force and effect for the greatest time period and in the greatest area that would not render it unenforceable and the court shall be authorized to modify the covenant(s) or provision(s) to the extent necessary to render them valid and enforceable to the maximum extent permitted by Law.

9.5 Transfer Taxes. All transfer, documentary, sales, use, stamp, registration, value added and other similar Taxes and fees (including any penalties and interest) incurred in connection with the sale pursuant to this Agreement and the Contemplated Transactions (including any real property transfer Tax and any other similar Tax) shall be borne and paid when due one half by Seller and one half by Buyer. Seller and Buyer jointly shall timely file any Tax Return or other document with respect to such Taxes or fees. Notwithstanding anything contained herein to the contrary, any audit, examination or inquiry by a Taxing Authority or Action relating to any such Tax or Tax Return shall be jointly controlled by Seller and Buyer.

9.6 Access to Records. For legitimate business purposes (which for purposes of this Section 9.6, shall include the defense of any reasonably anticipated, threatened or actual third party claims as well as compliance with Educational Requirements in respect of retention of records), the Seller Parties shall provide Buyer reasonable access to and the right to copy, at Buyer's expense, for a period of six (6) years from the Closing Date any Records relating to the Purchased Assets or Grantham University but not included in the Purchased Assets, and, in connection therewith, the Seller Parties shall make their officers and employees available to discuss any such Records with Buyer and its representatives. For legitimate business purposes (which, for purposes of this Section 9.6, shall include the defense of any reasonably anticipated, threatened or actual third party claims as well as compliance with Educational Requirements in respect of retention of records), Buyer shall provide the Seller Parties reasonable access and the right to copy, at the Seller Parties' expense, for a period of six (6) years after the Closing Date, any Records relating to the Purchased Assets or Grantham University that are included in the Purchased Assets, and, in connection therewith, Buyer shall make its officers and employees available to discuss any such Records with the Seller Parties and their representatives. Any such access provided hereunder shall not unreasonably interfere with the operations of the party that possesses the applicable Records on the operations of such party's Affiliates and the party requesting access to such Records will bear any costs, other than wages and salaries and employee benefits of relevant personnel, of obtaining such access. This Section 9.6 shall not apply to any then-pending adversarial judicial or arbitral dispute or proceedings between the parties, which shall be governed by the applicable rules of discovery, evidence or procedure.

ARTICLE 10

SURVIVAL, DISCLAIMERS, FRAUD EXCEPTION

10.1 Survival. All of the representations and warranties of the parties hereto contained in this Agreement shall not survive the Closing. The covenants and agreements of the parties set

forth in this Agreement to be performed or complied with prior to the Closing shall not survive the Closing and the covenants and agreements of the parties set forth in this Agreement to be performed and complied with after the Closing shall survive the Closing until fully performed and discharged in accordance with their terms.

10.2 Certain Understandings and Disclaimers. IT IS THE EXPLICIT INTENT AND UNDERSTANDING OF EACH PARTY THAT NO PARTY OR ANY OF SUCH PARTY'S AFFILIATES, DIRECTORS, TRUSTEES, MANAGERS, MEMBERS, OFFICERS, EMPLOYEES, REPRESENTATIVES OR AGENTS IS MAKING ANY REPRESENTATION OR WARRANTY WHATSOEVER, ORAL OR WRITTEN, EXPRESS OR IMPLIED, OTHER THAN THOSE SET FORTH IN THIS AGREEMENT. NOTWITHSTANDING ANYTHING CONTAINED HEREIN TO THE CONTRARY, NEITHER SELLER PARTY, NOR ANY OF THEIR RESPECTIVE DIRECTORS, OFFICERS, EMPLOYEES, REPRESENTATIVES OR AGENTS MAKES ANY REPRESENTATION, WARRANTY OR COVENANT OF ANY KIND WITH RESPECT TO ANY PROJECTIONS, PROSPECTIVE ENROLLMENT REPORTS, ESTIMATES OR BUDGETS HERETOFORE DELIVERED TO OR MADE AVAILABLE TO BUYER, WHETHER ORALLY OR IN WRITING OR AS TO THE FUTURE REVENUES, EXPENSES OR EXPENDITURES, FUTURE RESULTS OF OPERATIONS (OR ANY COMPONENT THEREOF), FUTURE CASH FLOWS, FUTURE ENROLLMENTS OR FUTURE FINANCIAL CONDITION (OR ANY COMPONENT THEREOF) OF SELLER OR GRANTHAM UNIVERSITY OR THE FUTURE BUSINESS AND OPERATIONS OF SELLER OR GRANTHAM UNIVERSITY OR ANY OTHER FORWARD LOOKING STATEMENT OF EITHER SELLER PARTY OR THEIR RESPECTIVE DIRECTORS, OFFICERS, EMPLOYEES, REPRESENTATIVES OR AGENTS.

10.3 Fraud. Nothing in this Agreement shall limit any Person's right to seek and obtain any equitable relief to which any Person shall be entitled or to seek any remedy on account of any party's Fraud or criminal acts.

ARTICLE 11 TERMINATION

11.1 Termination. This Agreement may be terminated at any time prior to the Closing as follows:

- (a) by mutual written consent of the Seller Parties and Buyer;
- (b) by written notice of Buyer to the Seller Parties, if the (i) Buyer has the right to terminate based on a Schedule Supplement as described in Section 8.4(a), or (ii) Seller Parties are in material breach or default of their representations, warranties, covenants or obligations under this Agreement (unless Buyer knew or had reason to know of such breach or default prior to the date of this Agreement or the breach of a representation or warranty is the subject of a Schedule Supplement permitted under Section 8.4(a)), and either (A) such breach or default on the part of the Seller Parties has not been cured or waived within ten (10) days after written notice thereof from Buyer to the Seller Parties; or (B) the Seller Parties have not provided reasonable assurance to Buyer that such breach or default on the part of the Seller Parties will be cured on or before the Termination Date; but only if such breach or default on the part of the Seller Parties, singly or

together with all other such breaches or defaults on the part of the Seller Parties, constitutes a failure of a condition set forth in Section 4.1(a) or Section 4.1(b) as of the date of such termination;

(c) by written notice of the Seller Parties to Buyer, if Buyer is in material breach or default of its representations, warranties, covenants or obligations under this Agreement (unless the Seller Parties knew or had reason to know of such breach or default prior to the date of this Agreement), and either (i) such breach or default on the part of Buyer has not been cured or waived within ten (10) days after written notice thereof from the Seller Parties to Buyer; or (ii) Buyer has not provided reasonable assurance to the Seller Parties that such breach or default on the part of Buyer will be cured on or before the Termination Date; but only if such breach or default on the part of Buyer, singly or together with all other such breaches or defaults on the part of Buyer, constitutes a failure of a condition set forth in Section 5.1(a) or Section 5.1(b) as of the date of such termination;

(d) by either Buyer, on one hand, or the Seller Parties, on the other hand, if the Closing hereunder has not taken place on or before the Termination Date or if any of the closing conditions have not been, or if it becomes apparent that any of such closing conditions will not be, fulfilled by the Termination Date; or

(e) without limiting either Section 4.2 or Section 5.2, by either Buyer, on the one hand, or the Seller Parties, on the other hand, if any court or other Governmental Authority shall have issued, enacted, entered, promulgated or enforced any Law or Order (that is final and non-appealable and has not been vacated, withdrawn, return or lifted) restraining, enjoining or otherwise prohibiting the Contemplated Transactions.

(f) Notwithstanding the foregoing, no party may effect a termination of this Agreement if such party is in material breach or default of any of its representations, warranties, covenants or obligations under this Agreement.

11.2 Procedure and Effect of Termination.

(a) If this Agreement is terminated by any of Buyer or the Seller Parties pursuant to Section 11.1, prompt written notice thereof shall forthwith be given to the other parties, and this Agreement shall terminate and the Contemplated Transactions shall be abandoned without further action by any of the parties hereto, but subject to and without limiting any of the rights of the parties set forth in this Agreement if a party is in default or breach of any of its representations, warranties, covenants or obligations under this Agreement. If this Agreement is terminated as provided herein, all filings, applications and other submissions relating to the Contemplated Transactions as to which termination has occurred shall, to the extent practicable, be withdrawn from the Governmental Authority, Educational Agency or other Person to which made.

(b) Without limiting the generality of the foregoing, or any applicable Law, none of Buyer nor the Seller Parties may rely on the failure of any condition precedent set forth in Article 4 or Article 5 to be satisfied as a ground for termination of this Agreement by any party if such failure was caused by Buyer's (in the case of Buyer) or any Seller Party's (in the case of the Seller Parties) failure to act in good faith, or a breach of or failure to perform any of its or their

representations, warranties, covenants or obligations in accordance with the terms of this Agreement.

(c) Notwithstanding any termination of this Agreement pursuant to Section 11.1, the obligations of the parties described in Section 9.3 (Confidentiality), Section 12.1 (Governmental Filing Fees), Section 12.2 (Expenses) and this Article 11 shall survive any such termination.

ARTICLE 12 FEES AND EXPENSES

12.1 Governmental Filing Fees. Any filing or other fees imposed by any Governmental Authority or Accrediting Body prior to the Closing shall be paid one half by the Seller Parties and one half by Buyer.

12.2 Expenses. Each party shall pay its own costs and expenses incurred in connection with the authorization, preparation, execution and performance of this Agreement (including all fees and expenses of valuation experts, counsel, accountants, agents, financial advisors and representatives).

ARTICLE 13 MISCELLANEOUS

13.1 Entire Agreement, Amendment. This Agreement, the Annexes, the Schedules and Exhibits hereto and all documents and certificates executed and delivered pursuant to this Agreement in connection with the Closing under Article 3 collectively constitute the entire agreement and understanding among the parties pertaining to the subject matter hereof, and supersede all prior and contemporaneous agreements (including each term sheet and confidentiality or non-disclosure agreement between or among the parties or their respective Affiliates), understandings, negotiations and discussions of the parties, whether oral or written, and there are no warranties, representations or other covenants or agreements between or among the parties in connection with the subject matter hereof, except as specifically set forth herein. No amendment, supplement, modification, waiver or termination of this Agreement or provision hereof shall be binding unless executed in writing by the party to be bound thereby.

13.2 Waivers; Consents. Except as otherwise provided in this Agreement, any failure of any of the parties to comply with any obligation, representation, warranty, covenant, agreement or condition set forth in this Agreement may be waived by the party entitled to the benefits thereof only by a written instrument signed by the party granting such waiver. Any of the conditions to Closing set forth in this Agreement may be waived at any time prior to or at the Closing hereunder by the party entitled to the benefit thereof. The failure or delay of any party hereto to enforce at any time any of the provisions of this Agreement shall in no way be construed to be a waiver of any such provision, nor in any way to affect the validity of this Agreement or any part hereof or the right of such party thereafter to enforce each and every such provision. No waiver of any breach of or noncompliance with this Agreement shall be held to be a waiver of any other or subsequent breach or noncompliance. Whenever this Agreement requires or permits consent by

or on behalf of any party hereto, such consent shall be given in writing in a manner consistent with the requirements for a waiver of compliance as set forth in this Section 13.2.

13.3 Benefit; Assignment. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns. No party to this Agreement may, directly or indirectly, by merger, operation of law, or otherwise, assign either this Agreement or any of its rights, interests or obligations under this Agreement without the prior written consent of the other parties. Any purported assignment or delegation in violation of the preceding provisions of this Section 13.3 will be null and void.

13.4 Notices. All communications, notices, demands and requests required or permitted to be given under the provisions of this Agreement shall be (a) in writing, (b) , delivered by personal delivery or sent by commercial delivery service or certified mail, return receipt requested, (c) deemed to have been given on the date of personal delivery or the date set forth in the records of the delivery service or on the return receipt, and (d) addressed as follows, unless and until either of such parties notifies the other in accordance with this Section 13.4 of a change of address:

If to Buyer:

The University of Arkansas System
2404 North University
Little Rock, AR 72207
Attention: President
Email: President@uasys.edu

With a copy (which shall not constitute notice) to:

Mitchell, Williams, Selig, Gates & Woodyard, P.L.L.C.
425 W. Capitol Ave., Suite 1800
Little Rock, Arkansas 72201
Attention: Nicole Lovell
Email: nlovell@mwlaw.com

and

University of Arkansas System
Office of General Counsel
2404 North University
Little Rock, AR 72207
Attention: JoAnn Maxey
Email: jmaxey@uasys.edu

If to either of the Seller Parties:

The Level Playing Field Corporation
382 NE 191st Street, PMB 52778
Miami, Florida 33179-3899
Attention: John Ferris, Executive VP and CAO
Email: jferris@lpfcorp.com

With a copy (which shall not constitute notice) to:

Loeb & Loeb LLP
901 New York Avenue NW
Suite 300 East
Washington, DC 20001
Attention: Neil Lefkowitz
Email: nlefkowitz@loeb.com

13.5 Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed an original, but such counterparts shall together (when executed and delivered) constitute but one and the same instrument. This Agreement may be executed and delivered in counterpart signature pages executed and delivered via email transmission in Adobe portable document format (also known as “*PDF*”), and any such counterpart executed and delivered by email transmission in PDF shall be deemed an original for all intents and purposes.

13.6 Headings. The Table of Contents and Article, Section and other headings set forth in this Agreement and the Annexes, Schedules or Exhibits hereto are inserted or used for convenience of reference only and shall not control or affect the meaning or construction of the provisions of this Agreement.

13.7 Severability. If any provision of this Agreement or the application thereof to any Person or circumstance shall be invalid, illegal or unenforceable to any extent, the remainder of this Agreement and the application of such provision to other Persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by applicable Law so long as the economic or legal substance of the Contemplated Transactions is not affected in any manner materially adverse to any party. Upon such determination that any term or other provision is invalid or unenforceable, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner to the end that the Contemplated Transactions are fulfilled to the greatest extent possible.

13.8 No Third Party Beneficiaries. This Agreement shall be binding upon and inure solely to the benefit of the parties hereto and their successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other Person, including any employee or former or retired employee of Seller or spouse or dependents of such Persons, any legal or equitable right, benefit or remedy of any nature whatsoever, including any rights of employment for any specified period, under or by reason of this Agreement.

13.9 Governing Law. This Agreement shall be governed, construed and enforced in accordance with the Laws of the State of Arkansas applicable to contracts made and performed in such state without giving effect to any choice or conflict of Law principle, provision or rule, including all matters of construction, interpretation, validity and performance.

13.10 No Strict Construction. The parties have participated jointly in the negotiation and drafting of this Agreement, and the language used in this Agreement shall be deemed to be the language chosen by the parties to express their mutual intent. In the event an ambiguity or question of intent or interpretation arises, this Agreement will be construed as if drafted jointly by the

parties, and no presumption or burden of proof will arise favoring or disfavoring any Person by virtue of the authorship of any of the provisions of this Agreement.

13.11 No Recourse or Personal Liability. Other than personal liability for Macon under Sections 9.4, Buyer agrees and acknowledges, both for itself and its Affiliates, that no recourse under this Agreement or any documents or instruments delivered in connection with this Agreement shall be had against any current or future director, officer or employee of the either of the Seller Parties, or of any Affiliate or assignee thereof, whether in their capacity as such or otherwise, whether by the enforcement of any assessment or by any legal or equitable Action, or by virtue of any statute, regulation or other applicable Law, it being expressly agreed and acknowledged that no personal liability whatsoever shall attach to, be imposed on or otherwise be incurred by any current or future director, officer or employee of either of the Seller Parties, whether in their capacity as such or otherwise, for any obligation of the Seller Parties under this Agreement or any documents or instruments delivered in connection with this Agreement for any claim based on, in respect of or by reason of such obligations or their creation.

13.12 Saturdays, Sundays and Legal Holidays. If the time period by which any acts or payments required hereunder must be performed or paid expires on a Saturday, Sunday or legal holiday, then such time period shall be automatically extended to the close of business on the next regularly scheduled Business Day.

13.13 Incorporation of Exhibits, Annexes and Schedules. The schedules, annexes and exhibits specifically referred to in and delivered pursuant to this Agreement are incorporated herein by reference and made a part hereof.

13.14 Governing Language. This Agreement has been negotiated and executed by the parties in English. In the event any translation of this Agreement is prepared for convenience or any other purpose, the provisions of the English version shall prevail.

13.15 Time of the Essence. Time is of the essence with regard to all dates and time periods set forth in this Agreement.

13.16 Jurisdiction. In the event the parties are unable to resolve a dispute, any claims against Buyer shall be brought in the Claims Commission of the State of Arkansas. Nothing contained herein is intended to waive the sovereign immunity of the Buyer or the State of Arkansas.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK;
THE NEXT PAGE IS THE SIGNATURE PAGE]

IN WITNESS WHEREOF, the parties have caused this Asset Purchase Agreement to be executed by their duly authorized officers on the day and year first above written.

THE BOARD OF TRUSTEES OF THE UNIVERSITY OF ARKANSAS

By: _____
Name: _____
Title: _____

THE LEVEL PLAYING FIELD CORPORATION

By: _____
Name: _____
Title: _____

GRANTHAM UNIVERSITY, INC.

By: _____
Name: _____
Title: _____

ANNEX A

Defined Terms

Capitalized terms used in the Agreement to which this Annex A is attached shall have (unless the context shall otherwise require) the following respective meanings, and all references to Sections, Exhibits, Schedules or Annexes in the following definitions shall refer to Sections, Exhibits, Schedules or Annexes of or to the Agreement:

“Accrediting Body” shall mean any non-Governmental Authority or non-governmental organization, including any institutional and programmatic accrediting agency, that engages in the granting or withholding of accreditation of postsecondary institutions or their educational programs in accordance with standards and requirements relating to the performance, operations, financial condition or academic standards of such institutions, including DEAC.

“Action” shall mean any claim, demand, charge, complaint, notice of violation, action, suit, litigation, arbitration, inquiry or proceeding by or before any Governmental Authority.

“Affiliate” shall mean, with respect to any Entity or other Person, any other Entity or Person directly or indirectly controlling, Controlled by, or under common Control with such Entity or Person.

“Agreement” shall mean this Asset Purchase Agreement, together with the Schedules, the Exhibits and Annexes attached hereto, as the same shall be amended or supplemented from time to time in accordance with the terms hereof.

“Assumed Contracts” shall have the meaning set forth in Section 2.1(c).

“Assumed Liabilities” shall have the meaning set forth in Section 2.3(a).

“Benefit Plans” shall have the meaning set forth in Section 6.18(a).

“Business Day” shall mean any day excluding Saturdays, Sundays and any day that banking institutions located in Little Rock, Arkansas are authorized or required by Law to close.

“Buyer” shall have the meaning set forth in the introductory paragraph hereof.

“Buyer Ancillary Documents” shall have the meaning set forth in Section 7.2.

“Buyer Group” shall have the meaning set forth in Section 9.4(b).

“Cash Equivalents” shall mean all cash, cash equivalents and cash items of any kind whatsoever, money market instruments, marketable securities, other securities, commercial paper, short term investments or deposits in banks or other financial institution accounts of any kind.

“Closing” shall have the meaning set forth in Section 3.1.

“Closing Date” shall have the meaning set forth in Section 3.1.

“Closing Net Worth” means the Transferring Assets minus the Transferring Liabilities at the Effective Time.

“COBRA” shall have the meaning set forth in Section 6.18(c).

“Code” shall mean the Internal Revenue Code of 1986.

“Compliance Date” means January 1, 2018.

“Compliance Review” has the meaning set forth in Section 6.13(d)(xvii).

“Consents” shall mean the consents, permits or approvals of, and filings or notices to, Governmental Authorities and other Persons necessary to contribute any of the Purchased Assets to Buyer or otherwise to consummate the Contemplated Transactions, excluding the Educational Consents.

“Contemplated Transactions” means the contribution of the Purchased Assets by Seller to Buyer, the acceptance of the Purchased Assets by Buyer from Seller, the assumption by Buyer of the Assumed Liabilities and the execution, delivery and performance of and compliance with this Agreement and all other agreements, documents and instruments to be executed and delivered pursuant to this Agreement.

“Contracts” shall mean all contracts, leases, arrangements, indentures, notes, bonds, mortgages, guarantees, loans, instruments, commitments or other agreements (including leases for personal or real property and employment agreements), written or oral (including any amendments, supplements, restatements, extensions and other modifications thereto), of Seller or to which Seller is a party or that is binding upon Seller and that are in effect as of the date of this Agreement or are entered into between the date of this Agreement and the Closing Date.

“Control” (including, with correlative meanings, the terms “controlled by,” “controlling” and “under common control with”), as used with respect to any Entity or Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through ownership of voting securities, by contract or otherwise.

“Copyrights” means copyrights, whether Registered or unregistered, in works of authorship of any type, including registrations and applications for registration thereof throughout the world, all rights therein provided by international treaties and conventions, all moral and common law rights associated therewith, all rights of publicity and privacy associated therewith, and all other rights associated therewith.

“Curricula” shall mean the curricula used in the educational programs of Grantham University in the form of computer programs, applications and files, slide shows, texts, films, videos, .jpegs or any other form or media, including the following items: (i) course objectives; (ii) lesson plans; (iii) exams; (iv) class materials (including interactive or computer-aided materials); (v) faculty notes; (vi) course handouts; (vii) diagrams; (viii) syllabi; (ix) sample externship and placement materials; (x) course and faculty evaluation materials; (xi) policy and procedure manuals; and (xii) other related materials and information. The Curricula shall also

include all Intellectual Property relating to the above-listed items and all periodic updates or revisions to the Curricula as developed or used by Seller or LPF during its period of operation of Grantham University through the Closing Date.

“DEAC” shall mean the Distance Education Accrediting Commission.

“Deferred Consent” shall have the meaning set forth in Section 2.7.

“Disclosure Schedules” shall have the meaning set forth in the preamble to Article 6, which schedules are hereby incorporated herein and made a part hereof.

“DOE” shall mean the United States Department of Education.

“DOE Application” shall mean the application for abbreviated pre-acquisition review to be submitted to the DOE by or on behalf of Grantham University with respect to the Contemplated Transactions.

“Educational Agency” shall mean any Person, Governmental Authority or Accrediting Body, whether governmental, government-chartered, private, or quasi-private, that (A) engages in granting or withholding Educational Approvals for, or (B) administers any form of Student Financial Assistance Program for students of, or (C) otherwise has jurisdiction or has had such jurisdiction since the Compliance Date to regulate Grantham University in accordance with standards relating to the performance, operation, financial condition or academic standards of, schools, educational programs and educational service providers, including the DOE, DEAC, the Kansas Board of Regents and the VA.

“Educational Approval” means any license, permit, consent, franchise, approval, authorization, certification, or accreditation issued by any Educational Agency required for the lawful operation of Grantham University or the participation of Grantham University in any Student Financial Assistance Programs, including the Title IV Programs.

“Educational Bonds” means any bonds or other credit support instruments maintained by or on behalf of Seller or Grantham University to satisfy any bonding or credit support requirement under any Educational Requirement or of any Educational Agency.

“Educational Consent” shall mean any consent, license, authorization, certification or other approval, including any interim or temporary approval, that must be issued by any Educational Agency in connection with the transactions contemplated by this Agreement, whether pre-Closing or post-Closing, pursuant to applicable Educational Requirement or as required by any Educational Agency in order to maintain or continue any Educational Approval held by Grantham University.

“Educational Requirements” means (i) all applicable laws, regulations and (ii) all binding rules, releases, determinations, orders, interpretations, practices and standards administered by any Educational Agency, including all statutory and regulatory provisions related to the Title IV Programs.

“Effective Time” means 12:01 a.m., Little Rock, Arkansas time, on the Closing Date.

“Employees” shall have the meaning set forth in Section 6.17(a).

“Entity” shall mean any Person other than an individual.

“Environmental Laws” shall mean any and all federal, state and local Laws, including statutes, regulations, ordinances, codes, orders and rules, as amended, any binding judicial or administrative interpretation thereof, including any consent decree or judgment, relating to pollution or the protection of the environment, health and safety (with regard to exposure to Hazardous Materials), natural resources, or natural resource damages, including those relating to the Release, use, handling, transportation, treatment or storage of Hazardous Materials. Environmental Laws includes the Federal Solid Waste Disposal Act, the Federal Clean Air Act, the Federal Clean Water Act, the Federal Resource Conservation and Recovery Act of 1976, the Federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, the Occupational Safety and Health Act of 1970, the Federal Insecticide, Fungicide & Rodenticide Act, the Toxic Substances Control Act, the Federal Oil Pollution Act of 1990, the Federal Safe Drinking Water Act, the Federal Noise Control Act of 1972, the Federal Pollution Prevention Act of 1990, and the Federal Emergency Planning & Community Right-To-Know Act, and regulations of the Environmental Protection Agency, regulations of the Nuclear Regulatory Agency, regulations of the Occupational Safety and Health Administration and regulations of any state department of natural resources or state environmental protection agency.

“Environmental Permits” means all permits, approvals, licenses, and other authorizations required or issued pursuant to any Environmental Law.

“Equitable Exceptions” shall have the meaning set forth in Section 6.2.

“ERISA” shall mean the Employee Retirement Income Security Act of 1974.

“Estimated Closing Net Worth” shall have the meaning set forth in Section 2.4(c).

“Escrow Agent” shall have the meaning set forth in Section 2.3(c).

“Escrow Agreement” shall have the meaning set forth in Section 2.3(c).

“Excluded Assets” shall have the meaning set forth in Section 2.2.

“Exhibits” shall mean those exhibits referenced in this Agreement, which exhibits are hereby incorporated and made a part hereof.

“Final Closing Net Worth” shall have the meaning set forth in Section 2.5(b).

“Financial Statements” shall have the meaning set forth in Section 6.9.

“Fraud” means the misrepresentation of a fact made either with knowledge or belief or with reckless indifference to its falsity with an intent to induce the party to act or refrain from acting.

“**GAAP**” shall mean generally accepted accounting principles as in effect from time to time in the United States.

“**GAGAS**” shall mean United States generally accepted government auditing standards.

“**Governmental Authority**” means (i) any federal, state, regional, county, city, municipal or local government, whether foreign or domestic, (ii) governmental or quasi-governmental authority of any nature, including any regulatory or administrative agency, commission, department, board, bureau, court, tribunal, arbitrator, arbitral body, agency, branch, official Entity or other administrative or regulatory body obtaining authority from any of the foregoing, including courts, public utilities, sewer authorities and any supra-national organization, state, county, city or other political subdivision, or (iii) any other Person, exercising or entitled to exercise, any administrative, executive, judicial, legislative, police, regulatory or taxing authority or power of any nature, but excluding any Educational Agency.

“**Grantham University**” means the postsecondary educational institution Grantham University accredited by DEAC and owned and operated by Seller, whose offerings include arts and sciences, engineering and computer science and nursing and allied healthcare degree programs and which has been issued Identification Number 041223 by the Office of Postsecondary Education of the DOE.

“**Hazardous Material**” shall mean (i) any material, substance or waste defined or regulated as hazardous or toxic or as a pollutant or contaminant, as those terms are defined in the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C. Sections 9601 *et seq.*, or any other applicable Environmental Laws, including toxic materials or harmful physical agents, as defined in the Occupational Safety and Health Act of 1970, 29 U.S.C. Section 651 *et seq.*, and (ii) petroleum and petroleum products, byproducts or breakdown products, radioactive materials, asbestos, polychlorinated biphenyls and toxic mold, but excluding products commonly used in cleaning and maintenance of households and yards.

“**HEA**” shall mean the Higher Education Act of 1965, 20 U.S.C. § 1001 *et seq.*

“**Holdback Account**” shall have the meaning set forth in Section 2.3(c).

“**Indebtedness**” shall mean (i) all indebtedness for borrowed money of Seller, (ii) any other indebtedness of Seller evidenced by bonds, debentures, notes or other similar instruments or debt securities, (iii) all Educational Bonds, (iv) all indebtedness of Seller secured by a Lien, (v) all obligations under leases which have been or should be, in accordance with GAAP, recorded as capital leases in respect of which Seller is liable as lessee, but expressly excluding all operating leases (vi) all interest, fees, prepayment premiums and other expenses owed with respect to the indebtedness referred to above, including any costs associated with prepaying indebtedness or breaking any swap or other agreements associated with the indebtedness, (vii) all bonuses payable to Employees that relate to periods prior to the Closing or become payable as a result of the transactions contemplated by this Agreement, (viii) all deferred payment obligations (other than trade payables in the ordinary course of business) of Seller, (ix) all underfunded pension or retiree medical obligations of Seller, (x) all obligations of Seller for the payment of deferred compensation and severance, (xi) all amounts payable to member of Seller, (xii) all amounts, if

any, owed by Seller to Seller Related Parties, and (xiii) all indebtedness referred to above which is directly or indirectly guaranteed by Seller or which Seller has agreed (contingently or otherwise) to purchase or otherwise acquire.

“Independent Contractors” shall have the meaning set forth in Section 6.17(a).

“Intellectual Property” shall mean all (i) inventions and discoveries (whether or not patentable or reduced to practice), patents, patent applications, invention disclosures and statutory invention registrations, (ii) Trademarks, (iii) all Copyrights and all published and unpublished works of authorship, whether copyrightable or not, Copyrights therein and thereto, registrations, applications, renewals and extensions therefor and thereof, and any and all rights associated therewith, (iv) confidential and proprietary information, including trade secrets, know-how and invention rights, and (v) any and all other intellectual property rights recognized by applicable jurisdictions.

“Intellectual Property Assignment” shall have the meaning set forth in Section 3.2(c).

“Interim Financial Statements” shall have the meaning set forth in Section 6.9.

“IRS” shall mean the United States Internal Revenue Service.

“IT Assets” shall mean Seller Software, systems, servers, computers, hardware, firmware, middleware, networks, data communications, lines, routers, hubs, switches and all other information technology equipment and related documentation.

“Knowledge of the Seller Parties” shall mean the actual knowledge of any of Thomas Macon, John Ferris or Jonathan Catherwood after due inquiry.

“Law” shall mean any constitution, treaty, statute, code, law, ordinance, regulation, rule or requirement issued, promulgated or entered by any Governmental Authority (including common law).

“Leased Real Property” shall have the meaning set forth in Section 6.7(b).

“Leases” shall have the meaning set forth in Section 6.7(b).

“Liability” shall mean any liability or obligation (whether known or unknown, whether asserted or unasserted, whether absolute, contingent, fixed or otherwise, whether accrued or unaccrued, whether liquidated or unliquidated, and whether due or to become due), regardless of when asserted, including any liability arising under any Law, Action or Order and any liability for Taxes.

“Licensed Intellectual Property” shall mean all Intellectual Property that Seller is licensed or otherwise permitted by third parties to use pursuant to the Seller IP Agreements.

“Lien” shall mean any mortgage, deed of trust, pledge, security interest, encumbrance, claim, Liability, adverse claim of ownership or use, lease, option, easement, reversion, violation, adverse claim, servitude, hypothecation, restriction on transfer (such as a right of first refusal or

other similar right), defect of title, lien or charge of any kind, or restriction of any kind, including any restriction on the use, or other exercise of any attribution of ownership, whether voluntarily incurred or arising by operation of Law or otherwise, affecting any Purchased Assets or property.

“Macon” shall have the meaning set forth in the Preamble.

“Made Available” means included in the electronic data room for Project Bauxite hosted by BMC Group VDR LLC.

“Material Adverse Effect” shall mean any result, occurrence, fact, effect, change or event that has, or would reasonably be expected to have, individually or in the aggregate with all other results, occurrences, facts, effects, changes and events, a material adverse effect on (a) the financial condition, business, Purchased Assets, liabilities, operations or results of operations of Seller or Grantham University, or (b) the ability of the Seller Parties to perform their obligations under this Agreement, including the consummation of the Contemplated Transactions; provided, however, that any change, occurrence or effect that (i) generally adversely affects the proprietary postsecondary education sector, (ii) results from or relates to any enactment or issuance of, change in, or change in interpretation of, any Law, Educational Requirement, Order, GAAP or GAGAS or interpretation thereof, (iii) results from or relates to general economic conditions or conditions in the general financial, credit or securities markets, (iv) results from any acts of God, natural disasters, terrorism, armed hostilities, sabotage, war or any escalation or worsening of acts of terrorism, armed hostilities, or war, (v) any act of God, epidemic, pandemic, public health emergency, or disease outbreak (including the COVID-19 virus), the worsening of any of the foregoing items or any Law, Order pronouncement or guideline (or changes in any Law, Order, pronouncement or guideline or interpretation) issued by a Governmental Authority, the Centers for Disease Control and Prevention, the World Health Organization or industry group providing for business closures, quarantines, “sheltering-in-place” or other related restrictions, (vi) results from or relates to the negotiation, execution, announcement, pendency or performance of this Agreement or the Contemplated Transactions, (vii) results from or relates to (x) conduct of Seller prohibited under Section 8.3 for which Buyer gave its prior written consent or (y) the failure of Buyer to consent to any actions or actions requiring Buyer’s consent under Section 8.3 for which either Seller Party has sought such consent, (viii) results from or relates to the fact that the prospective owner of the Purchased Assets is Buyer, or (ix) is, in and of itself, a failure by Seller to meet any internal projections or forecasts (as distinguished from any change or effect giving rise or contributing to such failure) shall be excluded for purposes of determining whether there has been a Material Adverse Effect, unless, in the case of each of the foregoing clauses (i) - (iii), such change, occurrence or effect has a disproportionately adverse effect on Grantham University relative to other similarly situated postsecondary education institutions, in which case such change, occurrence or effect shall be taken into account in determining whether there has been a Material Adverse Effect to the extent of such disproportionately adverse effect.

“Most Recent Balance Sheet” shall have the meaning set forth in Section 6.9.

“Most Recent Fiscal Month End” shall have the meaning set forth in Section 6.9.

“NC-SARA” shall mean the National Council for State Authorization Reciprocity Agreement.

“Notice of Disagreement” shall have the meaning set forth in Section 2.5(b).

“Order” shall mean any order, writ, judgment, citation, injunction, decree, ruling, charge, stipulation, determination or award entered by any Governmental Authority.

“Owned Intellectual Property” shall mean all Intellectual Property owned by either Seller Party and used or held for use in the operation of Grantham University.

“Owned Software” shall mean all software owned by Seller or LPF and used or held for the use in the operation of Grantham University.

“Permit” shall mean any franchise, grant, authorization, agreement, license, permit, accreditation, registration, easement, variance, exception, consent, clearance, certificate, approval, program participation agreement, order or similar rights issued, granted or obtained for Seller by or from any Governmental Authority. The term Permit shall not include Educational Approvals.

“Permitted Liens” shall mean: (i) Liens for Taxes not yet due and payable or that are being contested in good faith and by appropriate proceedings; (ii) materialmen’s, mechanics’, workmen’s, repairmen’s or other like non-consensual Liens arising in the course of construction or in the ordinary course of operations or maintenance and securing amounts not yet due and payable or which are being contested in good faith and by appropriate proceedings listed in Schedule A-PL; (iii) purchase money Liens and Liens securing rental payments under capital Leases listed in Schedule A-PL; (iv) prior to the Closing, Liens arising in connection with the Indebtedness of Seller that will be released on or before the Closing Date; (v) zoning, building codes, and other land use laws regulating the use or occupancy of any parcel of the Leased Real Property or the activities conducted thereon that are imposed by any Governmental Authority having jurisdiction over such Leased Real Property, but only to the extent that the same do not materially impair the use or occupancy of such Leased Real Property; (vi) easements, covenants, conditions, restrictions, and other similar matters affecting title to the Leased Real Property and other title defects, in each case which do not materially impair the use or occupancy of such Leased Real Property; and (vii) from and after the Effective Time, any Liens created by or attributable to Buyer.

“Person” shall mean any natural person, general or limited partnership, corporation, firm, limited liability company or partnership, association or other legal Entity.

“Private Educational Loans” shall mean any student loan provided by a lender that is not made, insured or guaranteed under Title IV and is issued expressly for postsecondary educational expenses, including any loan made by a private third-party lender whether on a recourse or non-recourse basis, other than payment plans provided by the Seller Parties.

“Purchased Assets” shall have the meaning set forth in Section 2.1.

“Records” shall mean all books of account, files, databases, documents and other records (and copies thereof) in either of the Seller Parties’ possession or control relating to Grantham University, including original executed copies, if available, or true, complete and correct copies of all Assumed Contracts, employment records (to the extent permitted by applicable Law), student records, mailing lists, manuals, ledgers, financial statements, advertising records, creative

materials, advertising and promotional materials, advertising studies, marketing and demographic data, lists of advertisers, personnel records, credit and collection records, accounting records, documents filed with any Governmental Authority or Educational Agency and litigation files.

“Registered” shall mean, with respect to Intellectual Property, issued by, registered with, renewed by or the subject of a pending application before any Governmental Authority or Internet domain name registrar.

“Release” shall mean disposing, discharging, injecting, spilling, leaking, leaching, dumping, emitting, escaping, emptying, seeping, placing and the like into or upon any land or water or air or otherwise entering into the environment.

“Remedial Action” shall mean all action to (i) clean up, remove, treat or handle in any other way Hazardous Materials in the environment; (ii) restore or reclaim the environment or natural resources; (iii) prevent the Release of Hazardous Materials so that they do not migrate, endanger or threaten to endanger public health or the environment; (iv) abate, encapsulate or remove any Hazardous Materials contained within any building material, facility, equipment or transformer; or (v) perform remedial investigations, feasibility studies, corrective actions, closures and postremedial or postclosure studies, investigations, operations, maintenance and monitoring.

“Required Consents” shall have the meaning set forth in Section 4.2.

“Restricted Business” shall mean the operation and/or marketing of a for-profit or nonprofit university, college or program offering courses to students.

“Retained Liabilities” shall have the meaning set forth in Section 2.3(b).

“Schedule Supplement” shall have the meaning set forth in Section 8.4(a).

“Seller” shall have the meaning set forth in the introductory paragraph hereof.

“Seller Intellectual Property” shall mean, collectively, the Owned Intellectual Property and the Licensed Intellectual Property.

“Seller IP Agreements” shall mean all Contracts to which Seller is a party concerning Intellectual Property used or held for use in the operation of Grantham University

“Seller IT Assets” shall mean all IT Assets owned, licensed or leased by Seller and used or held for use in the operation of Grantham University.

“Seller Parties” shall have the meaning set forth in the introductory paragraph hereof.

“Seller Parties’ Ancillary Documents” shall have the meaning set forth in Section 6.2.

“Seller Related Party” shall have the meaning set forth in Section 6.21.

“Seller Software” shall mean all Owned Software and all other software that is used or held for use in the operation of Grantham University.

“Student Accounts Receivable” shall mean all accounts receivable, billed and unbilled, of present and former students of Grantham University, including all rights to receive payments thereunder.

“Student Financial Assistance Program” shall mean any government-sponsored student financial assistance program pursuant to which at least One Hundred Thousand Dollars (\$100,000) in student financial assistance, grants or loans were provided to Grantham University’s students in the 2019 calendar year, including Title IV Programs, tuition assistance provided by departments of the United States Department of Defense and student financial assistance programs sponsored by the VA.

“Subsidiary” shall mean any Entity of which fifty percent (50%) or more of the outstanding stock or equity interests having ordinary voting power for the election of directors or other governing body are at the time beneficially owned, or the management of which is otherwise controlled, directly, or indirectly through one or more intermediaries, or both, by Seller.

“Substantial Control” means the ability or power to direct or cause the direction of the management or policies of an institution of higher education, by contract, ownership interest or otherwise, or has the meaning ascribed to it in 34 C.F.R. § 668.174(c)(3).

“Tax” shall mean any United States federal, state, local or foreign income, gross receipts, franchise, license, payroll, employment, excise, severance, stamp, occupation, premium, windfall profits, environmental, customs duties, capital stock, franchise, profits, withholding, social security, unemployment, disability, real property, personal property, intangible property, sales, use, transfer, registration, value-added, ad valorem, recording, occupancy, documentary, alternative or add on minimum, estimated or other tax levy, duty, impost or similar charge of any kind whatsoever imposed by any Governmental Authority, including any liability therefore as a transferee, as a result of Treasury Regulations Section 1.1502-6 (or any similar provision of applicable Law), as a result of a Tax indemnity, Tax-sharing or Tax allocations Contract, or otherwise together with any interest, penalty, addition to tax, or addition thereto, whether disputed or not.

“Tax Proceeding” shall have the meaning set forth in Section 6.14(b).

“Tax Return” shall mean any return, report, statement, form, claim for refund or credit or other document (including elections, declarations, amendments, schedules, information returns or attachments thereto) required to be filed or delivered with respect to the determination, assessment, collection or payment of any Tax or the administration of any Taxes.

“Taxing Authority” shall mean a Governmental Authority that imposes, regulates, administers, collects or regulates the collection of, any Taxes in any applicable jurisdiction.

“Termination Date” means the six-month anniversary of the date of this Agreement.

“Title IV” shall mean Title IV of the HEA.

“Title IV Program” shall mean any program of student financial assistance administered pursuant to Title IV.

“Trademarks” shall mean trademarks, service marks, trade dress, slogans, logos, symbols, trade names, brand names and other identifiers of source or goodwill, including registrations and applications for registration thereof and including the goodwill symbolized thereby or associated therewith. Such term includes domain names and uniform resource locators to the extent used in commerce as an identifier of source of goods or services.

“Transaction Documents” means Buyer Ancillary Documents and the Seller Parties’ Ancillary Documents.

“Transferred Educational Bond” shall have the meaning set forth in Section 2.1(k).

“Transferred Employee” shall have the meaning set forth in Section 9.1(b).

“Transferring Assets” means the assets of Seller included in Purchased Assets and listed by line item on Exhibit D under the heading “Transferring Assets.”⁶

“Transferring Liabilities” means the Liabilities of Seller included in Assumed Liabilities and listed by line item on Exhibit D under the heading “Transferring Liabilities” and which shall include any Liabilities arising under the Assumed Contracts prior to the Effective Time that are not past due.

“Treasury Regulations” shall mean the final and temporary regulations promulgated by the United States Department of the Treasury under and pursuant to the Code.

“VA” shall mean the U.S. Department of Veterans Affairs or any state approving agency administering veterans’ educational benefits on behalf of the U.S. Department of Veterans Affairs.

“WARN Act” shall have the meaning set forth in Section 6.17(b).

⁶ **NTD:** The Accounts Receivable should be net of the bad debt reserve. We have agreed to delete the collectability rep that was subject to the bad debt reserve, but the calculation of the Closing Net Worth should take this into account.

August 5, 2021

TO THE MEMBERS OF THE BOARD OF TRUSTEES

Dear Trustees:

Mr. Bill Kincaid, Acting Chancellor of the University of Arkansas, Fayetteville, has submitted a request to exceed the line-item maximum salary for exceptionally well-qualified personnel. This request has been carefully considered, and I concur with Acting Chancellor Kincaid's recommendation. A proposed resolution is attached.

Sincerely,



Donald R. Bobbitt
President
Charles E. Scharlau Presidential Leadership Chair

Attachment

RESOLUTION

BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE UNIVERSITY OF ARKANSAS THAT salaries, as set forth below, in excess of the line-item maximum established by law, are hereby approved for the following individuals at the University of Arkansas, Fayetteville, in accordance with Arkansas Code Annotated section 6-62-103:

Michael Adams, Assistant Golf Coach	\$124,280*
John Michael Anthony, Project/Program Specialist	\$137,333*
Gus Argenal, Assistant Basketball Coach	\$272,667
Jermial Ashley, Assistant Football Coach	\$407,200*
Christopher Bader, Mental Health Clinician	\$110,725
Butler Benton, Project/Program Manager	\$133,333*
Ann Bordelon, Vice Chancellor for Finance and Administration	\$304,500
Car allowance	\$12,000
Kendal Briles, Offensive Coordinator	\$1,273,867*
Howard Brill, University Professor of Legal Ethics & Professional Responsibility	\$302,427*
Christopher Brooks, Assistant Gymnastics Coach	\$125,253*
Chris Bucknam, Head Track Coach	\$561,700*
Samuel Carter, Assistant Football Coach	\$473,867*
Doug Case, Assistant Track Coach	\$287,682*
Michael Cawood, Media Facilities Coordinator	\$102,544*
Mathew Clark, Assistant Coach	\$110,000*
James Brooks Cockrell, Project/Program Specialist	\$99,008*
Bryan Compton, Assistant Track Coach	\$204,912*
Lynda Coon, Dean of the Honors College	\$266,661
Katherine Devenport, Project/Program Specialist	\$103,000*
Patrick Doherty, Sr. Project/Program Director	\$206,000*

Macey Donathan, Assistant Volleyball Coach	\$97,520*
Matthew Downs, Project/Program Specialist	\$145,358*
Mike Ekanem, Project/Program Manager	\$120,000*
Megan Elliott, Project/Program Specialist	\$113,568*
Edward Ellis, Assistant Coach	\$260,000*
John English, Interim Vice Chancellor for Research & Innovation	\$382,110
Car allowance	\$12,000
Shauna Estes-Taylor, Head Golf Coach	\$345,167*
Christopher Evans, Academic Counselor	\$110,933*
Jon Fagg, Executive Associate Athletic Director	\$250,346*
Deacue Fields III, Dean of the Dale Bumpers College of Agricultural, Food and Life Sciences	\$282,050*
Scott Fountain, Assistant Football Coach	\$607,200*
Stephen Gahagans, Director of University Police	\$159,000*
G. David Gearhart, Professor, COEHP	\$289,631
Travis Geopfert, Assistant Track Coach	\$221,000*
Amanda Gilpin, Project/Program Specialist	\$137,333
Carol Goforth, University Professor of Law	\$255,744*
Lacy Goldwire, Assistant Basketball Coach	\$239,333*
Kenny Guiton, Assistant Football Coach	\$407,200*
Colby Hale, Head Soccer Coach	\$300,067*
Kevin Hall, Associate Dean of Academics, COE	\$293,700

Clayton Hamilton, Executive Associate Athletic Director	\$261,995*
Neal Harper, Head Swimming Coach	\$238,400*
Lance Harter, Head Track Coach	\$612,400*
Jon Harvey, Assistant Soccer Coach	\$115,333*
Emmanuel Hibbler, Assistant Coach	\$124,800*
Tamaria Hibbler, Assistant Trainer	\$82,667*
David Hinton, Interim Director of Technology Ventures	\$189,575
Matt Hobbs, Assistant Baseball Coach	\$400,000*
Andy Jackson, Head Tennis Coach	\$211,677*
Chris Johnson, Assistant Track Coach	\$282,582*
Cody Kennedy, Assistant Football Coach	\$540,533*
Blaine Kinsley, Assistant Coach	\$110,933*
Andrew Kreis, Assistant Trainer	\$77,333*
Michael Krysl, Project/Program Manager	\$122,027*
Barrett Lais, Assistant Golf Coach	\$125,112*
Dowell Loggains, Assistant Football Coach	\$407,200*
Antornette Pauline Love, Assistant Basketball Coach	\$203,760*
Peter MacKeith, Dean, Fay Jones School of Architecture	\$278,962
Terry Martin, Sr. Vice Provost for Academic Affairs	\$263,008
Tricia Matysak, Head Trainer	\$110,800*
Margaret McCabe, Dean, School of Law	\$300,237
Brad McMakin, Head Golf Coach	\$353,567*

Salary Exceptions, UAF
Resolution
Page 4

Yolanda McRae, Assistant Softball Coach	\$113,777*
Jonathan Melia, Assistant Trainer	\$80,000*
Mathew Meuchel, Assistant Softball Coach	\$169,069*
Clay Moser, Assistant Basketball Coach	\$272,667*
Tamesha Muse, Academic Counselor	\$121,024*
Eric Musselman, Head Basketball Coach	\$4,800,000*
Hays Myers, Project/Program Specialist	\$100,000*
Mike Neighbors, Head Basketball Coach	\$1,065,000*
Bryan Nelson, Pilot	\$120,000*
Michael Oakes, University Police	\$99,000*
Barry Odom, Defensive Coordinator	\$1,923,867*
Samuel Pittman, Head Football Coach	\$4,450,000*
David Polanski, Head Trainer	\$186,000*
Deanna Prentice, Assistant Trainer	\$73,000*
Terry Prentice, Senior Associate Athletic Director	\$185,000*
Brian Primack, Dean, COEHP	\$375,550
Lauren Ramatowski, Assistant Volleyball Coach	\$103,067*
Derita Ratcliffe, Executive Associate Athletic Director	\$247,425*
Rion Rhoades, Assistant Football Coach	\$307,200*
David Richardson, Assistant Strength Coach	\$164,800*
Charles F. Robinson, Provost/Executive VC for Student & Academic Affairs	\$336,000
Car allowance	\$12,000

Jacob Rosch, Project/Program Manager	\$120,000*
Simone Rush, Assistant Trainer	\$82,667*
Anthony Ruta, Project/Program Manager	\$172,667*
Cristina Sanchez-Quintanar, Head Tennis Coach	\$168,400*
Todd Schaefer, Assistant Basketball Coach	\$272,427*
Michael Scherer, Assistant Football Coach	\$240,533*
Samantha Scofield, Assistant Soccer Coach	\$115,333*
Courtney Scott-Deifel, Head Softball Coach	\$469,375*
Todd Shields, Dean, J. William Fulbright College of Arts and Sciences	\$304,951
Dustin Shippey, Project/Program Director	\$135,200*
Amber Shirey, Project/Program Director	\$129,744*
Keith Smart, Assistant Basketball Coach	\$272,667*
Jermaine Smith, Assistant Football Coach	\$407,200*
Whitney Smith, Assistant Coach	\$98,200*
David Snow, Interim Vice Chancellor for Economic Development	\$298,386
Car allowance	\$12,000
Gerry Snyder, Executive Director & Department Chair, School of Art	\$351,375
Nate Thompson, Assistant Baseball Coach	\$300,000*
Rick Thorpe, Executive Associate Athletic Director	\$264,850*
Matt Townsend, Assistant Trainer	\$82,667*
Matt Trantham, Senior Associate Athletic Director	\$253,927*
Dave Van Horn, Head Baseball Coach	\$1,571,900*

Ben Velasco, Public Safety Commander III	\$99,000*
Fernando Velasco, Student Development Specialist	\$164,800*
Cody Vincent, Project/Program Specialist	\$113,152*
Jamil Walker, Head Strength & Conditioning Coach	\$540,533*
Jason Watson, Head Volleyball Coach	\$271,315*
Jordyn Wieber, Head Gymnastics Coach	\$270,900*
Corey Wood, Assistant Trainer	\$93,333*
Hunter Yurachek, Vice Chancellor of Intercollegiate Athletics	\$879,403*
Car allowance	\$12,000

*Maximum potential earning due to summer/intersession teaching, extra comp or other allowances, including post season compensation for Athletic Department coaches & staff.

August 5, 2021

TO THE MEMBERS OF THE BOARD OF TRUSTEES

Dear Trustees:

Dr. Christina Drale, Chancellor of the University of Arkansas at Little Rock, submitted a request to exceed the line-item maximum salaries for exceptionally well-qualified personnel. This request has been carefully considered, and I concur with Chancellor Drale's recommendation. A proposed resolution follows:

BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE UNIVERSITY OF ARKANSAS THAT the salaries, as set forth below, in excess of the legislated line-item maximum are hereby approved for the following individuals at the University of Arkansas at Little Rock in accordance with Arkansas Code Annotated §6-62-103:

Darrell Walker, Head of Men's Basketball (effective 7/1/2021)	\$491,250
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Charles Baker, Assistant Men's Basketball (effective 7/1/2021)	\$135,000
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Sincerely,



Donald R. Bobbitt
President
Charles E. Scharlau Presidential Leadership Chair

2404 North University Avenue / Little Rock, Arkansas 72207-3608 / 501-686-2505

University of Arkansas, Fayetteville / University of Arkansas at Little Rock / University of Arkansas at Pine Bluff
University of Arkansas for Medical Sciences / University of Arkansas at Monticello / Division of Agriculture / Criminal Justice Institute
Arkansas Archeological Survey / Phillips Community College of the University of Arkansas / University of Arkansas Community College at Hope - Texarkana
University of Arkansas Community College at Batesville / Cossatot Community College of the University of Arkansas
University of Arkansas Community College at Morrilton / University of Arkansas at Fort Smith
University of Arkansas - Pulaski Technical College / University of Arkansas Community College at Rich Mountain
Arkansas School for Mathematics, Sciences and the Arts / University of Arkansas Clinton School of Public Service / University of Arkansas System eVersity

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Office of the President

August 5, 2021

TO THE MEMBERS OF THE BOARD OF TRUSTEES

Dear Trustees:

Chancellor Christina Drale, University of Arkansas at Little Rock, requests approval to sell property situated at 410 River Street in Benton (also known as the Benton Learning Center and hereinafter referred to as the “property”) to the City of Benton, Arkansas, for \$425,000.

The University of Arkansas at Little Rock (UA Little Rock) operated the Benton Learning Center from the property since the 1990s. In 2003, the Board of Trustees (BOT) acting on behalf of UA Little Rock acquired the property pursuant to a three-party transaction. First Security Bank transferred its downtown bank building to the Benton City School District in exchange for the property. First Security Bank then donated the property, which, at the time, consisted of an old seven-building school campus (approximately 37,000 square feet) and located on approximately nine acres, to the BOT pursuant to a gift agreement. The BOT, through UA Little Rock, agreed to cooperate with the Benton Advisory Board and others to explore development on the property of an education facility or facilities extending to the community higher educational programs to be conducted through UA Little Rock.

UA Little Rock operated the Benton Learning Center until 2020. UA Little Rock discontinued operations after it determined that it was no longer viable to operate and to offer higher education programs from the property. The BOT approved a resolution closing the Benton Learning Center at its January 29-30, 2020, meeting.

Although quite voluminous, the real estate contract, two appraisals for the property (\$1.25 million and \$1.2 million), and the original gift agreement transferring the property to the BOT are available for your review. We will be happy to forward these documents to any Trustee that requests them. Although the two appraisals exceed the selling price, UA Little Rock wishes to sell the property to City of Benton, Arkansas, so that UA Little Rock can remain in good standing with the residents of Saline County, Arkansas, and the City of Benton can publicly use the property for the benefit of residents of Saline County, Arkansas.

A resolution is attached for your consideration. I recommend its approval.

Sincerely,



Donald R. Bobbitt
President and Charles E. Scharlau Presidential Leadership Chair

Attachments

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RESOLUTION

WHEREAS, pursuant to a gift agreement dated as of May 23, 2013, the Board of Trustees of the University of Arkansas acquired for the use of the University of Arkansas at Little Rock (“UA Little Rock”) certain real property located in Benton, Arkansas, and more particularly described in Exhibit “A” (the “Property”); and

WHEREAS, pursuant to the terms of the gift agreement, the Board of Trustees may sell the Property in the event the Board determines that it is not feasible to develop a UA Little Rock Benton Center on the Property; and

WHEREAS, the Property is no longer used to support UA Little Rock programs and the City of Benton has proposed purchase of the Property and to make use of the Property for public purposes;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE UNIVERSITY OF ARKANSAS THAT the Board determines that it is not feasible to construct a Benton Center on the Property.

BE IT FURTHER RESOLVED BY THE BOARD OF TRUSTEES OF THE UNIVERSITY OF ARKANSAS THAT the Board hereby approves the sale of the Property to the City of Benton, Arkansas, for the sum of \$425,000 on the terms set forth in a real estate contract dated August 5, 2021.

BE IT FURTHER RESOLVED THAT the Chairman and Secretary shall be, and hereby are, authorized to execute and deliver to the purchaser, the City of Benton, Arkansas, a special warranty deed to the Property in a form acceptable to the General Counsel.

BE IT FURTHER RESOLVED THAT the President, the Vice President for Finance and Chief Fiscal Officer, the Chancellor for the University of Arkansas at Little Rock, or their designees, shall be, and hereby are, authorized to take such further action and execute such documents and instruments as may be necessary to close the transaction in accordance with the real estate contract dated August 5, 2021.

BE IT FURTHER RESOLVED THAT all documents related to the sale of the property shall be in a form and content acceptable to the General Counsel.

August 5, 2021

TO MEMBERS OF THE BOARD OF TRUSTEES

Dear Trustees:

Chancellor Keith Pinchback at Phillips Community College of the University of Arkansas is requesting project approval for the Grand Prairie Center/Stuttgart Campus Building Water Damage Repair Project. The capital project proposal form is attached for your information.

A Request for Qualifications was issued on July 1, 2021, with responses due on July 23, 2021. PCCUA received one response which was from SCM Architects. Based on their proposal and PCCUA's experience with SCM, Chancellor Pinchback requests approval of SCM Architects for this project.

I concur with Chancellor Pinchback's recommendation. A proposed resolution for your consideration follows.

BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE
UNIVERSITY OF ARKANSAS THAT the Grand Prairie Center/Stuttgart
Campus Building Water Damage Repair Project of Phillips Community
College of the University of Arkansas is hereby approved.

BE IT FURTHER RESOLVED THAT Phillips Community College of the
University of Arkansas is authorized to use SCM Architects for this project.

Sincerely,



Donald R. Bobbitt
President
Charles E. Scharlau Presidential Leadership Chair

Attachment

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CAPITAL PROJECT PROPOSAL FORM

Phillips Community College of the University of Arkansas Grand Prairie Center and Stuttgart Campus Building Water Damage Repairs

1. Project Function/Description of Project

During the winter storm of February 2021, the Grand Prairie Center and Stuttgart Campus main building sustained significant water damage due to burst water mains during sub-freezing temperatures. The following are the types of repairs/restoration that will be performed during this project based on the assessment the insurance consultant and our on-call architect:

- Selection of an architect to provide project development and design for repair of water damage finishes and remediation of floor coverings, wall coverings, wood trim, doors, auditorium seating, auditorium stage, and minor alterations.
- Remediation services provided immediately after the event.
- Repairs and replacement of damage gypsum board walls, fur downs, and ceilings removed during water remediation.
- Repairs and replacement to all flooring coverings damaged and/or removed during water remediation.
- Repairs and replacement to all wood trim and doors damaged and/or removed during water remediation.
- Reconfiguration and replacement of all auditorium seating.
- Design and replacement of auditorium stage removed during water remediation.
- Minor alterations as directed by owner to be incorporated into the existing spaces.
- Paint and stain all damaged areas as necessary in colors as directed by owner.
- Other items as required based on damage assessment and need.

2. Facility location & Description

Stuttgart Campus Building/Constructed in 1998/Approximately 45,010 square feet

Grand Prairie Center/Constructed in 2010/Approximately 60,000 Square Feet

These Facilities House:	Classrooms	Faculty Offices
	Riceland Auditorium	Conference/Meeting Space
	Administrative Offices	Library/Bookstore
	Commercial Kitchen	

The Facilities are used for the following purposes:

Instructional classrooms	Library/Bookstore/Business Office
Student Center/activities	Employee in-service/meetings
Community education classes	Industry/workforce meetings
Graduation ceremonies (PCCUA, Local High Schools, Etc.)	
Theatrical and musical productions	
Meetings and receptions (community events, Etc.)	

3. Total Project Cost

Based on estimates from the insurance consultant and on-call architect, the total project cost of repairs is expected to be in the \$2.5 to \$3.0 million range.

4. Parking Plan to Support New or Expanded Facility

N/A

5. Source of Project Funds

This project will be funded primarily from insurance proceeds. Any shortfall in the insurance proceeds will be covered by college operating reserve funds.