



CORPORATE RISK INTERNATIONAL

CONFIDENTIAL

August 29, 2008

Janice L. Block
Executive Vice President and General Counsel
Kaplan Higher Education Corporation
311 S. Wacker, Suite 3300
Chicago, IL 60606-6627

Re: Terms of Engagement for Retention of Investigatory Services

This letter (the "Letter Agreement") between **Redacted by HELP Committee** and Kaplan Higher Education Corporation ("Kaplan") sets forth the agreement we have reached with respect to Kaplan's engagement of **Redacted by** for the services as further specified in this Letter Agreement. Each party is referred to in this Letter Agreement as a "Party" and collectively the parties are referred to as the "Parties."

1. Services.

Kaplan hereby engages **Redacted by** to locate certain designated current or former students of Kaplan, or its subsidiaries and/or affiliates, that have educational loans that may be approaching default (the "Students") to have the Students execute the appropriate forbearance form set forth in Attachment 1 to this Letter Agreement that correctly correlates to the lender or servicer for such Student's loan (the "Services"). In performing the Services, **Redacted by** shall (a) make a Reasonable Attempt (as defined below) to locate and contact the Students, (b) obtain from each Student an executed and correct forbearance form with respect to the Student's outstanding loan, and (c) counsel each Student to contact his or her lender (or servicer or guarantor) to negotiate terms to avoid default and work out a payment schedule. For purposes of this Letter Agreement, "Reasonable Attempt" means attempting all of the following: telephone contact, up to three (3) physical visits, where so required, to each Student's address within the same city, obtaining forwarding addresses, and contacting each Student to secure an executed forbearance form from such Student. **Redacted by** shall ensure that in obtaining the forbearance form from the Students, **Redacted by** shall use the appropriate forbearance form provided by Kaplan with respect to each Student that correctly correlates to the lender or servicer for such Student's loan.

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4. Fees.

For and in consideration of the performance of the Services, Kaplan shall pay [Redacted by] the following as fees for the Services (the "Fees"): (a) \$575 for each Successful Resolution (as defined below), and (b) \$150 for each Non-Successful Resolution (as defined below). For purposes of this Letter Agreement, a "Successful Resolution" is when [Redacted by] makes contact with a Student and thereafter secures an executed and correct forbearance form from the Student that correctly correlates to the lender or servicer for such Student's loan. A "Non-Successful Resolution" is when [Redacted by] either makes contact with a Student and such Student refuses to execute the forbearance form or when [Redacted by] visits the Kaplan provided address for the Student and is unable to find the Student even after reasonable diligence to determine the current location of the Student, including conducting further limited research. [Redacted by] agrees and acknowledges that it shall not be paid any fee under this Letter Agreement with respect to a Student if such Student falls from "delinquent" status to "default" status prior to [Redacted by] commencing an investigation with regard to such Student or if [Redacted by] fails to contact such Student during the Term.

Upon the execution of this Letter Agreement, Kaplan shall pay to [Redacted by] an initial refundable retainer of \$55,425.00 (the "Retainer"), which amount shall be offset against any Fees owed by Kaplan to [Redacted by] under any invoice for the provision of the Services. [Redacted by] shall send Kaplan an initial invoice on September 15, 2008, for the Fees accrued up until such point and such invoice shall be paid by Kaplan (after any offset against the Retainer) on or before ten (10) days from the date of its receipt of the invoice. [Redacted by] shall send Kaplan a final invoice on September 28, 2008, for the Fees accrued from September 15, 2008, through September 28, 2008. Kaplan shall pay such final invoice (after any offset against the Retainer) on or before thirty (30) days from the date of its receipt of the invoice. Each invoice shall be sent with a report containing reasonable detail regarding the Students for which the invoice pertains, including, without limitation, the identify of Successful Resolutions and Non-Successful Resolutions, updated and current addresses, and current contact information. The report shall contain such detail sufficient to permit Kaplan to verify the Successful Resolutions and Non-Successful Resolutions and verify the Fees contained in the invoice, and contain such other information that Kaplan may reasonably request from time to time. When sending invoices to Kaplan under this Letter Agreement, [Redacted by] shall direct all invoices to Kaplan Higher Education Corporation, 3750 Brookside Parkway, Suite 150, Alpharetta, Georgia 30022, Attn: [Redacted by HELP]

5. Reports.

From time to time but in no event less than twice per each calendar week during the Term, [Redacted by] shall prepare, and provide to Kaplan, reports and data with regard to the Successful Resolutions and Non-Successful Resolutions, status and attempts with respect to contacting the Students, updated Student addresses and contact information, and all other information with regard to the Students. All such reports provided by [Redacted by] to Kaplan under this Letter Agreement shall be on media and in the format as may be requested by Kaplan from time to time. Additionally, [Redacted by]'s representative, [Redacted by HELP Committee] shall contact Kaplan's representative, [Redacted by HELP Committee] or such other individual designated from time to time by Kaplan, daily by telephone to provide updates regarding the Students and status of the Successful Resolutions and Non-Successful Resolutions.

6. Records; Audit.

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

Upon reasonable prior written notice from Kaplan, ██████████ shall, and shall cause its subcontractors to, provide to such auditors and inspectors as Kaplan may from time to time designate in writing, access during normal business hours to the Books and Records. Kaplan may audit the amounts charged to Kaplan to confirm that such amounts are accurate and in accordance with this Letter Agreement. If, as a result of such audit, Kaplan determines that ██████████ has overcharged Kaplan, Kaplan shall notify ██████████ of the amount of such overcharge and ██████████ shall promptly pay to Kaplan the amount of the overcharge.

7. Confidentiality.

The Parties acknowledge that ██████████ and Kaplan have previously entered into that Non-Disclosure Agreement dated as of August 28, 2008 (the "Non-Disclosure Agreement"), the confidentiality provisions of which shall continue in full force and effect in accordance with its terms; provided, that all information furnished to ██████████ by or on behalf of Kaplan under this Letter Agreement shall also be governed by the confidentiality provisions of the Non-Disclosure Agreement, including, without limitation, the Students' addresses, dates of birth and social security numbers and any all other information regarding the Students.

8. Indemnification.

The Parties shall each indemnify, defend, and save harmless the other Party and the other Party's employees, agents, and contractors (the "Indemnified Parties") from and against any and all loss, damage, claim, demand, liability, or expense (including reasonably attorneys' fees) resulting from claims by third parties and based on (a) any acts or omissions of the indemnitor, its employees, agents and contractors, or (b) any breach of any warranty or covenant of the indemnitor contained in this Letter Agreement.

9. Miscellaneous.

Except for the previously executed Non-Disclosure Agreement, this Letter Agreement constitutes the entire understanding between the parties, and supersedes and replaces all prior discussions, understandings, and agreements (oral and written) related thereto. Any modification of the terms of this Letter Agreement must be made in writing after approval by both Parties. ██████████ has entered into this Letter Agreement with Kaplan, and ██████████ cannot assign this Letter Agreement or the obligations described in this Letter Agreement to another person or entity without ██████████'s prior written consent. The laws of the State of Illinois govern this Letter Agreement, and if there is any legal action or proceeding brought in connection with this Letter Agreement, it will be exclusively in Cook County, Illinois. If there any parts of this Letter Agreement that are found illegal or unenforceable, the rest of this Letter Agreement remains in force. Either Party may elect not to exercise its rights as specified in this Letter Agreement, and that non-exercise will not mean that such Party waives its right to exercise those rights at a

future date. If either Party needs to give notice to the other under this Letter Agreement, it will be considered duly given if delivered personally or if sent by certified mail, return receipt requested, with first class postage prepaid, addressed (i) to [Redacted] at the address provided below its signature, and (ii) to Kaplan, at Kaplan Higher Education Corporation, 3750 Brookside Parkway, Suite 150, Alpharetta, Georgia 30022, Attn: [Redacted] with a copy to Kaplan Higher Education Corporation, 311 S. Wacker, Suite 3300, Chicago, IL 60606-6627, Attn: Legal Department. Finally, the Parties are independent contractors and nothing in this Letter Agreement may be read to mean that the Parties are partners or have an employer-employee or principal-agent relationship. If executing this Letter Agreement on behalf of a company, organization or other entity, the person executing represents and warrants that such person has the full and complete power and authority to execute and deliver this Letter Agreement. Facsimile signatures hereon shall be deemed original for all purposes. This Letter Agreement may be executed in any number of counterparts. All provisions herein that, by their language, nature or context are intended to survive, such as confidentiality and indemnification provisions, shall survive any termination of this Letter Agreement.

Please acknowledge your understanding and agreement to these terms by signing below and returning to CRI. If you have any questions or concerns, please do not hesitate to let us know.

We look forward to working with you on this project. Thank you and best regards.

Sincerely,
[Redacted by HELP Committee]

Senior Vice President

[Redacted by HELP Committee]

Agreed and accepted:

KAPLAN HIGHER EDUCATION CORPORATION

Signature:

Matthew C. Seelye

Date:

8/29/08

Printed Name:

Matthew C. Seelye

Title:

CFO

Private Investigator Script for Kaplan Project

Hi! I am here to help you. _____(School Name)_____ in __City Location__ has asked me to help you with your delinquent student loans. I am not here to collect any money.

We do not want you to default on your student loans. Did you know you are eligible to apply for a forbearance to temporarily postpone your loan payments?

I have a forbearance form here from your lender. In order to start the forbearance process you will need to fill in your name, address, phone number, email, and sign/date the form. _____School_____ has a team of Student Loan Counselors who will process this form with your loan servicer for you.

The Student Loan Counselors will work with your servicer to process the forbearance form. The Student Loan Counselor will update you of the servicer's final action.

You may reach a Student Loan Counselor by dialing 1-866-931-9382 toll free from 7:30 am – 6 pm EST Monday – Friday to assist you with any other questions you may have.

Question: Why is my former school trying to locate me?

Answer: We want to help you resolve your delinquent student loans. We are not collecting any money. We are here to help you take care of this. You are entitled to assistance and counseling regarding the loans you received at our campus.

Question: What will this cost me?

Answer: NOTHING! We are not collecting any money. We want you to know you have options to help you. We want to assist you with completing a forbearance form to temporarily postpone your loan payments.

Question: What is forbearance?

Answer: Forbearance is an option available to help former students who are willing, but unable to make their student loan payments. Forbearance is a temporary postponement of your payments. Interest will continue to accrue while your loans are in forbearance.

Question: How long are my payments postponed?

Answer: The federal government allows you to postpone your payments every 12 months up to 3 years if you are having difficulty making your payments.

Question: What will this do for me?

Answer: By completing and signing your forbearance form timely, you will avoid defaulting on your student loans. The Student Loan Counselors and your servicer can assist you with selecting a different repayment plan to suit your needs when the forbearance expires.

Question: What happens if I do not sign this form?

Answer: Timing is critical. You are days away from defaulting on your student loans.

Defaulting will result in serious consequences:

- Loss of benefits of your loans such as future forbearances
- Bad credit which will prevent you from receiving future loans (car, home, etc)
- Wages may be garnished
- Loss of future tax returns
- Loss of future financial aid
- Increased loan amount due to capitalized interest and collection fees

Question: Who can I contact with questions?

Answer: You may contact the Student Loan Counselors (located in Alpharetta, GA) at 866-931-9382 (toll-free number). In addition, you may contact the campus Director of Financial Aid, or your lender or loan servicer directly.

Question: Where can I obtain updates on my federal student loans?

Answer: You have several options:

- You may contact your lender, loan servicer, or the Student Loan Counselors (referenced above).
- www.nsls.ed.gov
- 1-800-4-FED-AID (Federal Student Aid Information Center)
- Email: studentaid@ed.gov