

June 18, 2019

The Hon. Bobby Scott, Chairman
Committee on Education and Labor
U.S. House of Representatives
Washington, DC 20515

Re: Innovation to Improve Equity: Exploring High-Quality Pathways to a College Degree

Dear Chairman Scott:

We are pleased that the Education and Labor Committee is examining the question of the role of innovation in improving equity in higher education. We write with regard to the role of external partners in facilitating access, quality and efficiency.

Partnerships with companies that specialize in particular roles and tasks can be a useful way for institutions to advance their efforts to improve student access and success, allowing them to address student needs more efficiently and to offer students a wider variety of routes to a degree. However, some of the potential gains from contracting are being undermined by tuition-sharing contracts that seem to be skewing the incentives away from access and toward high prices and student debt.

UCLA's Coding Bootcamp

A coding bootcamp affiliated with UCLA offers an example the committee should examine. In its regular undergraduate program, the University of California campuses have a strong track record of access. While racial diversity is a continuing challenge, the UC campuses have among the highest proportion of Pell Grant recipients of any top research universities in the nation. The system's approach to financial aid has resulted in lower levels of student debt than at public universities in most other states.

The UCLA program aimed at providing training in computer coding is an innovation that should be a great opportunity for promoting equity. The program's web page advertises that students can "Become a Web Developer in 3 or 6 Months" through a program that "teaches you the key skills for front-end and back-end web development, all while preparing you for success in the professional world." The contract itself promises a "turnkey package" to "position graduates for job market success" by "prepar[ing] learners for high-growth careers in the digital economy." These potentially life-changing programs are exactly the kinds of opportunities that a public

institution like UCLA should consider making available to students who do not have funds available for tuition.

However, the UCLA program seems to be designed to be unaffordable to the very population that could most benefit. The program is run by a company called Trilogy, under a contract with the Regents of the University of California (TCF received the contract, attached, in response to a California Public Records Act request). Several aspects of the contract with Trilogy raise concerns:

Maximize tuition price. UCLA has agreed in the contract that it must raise the tuition price to whatever the market will bear, rather than committing to a rate that is fair and appropriate given, say, the cost of providing the training or the anticipated gains in earnings.

For-profit control of tuition. The contract gives Trilogy, a for-profit company, the right to veto the tuition price set by UCLA.

No financial aid. The contract appears to prohibit any need-based financial aid from being provided to prospective students, offering only private loans as a financial aid option.

Forced arbitration. The enrollment contract for the program includes a forced arbitration clause, a predatory practice almost unheard of in public higher education.¹ Further, it requires that disputes be resolved in New York City.

The contractor is paid a proportion of the tuition. In this case the precise percentage is redacted, but in other research we have found that bundled service agreements may pay contractors as much as 50 to 80 percent of the tuition in a program.²

The Bundled Contracts Problem

The UCLA-Trilogy case exemplifies the potential abuses students are open to when institutions partner with for-profit providers in the name of opening access. Online education and companies that enable institutions to innovate and provide it must function under reasonable guidelines to safeguard students and ensure true equity. One way to do this is to address the problem of “bundled contracts.” These bundled contracts combine multiple separate responsibilities into one long-term agreement linking the creation and management of the program to the sign-up of students who bring in tuition, and sometimes including instructional components:

¹ See UCLA Extension Coding Bootcamp Terms of Use, Section XIV, General Terms: <https://bootcamp.uclaextension.edu/terms/>

² For example, in one contract, a small public institution agrees to a provision that “For each verified enrollee, partner agrees to pay [contractor] 80% of the retail price paid by enrollee.”

Program development: designing online versions of courses and optimizing them for a particular platform;

Program management: operating the online platform and help desk, producing data for ongoing management;

Providing instruction and offering academic support;

Offering other student supports to promote retention;

Admissions, recruiting, and financial aid: running some or all aspects of marketing and sales, such as the admissions recruiters, financial aid packaging, advertising and other related activities.

In the context of the online education industry, these bundled contracts, including student recruitment, are portrayed as if they are synonymous with “online program management,” or OPMs. However, hiring an OPM does not in any way require the bundle to include recruiting students. There is no inherent reason that the development and operation of a school’s online instruction platform should be connected to the recruitment of students. The functions are separate in time, function and skill-set.

Companies are including recruiting in the contracts not out of necessity, but to be able to pump up enrollment levels to the highest levels possible, to maximize their profits. Rather than opening access through lower tuition, the bundled programs frequently charge the same as for the in-person program.³ This allows the bundler to essentially run a for-profit college as an appendage of a nonprofit or public institution. This can lead to students being lured into a prestigious institution only to end up with unaffordable debt from an overpriced program that fails to deliver, as occurred with the University of Southern California’s Masters in Social Work (MSW) degree managed by online program manager, 2U.⁴ The USC-2U partnership stipulates the company receive 60% of the program’s tuition revenue which, at \$116,000 for the two-year program, is reportedly the most expensive in the MSW field. The payments motivated rapid growth that USC was not able to manage.

The Higher Education Act prohibits institutions from paying per-enrollment commissions to employees or contractors that are involved in recruiting.⁵ These bundled contracts certainly seem

³ For example, USC charges the same in tuition for its online master of social work as it does for its ground campus degree. Kevin Carey, “The Creeping Capitalist Takeover of American Higher Education,” HuffPost, April 1, 2019. <https://www.huffpost.com/highline/article/capitalist-takeover-college/>

⁴ Harriet Ryan & Matt Hamilton, “Online Degrees Made USC the World’s Biggest Social Work School. Then Things Went Terribly Wrong,” Los Angeles Times, June 6, 2019. <https://www.latimes.com/local/lanow/la-me-usc-social-work-20190606-story.html>

⁵ The statute prohibits “any commission, bonus, or other incentive payment based directly or indirectly on success in securing enrollments or financial aid to any persons or entities engaged in any student recruiting or admission activities or in making decisions regarding the award of student financial assistance.”

to involve an “entity engaged in student recruiting,” making the contractor subject to the rule. And sharing in the tuition seems to be an “incentive payment based directly or indirectly on success in securing enrollments,” making them violations of the incentive compensation rule. To be able to use these contracts, the colleges are relying on sub-regulatory guidance.⁶ The guidance may have overstepped; the committee should consider seeking a legal opinion on the question of the legality of these bundled contracts under Title IV of the Higher Education Act.

Tuition-sharing contracts that include student recruitment take too much of the responsibility for the educational program away from the institution. The result seems to be so-called innovation that undermines, rather than enhances, the goal of providing a quality, affordable education to students from disadvantaged backgrounds. As we continue to conduct research on this topic, we will update you on our findings. In the meantime, do not hesitate to reach out to us with any questions.

Sincerely,

Robert Shireman
Senior Fellow and Director
of Higher Education Excellence

Stephanie Hall
Fellow

⁶ The guidance can be found at <https://ifap.ed.gov/dpcletters/attachments/GEN1105.pdf>

UE-(LA) XX-XX
DATE

January 12, 2018

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Trilogy Education Services, Inc.
31 E 32nd Street, #1202
New York, NY, 10016

ATTN: Mr. Dan Sommer, CEO and Founder

RE: Amended/Renewal of Intensive Boot Camp

This amended letter of agreement is made and entered into between The Regents of the University of California for UCLA Extension, having its principal office at 10995 Le Conte Avenue, Los Angeles, California, 90024, USA, and Trilogy Education Services, Inc. f/k/a Trilogy Education Services, LLC, having its principal office at 31 E 32nd Street, #1202, New York, New York, 10016, USA.

RECITALS

Whereas UCLA Extension (UNEX) offers various continuing education and training services;

Whereas TES offers coding and technology related programs and boot camps;

Whereas UNEX has been offering an intensive coding boot camp since February 1, 2016 with the assistance of TES;

Whereas Parties desire that TES continue to assist UNEX in offering boot camps within the department of Digital Technology, hereinafter specified, for the period and on the terms as set forth below:

1. Program Description/Content

TES offers a non-credit, intensive classroom, hybrid-based boot camp package, which is approximately 250 contact hours in length (PROGRAM). The PROGRAM is a turnkey package of services including technical curriculum, student recruitment, and career placement services to position graduates for job market success. The PROGRAM prepares learners for high growth careers in the digital economy.

The PROGRAM will be face-to-face or online-hybrid learning conducted in facilities supplied by UNEX in Los Angeles, California. There shall also be portions of the PROGRAM that are video-based. Additional details of the PROGRAM shall be agreed to in future course design phase. The PROGRAM will be marketed with Trilogy being an “**External Partner of UCLA Extension**” or as otherwise agreed between the Parties.

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2. Term

This renewal is intended and the terms and conditions set forth herein shall be effective for a period of three years commencing on January 1, 2018 (the “Effective Date”).

This letter of agreement shall be valid for a renewal term of three years from the date of signing. The agreement can be extended for an additional year, if both parties agree. Extensions of the agreement will be in writing and included as Amendments to this document.

3. Program Arrangement

UNEX will provide:

- Appropriate classrooms and technology support for the PROGRAM, which shall mean, at a minimum, classroom space in locations acceptable to TES that will accommodate the teaching of at least 27 students at a time (the “Classroom Requirement”).
- Marketing for the PROGRAM according to its standard marketing practices for similar non-credit programs—listings in the catalog and on the website—and other items agreed to in the marketing support activities list set forth on Addendum A.
- Distribution of marketing information to students in UNEX database as agreed to the marketing support activities list.
- A landing page for students to access information about the program and TES’ enrollment process. The landing page will be co-branded as agreed by the parties.
- Prompt forwarding of leads received by UNEX for the PROGRAM to TES. Space for two TES representatives: A Student Success Manager who provides enrollment, support and placement for students in the PROGRAM as well as Career Enrollment Director who provides placement services for students in the PROGRAM.
- Review and approval of TES PROGRAM instructors.
- UNEX will establish TES as a corporate group on its enrollment system.
- UNEX will establish individual sections for PROGRAM in the enrollment system. (Sections for full-time and part-time cohorts as well as specialization candidacy will be established).
- TES provides UNEX with enrollment data and a member of UNEX Enrollment Services processes the enrollments. The system will generate invoices to TES for UNEX’s revenue share based on the enrollments.
- **Three non-stackable** (i.e., only one discount will be available to a student) discounts established in the system as follows:
 - students into sections including generating certificate candidacy profile from student information lists provided by TES.
 - Certification of interested students’ eligibility for University of California private loans or VA benefits (pending approval by VA).
 - Management of private loan or VA students through UNEX financial aid office.
- Two non-stackable discounts established in system for use by students receiving VA loans as follows:
 - Qualified Private loan or VA (if applicable) students UCLA alumni discount \$500.
 - Qualified private loan or VA (if applicable) students early enrollment discount 10% of student fee.

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- Enrollment of private loan or VA (if applicable) students by UNEX for full section fee less appropriate discounts. Full or discounted fee due from students at time of enrollment.
- Submission of PROGRAM to Veteran's Administration for approval.
- Processing of qualified student's Veteran's reimbursements if the PROGRAM is approved.
- Calculation of revenue share due to TES for private loan or VA students (if applicable) as reflected in section 5. Provision of report and revenue share for private loan or VA (if applicable) students on a monthly basis.
- Revenue share for students receiving private loans or VA shall be paid to TES upon receipt of full payment of fees to UNEX.
- UNEX Program Rep will provide TES personnel access to the Instructor Portal so that they are able to input student grades (or indication of pass/fail) at the end of each quarter. Upon completion of PROGRAM, UNEX Program Rep will verify that students have completed and passed the PROGRAM.
- Student and Alumni Services will issue award of completion. Transcripts can be made available for students who have completed the PROGRAM. Regular UNEX transcript fees will apply. Send invoices to TES quarterly, based on enrollments received. Invoice amounts will be the UNEX section fees for each student enrolled (revenue share detailed per section 5 which shall be net of refunds and bad debt). The invoices are due and payable by TES no later than 60 days after the end of each quarter that they were issued. Parties agree to work together to troubleshoot reconciling issues and to ensure this timeline is met.
- Collection of refund requests for private loans and VA (if applicable). Collaborate with TES on amounts if different than standard refund policy, issue refunds, and invoice TES for portion of refunds.
- Issue, with the assistance of TES, 1098-Ts for students in the PROGRAM. Provide a disciplinary process in the event any student is accused of violating UC's Code of Conduct.
- Respond within two-business days to any requests for approval or approvals required hereunder.
- Classroom space for this program will be provided in Westwood, Downtown Los Angeles, Woodland Hills and any other future UNEX locations.

TES will provide:

- Generation of all enrollments for the PROGRAM, with the support of UNEX standard levels of marketing and publicity as described above in UNEX section and in the addendum.
- TES will provide UNEX student enrollment information which must include the following:
 - Last Name
 - First Name
 - DOB
 - Mailing Address
 - Unique Email Address
- Marketing of the PROGRAM per marketing support activities list, which will include listing the program as a collaborative effort between UNEX and TES and the use of UNEX brand, as outlined by the terms in Section 12 of this agreement.

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- Selection of Instructors for the PROGRAM who will be presented to UNEX for approval. Instructors are subject to UNEX approval for any teaching, in any format, in any TES program bearing the UNEX brand.
- Instructors are hired "at will" by TES for programs and subject to evaluation by UNEX before any reappointment of new appointments.
- Support and placement services for students in the PROGRAM.
- Curriculum development, student technical support and student counseling for the PROGRAM.
- Software licensing fees for the PROGRAM, if any.
- Course materials required for the PROGRAM, including video based content which may be generated during the PROGRAM (either in a classroom or at an off-campus location).
- Enrollment of non-private loan and VA (if applicable) students in the course sections created in the UNEX enterprise system and apply appropriate discounts.
- Information that UNEX can use to enroll the students in the course sections will be created in the UNEX enterprise system.
- Options for financial support in the form of early enrollment discount (10% of student fee) and alumni discount (\$500) or payment plans to interested, selected students at their discretion.
- UNEX will participate in early enrollment and alumni discounts. Other discounts or special pricing will not be shared between the Parties without written agreement (email acceptable).
- Referral of all students who are interested in University of California private loan certification or VA benefits (if applicable) to UNEX Financial Aid Office. These students should apply to UNEX Financial Aid Office six weeks prior to the start of the PROGRAM.
- Collaboration with UNEX on refund amounts different than standard UNEX refund policy, issue refunds to non-private loan or VA (if applicable) students and invoice UNEX for portion of the refund. Invoices for refunds shall be reconciled quarterly and shall be due no later than 60 days after the end of each quarter that it was issued.
- Any leads that are the result of the parties marketing efforts related to the PROGRAM(S) cannot be shared with others.
- Where applicable, collaborate with UNEX to issue 1098-Ts for students in the PROGRAM.
- TES will provide student enrollment information to UNEX on a weekly basis.
- Copies of student enrollment agreements will be submitted to UNEX Student and Alumni Services weekly as executed.

Joint Responsibilities:

- TES and UNEX will agree on the plan and supervised execution of public notification concerning this agreement, any other activities involving both organizations, the timing, content, delivery, and media to be used for any and all publicity about the relationship or PROGRAM. TES and UNEX retain the absolute right to determine whether permission will be granted to use their name or brand when and how to publicize the relationship between them.
- Creation and agreement for a specific list of marketing/PR support activities as set forth on addendum A

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- Both Parties agree that marketing output must comply with (a) applicable laws, rules, regulations (“Applicable Laws”) and DMA Guidelines for Ethical Business Practice (www.thedma.org); (b) in a manner which gives due consideration to matters concerning privacy, confidentiality, good taste, and other issues to which individual and business consumers may be sensitive; and (c) without any indication that any party possesses any information which is derived from any information about the recipient other than name and email address. For the avoidance of doubt, the laws which are within the definition of Applicable Laws, and for which both Parties must comply with include, without limitation, all “CAN-SPAM,” and similar legislation relating to telemarketing, privacy and email activities.
- Agree that the optimal price point for the PROGRAM will be determined by mutual agreement.
- Any amendment to the optimal price point must be agreed to in writing. An Email message satisfies this requirement.
- The Parties agree to raise the price point if and to the extent that market factors permit.

4. Financial Responsibilities

- The gross student fee for each PROGRAM will be agreed upon by both parties in writing 120 days before the commencement of each cohort.
- Two discounts will be available to students in the PROGRAM and discounts are not stackable. These discounts will be established in the system and used for students enroll using private loans and VA benefits if the PROGRAM is approved by the VA.
- An alumni discount of \$500 for UCLA or UCLA Extension certificate alumni and an early enrollment discount of 10% of fees- if student pays all fees prior to 30 days before PROGRAM start date.
- A student’s registration for the course will be established with a non-refundable deposit of \$500. If the PROGRAM is canceled, discontinued or rescheduled, or if the student is not accepted into the PROGRAM the student is eligible for a full refund of fees paid.
- Other refund requests will be accepted from students through the first week of instruction. The end of the first week of instruction will be the final refund date. Student life circumstances will be considered on a case-by-case basis after the final refund date and any decision regarding refund status and amount shall be agreed to by the Parties.
- Refund requests will be managed by UNEX and TES. Parties will jointly coordinate refund eligibility and amount of refund.
- TES will issue refunds to all non-private loan or non-VA (if applicable) students and UNEX will issue refunds to all private loan and VA (if applicable) students. Each Party will invoice the other Party for their portion of refund.
- Credit card chargebacks claims will be processed by the Party who processed the original transaction and each Party will invoice the other Party for their portion of the refund.
- Each Party is responsible for expenses associated with the services provided as outlined in this agreement.

5. Revenue Share:

Revenue share will be a shared variable ratio between TES and UNEX of gross approved discounted fee per student/per enrollment.

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For all enrollment except private loan and VA (if applicable), students will enroll and pay TES via the landing page. For enrollments using private loans or VA (if applicable), students will pay through UNEX.

UNEX will setup distinct tuition profiles in the enrollment system for calendar year(s) 2018, 2019 and 2020. Revenue shall be shared according to the following terms:

- **Calendar year 2018:** Revenue share will be a shared ratio of [REDACTED] TES and [REDACTED] UNEX of revenue received, based on agreed pricing less approved discounted fee per student/per enrollment.
- **Calendar year 2019:** Revenue share will be a shared ratio of [REDACTED] TES and [REDACTED] UNEX of revenue received based upon agreed pricing less approved discounted fee per student/per enrollment.
- **Calendar year 2020:** Revenue share will be a shared ration of [REDACTED] TES and [REDACTED] UNEX of revenue received based upon agreed pricing less approved discounted fee per student/per enrollment.

6. Guaranteed Payment

Under this three year agreement, except as set forth herein to the contrary TES guarantees UNEX a minimum revenue of [REDACTED] each year; provided the conditions set forth in Section 7 are met. In the event that the revenue share for any given year falls below [REDACTED], TES guarantees a lump sum payment of the difference between previously paid amounts and [REDACTED] such that UNEX’s minimum revenue would reach [REDACTED]. This lump sum payment will be made within 60 days of the end of each calendar year.

7. Additional Terms

As conditions of the financial guarantee contained in Section 6, UNEX shall (a) supply the marketing support stated in Addendum A, and (b) satisfy the Classroom Requirement by providing classroom space necessary to meet the following enrollment targets for each year:

- 2018 Enrollment – [REDACTED] students.
- 2019 Enrollment – [REDACTED] students.
- 2020 Enrollment – [REDACTED] students.

Compliance with the Higher Education Act

Each party certifies to the other that it is in compliance with all applicable portions of 34 CFR §668.14(b)(22)(i), regulations regarding prohibitions on incentive compensation for admission and placement.

Compliance with FERPA

TES and UNEX acknowledge that the PROGRAM may be subject to the Family Educational Rights and Privacy Act, 20 U.S.C. § 1232g; 34 C.F.R. Part 99, as amended (“FERPA”). TES and UNEX acknowledge that each remains responsible for its obligations under FERPA. Each

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party acknowledges that the other may receive information subject to FERPA under this Agreement and affirms that it is permitted to receive such information under 34 C.F.R. § 99.31(a) as a “school official” with a “legitimate educational interest” in such information. Each party agrees that it will comply with all applicable portions of FERPA, including the requirements of 34 C.F.R. 99.33(a). UNEX will request students to sign a FERPA-waiver at the time of enrollment in order for the Parties to exchange information.

8. Additional Programs

The parties agree to the following additional terms:

1. During the term of this agreement, UNEX shall have the first right of refusal for any new PROGRAMS developed and offered by TES in Los Angeles County. The right of first refusal set forth herein does not apply to TES’ data analytics program.
2. UNEX has provided its approval (A) to begin marketing immediately for TES UX-UI Program, (B) for blended (hybrid) program for which the parties will agree on marketing start dates, and (C) for a process around additional programs in non-credit, boot camp format.

9. Confidentiality

Each party acknowledges that by reason of its relationship to the other party under this Agreement it may have access to and acquire knowledge, material, data, systems and other information that has been marked as “Confidential” concerning the operation, business, financial affairs, and intellectual property of the other Party that may not be accessible or known to the general public (referred to as “Confidential Information”). Notwithstanding anything in this Agreement to the contrary, failure by TES to mark any information as aforesaid will not be determinative of the protected, confidential or proprietary character of the disclosed information, provided a reasonable person would consider the information to be confidential or proprietary based on the totality of the circumstances.

Each party agrees to: (i) maintain and preserve the confidentiality of all Confidential Information received from the other, both orally and in writing, including without limitation, taking such steps to protect the confidentiality of the Confidential Information as such party takes to protect the confidentiality of its own confidential information (but, in no instance, less than a reasonable standard of care); (ii) that it will disclose such Confidential Information only to its own employees on a “need-to-know” basis, and only to those employees who have agreed to maintain the confidentiality thereof; and (iii) that it will not disclose such Confidential Information to any third party without the prior written consent of the party whose Confidential Information is to be disclosed. Each receiving party further agrees to use the Confidential Information of the disclosing party only for the purpose of performing its obligations under this Agreement. The receiving party’s obligation of confidentiality shall survive this Agreement for a period of three (3) years from the date of its termination and thereafter shall terminate and be of no further force or effect. Each party agrees (a) to not alter nor remove any identification or notice of any copyright, trademark or other proprietary rights which indicates the ownership of any part of the other party's Confidential Information, and (b) to notify the other party of the circumstances surrounding any possession or use of the Confidential Information by any person or entity other than those authorized under this Agreement.

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The parties' obligations above shall not apply to Confidential Information which the receiving party can prove: (i) has become a matter of public knowledge through no fault of, or any action or omission of the receiving party; (ii) was rightfully in the receiving party's possession prior to disclosure by the disclosing party; (iii) subsequent to disclosure, is rightfully obtained by the receiving party from a third party who is lawfully in possession of such Confidential Information without restriction; (iv) is independently developed by the receiving party without resort to the disclosing party's Confidential Information; or (v) is required by law or judicial order or any applicable stock exchange regulation; provided that, in the case of the foregoing clause (v), prior written notice of such required disclosure is furnished to the disclosing party as soon as practicable in order to afford the disclosing party an opportunity to seek a protective order.

10. Indemnification

UNEX shall defend, indemnify and hold TES, its officers, directors, employees and agents harmless from and against any and all liability, loss, expense (including reasonable attorneys' fees), or claims for injury or damages arising out of the performance of this Agreement but only in proportion to and to the extent such liability, loss, expense, attorneys' fees, or claims for injury or damages are caused by or result from the negligent or intentional acts of omissions of UNEX, its officers, agents, or employees.

TES shall defend, indemnify and hold UNEX, its officers, employees and agents harmless from and against any and all liability, loss, expense (including reasonable attorneys' fees), or claims for injury or damages arising out of the performance of this Agreement but only in proportion to and to the extent such liability, loss, expense, attorneys' fees, or claims for injury or damages are caused by or result from the negligent or intentional acts of omissions of TES, its officers, agents, or employees.

11. Insurance

TES, at its sole cost and expense, will insure its activities in connection with the work under this agreement and obtain, keep in force, and maintain insurance as follows:

- 1) Comprehensive or Commercial Form General Liability insurance (contractual liability included) with limits as follows:

i) Each Occurrence	\$ 1 million
ii) Products/Completed Operations Aggregate	\$ 2 million
iii) Personal and Advertising Injury	\$ 1 million
iv) General Aggregate (Not applicable to the Comprehensive Form)	\$ 2 million

If the above insurance is written on a claims-made form, it shall continue for three years following termination of this Agreement. The insurance shall have a retroactive date of placement prior to or coinciding with the effective date of this Agreement.

- 2) Business Automobile Liability Insurance for owned, scheduled, non-owned, or hired automobiles with a combined single limit not less than one million dollars (\$1,000,000.00) per occurrence.
- 3) Professional Liability Insurance with a limit of one million dollars (\$1,000,000.00) per occurrence with a general aggregate of \$1,000,000.00. If this insurance is written on a claims-made form, it shall continue for three years following termination of this

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Agreement. The insurance shall have a retroactive date of placement prior to or coinciding with the effective date of this Agreement.

4) Workers' Compensation as required by California State law.

It should be expressly understood that the coverage and limits referred to under items 1, 2, and 3 above shall not in any way limit the liability of TES. Each party shall furnish the other with certificates of insurance evidencing compliance with all requirements prior to commencing work. TES' certificate(s) shall name "The Regents of the University of California" as an additional insured.

The University of California self-funds its liability exposures, so does not issue individual certificates of insurance. The UC Office of Risk Services has developed a Certificate of Self-Insurance Coverage document (COC) to illustrate the self-funded retention levels maintained for each liability program. The COC is available on-line for use by entities conducting business with the university as evidence of the self-funded retention levels, coverage terms, and limits routinely requested.

http://www.ucop.edu/risk-services/files/UC_Generic_Cert_of_Self-Ins_2016-17.pdf.

12. Permissions:

The names, logos, and photos or drawings of the University of California in any form (including the University of California, Los Angeles, UCLA, or UCLA Extension) are not to be used by TES or any of its associates in any publication, advertisement or news release or in any marketing material or gifts without prior written approval of UNEX. Any copyright or publication rights arising from or relative to material developed by UNEX in connection with this Program shall belong to **The Regents of the University of California**.

TES may audiotape, videotape or film Program sessions consistent with the student enrollment agreement.

All PROGRAM documentation, website representation, recruitments ads, marketing efforts including social media relating to the PROGRAM(S) should clearly state the relationship of the Parties as previously agreed.

UNEX will have the right, at its discretion, to release information or to publish any material resulting from its performance hereunder. UNEX will furnish TES with a copy of any proposed written publication or other public disclosure (including manuscripts, abstracts, and oral presentations) at least thirty (30) days prior to submission for publication. Upon written notification by TES, UNEX agrees to delete any of TES' Confidential Information and/or to delay publishing such proposed publication for a maximum of an additional thirty (30) days in order to protect the potential patentability of any invention described therein.

TES will retain all right, title and interest in and to all course materials, know-how, methodologies, processes, technologies or other Intellectual Property Rights (as defined below) contained in their PROGRAM course materials and used in providing the PROGRAM including any additions, improvements, supplements, enhancements or developments to the course materials that are developed by TES and used in the PROGRAM. These PROGRAM course materials and additions must have been developed without collaboration or input from UNEX.

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“Intellectual Property Rights” means all patents and industrial property rights, patent applications and registrations, trademarks, trademark applications and registrations, copyrights and moral rights, copyright applications and registrations, renewals, extensions, continuations, divisions and reissues of, and applications for any of the rights referred to herein, Trade Secrets, trade names and industrial designs, domestic or foreign, whether arising by statute or common law.

“Trade Secrets” means information that is used or may be used in business or for any commercial advantage, derives independent economic value, actual or potential, from not being generally known to the public or to other persons who can obtain economic value from its disclosure or use, is the subject of reasonable efforts to prevent it from becoming generally known, and the disclosure of which would result in harm or improper benefit.

13. Termination/Cancellation:

UNEX retains the right to cancel the Program in the event it is prevented from performing its duties or interfered with by reason of any force majeure. UNEX shall, upon giving 180 days written notice to TES, be excused from such performance and shall reimburse TES for TES’ portion of all revenues paid directly to The Regents of the University of California. However, in such event, UNEX shall not be held responsible for any other expenses incurred by TES or by any third party.

TES shall, upon giving 180 days written notice to UNEX, be allowed to cancel the Program in the event of any force majeure. TES will reimburse UNEX for UNEX’s portion of all revenues paid directly to it. For purposes of this Section 13, a “force majeure” shall mean shall mean causes beyond the control of the Parties including, but not limited to: an Act of God, inevitable accident, fire, weather, labor dispute, riot or civil commotion, act of public enemy, governmental act, regulation or rule, act of war, act of terror, epidemic, failure of technical facilities, national day of mourning, emergency announcement or news bulletin, inability to obtain supplies, delays in transportation, embargos, or other reason beyond the control of the Parties that is generally regarded as force majeure.

A Party may terminate this agreement effective immediately upon its delivery of a termination notice in the event of a material breach of this agreement by the other Party which breach is not cured within 30 days of the breaching Party’s receipt of a written notice concerning the breach; provided, however, that if the breach is not capable of being cured within such thirty (30) day period, the period within which the breaching party has to cure shall be extended for so long as necessary to cure the breach so long as the breaching party initiates the cure within the thirty (30) day period and diligently pursues the cure to completion.

In the event of termination of this Agreement, the Parties shall work together to ensure that students already enrolled in a Program prior to the date of termination be permitted to complete the Program.

UE-(LA) XX-XX
DATE

14. Contacts

UNEX:

Terms: Radhika Seshan, Associate Dean of Business Development and COO
(310) 825-6093, rseshan@unex.ucla.edu

Academic Content: Bruce Huang, Director, (310) 825-3592, bhuang@unex.ucla.edu

Financial Services: Alan Avedissian, Business Manager, (310) 825-1436,
aavedissian@unex.ucla.edu

TES:

Terms: Dan Sommer, CEO, (917) 757-0826 dan@trilogyed.com

Academic Content: Pavan Katepalli, CLO, (732) 236-8447 pavan@trilogyed.com

Financial Services: David Berger, CFO, (917) 887-9179 david@trilogyed.com

15. Miscellaneous:

Two copies of this agreement will be prepared for signature. After each document is signed on behalf of the Regents of the University of California and on behalf of TES, each party will retain one copy for its respective files.

UNEX and TES, hereby agree that any additions or modifications to this document must be made in writing and must be signed by both parties.

In the event of any dispute or disagreement between the parties, California law shall apply and the parties agree that California Courts shall have exclusive jurisdiction. This document has been signed on behalf of The Regents of the University of California.

After signature on behalf of TES, please return the original fully executed original copy to the undersigned at UCLA Extension, Dean's Office, 10995 Le Conte Avenue, Room 770, Los Angeles, California 90024. A duplicate copy is enclosed for your retention and records.

UE-(LA) XX-XX
DATE

ACCEPTED BY:

Trilogy Education Services, Inc.

DocuSigned by:
By: Dan Sommer
Dan Sommer

APPROVED BY:

The Regents of the University of California for
UCLA Extension

DocuSigned by:
By: Radhika Seshan, Ph.D.
Radhika Seshan, Ph.D.

Title: CEO and Founder
Trilogy Education Services, Inc.

Title: Associate Dean of Administration
UCLA Extension

Date: 1/12/2018

Date: 1/12/2018

Initial: DS
DB
Dan Berger

Title: General Counsel
Trilogy Education Services, Inc.

UE-(LA) XX-XX
DATE

Addendum A

TES and UCLA Extension agree to the following:

1. Email Marketing

UNEX agrees to distribute a series of emails to alumni lists and other targeted groups. TES to provide messaging/template for UCLA Extension approval.

- a. Two emails per quarter sent out to different audiences; Week 2 and Week 8 of marketing cycle are ideal.
- b. TES will review and optimize copy/images each quarter.
- c. Email Lists will consist of the following:
 1. Current students of UCLA Extension
 2. Alumni of UCLA Extension

2. Website

TES to provide images, copy, or video for the UNEX website.

Current Website:

- UNEX will include a banner featuring boot camps on the FOS (Field of Study) page under “Computer Science & Engineering 2X a quarter for 2 weeks each period.
- UNEX will include TES on “Calendar” and “Upcoming Events & Free Classes” if they are hosting any relevant events open to public– Trilogy provides information.
- UNEX will include the boot camps on Digital Technology’s wordpress site linking to landing page (<http://engineering.uclaextension.edu/digitaltechnology/>)

New Website:

- TES should have a course page for each live program linking to the appropriate site created and maintained by TES. *TES will be linked to “conferences & boot camps” section.*
- UCLA Extension Boot Camp networking events for the students in programs operated by TES that are open the public should be featured in “Upcoming Events & Free Classes”; as well as added to the calendar on UCLA Extension website.
- UNEX can include instructor and student testimonials on course page and video link on FOS page. TES to provide video content, UNEX to review and edit for placement on website.

3. Online/Print Course Catalog

- a. TES will provide messaging and images for UCLA Extension print and/or online course catalog.
- b. Each quarter, TES will be updating/adding new programs or revising/optimizing catalog copy in collaboration with UNEX Marketing.

4. Newsletters

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TES to provide copy for UCLA Extension to send out as part of larger annual quarterly UCLA Extension Digital Technology e-newsletter (pending execution by UNEX).

5. Events

- a. TES to provide flyer design for UCLA Extension approval.
- b. At the discretion of UNEX, TES will be invited to a minimum 2 industry events per year where UCLA Extension Digital Technology department staff is tabling and/or participating.

6. Social Media Marketing:

TES to provide curated content for organic post on UCLA Extension's social media channels including UCLA Extension Facebook, Twitter and LinkedIn.

- a. Two organic posts per month per channel (Facebook, Twitter and LinkedIn).
- b. Copy and images should be tested and optimized quarterly by TES.

7. Search Terms

- a. TES & UNEX agree to work collaboratively on purchase of search keywords that are not relevant to The Coding Boot Camp program ensuring they are not bidding against each other.