

10/10/16

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ACADEMIC PARTNER MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding, is entered into this 1st day January, 2016 ("Effective Date") by and between Career Step, LLC, ("Career Step"), a Utah limited liability company, and The Board of Trustees of Southern Illinois University, a body politic and corporate of the State of Illinois, by and on behalf of Southern Illinois University Carbondale ("Institution").

Institution and Career Step hereby agree as follows:

1. **Programs.** Career Step will make available to Institution's students, by and through Institution, an online catalog of certificate and supplemental programs (<http://www.careerstep.com/ap-catalog>). Program descriptions, including program materials, can be found for each offering. The online catalog may be updated from time to time by Career Step in its sole discretion to change or add to the programs being offered. Career Step represents and warrants it is compliant with all regulatory and licensure requirements to offer the Programs made available to Institution's students pursuant to this Memorandum of Understanding.

2. **Program Fees.** The price of each Career Step program is indicated in the online catalog. Program prices as subject to change upon one hundred twenty (120) days written notice. Students are granted a fourteen (14) day money back guarantee, but once that period has elapsed there are no refunds granted. This period begins the day the student receives their login information. Collection of Career Step program fees is the responsibility of Career Step and/or Institution. Institution shall have no responsibility for payment of any Program charges that become due and payable as a result of this Memorandum of Understanding unless Institution has expressly accepted responsibility for payment of such charges in a written document signed by its authorized representatives.

Career Step shall be solely responsible for collection of program fee payments made pursuant to this Memorandum of Understanding and shall pay Institution's share of such revenue (as defined in Section 3 herein) within thirty (30) days following the end of the month in which such payment is collected.

3. **Compensation.** As compensation for services (marketing, advisement, enrollment, etc.) rendered, Institution will receive a share of the revenues generated from program fees. The revenue share will be calculated on total program fees collected less any promotional item or discount offered. For the calendar year 2016, beginning on the effective date of this MOU, revenue share will be calculated at 20% for the first 50 enrollments and 22% for enrollments 51 and greater. Commencing in 2017, the revenue share will be determined by annual enrollment volume as follows:

- (a) For the first twenty five (25) enrollments per annual enrollment period— eighteen percent (18%)
- (b) For enrollments numbered twenty six (26) through fifty (50) of each annual enrollment period – twenty percent (20%)
- (c) For enrollments numbered fifty one (51) or greater per annual enrollment period – twenty two percent (22%)

4. **Ownership.** Career Step retains the ownership of all right, title and interest in and to all Programs,

the related documentation and all intellectual property rights therein and Career Step shall own all rights, title and interest in all derivative works, subject in each case to any rights of Career Step's third party licensors. Institution shall acquire no rights therein and will take no action that could be expected to adversely affect or impair Career Step's ownership of such materials and rights. Institution shall notify Career Step promptly of any infringement or suspected infringement of any such intellectual property rights.

5. **Marketing.** The Institution agrees to market Career Step programs in the following manner:

(a) **Online** – The Institution agrees to create an online presence of the Career Step programs, and at a minimum, provide a description and create a direct link to the Career Step programs.

(b) **Misc. Marketing** – The Institution agrees to collaborate with Career Step in creating and executing a launch and ongoing marketing plan to promote the offered programs. Marketing plans may include but are not limited to: lead generation, online marketing, offline marketing, public relations and social media.

6. **Term and Termination.**

(a) **Term.** The annual enrollment period shall begin on January 1st of each calendar year. Unless terminated earlier in accordance with its terms, this Memorandum of Understanding shall be in effect for a period of one (1) year from the Effective Date, and shall automatically renew thereafter on the annual anniversary of the Effective Date for consecutive one (1) year periods unless terminated as provided in Section 6(b) herein. Notwithstanding the foregoing, the total term of this Memorandum of Understanding, inclusive of all renewals, shall not exceed five years.

(b) **Termination.** Either party may terminate this Memorandum of Understanding: (a) for convenience upon at least ninety (90) days prior written notice to the other party or (b) immediately upon written notice if the other party ceases to carry on its business or becomes the subject of any proceeding under state, provincial, or federal law for the relief of debtors or otherwise becomes insolvent, bankrupt, or makes an assignment for the benefit of creditors, or upon the appointment of a receiver for the other party or the reorganization of the other party for the benefit of creditors. Any pending payments owed by either party should be paid immediately.

7. **Notice.** All notices required by this Memorandum of Understanding shall be in writing and delivered by certified or registered mail, return receipt requested, to the receiving party at the following address:

Career Step: Career Step
Attn: Academic partners
2901 N Ashton Blvd. Suite 101
Lehi, UT 84043

Institution: _____

8. **Student Records.** In the event the implementation of this Memorandum of Understanding

results in the disclosure or re-disclosure of personally identifiable information from student records "FERPA Information" that are protected from such disclosure or re-disclosure by the Family Educational Rights and Privacy Act of 1974 (as amended) and its implementing regulations ("FERPA") the Parties agree as follows: (1) that any disclosure or release of FERPA Information by either Party pursuant to this Agreement shall be in accordance with FERPA; (2) that should either Party receive from the other FERPA Information regarding the disclosing Party's student(s) the receiving Party shall not release that information to any other person or entity without the prior, written consent of the eligible student or as otherwise expressly permitted by FERPA; and (3) that each Party shall limit its use of FERPA Information originating with the other Party to the purpose(s) for which the disclosure was made.

9. **Governing Law.** This Memorandum of Understanding and any dispute arising thereunder shall be governed exclusively by, and construed exclusively according to, the laws of the State of Illinois without reference to its conflict of law provisions.

10. **Entire Agreement.** This Memorandum of Understanding contains the entire agreement of the parties regarding the subject matter hereof and supersedes any prior agreement or understanding regarding the subject matter hereof, oral or written. Any modification of the terms of this Memorandum of Understanding shall be only be effective if in writing and signed by the authorized representatives of each Party hereto.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

CAREER STEP, LLC

BOARD OF TRUSTEES OF
SOUTHERN ILLINOIS UNIVERSITY

By: _____

Ryan L. Ewer, Vice President Marketing
and Academic Partnerships

By: _____

Brad Colwell 6/8/16
Brad Colwell, Interim Chancellor
Southern Illinois University Carbondale

SDW
APPROVED
AS TO
LEGAL FORM

6-6-2016