

APOLLO GROUP, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

The following tables set forth selected unaudited quarterly financial information for each of our last eight quarters:

	(Unaudited)			
	2012			
	Q1	Q2	Q3	Q4
	November 30	February 29	May 31	August 31
<i>(In thousands, except per share data)</i>				
Consolidated Quarterly Statements of Income:				
Net revenue	\$ 1,171,900	\$ 962,682	\$ 1,122,258	\$ 996,497
Costs and expenses:				
Instructional and student advisory	453,281	425,607	466,117	455,564
Marketing	165,564	158,973	158,583	180,322
Admissions advisory	101,388	101,405	95,290	85,852
General and administrative	79,899	83,994	88,085	92,322
Depreciation and amortization	46,167	41,854	45,042	44,741
Provision for uncollectible accounts receivable	41,583	30,996	35,430	38,733
Goodwill and other intangibles impairment	16,788	—	—	—
Restructuring and other charges	5,562	16,148	7,577	9,408
Litigation charge	—	—	4,725	—
Total costs and expenses	910,232	858,977	900,849	906,942
Operating income	261,668	103,705	221,409	89,555
Interest income	506	215	160	306
Interest expense	(1,999)	(1,789)	(2,830)	(5,127)
Other, net	140	218	(402)	520
Income from continuing operations before income taxes	260,315	102,349	218,337	85,254
Provision for income taxes	(115,179)	(43,108)	(87,059)	(37,726)
Income from continuing operations	145,136	59,241	131,278	47,528
Income from discontinued operations, net of tax	2,148	1,930	3,104	26,641
Net income	147,284	61,171	134,382	74,169
Net loss (income) attributable to noncontrolling interests	2,030	2,711	(348)	1,279
Net income attributable to Apollo	\$ 149,314	\$ 63,882	\$ 134,034	\$ 75,448
Earnings per share – Basic: ⁽¹⁾				
Continuing operations attributable to Apollo	\$ 1.13	\$ 0.50	\$ 1.11	\$ 0.47
Discontinued operations attributable to Apollo	0.02	0.01	0.02	0.20
Basic income per share attributable to Apollo	\$ 1.15	\$ 0.51	\$ 1.13	\$ 0.67
Earnings per share – Diluted: ⁽¹⁾				
Continuing operations attributable to Apollo	\$ 1.13	\$ 0.49	\$ 1.11	\$ 0.46
Discontinued operations attributable to Apollo	0.01	0.02	0.02	0.20
Diluted income per share attributable to Apollo	\$ 1.14	\$ 0.51	\$ 1.13	\$ 0.66
Basic weighted average shares outstanding	130,318	125,298	118,134	112,815
Diluted weighted average shares outstanding	130,874	126,467	118,793	113,539

⁽¹⁾ The sum of quarterly income per share may not equal annual income per share due to rounding.

APOLLO GROUP, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

	(Unaudited)			
	2011			
	Q1	Q2	Q3	Q4
	November 30	February 28 ⁽¹⁾	May 31	August 31
<i>(In thousands, except per share data)</i>				
Consolidated Quarterly Statements of Operations:				
Net revenue	\$ 1,320,519	\$ 1,042,412	\$ 1,227,898	\$ 1,120,220
Costs and expenses:				
Instructional and student advisory	452,557	417,943	454,305	435,181
Marketing	165,936	156,957	160,846	170,660
Admissions advisory	113,752	102,283	99,923	99,428
General and administrative	84,874	84,344	87,857	98,473
Provision for uncollectible accounts receivable	56,909	45,540	39,217	39,631
Depreciation and amortization	36,325	38,809	41,023	41,529
Restructuring and other charges	3,846	—	—	19,067
Goodwill and other intangibles impairment	—	219,927	—	—
Litigation charge (credit), net	881	1,574	2,048	(16,454)
Total costs and expenses	915,080	1,067,377	885,219	887,515
Operating income (loss)	405,439	(24,965)	342,679	232,705
Interest income	899	704	783	498
Interest expense	(2,170)	(1,654)	(2,383)	(2,724)
Other, net	(54)	313	(1,864)	17
Income (loss) from continuing operations before income taxes	404,114	(25,602)	339,215	230,496
Provision for income taxes	(169,084)	(75,465)	(129,284)	(45,303)
Income (loss) from continuing operations	235,030	(101,067)	209,931	185,193
Income (loss) from discontinued operations, net of tax	638	3,994	3,334	(1,257)
Net income (loss)	235,668	(97,073)	213,265	183,936
Net (income) loss attributable to noncontrolling interests	(255)	33,035	(825)	4,676
Net income (loss) attributable to Apollo	\$ 235,413	\$ (64,038)	\$ 212,440	\$ 188,612
Earnings (loss) per share – Basic:⁽²⁾				
Continuing operations attributable to Apollo	\$ 1.61	\$ (0.48)	\$ 1.50	\$ 1.39
Discontinued operations attributable to Apollo	—	0.03	0.02	(0.01)
Basic income (loss) per share attributable to Apollo	\$ 1.61	\$ (0.45)	\$ 1.52	\$ 1.38
Earnings (loss) per share – Diluted:⁽²⁾				
Continuing operations attributable to Apollo	\$ 1.60	\$ (0.48)	\$ 1.49	\$ 1.38
Discontinued operations attributable to Apollo	0.01	0.03	0.02	(0.01)
Diluted income (loss) per share attributable to Apollo	\$ 1.61	\$ (0.45)	\$ 1.51	\$ 1.37
Basic weighted average shares outstanding	146,352	142,354	139,856	136,594
Diluted weighted average shares outstanding	146,663	142,354	140,343	137,295

⁽¹⁾ The effective income tax rate and net loss attributable to noncontrolling interests was significantly affected in the second quarter of fiscal year 2011 by BPP goodwill and other intangibles impairment charges.

⁽²⁾ The sum of quarterly income per share may not equal annual income per share due to rounding and the net loss in the second quarter of fiscal year 2011.

Item 9 – Changes in and Disagreements With Accountants on Accounting and Financial Disclosure

None.

Item 9A – Controls and Procedures

Disclosure Controls and Procedures

We intend to maintain disclosure controls and procedures designed to provide reasonable assurance that information required to be disclosed in reports filed under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the specified time periods and accumulated and communicated to our management, including our Chief Executive Officer (“Principal Executive Officer”) and our Senior Vice President and Chief Financial Officer (“Principal Financial Officer”), as appropriate, to allow timely decisions regarding required disclosure. We have established a Disclosure Committee, consisting of certain members of management, to assist in this evaluation. Our Disclosure Committee meets on a quarterly basis and more often if necessary.

Our management, under the supervision and with the participation of our Principal Executive Officer and Principal Financial Officer, evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) or 15d-15(e) promulgated under the Securities Exchange Act), as of the end of the period covered by this report. Based on that evaluation, management concluded that, as of that date, our disclosure controls and procedures were effective at the reasonable assurance level.

Attached as exhibits to this Annual Report on Form 10-K are certifications of our Principal Executive Officer and Principal Financial Officer, which are required in accordance with Rule 13a-14 of the Securities Exchange Act. This Disclosure Controls and Procedures section includes information concerning management’s evaluation of disclosure controls and procedures referred to in those certifications and, as such, should be read in conjunction with the certifications of our Principal Executive Officer and Principal Financial Officer.

Management’s Report on Internal Control Over Financial Reporting

Management is responsible for establishing and maintaining effective internal control over financial reporting. Management’s intent is to design a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP in the United States of America.

Our internal control over financial reporting includes those policies and procedures that:

- (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of our assets;
- (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP, and that receipts and expenditures are being made only in accordance with authorizations of our management and directors; and
- (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of our assets that could have a material effect on the financial statements.

Management performed an assessment of the effectiveness of our internal control over financial reporting as of August 31, 2012 , utilizing the criteria described in the “Internal Control – Integrated Framework” issued by the Committee of Sponsoring Organizations of the Treadway Commission. The objective of this assessment was to determine whether our internal control over financial reporting was effective as of August 31, 2012 . Based on our assessment, management believes that, as of August 31, 2012 , the Company’s internal control over financial reporting is effective.

Our independent registered public accounting firm, Deloitte & Touche LLP, independently assessed the effectiveness of the Company’s internal control over financial reporting. Deloitte & Touche LLP has issued a report, which is included at the end of Part II, Item 9A of this Annual Report on Form 10-K.

Changes in Internal Control Over Financial Reporting

There have not been any changes in our internal control over financial reporting during the quarter ended August 31, 2012 , that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders of
Apollo Group, Inc. and Subsidiaries
Phoenix, Arizona

We have audited the internal control over financial reporting of Apollo Group, Inc. and subsidiaries (the “Company”) as of August 31, 2012, based on criteria established in *Internal Control – Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission. The Company’s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management’s Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company’s internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company’s internal control over financial reporting is a process designed by, or under the supervision of, the company’s principal executive and principal financial officers, or persons performing similar functions, and effected by the company’s board of directors, management, and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Because of the inherent limitations of internal control over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may not be prevented or detected on a timely basis. Also, projections of any evaluation of the effectiveness of the internal control over financial reporting to future periods are subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of August 31, 2012, based on the criteria established in *Internal Control – Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated financial statements as of and for the year ended August 31, 2012 of the Company, and our report dated October 22, 2012 expressed an unqualified opinion on those financial statements.

/s/ **DELOITTE & TOUCHE LLP**

Phoenix, Arizona
October 22, 2012

Item 9B – Other Information

None.

PART III

Item 10 – Directors, Executive Officers and Corporate Governance

Information relating to our Board of Directors, Executive Officers, and Corporate Governance required by this item appears in the Information Statement for Apollo Group, Inc., to be filed within 120 days of our fiscal year end (August 31, 2012) and such information is incorporated herein by reference.

Our employees must act ethically at all times and in accordance with the policies in our Code of Business Ethics. We require full compliance with this policy from all designated employees including our Chief Executive Officer, Chief Financial Officer, and Chief Accounting Officer. We publish the policy, and any amendments or waivers to the policy, in the Corporate Governance section of our website located at www.apollogrp.edu/CorporateGovernance/CorporateGovernance.aspx.

Item 11 – Executive Compensation

Information relating to this item appears in the Information Statement for Apollo Group, Inc., to be filed within 120 days of our fiscal year end (August 31, 2012) and such information is incorporated herein by reference.

Item 12 – Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

Information relating to this item appears in the Information Statement for Apollo Group, Inc., to be filed within 120 days of our fiscal year end (August 31, 2012) and such information is incorporated herein by reference.

Item 13 – Certain Relationships and Related Transactions, and Director Independence

Information relating to this item appears in the Information Statement for Apollo Group, Inc., to be filed within 120 days of our fiscal year end (August 31, 2012) and such information is incorporated herein by reference.

Item 14 – Principal Accounting Fees and Services

Information relating to this item appears in the Information Statement for Apollo Group, Inc., to be filed within 120 days of our fiscal year end (August 31, 2012) and such information is incorporated herein by reference.

PART IV

Item 15 – Exhibits, Financial Statement Schedules

(a) The following documents are filed as part of this Annual Report on Form 10-K:

1. *Financial Statements filed as part of this report*

Index to Consolidated Financial Statements

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2. *Financial Statement Schedules*

All financial statement schedules have been omitted since the required information is not applicable or is not present in amounts sufficient to require submission of the schedule, or because the information required is included on the Consolidated Financial Statements and Notes thereto.

3. Exhibits

Index to Exhibits

<u>Exhibit</u> <u>Number</u>	<u>Exhibit Description</u>	<u>Incorporated by Reference</u>				
		<u>Form</u>	<u>File No.</u>	<u>Exhibit</u> <u>Number</u>	<u>Filing Date</u>	<u>Filed Herewith</u>
2.1	Agreement and Plan of Merger by and among Carnegie Learning, Inc., Apollo Group, Inc., BHCL Acquisition Co. and CLI Shareholder Representative, LLC, dated August 2, 2011 ⁽¹⁾	10-K	No. 000-25232	2.1	October 20, 2011	
2.2	First Amendment to Agreement and Plan of Merger by and among Carnegie Learning, Inc., Apollo Group, Inc., BHCL Acquisition Co. and CLI Shareholder Representative, LLC, dated August 31, 2011	10-K	No. 000-25232	2.2	October 20, 2011	
2.3	Technology Assignment and License Agreement by and between Apollo Group, Inc., Carnegie Mellon University and Carnegie Learning, Inc., dated August 2, 2011 ⁽¹⁾	10-K	No. 000-25232	2.3	October 20, 2011	
3.1	Amended and Restated Articles of Incorporation of Apollo Group, Inc., as amended through June 20, 2007	10-Q	No. 000-25232	3.1	January 7, 2010	
3.2	Amended and Restated Bylaws of Apollo Group, Inc.	10-Q	No. 000-25232	3.2	April 10, 2006	
10.1	Apollo Group, Inc. Long-Term Incentive Plan*	S-1	No. 33-83804	10.3	September 9, 1994	
10.2	Apollo Group, Inc. Plan Amendment to Long-Term Incentive Plan*	10-Q	No. 000-25232	10.5	June 28, 2007	
10.3	Apollo Group, Inc. Plan Amendment to Long-Term Incentive Plan*	10-K	No. 000-25232	10.3	October 27, 2009	
10.4	Apollo Group, Inc. Amended and Restated Savings and Investment Plan*	10-Q	No. 000-25232	10.4	January 14, 2002	
10.5	Apollo Group, Inc. Third Amended and Restated 1994 Employee Stock Purchase Plan*	10-K	No. 000-25232	10.5	November 14, 2005	
10.6	Apollo Group, Inc. 2000 Stock Incentive Plan (as amended and restated June 25, 2009)*	10-Q	No. 000-25232	10.3	June 29, 2009	
10.7	Apollo Group, Inc. 2000 Stock Incentive Plan Amendment (effective June 24, 2010)*	8-K	No. 000-25232	10.3	June 30, 2010	
10.8	Apollo Group, Inc. Amended and Restated 2000 Stock Incentive Plan Amendment (effective October 6, 2011)*	10-K	No. 000-25232	10.8	October 20, 2011	
10.9	Apollo Group, Inc. Amended and Restated 2000 Stock Incentive Plan Amendment (effective December 8, 2011)*	10-Q	No. 000-25232	10.2	March 26, 2012	
10.10	Form of Performance Share Award Agreement*	8-K	No. 000-25232	10.2	June 30, 2010	
10.11	Form of Apollo Group, Inc. Non-Employee Director Stock Option Agreement*	10-Q	No. 000-25232	10.6	June 28, 2007	
10.12	Form of Apollo Group, Inc. Non-Employee Director Stock Option Agreement With Limited Transferability*	10-K	No. 000-25232	10.10	October 20, 2011	
10.13	Form of Apollo Group, Inc. Non-Employee Director Restricted Stock Unit Award Agreement*	10-Q	No. 000-25232	10.7	June 28, 2007	
10.14	Form of Apollo Group, Inc. Stock Option Agreement (for officers with an employment agreement)*	10-Q	No. 000-25232	10.3	January 8, 2009	
10.15	Form of Non-Statutory Stock Option Agreement (for officers without an employment agreement)*	10-Q	No. 000-25232	10.4	January 8, 2009	

<u>Exhibit Number</u>	<u>Exhibit Description</u>	<u>Incorporated by Reference</u>				
		<u>Form</u>	<u>File No.</u>	<u>Exhibit Number</u>	<u>Filing Date</u>	<u>Filed Herewith</u>
10.16	Form of Non-Statutory Stock Option Agreement With Limited Transferability (for officers without an employment agreement)*	10-K	No. 000-25232	10.1	October 20, 2011	
10.17	Form of Apollo Group, Inc. Stock Option Agreement With Limited Transferability (for officers with an employment agreement)*	10-K	No. 000-25232	10.2	October 20, 2011	
10.18	Form of Apollo Group, Inc. Restricted Stock Unit Award Agreement (for officers with an employment agreement)*	10-Q	No. 000-25232	10.1	January 8, 2009	
10.19	Form of Apollo Group, Inc. Restricted Stock Unit Award Agreement (for officers without an employment agreement)*	10-Q	No. 000-25232	10.2	January 8, 2009	
10.20	Form of Restricted Stock Unit Award Agreement (Special Retention Award - Form A)*	10-Q	No. 000-25232	10.1	March 29, 2011	
10.21	Form of Restricted Stock Unit Award Agreement (Special Retention Award - Form B)*	10-Q	No. 000-25232	10.2	March 29, 2011	
10.22	Form of Restricted Stock Unit Award Agreement With Performance Condition and Partial Service Vesting Acceleration*	10-K	No. 000-25232	10.20	October 20, 2011	
10.23	Form of Performance Share Award Agreement (Apollo Global Metrics)*	10-K	No. 000-25232	10.21	October 20, 2011	
10.24	Form of Performance Share Award Agreement (Apollo Group Metrics)*	10-K	No. 000-25232	10.22	October 20, 2011	
10.25	Aptimus, Inc. 2001 Stock Plan*	S-8	No. 333-147151	99.1	November 5, 2007	
10.26	Apollo Group, Inc. Stock Option Assumption Agreement Aptimus, Inc. 2001 Stock Plan*	S-8	No. 333-147151	99.2	November 5, 2007	
10.27	Apollo Group, Inc. Stock Appreciation Right Assumption Agreement Aptimus, Inc. 2001 Stock Plan*	S-8	No. 333-147151	99.3	November 5, 2007	
10.28	Aptimus, Inc. 1997 Stock Option Plan, as amended*	S-8	No. 333-147151	99.4	November 5, 2007	
10.29	Apollo Group, Inc. Stock Option Assumption Agreement Aptimus, Inc. 1997 Stock Option Plan, as amended*	S-8	No. 333-147151	99.50	November 5, 2007	
10.30	Apollo Group, Inc. Executive Officer Performance Incentive Plan (as amended and restated effective as of October 6, 2011)*	10-K	No. 000-25232	10.28	October 20, 2011	
10.31	Amendment to Apollo Group, Inc. Executive Officer Performance Incentive Plan (as amended and restated effective as of October 6, 2011) (effective December 8, 2011)*	10-Q	No. 000-25232	10.2	January 5, 2012	
10.32	Apollo Group, Inc. Deferral Election Program for Non-Employee Board Members*	10-K	No. 000-25232	10.20	October 27, 2009	
10.33	Apollo Group, Inc. Senior Executive Severance Pay Plan (as amended and restated effective as of January 1, 2012)*	10-Q	No. 000-25232	10.1	March 26, 2012	
10.34	Form of Indemnification Agreement - Employee Director*	10-K	No. 000-25232	10.23	October 21, 2010	
10.35	Form of Indemnification Agreement - Outside Director*	10-K	No. 000-25232	10.23	October 21, 2010	
10.36	Amended and Restated Employment Agreement between Apollo Group, Inc. and John G. Sperling, dated December 31, 2008*	10-Q	No. 000-25232	10.1	January 8, 2009	

<u>Exhibit Number</u>	<u>Exhibit Description</u>	<u>Incorporated by Reference</u>				<u>Filed Herewith</u>
		<u>Form</u>	<u>File No.</u>	<u>Exhibit Number</u>	<u>Filing Date</u>	
10.37	Amended and Restated Deferred Compensation Agreement between Apollo Group, Inc. and John G. Sperling, dated December 31, 2008*	10-Q	No. 000-25232	10.1	January 8, 2009	
10.38	Shareholder Agreement among Apollo Group, Inc. and holders of Apollo Group Class B common stock, dated September 7, 1994	S-1	No. 33-83804	10.1	September 9, 1994	
10.38b	Amendment to Shareholder Agreement among Apollo Group, Inc. and holders of Apollo Group Class B common stock, dated May 25, 2001	10-K	No. 000-25232	10.10b	November 28, 2001	
10.38c	Amendment to Shareholder Agreement among Apollo Group, Inc. and holders of Apollo Group Class B common stock, dated June 23, 2006	10-K	No. 000-25232	10.23c	October 27, 2009	
10.38d	Amendment to Shareholder Agreement among Apollo Group, Inc. and holders of Apollo Group Class B common stock, dated May 19, 2009	10-K	No. 000-25232	10.23d	October 27, 2009	
10.39	Amended and Restated Employment Agreement between Apollo Group, Inc. and Gregory W. Cappelli, dated April 2, 2011*	10-Q	No. 000-25232	10.3	June 30, 2011	
10.40	Letter Agreement between Apollo Group, Inc. and Gregory W. Cappelli, dated September 5, 2012*					X
10.41	Stock Option Agreement between Apollo Group, Inc. and Gregory W. Cappelli, dated June 28, 2007*	10-Q	No. 000-25232	10.1	June 28, 2007	
10.42	Amended and Restated Employment Agreement between Apollo Group, Inc. and Joseph L. D'Amico, dated May 18, 2010*	8-K	No. 000-25232	10.2	May 20, 2010	
10.43	Employment Agreement between Apollo Group, Inc. and Charles B. Edelstein, dated July 7, 2008*	8-K	No. 000-25232	10.10	July 8, 2008	
10.44	Amendment to Employment Agreement between Apollo Group, Inc. and Charles B. Edelstein, dated December 12, 2008*	10-Q	No. 000-25232	10.8	January 8, 2009	
10.45	Amendment No. 2 to Employment Agreement between Apollo Group, Inc. and Charles B. Edelstein, dated February 23, 2009*	10-Q	No. 000-25232	10.2	March 31, 2009	
10.46	Amendment No. 3 to Employment Agreement between Apollo Group, Inc. and Charles B. Edelstein, dated April 24, 2009*	8-K	No. 000-25232	10.2	April 27, 2009	
10.47	Clarification letter between Apollo Group, Inc. and Charles B. Edelstein, dated September 29, 2010*	10-Q	No. 000-25232	10.30	January 10, 2011	
10.48	Transition Agreement between Apollo Group, Inc. and Charles B. Edelstein, dated January 5, 2012	8-K	No. 000-25232	10.1	January 5, 2012	
10.49	Employment Agreement between Apollo Group, Inc. and Rob Wrubel, dated August 7, 2007*	10-K	No. 000-25232	10.31	October 28, 2008	
10.50	Amendment to Employment Agreement between Apollo Group, Inc. and Rob Wrubel, dated October 31, 2008*	10-Q	No. 000-25232	10.50	January 8, 2009	

Exhibit Number	Exhibit Description	Incorporated by Reference				
		Form	File No.	Exhibit Number	Filing Date	Filed Herewith
10.51	Offer letter between Apollo Group, Inc. and Sean Martin, dated August 23, 2010*	10-Q	No. 000-25232	10.10	January 10, 2011	
10.52	Clarification letter between Apollo Group, Inc. and Sean Martin, dated September 20, 2010*	10-Q	No. 000-25232	10.20	January 10, 2011	
10.53	Stock Option Repricing Agreement between Apollo Group, Inc. and John G. Sperling, dated August 25, 2008*	10-K	No. 000-25232	10.32	October 28, 2008	
10.54	Stock Option Repricing Agreement between Apollo Group, Inc. and Peter V. Sperling, dated August 25, 2008*	10-K	No. 000-25232	10.33	October 28, 2008	
21	List of Subsidiaries					X
23.1	Consent of Independent Registered Public Accounting Firm					X
31.1	Certification of Principal Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002					X
31.2	Certification of Principal Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002					X
32.1	Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002					X
32.2	Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002					X
101.INS	XBRL Instance Document					X
101.SCH	XBRL Taxonomy Extension Schema Document					X
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document					X
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document					X
101.LAB	XBRL Taxonomy Extension Label Linkbase Document					X
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document					X

* Indicates a management contract or compensation plan.

⁽¹⁾ Portions of this exhibit have been omitted pursuant to a request for confidential treatment from the Securities and Exchange Commission.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

APOLLO GROUP, INC.
An Arizona Corporation

By: /s/ Brian L. Swartz
Brian L. Swartz
Senior Vice President and Chief Financial Officer
(Principal Financial Officer)

By: /s/ Gregory J. Iverson
Gregory J. Iverson
Vice President, Chief Accounting Officer and Controller
(Principal Accounting Officer)

Date: October 22, 2012

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title	Date
<u>/s/ John G. Sperling</u> John G. Sperling	Founder, Executive Chairman of the Board and Director	October 22, 2012
<u>/s/ Peter V. Sperling</u> Peter V. Sperling	Vice Chairman of the Board and Director	October 22, 2012
<u>/s/ Gregory W. Cappelli</u> Gregory W. Cappelli	Chief Executive Officer and Director (Principal Executive Officer)	October 22, 2012
<u>/s/ Brian L. Swartz</u> Brian L. Swartz	Senior Vice President and Chief Financial Officer (Principal Financial Officer)	October 22, 2012
<u>/s/ Gregory J. Iverson</u> Gregory J. Iverson	Vice President, Chief Accounting Officer and Controller (Principal Accounting Officer)	October 22, 2012

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Signature	Title	Date
<u>/s/ Terri C. Bishop</u> Terri C. Bishop	Executive Vice President, Integrated Academic Strategies & Sr. Advisor to the Chief Executive Officer and Director	October 22, 2012
<u>/s/ K. Sue Redman</u> K. Sue Redman	Director	October 22, 2012
<u>/s/ George A. Zimmer</u> George A. Zimmer	Director	October 22, 2012
<u>/s/ Roy A. Herberger, Jr.</u> Roy A. Herberger, Jr.	Director	October 22, 2012
<u>/s/ Ann Kirschner</u> Ann Kirschner	Director	October 22, 2012
<u>/s/ Manuel F. Ravelo</u> Manuel F. Ravelo	Director	October 22, 2012
<u>/s/ Darby E. Shupp</u> Darby E. Shupp	Director	October 22, 2012
<u>/s/ Robert S. Murley</u> Robert S. Murley	Director	October 22, 2012
<u>/s/ Richard H. Dozer</u> Richard H. Dozer	Director	October 22, 2012
<u>/s/ Allen R. Weiss</u> Allen R. Weiss	Director	October 22, 2012
<u>/s/ Margaret Spellings</u> Margaret Spellings	Director	October 22, 2012

APOLLO GROUP, INC.
4025 SOUTH RIVERPOINT PARKWAY
PHOENIX, AZ 85040

September 5, 2012

Gregory W. Cappelli
Apollo Group, Inc.
227 W. Monroe Street
Chicago, IL 60606

Dear Greg:

This letter will confirm your agreement to forego the salary increase that would otherwise become effective for you for the period from September 1, 2012 to August 31, 2013 pursuant to Section 3(a) of your Amended and Restated Employment Agreement with the Company dated as of April 2, 2011 (the "*Employment Agreement* "). In the absence of your agreement in this letter, your base salary for such one-year period would have increased, pursuant to the terms of your Employment Agreement, from your current annual rate of \$700,000.00 to \$750,000.00.

However, in light of the decision of the senior management team of Apollo Group to forego any increase in the annual rate of base salary for the fiscal year commencing September 1, 2012 (the "*2013 Fiscal Year*"), you have agreed to waive the automatic salary increase provided under your Employment Agreement for the fiscal year in question. However, such waiver will not affect the amount of the salary increase scheduled to become effective under your Employment Agreement on September 1, 2013. Accordingly, for the fiscal year commencing September 1, 2013 to August 31, 2014, your rate of base salary will be increased to \$800,000.00.

In addition, the waiver of your salary increase for the 2013 Fiscal Year will not affect the target bonus amount or separation payment calculation which would have otherwise been in effect under your Employment Agreement for such year in the absence of that waiver. Accordingly, your target bonus for the 2013 Fiscal Year will be in the dollar amount of \$750,000.00, with your actual bonus amount for such year to be contingent upon the level at which the applicable performance goals for that year are in fact attained, and your base salary for purposes of the separation payment referenced in Section 8(b)(i) of your Employment Agreement will be \$750,000.

By signing the Acceptance section below, you will agree to the waiver of your scheduled salary increase for the 2013 Fiscal Year. Accordingly, the Company's failure to implement that salary increase will not constitute a "Good Reason" event under Section 7(c) of your Employment Agreement that might otherwise entitle you to the severance benefits provided under Section 8(b) of your Employment Agreement. Accordingly, no right to such severance benefits will be triggered as a result of the non-implementation of your scheduled salary increase for the 2013 Fiscal Year.

We very much appreciate your decision to forego your scheduled salary increase for the 2013 Fiscal Year and join the other members of the senior management team who will not receive any salary increases during this challenging transition period for the Company.

Sincerely,

/s/ Fred Newton

FRED NEWTON
SVP, CHIEF HR OFFICER

ACCEPTANCE

I hereby agree to forego the scheduled salary increase for the 2013 Fiscal Year that would otherwise become effective under my April 2, 2011 Amended and Restated Employment Agreement with Apollo Group, Inc. Accordingly, the Company's failure to implement such salary increase shall not constitute a Good Reason event under my Amended and Restated Employment Agreement.

/s/ Gregory W. Cappelli

GREGORY W. CAPPELLI

DATED: September 5, 2012

Subsidiaries of Apollo Group, Inc.

Entity	Jurisdiction of Incorporation or Formation
Apollo Development Corp.	Arizona
Apollo Global, Inc. ¹	Delaware
Apollo Group China, LLC	Arizona
Apollo Investments, Inc.	Arizona
Apollo NB Holding Company	Arizona
Aptimus, Inc.	Washington
Institute for Professional Development	California
The College for Financial Planning Institutes Corporation	Arizona
The University of Phoenix, Inc.	Arizona
Apollo Education Services, LLC	Delaware
Carnegie Learning, Inc.	Pennsylvania

Assumed Names

Corporate Name	Assumed Name	State(s) where used
Apollo Group, Inc.	Apollo Education	California
Institute for Professional Development	Institute for Professional Development of California, Inc.	California, Connecticut, New Jersey
Institute for Professional Development	Institute for Professional Development, Inc.	Arizona, Florida, Illinois, Indiana, Kentucky, North Carolina, Oregon, Pennsylvania, Tennessee, Virginia
Institute for Professional Development	Institute for Professional Development Corporation	Iowa

Subsidiaries of Apollo Global, Inc.

Entity	Jurisdiction of Incorporation or Formation
Western International University, Inc	Arizona, USA
Apollo Global Dutch GP, LLC	Delaware, USA
Helios International (Netherlands) C.V.	Netherlands

Subsidiaries of Helios International (Netherlands) C.V.

Entity	Jurisdiction of Incorporation or Formation
Cooperatieve Apollo Global Netherlands U.A.	Netherlands
Apollo Global Dutch Coop, LLC	Delaware, USA

Subsidiaries of Cooperatieve Apollo Global Netherlands U.A.

Entity	Jurisdiction of Incorporation or Formation
Apollo Global Chile, S.A.	Chile
Apollo Global Mexico, S. de R.L. de C.V.	Mexico
Apollo Global Singapore Holdings Pte. Ltd	Singapore
Apollo UK Acquisition Company Limited	United Kingdom

¹ As of August 31, 2012, Apollo Group, Inc. owned 85.6% of Apollo Global, Inc. As of October 12, 2012, Apollo Group owned 100% of Apollo Global, Inc.

Subsidiaries of Apollo UK Acquisition Company Limited

Entity	Jurisdiction of Incorporation or Formation
BPP Holdings PLC	United Kingdom

Subsidiaries of Apollo Global Chile, S.A.

Entity	Jurisdiction of Incorporation or Formation
Apollo Chile Comunicaciones, Limitada	Chile
Universidad de Artes, Ciencias y Comunicación ²	Chile
Instituto Superior de Artes y Ciencias de la Comunicación S.A. ("I.A.C.C.")	Chile
Sociedad de Transportes Trans-Guil Limitada ("Trans-Guil")	Chile

Subsidiaries of Apollo Global Mexico, S. de R.L. de C.V.

Entity	Jurisdiction of Incorporation or Formation
Apollo Global Mexico Sub, S. de R.L. de C.V.	Mexico

Subsidiaries of Apollo Global Mexico Sub, S. de R.L. de C.V.

Entity	Jurisdiction of Incorporation or Formation
Universidad Latinoamericana, S.C. ("ULA")	Mexico

Subsidiaries of BPP Holdings LTD

Entity	Jurisdiction of Incorporation or Formation
BPP Services Ltd.	United Kingdom
BPP University College of Professional Studies Ltd.	United Kingdom
BPP Dublin, Ltd	Ireland
Happy Café, Ltd	United Kingdom
BPP International, Ltd	United Kingdom
BPP Netherlands, BV	Netherlands
BPP China Ltd	Hong Kong

Subsidiaries of BPP Services Ltd.

Entity	Jurisdiction of Incorporation or Formation
BPP Learning Media Ltd.	United Kingdom
BPP Professional Education Ltd.	United Kingdom

² UNIACC is a non-profit entity; its members are I.A.C.C. and Apollo Global Chile, S.A.

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement Nos. 333-160301, 33-149933, 333-147151, 333-144129, 333-46834, 33-63429, 33-88984, 33-88982, 33-87638 and 333-180355 on Form S-8 of our reports dated October 22, 2012 relating to the consolidated financial statements of Apollo Group, Inc. and subsidiaries and the effectiveness of internal control over financial reporting of Apollo Group, Inc. and subsidiaries, appearing in this Annual Report on Form 10-K of Apollo Group, Inc. for the year ended August 31, 2012.

/s/ DELOITTE & TOUCHE LLP

Phoenix, Arizona
October 22, 2012

**CERTIFICATION PURSUANT TO SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002**

I, Gregory W. Cappelli, certify that:

1. I have reviewed this Form 10-K of Apollo Group, Inc. (the “registrant”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: October 22, 2012

/s/ Gregory W. Cappelli

Gregory W. Cappelli
Chief Executive Officer and Director
(Principal Executive Officer)

**CERTIFICATION PURSUANT TO SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002**

I, Brian L. Swartz, certify that:

1. I have reviewed this Form 10-K of Apollo Group, Inc. (the “registrant”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: October 22, 2012

/s/ Brian L. Swartz

Brian L. Swartz

Senior Vice President and Chief Financial Officer
(Principal Financial Officer)

**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report of Apollo Group, Inc. (the "Company") on Form 10-K for the year ended August 31, 2012, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Gregory W. Cappelli, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

- (1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: October 22, 2012

/s/ Gregory W. Cappelli

Gregory W. Cappelli

Chief Executive Officer and Director
(Principal Executive Officer)

A signed original of this written statement required by Section 906 has been provided to Apollo Group, Inc. and will be retained by Apollo Group, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

**CERTIFICATION OF CHIEF FINANCIAL OFFICER PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report of Apollo Group, Inc. (the "Company") on Form 10-K for the year ended August 31, 2012, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Brian L. Swartz, Senior Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

- (1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: October 22, 2012

/s/ Brian L. Swartz

Brian L. Swartz

Senior Vice President and Chief Financial Officer
(Principal Financial Officer)

A signed original of this written statement required by Section 906 has been provided to Apollo Group, Inc. and will be retained by Apollo Group, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

Library Handbook

University Library

Papers ~ Projects ~ Research

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Overview of the University Library

The University Library uses current information technology to provide relevant and timely information in support of the learning process.

Our library users are “knowledge workers” and busy working adults who need to develop the ability to access and utilize information from the desktop. For our library users, travelling to distant libraries that match their schedules is often inconvenient. The online distribution of scholarly resources provides functional access to the kinds of information our library users will be expected to use throughout their academic programs and careers.

The core of our library website is an array of resources available to all students and faculty at any time and from virtually any location where an Internet connection is available. In addition to our numerous resource subscriptions, the library facilitates user education, offers document retrieval and interlibrary loan services, and provides research guidance.

The online distribution of information is not only optimally matched to the needs of working adult learners, but also allows for equitable sharing of library resources among students and faculty members. University Library users enjoy access to the same broad spectrum of resources regardless of the location and modality of instruction.

Obtaining Access to the University Library

The University Library is available from the student and faculty website where you may also access course modules, grades, and other resources and services.

If you encounter difficulties with access to any portion of the University Library, please contact the University Library Technical Support toll free at 1-800-366-9693.

If you reside in a country other than the United States or Canada, or are unable to call a toll free number, you can reach technical support at 1-602-387-2222. Please provide technical support with a telephone number so they may call you back to minimize phone charges.

Components of the University Library

The University Library is segmented into two major components: Library Resources and Library Services. Choosing the appropriate component is an essential first step in research.

University Library Search Tool

This aspect of the library website allows users to conduct research by accessing the library’s subscription resources using keywords. Providing Extensive contents and services for research, the University Library Search Tool gives users the option to select

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a subject specific to their research needs in order to provide them with the most accurate materials available to them through our resource.

Library Resources

The resources are organized into major categories such as “General Resources” and “Specialized Resources”.

While most users search by keywords in library resources, there are other ways to research. These options include:

Choose Resources by Subject

The Choose Resources by Subject feature contains several topics with links to appropriate resources and examples of search strategies. Prior to searching any of the resources for your subject, first check to see if your subject or a related subject is listed in the subject guides.

View All Resources Alphabetically

The View All Resources Alphabetically feature allows users to view each resource available to them in an alphabetized list.

Find a Specific Publication

This resource allows library users to access the library’s subscription resources by targeting specific documents by title.

Library Services

The University Library provides several means for students and faculty members to obtain assistance with library research. The popular “Ask a Librarian” service allows users to obtain detailed research guidance from experienced professional librarians. Over 2,000 Ask a Librarian inquiries are fulfilled each month.

For documents not available in the University Library, the “Request a Specific Document” service allows users to submit requests for copies. The University Library has established partnerships with leading document delivery suppliers and interlibrary loan providers in order to facilitate access to specialized, hard-to-find materials.

Additional features in this area include the Research Tutorial, which provides an online tour and orientation of the University Library, and the online version of this handbook.

Other Resources

These resources are available on each page of the University Library.

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Ask a Librarian

Our Ask a Librarian service is your pathway to obtaining professional guidance and recommendations regarding your research. You will receive a detailed response with specific referrals to appropriate resources and research techniques. A response will be provided in no more than 48 hours; however, average response time for inquiries received during the past week has been 2 hours.

Terms and Conditions

The terms and conditions included at the conclusion of this document are also available via a link presented on each page in the University Library.

Useful Resources

These resources are available on each page of the University Library.

Reference and Citation Generator

Reference and Citation Generator produces several citation examples to serve as Reference page entry and in-text citation models. In addition, this online tool will help you draft properly formatted APA reference page entries and in-text citations. However, the Generator will not fix errors or typos that you entered in the various fields. Make sure that you review the populated entries for APA accuracy before using the entries in your papers.

APA Information

The APA Information link presents you with sample papers and title page templates as well as a citation examples and a links to the Reference and Citation Generator. This link provides a quick, easy-to-use reference for formatting in-text citations and references for books, articles, websites, course materials, simulations, and other sources.

Grammar and Writing Guides

The Grammar and Writing Guides are easy-to-read resources for students and faculty that contain a Grammar Glossary and sections on Grammar Mechanics, Writing Style, and Plagiarism. The Grammar and Writing Guides also contain helpful information for English Language Learners. Each section includes definitions, examples, and interactive quizzes.

Selecting a Resource

The University Library includes numerous resources covering a wide variety of media and subjects. The listings below provide detailed information to assist in choosing an appropriate resource.

*The following resources are listed as found in the University of Phoenix, Axia College, College for Financial Planning, and Western International University libraries.

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Universidad Latinoamericana and Universidad UNIACC library information is listed under the Spanish Resources heading.

General Resources

These resources are appropriate for all subjects and are configured to provide full-text articles.

EBSCOhost
Gale PowerSearch
ProQuest

Specialized Resources

These resources provide overviews and full-text articles on various specialized topics.

ABI/INFORM
ACM Digital Library
American Health Line
Best-In-Class Benchmarking Reports
BioMed Central
Business & Company Resource Center
Business Source Complete
CQ Electronic Library
Datamonitor 360
Demographics Now
DSM-IV-TR
Economist.com
EditLib
Emerald
Faulkner's Advisory on Computers and Communications Technologies
GreenFILE
Hospitality & Tourism Complete
IEEE Computer Society Digital Library
International Security and Counter Terrorism Reference Center
Journal of Leadership Studies
JSTOR
Literature Resource Center
Medical Evidence Matters
Medical Letter
National Journal
Natural Medicines Comprehensive Database
NBER Working Papers
Nursing Reference Center
Nursing@Ovid
Opposing Viewpoints in Context
Oxford Journals
Phoenix Focus
Prescriber's Letter
ProQuest Business
ProQuest Health and Medicine

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ProQuest News and Newspapers
ProQuest Social Sciences
PsycARTICLES
RDS Business Reference Suite
Roll Call
SAGE Full-Text Collections
Security Management Practices
UpToDate

Books, Dissertations, and Theses

These resources provide a searchable collection of larger text documents, dissertations, and book chapters on various disciplines and topics.

Books 24x7
Books@Ovid
Business Book Summaries
Dissertations & Theses @ University of Phoenix
Emerald Social Sciences eBooks
Forensic & Law Enforcement netBASE
Info Security netBASE
ITECH netBASE
MyiLibrary
Oxford Scholarship Online
ProQuest Dissertations and Theses - Full Text
PsycBOOKS
Taylor and Francis Criminal Justice eBooks

Company Directories and Financials

These resources provide company profiles, financials and analysis, industry averages, statistics, market research and trends, and content for various other aspects of company operations.

Dun & Bradstreet Key Business Ratios
Hoover's Academic
Hoover's First Research
IBISWorld
Mergent BondViewer
Mergent Online
Mergent's InvestorEdge
Morningstar
Plunkett Research Online
ProQuest Accounting and Tax
ProQuest Historical Annual Reports
ProQuest Snapshots

Country Profiles and Economic Data

These resources provide comprehensive information on economic, social, cultural, political, and demographic trends for countries and regions worldwide.

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CountryWatch
Culturegrams
EIU Country Data
EIU Country Intelligence
EIU Market Indicators & Forecasts
EIU Viewswire
Euromonitor International
Europa World Plus
IMF E-Library
IMF eLibrary - Data

Encyclopedias and Dictionaries

These resources include searchable bibliographies of historical people who shaped American and international history, encyclopedias, and dictionaries.

American National Biography
Britannica Online
Credo Reference
Gale Virtual Reference Library
Grolier Multimedia Encyclopedia
Original Sources from Britannica
Oxford Art Online
Oxford Dictionary of National Biography
Oxford English Dictionary
Oxford Music Online
Oxford Reference Online
Routledge Encyclopedia of Philosophy
Routledge Politics and International Relations Online
Routledge Religion Online
Sage eReference
Webster's Third New International Dictionary, Unabridged

Government Resources

These resources provide comprehensive information on economic, health, educational, environmental, and demographic trends for the United States of America.

Homeland Security Digital Library
National Center for Education Statistics
National Center for Health Statistics
National Service Center for Environmental Publications
Statistical Abstract of the United States
Uniform Crime Reports

Journal Indexes and Abstracts

These resources contain listings and summaries of a wide variety of documents. Please note that these resources are not completely full-text. For some documents identified in search results, there will be links to the full text of the documents.

Other documents not available in full-text may have to be obtained from other resources or in hard copy.

CINAHL
Cochrane Collection
Criminal Justice Abstracts with Full Text
Directory of Open Access Journals
EconLit
Education Research Complete
ERIC
Google Scholar
JournalSeek
Library, Information Science & Technology Abstracts (LISTA)
MEDLINE
PsycEXTRA
PsycINFO
ScienceDirect
SocINDEX

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Multimedia

These resources provide information in a variety of media formats including transcripts, pictures, videos and more.

American History in Video
Counseling and Psychotherapy Transcripts, Client Narratives, and Reference Works
Counseling and Therapy in Video
EBSCOhost Multimedia
Economist.com Audio and Video Collection
Facts on File
Films on Demand
Global Issues in Context
GREENR
Health and Wellness Resource Center
History Study Center
HW Wilson Art Museum
Medcom Nursing Video Collection
Primal Pictures Anatomy
Sage Research Methods Online

Test Guides and Preparations

These resources provide listings and reviews of test instruments and numerous standardized practice tests, including CLEP.

Mental Measurements Yearbook
Testing and Education Resource Center

Writing and Publishing Resources

These resources provide professional bibliographical lists of videos and books in various formats; searchable directory of calls for participation from professional associations; and explanations, illustrations, and quizzes to measure knowledge of English grammar, punctuation, and sentence structure.

Books in Print

Papers Invited

Ulrich's Periodicals Directory

Spanish Resources

Spanish resources are available to all users. Students accessing the Universidad Latinoamericana and Universidad UNIACC libraries will find these resources listed as Recursos de la Biblioteca en Español on their library homepage. Users from other institutions will find these resources listed alphabetically on the View All Resources Alphabetically list under the Library Resources section. Materials in these resources are listed primarily in Spanish with a focus on Spanish speaking regions and cultures.

Administración de Empresas

e-Libro

Enciclopedia Universal en Español

Fuente Académica

Libros en Español a la Venta

Medicina y Salud

Noticias de América Latina

Universitas

Using Boolean Searching to Harness the Power of Library Resources

If you have used any of the popular Internet search engines, you may be used to typing a phrase or a question in order to find a Web site you are looking for. While this strategy will sometimes work for public Web sites identified through well-known search engines, article resources found in libraries work a bit differently. Many library resources are fairly literal in the way they interpret the searches users submit. These resources tend to look for the exact words typed in their exact order of appearance. As a result, searches that consist of long phrases, complete sentences, or questions are often unsuccessful.

Fortunately, there is an alternative: Boolean searching. Boolean searching is a way of searching for topics by breaking the topics down into keywords and joining the keywords together using the operators **and**, **or**, **not** or **wildcards**.

And

And joins two or more different keywords together to ensure that all the keywords are mentioned in all of the articles retrieved. For example, typing **automation and human**

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resources forces the resource to show only those articles that mention both **automation** and **human resources**. Any number of keywords can be joined using **and**.

Or

While **and** joins two different ideas together, **or** is used for related words. **Or** allows either keyword or both keywords to be present. **Or** is best suited for joining two synonyms or related keywords. The search **human resources or personnel**, for example, will find any articles mentioning **human resources**, **personnel**, or both keywords. **Or** searches tend to find vast amounts of information and are usually not useful unless combined with **and**.

And and Or

And and **or** can work together to create more sophisticated searches. For example, the two searches mentioned above could be combined as **automation and (human resources or personnel)**. Note that when **and** and **or** are combined, the **or** statements should go in parentheses to make sure that the search is processed correctly.

Not

Not excludes an undesirable keyword from search results. For example, **market and shoes not United States** will look for articles on the market for shoes outside the United States.

Wildcards

Wildcards are another tool to add power to searches. Wildcards allow different word endings to be accounted for using just one symbol. Usually this symbol is the asterisk (*). When a wildcard is placed at the end of a root word, any possible endings can be added to the root word. For example, a search for information on telecommuting could be done with the keyword **telecommut***. As a result, articles mentioning **telecommuting**, **telecommuter**, **telecommuters**, **telecommute**, and **telecommutes** will all appear in the search results.

Finding Peer Reviewed Articles in Library Resources

Faculty members and students often express an interest in finding publications that are considered to be peer reviewed, also known as refereed. Since the various resources in the University Library all contain a broad spectrum of publication types, it is important to understand how to separate peer reviewed journals from newspapers, trade journals, and popular magazines.

What is Peer Review?

Peer review is a process designed to ensure the quality of published scholarship. When a scholar submits a manuscript to a peer reviewed publication, a panel of the author's peers evaluates the manuscript to assess the quality of research. These peers are not chosen by the individual author; instead, they are recognized leaders in their fields who

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have been selected to serve on the editorial board of the journal. The identity of the author is usually unknown to the reviewers to ensure that no personal bias influences the acceptance or rejection of articles. Once the manuscript has been reviewed in this manner, it may be published, rejected, or sent back to the author for modification.

Why is Peer Review Important?

While many undergraduate students may not be aware of peer review, faculty members and graduate students routinely look to peer review as a way of guaranteeing the quality of scholarship. For graduate and even upper division undergraduate courses, insisting on the use of peer reviewed publications is an effective means of ensuring the quality of sources cited in a paper, presentation, or research project. Peer reviewed publications are more likely to back their conclusions with primary research and verifiable statistical analysis. In addition, articles in peer reviewed publications are less likely to be subject to the biases of their authors or editors.

Locating Peer Reviewed Material

Some vendors offer a checkbox on the initial search screen allowing for search results to be limited to only those articles from peer reviewed publications. Checking this box will result in fewer search results since this feature filters articles, but it will also result in a set of articles found exclusively in peer reviewed publications.

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Searching Library Resources vs. Searching the Internet

Users of the library resources frequently ask what makes these resources different from Internet search engines such as Yahoo!® and Google™. The table below shows the differences in several key areas.

Area of Comparison	Library Resources	Internet Search Engines
Type of material	Articles from published newspapers, magazines, journals, newsletters, investment reports, financial documents, and reference books. Most of these documents cannot be retrieved using Internet search engines.	Web sites that are freely available to the general public. These will include the websites of companies, individuals, government agencies, non-profit organizations, colleges, and universities. However, access to the type of copyrighted publications found in library resources will be limited.
Reliability of material	Generally high since all the publications in library resources are subject to some sort of editorial or peer review before publication.	Varied. Some websites from reputable organizations will contain reliable information. However, because web publishing is inexpensive and easy, a great deal of advertising, adult materials, demagoguery, and other materials not appropriate for academic research will be included.
Best used for...	Searching for published articles corresponding to academic or news topics.	Searching for the websites of specific organizations, searching for information distributed by government agencies for non-profit organizations, and searching for information on popular culture.

<p>Recommended search technique</p>	<p>Some resources allow limited natural language searching. However, since this technology is limited in its strength, Boolean searching with <i>and</i> and <i>or</i> is recommended for best results.</p>	<p>Varied. Check the online help of each search engine for best results. Some will use natural language searching, some will use Boolean searching with <i>and</i> and <i>or</i>, while some will use + and –.</p>
<p>Method of displaying results</p>	<p>Results are displayed in reverse chronological order. In other words, the most recent items are displayed first.</p>	<p>Results are displayed according to the frequency with which the search terms appear. In theory, this should result in the most relevant items appearing first. However, results vary in actual practice.</p>

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Miscellaneous

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FIRST AMENDMENT TO LEASE

THIS FIRST AMENDMENT TO LEASE (this "**Amendment**") is made effective as of June 1, 2012 (the "**Effective Date**"), by and between BRIDGE DES MOINES PROPERTIES, LLC, an Illinois limited liability company ("**Landlord**") and THE UNIVERSITY OF PHOENIX, INC., an Arizona corporation ("**Tenant**").

RECITALS

A. Landlord and Tenant are parties to that certain Lease dated as of March 9, 2012 (the "**Lease**"), pursuant to which Landlord leases to Tenant and Tenant leases from Landlord certain premises located at 317 Sixth Avenue, Des Moines, Iowa 50309, as more particularly described in the Lease.

B. The parties now wish to amend the Lease subject to and on the terms and conditions set forth below.

NOW THEREFORE, for valuable consideration, the receipt and sufficiency are hereby acknowledged, Landlord and Tenant, intending to be legally bound, hereby amend the Lease as follows:

AGREEMENT

1. Defined Terms. Capitalized terms not otherwise defined in this Amendment shall have the meaning ascribed to such terms in the Lease.
2. Regulatory Approvals. Landlord and Tenant acknowledge and agree that Tenant has waived the Regulatory Contingency (as set forth in Section 31(c) of the Lease). In connection with the foregoing, the last two sentences of Section 31(c) are hereby deleted in their entirety. Notwithstanding the foregoing or anything to the contrary set forth in the Lease, in the event that the Regulatory Approvals have not been obtained on or before the Commencement Date, Tenant shall have the right to extend the Commencement Date for a period of up to thirty (30) days.
3. Work Letter. Landlord and Tenant acknowledge and agree that Turner Building & Construction ("**Turner**") has been selected as the Contractor to construct the Tenant Improvements in accordance with the Work Letter. Landlord shall finalize and execute a construction contract with Turner for the construction of the Tenant Improvements promptly following the Effective Date. In addition, the last sentence of Section 2(a) of the Work Letter is hereby amended and restated in its entirety to read as follows:

"Landlord shall supervise the completion of all such work and shall use commercially reasonable efforts to secure Substantial Completion of the Tenant Improvements (as defined in Section 8 hereof) in a timely manner so that Tenant is able to take possession of the Premises on or before one hundred twenty (120) days after Landlord and the Contractor execute a construction contract for the construction of the Tenant Improvements (the "**Anticipated Commencement**

Date”), as such date shall be extended pursuant to Section 6(a) hereof.”

4. **Brokerage.** Landlord agrees to pay all brokerage commissions due as a result of this Amendment, if any, it being understood that such commissions shall be paid pursuant to a separate agreement between Landlord and Jones Lang LaSalle (“**Broker**”). Landlord and Tenant each represents and warrants to the other that it has not dealt with any real estate broker or agent in connection with this Amendment or its negotiation other than Broker. Landlord and Tenant each agrees to indemnify, defend and hold the other harmless for, from and against any cost, expense or liability (including attorneys’ fees) for any compensation, commission or fees claimed by any real estate broker or agent in connection with this Amendment or its negotiation other than Broker as a result of the action of the indemnifying party.

5. **Fees and Costs.** If any suit, action, arbitration or other proceeding, including, without limitation, an appellate proceeding, is instituted in connection with any controversy, dispute, default or breach arising out of this Amendment, the prevailing party shall be entitled to recover from the non-prevailing party all reasonable fees, costs and expenses (including the reasonable fees and expenses of attorneys, paralegals and witnesses) incurred in connection with the prosecution or defense of such proceeding, whether or not the proceeding is prosecuted to a final judgment or determination; provided, however, if there is no clear prevailing party, such fees, costs and expenses shall be borne as determined by the applicable fact finder.

6. **Ratification.** Except as expressly amended hereby, the terms, covenants and conditions of the Lease shall remain the same and continue in full force and effect. In the event of a conflict or ambiguity between the Lease and this Amendment, the terms and provisions of this Amendment shall control.

7. **Successors and Assigns.** This Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

8. **Counterparts.** This Amendment may be executed in several counterparts each of which when executed and delivered shall be an original, but all of which together shall constitute one instrument.

[Signatures Contained on Following Page]

IN WITNESS WHEREOF, Landlord and Tenant have each executed this Amendment effective as of the date first written above.

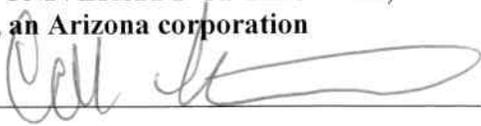
“LANDLORD”

“TENANT”

BRIDGE DES MOINES PROPERTIES, LLC, an Illinois limited liability company

THE UNIVERSITY OF PHOENIX, INC., an Arizona corporation

By: _____

By:  _____

Its: _____

Name: **Colette Tommink** _____

VP, Real Estate & Facilities

Title: _____

Title: _____

8/2/12

317 SIXTH AVENUE, DES MOINES, IOWA

BETWEEN

BRIDGE DES MOINES PROPERTIES LLC

AND

UNIVERSITY OF PHOENIX, INC.

**OFFICE LEASE
BETWEEN
BRIDGE DES MOINES PROPERTIES LLC
AND
UNIVERSITY OF PHOENIX**

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OFFICE SPACE LEASE

THIS LEASE AGREEMENT (the "Lease") is made and executed as of the ^{9th} ~~24th~~ day of ^{March} ~~February~~, 2012 by and between **BRIDGE DES MOINES PROPERTIES LLC**, an Illinois limited liability company ("Landlord"), the owner of the land legally described on **Exhibit A** of this Lease (the "Land"), and the tenant named in Item 1 of the Schedule set forth below ("Tenant"). Landlord and Tenant, for good and valid consideration, covenant and agree as follows.

SCHEDULE

This Schedule (the "Schedule") is an integral part of this Lease and defines certain terms as follows:

1. Tenant: University of Phoenix, Inc.
2. Tenant's address for Notice Prior to Occupancy:

The University of Phoenix, Inc.
c/o Apollo Group, Inc.
4025 South Riverpoint Parkway
Phoenix, Arizona 85040
Mail Stop: CF-K205
Attn: Colette Temmink,
Vice President, Apollo Corporate Real Estate

With Copies to:

Apollo Group, Inc.
c/o Apollo Legal Department
4025 South Riverpoint Parkway
Phoenix Arizona 85040
Mail Stop: CF-K612
Attn: Corporate Counsel, Real Estate

3. Premises: The area of the Building subject to this Lease, containing approximately 7,653 rentable square feet located on the first floor and an additional 1,449 square feet of mezzanine space, as depicted on the floor plan attached hereto as **Exhibit B**. In addition to the Premises, Tenant shall have the right to use, in common with all other tenants of the Building, all portions of the Building not designated for the exclusive use of tenants, including, without limitation, entrances and exits, hallways, stairways, elevators, restrooms, and parking areas as required to enable Tenant to use the Premises according to the terms of this Lease (collectively, the "Common Areas").

4. Term and Estimated Commencement Date: Initial term of five (5) years (“**Initial Term**”), estimated to commence on May 1, 2012 (subject to Item 7 below), with two (2) options to extend for five (5) years each as set forth in Section 32 of this Lease.

5. Base Rent: Base Rent during the Initial Term shall be calculated as shown on the chart below:

<u>Period</u>	<u>Annual Rent</u>	<u>Monthly Rent</u>
Months 1 through 12	\$107,142.00	\$8,928.50
Months 13 through 24	\$109,820.55	\$9,151.71
Months 25 through 36	\$112,566.00	\$9,380.50
Months 37 through 48	\$115,380.00	\$9,615.00
Months 49 through 60	\$118,264.80	\$9,855.40

6. Tenant’s Proportionate Share: 4.93% (calculated on the basis of the Premises containing 7,653 rentable square feet and excluding the mezzanine space).

7. Commencement Date: The latter to occur of (a) May 1, 2012; or (b) the date: (i) when the Tenant Improvements have been substantially completed subject to the work letter attached hereto as Exhibit B (the “**Work Letter**”), subject only to minor punch list items which do not interfere with Tenant’s use and occupancy of the Premises for the Permitted Use; (ii) when a certificate of occupancy (or local equivalent) permitting lawful occupancy of the Premises has been secured; (iii) when the sanitary, electrical, elevator and HVAC systems are fully operational for use and occupancy of the Premises; (iv) when access to the Premises, public areas and parking facilities is available with all life safety components in place; and (v) when Landlord has delivered possession of the Premises to Tenant and Tenant has accepted possession of the Premises. If a conditional use permit or other approval is required in connection with completion of the Tenant Improvements, Landlord shall obtain such permit or approval at Landlord’s sole expense as a condition to this Lease. Notwithstanding the foregoing, but except as otherwise provided herein, any delay in delivery of possession of the Premises to Tenant pursuant to (b) above resulting from (i) acts or omissions of Tenant, including Tenant’s failure to comply with the terms of this Lease; (ii) Tenant’s failure to cooperate with Landlord in connection with completion of the Tenant Improvements, or (iii) changes required by Tenant in the Tenant Improvements pursuant to the Work Letter, shall not extend the Commencement Date and shall be at Tenant’s risk. Subject to the provisions of the immediately preceding sentence, if Landlord has not substantially completed Landlord’s Work in the Premises on or before the date set forth in the Work Letter as the “Anticipated Commencement Date” as defined therein (“**Completion Date**”) then Tenant may elect to terminate this Lease by delivering written notice to Landlord at any time prior to Landlord’s substantial completion of Landlord’s Work as required by the Work Letter. If Tenant terminates this Lease in accordance with this provision, Landlord shall, within ten (10) days of Landlord’s receipt of an invoice from Tenant, reimburse Tenant for all reasonable out-of-pocket costs associated with this Lease including, without limitation, Tenant’s attorneys’ fees associated with negotiating the Lease and Tenant’s costs associated with preparing the Space Plans and Working Drawings, any amounts previously paid by Tenant to Landlord shall be returned to Tenant and the parties shall have no further

Commencement Date of this Lease within a reasonable time following the occurrence of the Commencement Date but the failure to enter into such agreement shall not affect occurrence of the Commencement Date as determined pursuant to this Section 7.

8. Termination Date: The last day of the calendar month in which the fifth (5th) anniversary of the Commencement Date occurs (subject, however, to the Options to Extend as provided herein), or such earlier date as this Lease shall be terminated in accordance with the terms set forth herein.

9. Security Deposit: Not Applicable

10. Tenant's Real Estate Broker: Terrus Real Estate Group

11. Parking Spaces in the Garage: Up to 15 unreserved spaces at Tenant's option, exercisable upon forty-five (45) days prior written notice, at a rate of \$85.00 per stall per month, as further described herein.

12. Project: All of the Land and all improvements located thereon, all Common Areas, and all easements and appurtenances attached thereto, including without limitation, the Building, the Garage and any skyways ("Skyways") attached to the Building.

13. Building: The 14 story office building located on the Land having the common address of 317 Sixth Avenue, Des Moines, Iowa.

14. Garage: The parking garage/commercial building located on the Land.

15. Lease Date: The date of this Lease.

16. Term: The Initial Term and any extensions of this Lease pursuant to Section 32 hereof.

17. Operating Expense Cost Base: Tenant's Proportionate Share of Operating Costs for the calendar year in which the Lease Date occurs.

18. Lease Year: The period commencing on the Commencement Date hereof and ending on the last day of the calendar month in which the first anniversary of the Commencement Date occurs, and each twelve month period thereafter.

19. Permitted Use. Tenant shall be permitted to use the Premises for office, administrative, educational, classroom and related purposes, including, without limitation, a student resource center, with activities that shall include telecommunication and other remote meeting activities, and all other lawful uses consistent with the above.

20. Exclusivity. Tenant shall have the exclusive right to operate an educational and classroom facility (the "**Exclusive Use**") in the Building. In furtherance of such provision, Landlord shall not permit any tenants to use space in the Building for the Exclusive Use, shall include use provisions in all future leases for the Building prohibiting other tenants from using their premises for the Exclusive Use, and shall take all actions necessary to enforce

such provisions. Notwithstanding the foregoing, the Exclusive Use shall not be deemed to prohibit the conduct by any tenant in the Building of seminars, classes and other educational meetings for such tenant's employees, clients and customers, as applicable, which is incidental to the business of such other tenants in the Building.

21. **Tenant Improvement Allowance.** Landlord will provide to Tenant a Tenant Improvement Allowance equal to \$229,590.00 ("**Tenant Improvement Allowance**") in connection with Landlord's construction of Tenant Improvements to the Premises as described in the Work Letter (calculated on the basis of \$30 per rentable square foot, with Premises containing 7,653 rentable square feet. In the event that the cost of the Tenant Improvements, based upon approved plans and specifications, pursuant to the contract entered into by Landlord for construction of the Tenant Improvements, architectural and engineering costs, permitting costs and other costs directly related to such work shall exceed the Tenant Improvement Allowance, Tenant shall pay such excess costs as provided in the Work Letter.

1. **LEASING AGREEMENT.**

(a) Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, the Premises for the Term and according to the terms, conditions and provisions contained in this Lease.

(b) The Premises shall be occupied and used by Tenant only for the purposes identified in Item 19 of the Schedule. Landlord shall not agree to any change in the existing or future zoning regulating the use of the Premises or enter into or grant any use restriction which would preclude, prohibit or materially interfere with Tenant's operations at, use or enjoyment of the Premises for educational and/or classroom purposes. Tenant shall have the right to terminate this Lease if Landlord, within thirty (30) days following receipt of a written notice from Tenant explaining such situation, fails to remove such prohibition or interference and otherwise remedy such situation.

(c) Without limiting the generality of the foregoing, no use shall be made of the Premises nor acts done which will increase the existing rate of insurance upon the Project or cause a cancellation of any insurance policy covering the Project or any part thereof. Tenant shall not permit to be kept, used or sold in or about the Premises any article which Tenant is informed by Landlord in writing to be prohibited by Landlord's insurance policies. Tenant shall not commit, or suffer to be committed, any waste upon the Premises, or any public or private nuisance, or other act or thing which may disturb the quiet enjoyment of any other tenant of the Project, nor, without limiting the generality of the foregoing, shall Tenant allow the Premises to be used for any improper, unlawful or objectionable purpose. Notwithstanding any of the foregoing, Tenant shall be permitted to install and use food and beverage vending machines, refrigerators and a properly shielded microwave oven on the Premises for the benefit of Tenant's employees, customers and guests; provided that, in so doing, Tenant does not create any offensive odors, does not allow such machines and equipment to be used by other tenants in the Building, and does not in any way interfere with other tenants' quiet enjoyment of their premises. In addition, Tenant shall be permitted to use portions of the Premises in connection

with its REV Program for the purpose of providing locations for stretching, yoga, meditation, and strength building and cardiovascular exercises for the benefit of Tenant's employees.

2. RENT.

(a) Tenant shall pay to Landlord, at Landlord's management office in Des Moines, Iowa, or to such other person or such other place as directed from time to time by notice to Tenant from Landlord, all "**Rent**," which shall be comprised of Base Rent, Adjustment Rent and Additional Rent as hereinafter described:

(i) Annual Base Rent, in monthly installments as provided in the Schedule, shall be paid in advance promptly on the first day of each and every calendar month during the Term and at a prorated rate for fractions of a month if the Term shall commence or be terminated on any day other than the last day of any month;

(ii) Adjustment Rent, equal to Tenant's Proportionate Share of the increase of Operating Costs for a calendar year in excess of the Operating Cost Base Year (which shall be 2012) shall be paid monthly in advance on or before the first day of each calendar month based on Landlord's and estimates as hereafter provided; and

(iii) "**Additional Rent**" shall mean all sums, amounts liabilities and obligations (other than Base Rent and Adjustment Rent), including accrued interest, for which Tenant is liable under this Lease. Additional Rent shall be payable within thirty (30) days after Tenant's receipt of written notice from Landlord unless otherwise expressly provided by this Lease.

(b) The obligation to pay Rent is absolute and independent of all other obligations of Landlord or Tenant. Except as otherwise provided in this Lease, Rent shall be paid without deduction or offset of any kind or nature re for any claims, damages or liabilities that may be owing from Landlord to Tenant.

(c) Rent not received by Landlord within five (5) "business days") days after Tenant's receipt of written notice from Landlord that the same is past due shall bear interest at the rate of twelve percent (12%) per annum from the date due until paid. Tenant shall pay any state sales or similar tax levied, assessed or imposed upon or based upon the Rent payable under this Lease.

3. ADJUSTMENT RENT.

(a) "**Operating Costs**" shall mean and include, except as otherwise expressly set forth herein, all expenses incurred with respect to the maintenance and operation of the Project, as reasonably determined by Landlord's accountant in accordance with accounting principles usual and customary in the commercial real estate industry consistently followed, including, but not limited to:

(i) Taxes as hereinafter defined;

- (ii) Insurance premiums;
- (iii) Maintenance and repair costs;
- (iv) Steam, electricity, water, sewer, gas and other utility charges;
- (v) Fuel;
- (vi) Lighting;
- (vii) Window washing;
- (viii) Security;
- (ix) Janitorial services,
- (x) Trash and rubbish removal;

(xi) Wages payable to employees of Landlord amounts paid to contractors or subcontractors; all costs of uniforms, supplies and materials; all payroll taxes, unemployment insurance costs, and the cost of providing disability insurance and all reasonable benefits, pensions, profit sharing benefits, hospitalization, retirement, vacation allowances, or other so-called fringe benefits, and any other expense imposed on Landlord, its contractors or subcontractors pursuant to law or pursuant to any collective bargaining agreement or employment agreement covering such employees of Landlord whose duties are connected with the operation and maintenance of the Project

(xii) All services, supplies, repairs, replacements or other expenses;

(xiii) Building management fees paid to companies to manage the Project;

(xiv) Such other ordinary and customary expenses incurred in the operation and maintenance of the Building which are incurred by reasonable and prudent landlords of comparable buildings in the Des Moines, Iowa metropolitan area;

(xv) The cost (amortized over such reasonable period as Landlord shall determine in accordance with generally accepted accounting principles, together with interest on the unamortized balance at the rate of twelve percent (12%) per annum) of any capital improvements made to the Project by the Landlord after the Lease Date that either (i) are intended to reduce the expenses of maintaining or operating the Project or (ii) are made to the Project by Landlord pursuant to any requirements of any governmental law or regulation.

(xvi) In addition to the costs pursuant to (xv) above, Landlord may include an amortized portion of the following costs as Operating Costs hereunder: (i) any capital improvement that an independent engineer (reasonably acceptable to Landlord and Tenant) certifies in writing will, subject to reasonable assumptions and qualifications, reduce the Building's consumption of electricity, oil, natural gas, steam, water or other

utilities, (ii) to the extent the Building has attained a certification under the Environmental Protection Agency's Energy Star® rating system, the Green Building Initiative's rating system or the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) rating system, all costs for services and application fees incurred in maintaining, managing, reporting, commissioning, and recommissioning the Building in order to comply with and retain such certification, provided such costs do not exceed 0.5% percent of all Operating Costs for the Building and (iii) all costs for services and application fees incurred by Landlord in the event that Landlord, at its sole option, shall seek certification under the Environmental Protection Agency's Energy Star® rating system, the Green Building Initiative's rating system or the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) rating system, provided such costs do not exceed 0.5% percent of all Operating Costs for the Building (i), (ii) and (iii) collectively, "**Sustainability Costs**"). Sustainability Costs shall be capitalized and amortized over their useful life as a capital expense in accordance with generally accepted accounting principles. Landlord will allocate such costs on a per square foot basis while similarly allocating all savings on a per square foot basis. Landlord will provide an accounting of all Sustainability Costs and savings annually which Tenant will have the right to audit in accordance with Paragraph 3(h) of this Lease. Sustainability Costs shall be deemed reduced by the amount of any governmental or other incentives for energy efficiency improvements actually received by Landlord to defray the costs of such Sustainability Costs, and shall further be reduced by any energy efficiency tax credits or similar energy-efficiency-based tax incentives actually accruing to Landlord as a result of such Sustainability Costs.

Notwithstanding the foregoing, Operating Costs shall not include the following:

- (1) Any costs or expenses for which Landlord is or will be reimbursed or indemnified (whether by an insurer, condemnor, tenant or otherwise);
- (2) Overhead and administrative costs of Landlord not directly incurred in the operation and maintenance of the Building;
- (3) Depreciation or amortization of the Building or its contents or components;
- (4) Capital expenditures including rentals and any other related expenses incurred in leasing capital items, except to the extent that such expenditures are for improvements required by any regulatory body having jurisdiction due to a change in any governmental law or regulation after the Commencement Date of the Lease, or are for improvements intended to reduce the costs of maintaining or operating the Project and, in any case, such expenditures will be amortized over the useful life of said improvements;
- (5) Expenses for the preparation of space or other work which Landlord performs for any tenant or prospective tenant of the Building;

- (6) Expenses for repairs or other work which is caused by fire, windstorm, casualty or any other insurable occurrence, including costs subject to Landlord's insurance deductible;
- (7) Expenses incurred in leasing or obtaining new tenants or retaining existing tenants, including leasing commissions, legal expenses, advertising, entertaining or promotion;
- (8) Interest, amortization or other costs, including legal fees, associated with any mortgage, loan or refinancing of the Building or any Common Areas, transfer or recordation taxes and other charges in connection with the transfer of ownership in the Building, land trust fees, and rental due under any ground lease relating to the property on which the Building is located;
- (9) Expenses incurred for any necessary replacement of any item to the extent that it is covered under warranty, and the cost of correcting defects in the construction of the Building or any Common Areas; provided, however, that repairs resulting from ordinary wear and tear will not be deemed to be defects;
- (10) The cost of any item or service which Tenant separately reimburses Landlord or pays to third parties, or which Landlord provides selectively to one or more tenants of the Building, other than Tenant, whether or not Landlord is reimbursed by such other tenant(s). This category will include the actual cost of any special electrical, heating, ventilation or air conditioning required by any tenant that exceeds normal building standards or is required during times other than the standard business hours stated in the Lease;
- (11) Accounting and legal fees relating to the ownership, construction, leasing, sale of or relating to any litigation in any way involving the Building, or to the enforcement of the terms of any lease;
- (12) Any interest or penalty incurred due to the late payment of any operating expense and/or real estate tax;
- (13) The cost of correcting any applicable building or fire code violation(s) or violations of any other applicable law relating to the Building, or any Common Areas, and/or the cost of any penalty or fine incurred for noncompliance with the same, and any costs incurred to test, survey, cleanup, contain, abate or remove any environmental or Hazardous Substances or materials, including asbestos containing materials from the Building or any Common Areas or to remedy any breach or violation of any Environmental Laws;
- (14) Any personal property taxes of the Landlord for equipment or items not used directly in the operation or maintenance of the Building, nor connected therewith;
- (15) Except as provided in (xiv) above, any expense that is not specifically enumerated and accounted for as an Operating Cost in Landlord's expense statement and/or

budget pertaining to the operation and administration of the Building or any Common Areas (including payroll and payroll-related expenses associated with administration and clerical personnel, general office expenses, and expenses for travel, entertainment, gifts, dues, subscriptions, memberships, tuition, seminars, errors and omissions insurance, automobile allowances, charitable or political donations and professional fees of any kind), and provided any management fees in any year in excess of three percent (3%) of the gross rental revenue received for that period. In no event will the payroll, payroll related and other expenses related to any employees of Landlord above the Building Manager or equivalent operational level or not working full-time on the management or operation of the Building be included in Operating Costs, provided that such expenses of part-time workers may be included if equitably allocated to reflect actual time spent on the Building;

- (16) Any items the presence of which will artificially inflate Operating Costs in any year because they are unique, extraordinary or one-time expenses not directly related to the operation of the Building, including but not limited to such items as special tax assessments and increases in taxes due to governmental modifications (e.g., to split tax rolls);
- (17) Any costs or expenses for sculpture, paintings, or other works of art, including costs incurred with respect to the purchase, ownership, leasing, repair, and/or maintenance of such works of art;
- (18) The cost of overtime or other expense to Landlord in performing work expressly provided in the Lease to be borne at Landlord's expense;
- (19) All expenses directly resulting from the negligence or willful misconduct of the Landlord, its agents, servants or other employees;
- (20) All bad debt loss, rent loss, or reserve for bad debt or rent loss;
- (21) Payroll and payroll related expenses for any employees in commercial concessions operated by the Landlord;
- (22) The cost of installing, operating, and maintaining any building amenity or special facility such as a cafeteria, health club, or meeting rooms;
- (23) Any expenditures made more than eighteen (18) months prior to submission of demand; and
- (24) Any management or operating costs in excess of similar costs incurred by reasonable and prudent landlords of comparable buildings in the Des Moines, Iowa metropolitan area, or any amount, paid to an entity related to Landlord which exceed the amount that would have been paid for comparable goods or services in an arms-length transaction between unrelated parties in said market; and

In addition to the above-listed expense exclusions, Landlord has agreed that in no event will the total controllable Operating Costs passed through to Tenant in any year be greater than five percent (5%) more than such expenses passed through to Tenant during the prior year (“Expense Cap”). Calculation of the Expense Cap will be done on a non-cumulative basis.

(b) “Taxes” shall mean and include: (i) all personal property taxes of Landlord relating to Landlord’s personal property located in, on or at the Project (excluding the Garage) and used in connection with the operation or maintenance thereof, (ii) real estate taxes on the Project (excluding the Garage), (iii) air-space and vault space charges, (iv) installments of special assessments relating to the Project (excluding the Garage), and (v) all other governmental charges, general and special, ordinary and extraordinary, foreseen as well as unforeseen, of any kind and nature whatsoever, including, but not limited to, any tax or excise on rents, gross receipts tax, or other tax, however described, which is levied or assessed by the United States of America or the State of Iowa or any political subdivision thereof, against Landlord or the annual or monthly rent reserved under this Lease or in any way relating to the Project (excluding the Garage), this Lease or to the rentals accruing under this Lease. Taxes shall be deemed to be taxes payable in the respective calendar year even though the levy or assessment thereof may occur in a different year. Landlord shall timely pay all Taxes and shall not allow Taxes to become delinquent at any time during the Term of this Lease.

(c) If, as a result of any application or proceeding brought by or on behalf of Landlord for reduction in the assessed valuation of the Project affecting any tax year commencing after the Base Year, there shall be a decrease in property taxes for any such tax year, Landlord’s next annual statement following such decrease shall include an adjustment for such tax year reflecting the tax decrease, less all reasonable costs and expenses incurred by Landlord in connection with the application or proceeding to reduce the property taxes for said tax year.

(d) Landlord shall take such steps as are prudent owner of similar property in Des Moines, Iowa would take to contest the assessed valuation of the Project as appropriate.

(e) Landlord may elect not to furnish electricity or other services to other tenants in the Building. In this event, for purposes of determining Tenant’s share of escalation for electricity or other such services, the proportion for these items shall be computed as follows: The numerator shall be the rentable area of the Premises and the denominator shall be the total rentable area in the Building in which Landlord furnishes electricity or such other services.

(f) The rentable area of the Premises and the Building shall be subject to adjustment, from time to time, so that the measurement of the Premises and the Building conforms to standards that are customary for commercial office buildings, as determined by Landlord.

(g) Landlord agrees to keep books and records reflecting Operating Costs in accordance with a standard method of accounting recognized and approved for maintaining accounts for office buildings. No later than March 31 of each calendar year (including the first year after termination of this Lease), Landlord shall deliver to Tenant a statement of the Operating Costs actually incurred for the preceding calendar year. If the Adjustment Rent paid

by Tenant exceeds Tenant's Proportionate of the actual Operating Costs, Tenant shall be entitled to a credit in the amount of such excess to be applied by Landlord against future Rent. If the amount of Adjustment Rent paid by Tenant is less than Tenant's Proportionate Share, such shortfall shall be Additional Rent and is due and payable within thirty (30) days after Tenant's receipt of written notice from Landlord of such shortfall. If this Lease has terminated, any such excess shall be refunded to Tenant at the same time that Landlord issues its statement of accounting to Tenant.

(h) Landlord shall permit Tenant to audit Landlord's statements for any annual period by notice to Landlord within **one (1) year** following delivery of such statement. If Tenant so elects to audit such books and records, Tenant shall perform such audit using an employee of a certified public accounting firm or an employee of Tenant. Landlord shall reasonably cooperate with Tenant, and any deficiency or overpayment disclosed by such audit shall be promptly paid or refunded the case may be. To the extent that an audit discloses calculation errors or misstatements which affect any prior lease year, an expense adjustment will be made which will correct any such errors. If any such audit discloses that the Operating Costs reflected on Landlord's statement were overstated by more than five percent (5%) of the actual Operating Costs for the subject year, Landlord shall reimburse Tenant for the reasonable costs of such audit. In the event that Tenant shall fail to provide notice of intent to audit Landlord's statements for any annual period within the time set forth above, then Tenant shall be deemed to have approved such annual statement.

(i) From time to time during each calendar year during the Term, Landlord may prepare estimates of Tenant's Proportionate Share of Operating Costs for the then current calendar year. Tenant shall pay Adjustment Rent, based on Landlord's estimates, monthly, on or before the first day of each calendar month.

4. SERVICE.

The Landlord shall provide the following services without cost to Tenant except as otherwise provided for in this Lease:

Landlord shall, at its sole cost and expense, provide janitorial services for the Premises five (5) days a week excluding holidays (4th of July, Labor Day, Memorial day, Thanksgiving (2 days), Christmas (2 days) and New Years (2 days)). Landlord's janitorial services for the Premises shall meet or exceed the standards set forth on Exhibit C to this Lease. Any janitorial or other services provided by Landlord shall be performed after 11:00 p.m. on weekdays and shall not interfere with Tenant's use of the Premises during Tenant's Classroom Hours.

(a) The HVAC, utility and other services will be available twenty-four (24) hours a day, seven (7) days a week at Landlord's sole expense. The HVAC system shall provide Tenant with climate controlled Premises suitable for a comfortable working environment consistent with Tenant's Permitted Use. All other services to be provided by Landlord and the management and operation of the Building shall be at or above a level consistent with that customarily provided to tenants of comparable office buildings in the Des Moines, Iowa metropolitan area.

(b) Water from City mains for drinking, lavatory and toilet purposes as customary for office use, drawn through fixtures installed by Landlord.

(c) Operatorless elevator service in common with other tenants at all times of the day and night.

(d) The electrical current necessary to operate Tenant's lighting, convenience outlets, and Building heating and air conditioning systems ("**Base Electrical Service**") shall be included in Operating Costs.

(e) Tenant shall have the right, but not the obligation, to procure the services of security guards for the Premises. Such security guards shall be stationed on the Premises but shall be permitted to enter the Common Areas, including the parking areas, in connection with assisting Tenant's students and employees. Tenant may also install security cameras in or at the entrance to the Premises and such camera may be remotely monitored by Tenant's security personnel or security contractor. Any such security guards obtained by Tenant for the Premises shall cooperate with Landlord's security for the Building and shall observe Landlord's security requirements so long as such requirements do not prohibit Tenant from operating in the Premises as provided in this Lease.

(f) In the event of any interruption of HVAC, utility and other services, Landlord shall use its best efforts to promptly restore the same. If any failure to provide services or utilities continues for more than forty-eight (48) hours and materially interferes with Tenant's conduct of business in or use and operation of the Premises, Tenant shall be entitled to an equitable abatement of rent for such period of time as the interruption is in effect. If any failure to provide services or utilities continues such that Tenant's rent is abated for a period in excess of thirty (30) days, Tenant may elect, but shall have no obligation, to cure the failure and offset the cost of such cure against future rentals due hereunder or to be reimbursed by Landlord within ten (10) days following the date of Tenant's written demand.

(g) Landlord does not warrant that any of the services to be provided by Landlord will be free from interruptions caused by repairs, renewals, improvements, alterations, strikes, lockouts, accidents or the rationing of or inability of Landlord to obtain fuel or supplies, fire or other casualty or any other causes beyond the reasonable control of Landlord. Any such interruption of service shall not be deemed as an eviction or disturbance of Tenant's use and possession of the Premises or any part thereof, nor render Landlord liable for damages nor relieve Tenant from performance of Tenant's obligations under this Leases; provided, however, that Landlord shall at all times use diligent efforts to promptly remedy any situation which might interrupt such service and Tenant's abatement and cure rights shall be as provided in (f) above.

(h) Landlord acknowledges that some or all of the classes to be taught by Tenant on the Premises may occur (a) after 5:00 p.m. on weekdays and (b) on weekends ("**Tenant's Classroom Hours**"). The Premises shall be available to Tenant and its students, instructors and other guests and employees during Tenant's Classroom Hours. Landlord agrees that access to the Premises using the dedicated north entrance shall not be limited or impeded in any manner during Tenant's Classroom Hours, and that no key or card key for such entrance shall be needed for students' or other guests' access to the Premises. Access through the main

Building lobby shall be limited after regular business hours (before 6 a.m. and after 6 p.m. on weekdays and on weekends) when key card access shall be required. Landlord agrees, on an annual basis, to complete and return to Tenant a reasonable written request for information on sustainability measures, if any, undertaken by Landlord regarding the Building including, without limitation, measures to reduce electricity, oil, natural gas, steam, water or other utility consumption or otherwise minimize the environmental impacts and conserve natural resources, provided, however, that Landlord shall have no obligation to undertake any such sustainability measures or incur Sustainability Costs and any such measures and costs shall be subject to Landlord's sole discretion.

5. **RECORDING.**

Except as otherwise provided herein, this Lease does not empower Tenant to do any act which will encumber the interest or title of Landlord or its assignee in and to the Project.

6. **MORTGAGE BY LANDLORD.**

Prior to the Commencement Date and as a condition to the effectiveness of Tenant's obligations under this Lease, Landlord will deliver to Tenant a subordination, non-disturbance and attornment agreement substantially in the form of Exhibit F attached hereto ("**Subordination, Non-Disturbance and Attonement Agreement**") which shall be executed by Landlord, Tenant and the superior lienholder.

From time to time after the execution of this Lease and before the termination of the term thereof, Landlord, its successors or assigns, may execute a subsequent mortgage or trust deed in the nature of a mortgage upon the Project or any portion thereof collectively, with all modifications, consolidations, replacements, renewals, amendments and extensions (a "**Mortgage**"). In such event:

(a) Should such Mortgage be foreclosed, the liability of the mortgagee, trustee or purchaser at such foreclosure sale or the liability of a subsequent owner designated as Landlord under this Lease shall exist only so long as such trustee, mortgagee, purchaser or owner is the owner of the Project and such liability shall not continue or survive after further transfer of ownership.

(b) Tenant shall concurrently give any notice of default delivered by Tenant under this Lease to each holder of a Mortgage encumbering the Project of whom Tenant has received written notice (such notice to specify the address of the beneficiary).

(c) Upon request of any subsequent lender, Landlord and Tenant shall execute a Subordination, Non-Disturbance and Attornment Agreement reasonably acceptable to Tenant, Landlord and such subsequent lender.

7. **CERTAIN RIGHTS RESERVED TO THE LANDLORD.**

Subject to any covenants or conditions expressly set forth elsewhere in this Lease, the Landlord reserves the following rights:

(a) To have access for the Landlord and other tenants of the Project to any mail chutes located on the Premises according to the rules of the United States Post Office.

(b) To decorate, remodel, repair, alter or otherwise prepare the Premises for reoccupancy following the expiration or other termination of this Lease and the surrender of the Premises by Tenant as set forth in this Lease.

(c) To retain at all times and to use in appropriate instances keys to all doors within and into the Premises. No locks shall be changed without the prior written consent of Landlord. This provision shall not apply to Tenant's safes or other areas maintained by Tenant for the safety and security of monies, securities, negotiable instruments, clients' records, confidential records, or like items.

(d) To make repairs, alterations, additions or improvements, whether structural or otherwise, in and about the Project, or any part thereof, and for such purposes, or in the event of any emergency, to enter upon the Premises, and during the continuation of any of said work, to temporarily close doors, Skyways, entryways, public spaces, and corridors in the Project and, in emergency situations, to interrupt or temporarily suspend services and facilities.

(e) To show the Premises to prospective tenants or brokers during the last year of the Term and to prospective purchasers at all reasonable times, provided reasonable prior written notice is given to Tenant in each case and Tenant's use and occupancy of the Premises shall not be materially inconvenienced by any such action of the Landlord.

(f) To close the Building in the event of any war, riot, insurrection, mob action, or disturbance; and to close the Building after regular working hours and on legal holidays subject, however, to Tenant's right to admittance, under such regulations as Landlord may prescribe from time to time, which may include by way of example but not of limitation, that persons entering or leaving the Building identify themselves to a watchman by registration or otherwise and that said persons establish their rights to enter or leave the Building.

(g) To grant to anyone the right to conduct any particular business or undertaking in the Project (but outside the Premises) in keeping with first class buildings in downtown Des Moines.

(h) To change the name or street address of the Building.

(i) To enter the Premises at all reasonable times for any purpose whatsoever directly relating to safety, protection, preservation, operation or maintenance of the Premises or the Project.

Notwithstanding any of the foregoing to the contrary (a) Landlord's activities hereunder will not unreasonably interfere with or adversely affect Tenant's use of the Premises, (b) absent an emergency, Landlord will provide to Tenant reasonable advance notice of any entry to the Premises, and (c) nothing will be done hereunder that would permanently alter the utility of the Premises for Tenant's permitted use without Tenant's prior written consent. In entering the Premises, Landlord shall use all efforts to minimize any interference with or disruption of

Tenant's operations. Notwithstanding anything in this Lease to the contrary, if Landlord's entry onto the Premises or other exercise of its rights under this Lease interferes with Tenant and such interference causes a material adverse impact on Tenant's operations at, use or enjoyment of the Premises and such impact continues beyond forty-eight (48) hours, Tenant shall be entitled to an equitable abatement of rent for such period of time as the interference continues.

8. NONLIABILITY OF LANDLORD.

Tenant shall indemnify, defend and hold Landlord harmless from any and all liabilities, demands, losses, damages, claims, costs and expenses, including reasonable attorneys' fees, incurred by Landlord as a result of any accident or other occurrence causing or inflicting injury or damage to persons, property or business and for damage to or theft, misappropriation or loss of property occurring in or about the Project or the Premises suffered by Tenant, any of its employees, agents, invitees or contractors, or arising due to any act or omission of Tenant, its agents, employees or invitees. Tenant waives all claims against Landlord for damages or injury to person, property or business sustained by Tenant or by any other person occurring in or about the Project, resulting directly or indirectly from any existing or future condition, defect, matter or thing in, on, or about the Project or any part thereof, or from equipment or appurtenances becoming out of repair, or from accident or from any occurrence or act or commission of Landlord, its agents, employees or servants or of any tenant or occupant of the Project, except for damage or injury resulting from the negligence or willful misconduct of Landlord or its agents, employees and servants or from a latent or patent structural defect of the Project. This paragraph shall apply especially, but not exclusively, to damage or injury caused as aforesaid or by the flooding of basements or other subsurface areas or damage caused by refrigerators, sprinkling devices, air conditioning apparatus, water, snow, frost, steam, excessive heat or cold, broken glass, sewage, gas, odors, or noise, or the bursting or leaking of pipes or plumbing fixtures. All property in, on or about the Project belonging to Tenant, its agents, employees or invitees, or to any occupant of the Premises or to any other person, shall be at the risk of Tenant or such other person only, and Landlord shall not be liable for damage thereto or theft, misappropriation or loss thereof.

9. INSURANCE.

(a) Tenant agrees to purchase at its own expense and to keep in force during the term of this Lease, a commercial general liability insurance policy, including broad form contractual liability coverage, to protect against any liability to the public or to any invitee of Tenant or Landlord incident to the use of or resulting from any accident occurring in or upon the Premises with a comprehensive single limit of liability (subject to such deductible amount as Landlord shall authorize from time to time) of not less than One Million Dollars (\$1,000,000) per occurrence and Two Million Dollars (\$2,000,000) annual aggregate or such greater amount as Landlord shall reasonably require from time to time.

(b) Tenant also shall carry insurance of the type typically referred to as "all risk" insurance, including water damage, insuring its interest in the tenant improvements in the Premises and its interest in all of its personal property and trade fixtures located on or within the

Project, including, without limitation, its office furniture, equipment and supplies. Said insurance shall be on a full replacement cost basis.

(c) All of the insurance policy or policies required of Tenant under this Lease shall:

(i) include Landlord as an additional insured;

(ii) provide that said insurance shall not be canceled unless ten (10) days prior written notice shall have been given to Landlord; and

(iii) be evidenced by certificates that shall be delivered to Landlord by Tenant within thirty (30) days of the Lease Date and each subsequent renewal date of said insurance.

(d) In the event that Tenant desires during the Term to carry any insurance required of Tenant under this Lease via a program of self-insurance, Tenant shall deliver to Landlord details of its self-insurance program including, without limitation, its self-insured retention limits, any excess insurance coverages over such retention limits and such other details of the self-insurance of the coverages required under this Lease as reasonably requested by Landlord, all of which shall be subject to Landlord's reasonable approval. In addition, Tenant shall have the right to carry the insurance required of Tenant under this Lease pursuant to a blanket policy, provided, however, that such blanket policy has an endorsement specifically covering the Premises as an insured location under such blanket policy for the risks and in the minimum amounts specified herein.

(e) Tenant acknowledges that Landlord will not carry insurance on Tenant's furniture and/or furnishings or any trade fixtures or equipment, improvements, or appurtenances removable by Tenant, and agrees that Landlord will not be obligated to repair any damage thereto or replace the same.

(f) Tenant, upon Landlord's request from time to time, provided the request is commercially reasonable and obtained by Landlords of similar commercial properties in the Des Moines, Iowa metropolitan area, may be required to obtain additional types of insurance coverage or increase the limits on existing coverage (i) which reflect decreases in the value of the dollar or increase in the cost of the items insured, (ii) which reflect a change in Tenant's business or (iii) which reflect limits to amounts which Landlord may be requiring of new tenants of the Project. The policies of insurance required to be maintained by Tenant under the terms of this Lease shall be primary and non-contributory and shall be issued by financially responsible insurance companies licensed to do business in Iowa, rated A VIII or better by Best's Insurance Guide and acceptable to Landlord.

(g) Landlord agrees to carry during the entire Term and any extensions thereof casualty and liability insurance equivalent to or in excess of the coverage typically carried by owners of other comparable office buildings in the Des Moines, Iowa metropolitan area with insurers rated A:VIII or better by Best's Insurance Guide, but in no event less than:

(i) Property insurance on the Building in the form of an All Risk, Special Form or Direct Damage policy and Boiler & Machinery coverage, both in the amount of the full replacement cost thereof. Coverage shall also include (I) Building Ordinance and Demolition coverage with a limit of not less than \$100,000 and Business Income coverage written on a special form basis with limits representing a minimum of 12 months lost rental income and (II) an endorsement to repair, replace or re-commission the Building for re-certification pursuant to the Environmental Protection Agency's Energy Star® rating or design to earn Energy Star®, U.S. Green Building Council's Leadership in Energy or Environmental Design (LEED) rating system, or support achieving energy and carbon targets; and

(ii) Commercial General Liability Insurance utilizing ISO form CG0001 (or its equivalent) in an amount not less than \$1,000,000 per occurrence, \$1,000,000 Personal Injury and Advertising injury, \$2,000,000 Products and Completed Operations Aggregate and \$2,000,000 General Aggregate. There shall be no exclusions deleting or limiting the above coverages from the CG0001 form (or its equivalent). Coverage shall include, but shall not be limited to, coverage for bodily injury, loss of life or property damage occurring in or about the Building and on any portion of the streets and sidewalks adjacent thereto or anywhere in or about the Premises. Contractual liability coverage shall also be included. Tenant, its related or affiliated entities, parents, subsidiaries, partnerships, joint ventures, limited liability companies, trusts, and assigns, corporations, and any subsidiary corporations now existing or hereafter created, of every tier, and their respective directors, officers, partners, agents, employees, volunteers, members, trustees and shareholders shall be named as additional insureds.

(iii) Umbrella policy with limits of not less than \$5,000,000 per occurrence.

10. WAIVER OF SUBROGATION.

Notwithstanding other provisions of this Lease, in any event of loss or damage to the Building, the Premises, and/or any contents, each party hereto shall look first to any insurance in its favor before making any claim on the other party, and to the extent possible without additional cost, each party shall obtain for each policy of insurance required to be maintained hereunder, provisions permitting waiver of any claim against the other party for loss or damage within the scope of the insurance, and each party, to such extent permitted, for itself and its insurers, waives all such insured claims against the other party.

11. ALTERATIONS AND TENANT IMPROVEMENTS.

Except for non-structural alterations, Tenant may not make alterations in or additions to the Premises unless Tenant has obtained Landlord's prior written permission to do so (which approval shall not be unreasonably withheld or delayed by Landlord and provided that Tenant complies with the provisions of this Section 11). For alterations or additions requiring Landlord's approval, Tenant shall, if requested by Landlord, furnish Landlord with plans and specifications, names and addresses of contractors, copies of contracts, necessary permits, and indemnification in form and amount satisfactory to Landlord, and shall obtain waivers of lien in

form satisfactory to Landlord against any and all claims, costs, damages, liabilities and expenses which may arise in connection with the alterations or additions. Whether Tenant furnishes the Landlord the foregoing or not, Tenant hereby agrees to hold Landlord harmless from any and all liabilities of every kind and description which may arise out of or be connected in any way with said alterations or additions by Tenant. Before commencing any work in connection with alterations or additions, Tenant, if requested by Landlord, shall furnish Landlord with certificates of insurance from all contractors performing labor or furnishing materials insuring the Landlord against any and all liabilities which may arise out of or be connected in any way with said additions or alterations in form and amount reasonably acceptable to Landlord. Tenant will carry and will cause Tenant's contractors and subcontractors to carry such worker's compensation, general liability, personal and property damage insurance as Landlord may reasonably require. Tenant shall pay the cost of all such alterations and additions and also the cost of decorating the Premises occasioned by such alterations and additions. Upon completing any alterations or additions, Tenant, if requested by Landlord, shall furnish Landlord with contractors' affidavits and full and final waivers of lien and receipted bills covering all labor and material expended and used. All alterations and additions shall comply with all insurance requirements and with all relevant laws, ordinances or regulations of municipalities, counties, state or departments and agencies thereof. All alterations and additions shall be constructed in a good and workmanlike manner and only good grades of materials shall be used. In the event that a mechanics lien is filed against the Premises or the Building for work claimed to have been furnished to Tenant, Tenant shall either see that such lien is discharged within thirty (30) days following Tenant's receipt of notice thereof, or Tenant shall post a bond to assure the payment of said lien with Landlord in an amount reasonably satisfactory to Landlord.

Tenant shall be permitted to hang pictures and shelving and perform other similar minor decorating activities and to perform non-structural alterations which alterations do not require the acquisition of a building permit, without securing Landlord's prior consent; provided that Tenant complies with all pertinent building code, fire, safety and other such governmental regulations and that Tenant does not take any action which could in any way interfere with the structural, mechanical, electrical, maintenance, HVAC or plumbing systems of the Building.

12. REPAIRS.

Subject to Landlord's obligations described below, Tenant, at its expense, shall keep the interior, non-structural areas of the Premises and all fixtures contained therein in a clean and neat condition and in good order and repair. Tenant shall keep the Premises in a sanitary condition and shall not commit any nuisance or waste on the Premises, throw foreign substances in the plumbing facilities, or waste any of the utilities furnished by Landlord. Tenant shall comply with all laws, orders and regulations of Federal, state and municipal government authorities relating to or governing the use and repair of the Premises and shall repair any and all damage to the Premises caused by Tenant. If Tenant shall fail to keep and preserve the Premises in the state of condition required by the provisions of this paragraph, the Landlord may, at its option, after delivering to Tenant written notice of such failure and allowing Tenant a reasonable period of time to cure such failure, put or cause the same to be put into said condition and state of repair. In such case, Tenant, within thirty (30) days after receiving written demand and any relevant invoices, shall pay the cost thereof to Landlord which shall constitute Additional Rent.

All damage or injury to the Premises or to the Project caused by Tenant moving furniture, fixtures, equipment or other devices in or out of the Building or by installation or removal of furniture, fixtures, equipment, devices or other property of Tenant, its agents, contractors, servants or employees, or resulting from any other cause of any other kind or nature whatsoever, whether due to carelessness, omission, neglect, improper conduct, or other cause of Tenant, its servants, employees, agents, visitors, or licensees, shall be repaired, restored and replaced promptly by Tenant at its sole cost and expense to the satisfaction of Landlord. All repairs, restorations and replacements by either party to this Lease shall be in quality and class equal to the original work. Landlord either voluntarily or pursuant to governmental requirement may, at Landlord's own expense, make repairs, alterations or improvements in or to the Building or any part thereof, including the Premises and while performing the same, may temporarily close entrances, doors, corridors, elevators and other facilities and may have access to and open the ceilings, all without liability to Tenant by reason of any such interference, inconvenience or annoyance, provided, however, that Landlord shall use all reasonable efforts to reduce to a minimum such interference, inconvenience or annoyance to Tenant; and provided further, however, that if Tenant's actual use of the Premises and conduct of its business in the Premises is subject to material interference and such interference continues for more than forty-eight (48) hours, then Tenant shall be entitled to an equitable abatement of rent for such period as the interruption is in effect.

Landlord shall keep the Common Areas of the Building and the Project in a clean, neat and first-class condition (including, without limitation, daily cleaning of any Common Area restrooms prior to 5:00 p.m. on weekdays). Landlord shall make all necessary repairs to the structural portions of the Premises, Building and Project, the exterior walls, exterior doors, exterior locks on exterior doors and windows of the Building, floors, ceilings, roofs and foundations, the Common Areas and public corridors and other public areas of the Project, the HVAC system servicing the Building and/or Premises, and all Building electrical, plumbing, mechanical and other systems and Building standard equipment. Landlord shall maintain the foregoing in good condition and repair and replace any such systems and equipment at the end of such system's and/or equipment's normal and useful life. Landlord, at Landlord's sole expense, shall be responsible for the cost of repairing any and all latent or patent structural defects in the Building throughout the Term, including any Extension Term. All work by Landlord pursuant to this Section 12 shall be done in such a manner as to minimize unreasonable interference, inconvenience and annoyance to Tenant. The Common Areas and the entrance and exit to the Premises and the Building will not be modified, reconfigured or altered in any manner that would materially affect access to or the appearance and design of the Premises and/or materially and adversely affect Tenant's use of the Premises without Tenant's prior written consent (which consent may be withheld in Tenant's sole discretion), nor will any action be taken by Landlord with respect to the Common Areas the effect of which would be to (i) materially interfere with Tenant's business operation in or materially diminish the use and enjoyment of the Premises for the purposes intended, or (ii) discriminate between tenants in the Building.

13. RULES AND REGULATIONS.

Except as otherwise provided herein, Tenant shall observe and comply with rules and regulations in this Lease set forth, together with those attached hereto as **Exhibit D**, and such

further reasonable rules and regulations as Landlord may prescribe on written notice to Tenant for the safety, care and cleanliness of the Project and the comfort, quiet and convenience of other occupants of the Project. If any such rules and regulations are contrary to the terms of this Lease, the terms of this Lease shall govern. Any rules or regulations the application of which would (a) conflict with any provisions of this Lease or with any rights granted to Tenant hereunder or (b) have a materially adverse impact on Tenant's business operations and/or use of the Premises as provided in this Lease will be deemed waived as to Tenant to the extent necessary to protect Tenant's interests hereunder. Landlord will not apply the rules and regulations more strictly as against Tenant as such rules and regulations are enforced vis a vis other tenants and occupants, and Landlord will provide Tenant with reasonable advance written notice of any changes in the rules and regulations.

14. FIRE AND OTHER CASUALTY.

If the Premises or the Building are made untenable by fire or other casualty, including damage or casualties of war, Landlord shall immediately take such action as is necessary to reconstruct, repair, restore and rehabilitate the Premises and the Building, provided, however, that if a registered architect selected by Landlord licensed to do business in Iowa should certify that such repairs and rehabilitation to the Premises cannot be accomplished by using standard working methods and procedures so as to make the Premises tenable within three (3) months from the date rehabilitation is started, Landlord shall have the right to terminate this Lease by giving to Tenant notice of such election within ten (10) days after receipt of the architect's certificate. If this Lease is not terminated by either party and as the result of any damage or destruction, the Premises, or a portion thereof, are rendered untenable, the Base Rent and Adjustment Rent shall be equitably abated during the period of restoration based upon the extent to which such damage and restoration materially interfere with Tenant's business in the Premises. Notwithstanding any of the foregoing, if (i) the Premises are rendered unusable for longer than one hundred eighty (180) days after the date of the casualty (without regard to any force majeure event); (ii) if Landlord's insurance will not provide sufficient funds to rebuild and Landlord does not provide additional funds required, or (iii) Landlord, having commenced repair and restoration, fails to complete the necessary repairs and restoration within one hundred eighty (180) days after the date of the casualty (without regard to any force majeure event), then Tenant shall have the right to cancel this Lease by written notice given to Landlord at any time prior to completion of such repairs and restoration.

15. EMINENT DOMAIN.

In the event the whole of the Premises, the Building or the Project shall be taken under the power of eminent domain, or sold to prevent the exercise thereof (collectively, a "Taking"), this Lease shall automatically terminate as of the date of such Taking. In the event a Taking of a portion of the Project, the Building or the Premises shall, in the reasonable opinion of either party, substantially interfere with that party's operation of business thereon, the party making such determination may terminate this Lease upon thirty (30) days' written notice to the other party given at any time within sixty (60) days following the date of such Taking. For purposes of this Lease, the date of Taking shall be the earlier of the date of transfer of title resulting from such Taking or the date of transfer of possession resulting from such Taking. In

the event that a portion of the Premises is so taken and this Lease is not terminated, Landlord shall, with reasonable diligence, restore (to the extent permitted by applicable law and regulations) the Premises, other than Tenant's personal property and fixtures, but including the Tenant Improvements, to a complete, functioning unit. The Base Rent and Adjustment Rent shall be apportioned as of the date of such Taking, and any Rent paid for any period beyond said date shall be repaid to Tenant. Tenant shall have the legal right to prosecute a separate claim in the condemnation proceeding for any relocation award to which it may be entitled or for any furniture, trade fixtures or other fixtures which Tenant is entitled to remove at the termination of this Lease and which are subject to the Taking, for the unamortized cost of any improvements paid for by Tenant and for any relocation or other business disruption loss Tenant incurs as a result of the Taking. If a portion of the Project is taken such that Landlord cannot provide Tenant with access to the Premises or the parking rights set forth herein, Tenant shall have the right to terminate this Lease upon thirty (30) days' written notice to Tenant given at any time within sixty (60) days following the date of such Taking.

16. SURRENDER OF PREMISES.

On the Termination Date, Tenant shall peaceably surrender the Premises in good condition and repair consistent with Tenant's duty to make repairs as herein provided. On the Termination Date, Tenant shall, at its expense, remove all of its trade fixtures and equipment from the Premises, and all property not removed shall be deemed abandoned. Tenant shall leave the Premises in good order, reasonable wear and tear and casualty not caused by Tenant excepted. Tenant shall reimburse Landlord for any expenses reasonably incurred by Landlord with respect to repair of the Project as a result of Tenant's removal of Tenant's trade fixtures and equipment, and with respect to restoring said Premises to good order, condition and repair. All alterations, additions, fixtures, paneling, partitions, railings and like installations, other than Tenant's trade fixtures and equipment, which have been made or installed by either Landlord or Tenant upon the Premises shall remain the Landlord's property and shall be surrendered with the Premises as a part thereof. Tenant shall indemnify Landlord against loss or liability resulting from delay by Tenant in or surrendering the Premises, including, without limitation, claims made by any succeeding tenants founded on such delay and any attorneys' fees resulting therefrom. Tenant shall promptly surrender all keys for the Premises to Landlord at the place then fixed for the payment of Rent and shall inform Landlord of combinations on any vaults, locks and safes left on the Premises. Notwithstanding the foregoing, Tenant shall leave all Tenant Improvements and the power panels, electrical distributions systems, wires and cabling, lighting fixtures, air conditioning, window coverings, carpets, ceilings and plumbing on the Premises at the expiration or earlier termination of the Lease. If Landlord will require Tenant to remove any alterations installed or constructed by Tenant after the Commencement Date, Landlord shall notify Tenant of such requirement in writing at the time Landlord approves such alterations.

17. HOLDING OVER.

Any holdover by Tenant beyond the Termination Date shall create a month-to-month tenancy at one hundred fifty percent (150%) of the then current Rent, it being agreed that Landlord shall notify Tenant in writing as early as possible in advance of the scheduled expiration of this Lease if Landlord has committed the Premises to another party or for an

alternate use and the date by which the Premises must be vacated following the expiration of this Lease to allow Landlord to accommodate such other party or alternate use. Notwithstanding the foregoing, Tenant may elect, upon written notice to Landlord at least one-hundred eighty (180) days prior to the expiration of the Term, that Tenant elects to remain in the Premises for up to sixty (60) days after the expiration of the Term and, in such event, Tenant shall have the right to continue in occupancy of the Premises during such sixty (60) day period at one hundred twenty-five percent (125%) of the then current rent provided that Tenant, during such period, makes arrangements to vacate the Premises at the expiration of the sixty (60) day period; and provided, further, that in the event Tenant fails to vacate the Premises at the expiration of the sixty (60) day period, then the holdover rent shall be increased to one hundred fifty percent (150%) of the then current Rent on a month-to-month basis until Tenant vacates the Premises as provided in the first sentence of this Section 17.

18. DEFAULTS; LANDLORD'S REMEDIES.

(a) The following shall constitute "Defaults" under this Lease:

(i) If Tenant does not pay Rent and if the default is not remedied ten (10) days after Tenant's receipt of written notice from Landlord that such amount is past due;

(ii) If Tenant defaults in the prompt and full performance of any other provision of this Lease and if such default is not remedied or prompt and full performance is not accomplished by Tenant within thirty (30) days after Tenant has received written notice from Landlord of such default; provided that if the default cannot by its nature be fully cured within thirty (30) days, then Tenant shall have such period of time as may be reasonably required to effect a cure, so long as Tenant is diligently and continuously pursuing a cure;

(iii) if the leasehold interest of Tenant is levied upon, under execution or is attached under process of law, which levy or attachment continues for a period of thirty (30) days;

(iv) if Tenant shall generally not pay its debts as they become due or shall admit in writing its inability to pay its debts or shall make a general assignment for the benefit of creditors;

(v) if Tenant shall file a voluntary petition in bankruptcy or shall be adjudicated a bankrupt or insolvent, or shall file any petition or answer seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under the present or any future federal bankruptcy act or any other present or future federal, state or other bankruptcy or insolvency statute or law, or shall seek or consent to or acquiesce in the appointment of any bankruptcy or insolvency trustee, receiver or liquidator of Tenant or of all or any substantial part of its properties or of the Premises, and if such condition shall continue for a period of twenty (20) days; or

(vi) if any proceeding against Tenant seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution, trusteeship, receivership, liquidation

or similar relief under the present or any future federal bankruptcy act or any other present or future federal, state or other bankruptcy or insolvency statute or law, is not dismissed within sixty (60) days after commencement of filing notice.

(vii) If Tenant fails to take possession of the Premises upon completion of the Tenant Improvements or, after having taken possession, shall abandon the Premises for a period in excess of thirty (30) days (it being understood that if Tenant vacates the Premises, continues to pay Rent and complies with all other terms of this Lease with respect to the Premises, Tenant shall not be deemed to have abandoned the Premises and shall not be in default under this Section 18(a)(vii)).

(b) Upon the occurrence of any Default, Landlord may, if Landlord so elects, but not otherwise, terminate this Lease and Tenant's rights of possession upon this Lease, or without terminating this Lease merely terminate Tenant's rights of possession.

(c) If Landlord elects to terminate this Lease as herein provided, Landlord may recover from Tenant:

(i) The worth at the time of award of any unpaid rent which had been earned at the time of such termination; plus

(ii) The worth at the time of award of the amount of the unpaid rent accruing after termination and until the time of award ; plus

(iii) The worth at the time of award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the then reasonable fair rental value of the Premises for the same period.

As used in subparagraphs (i), (ii) and (iii) above, the "worth at the time of award" shall be computed by applying the then current Federal Reserve Bank discount rate. As used in subparagraph (iii) above, the "worth at the time of award" is computed by discounting such amount at the discount rate of the Federal Reserve at the time of award. In addition, notwithstanding the foregoing recovery rights, in no event shall Landlord's claim for damages in the event of termination exceed the amount expressly permitted by Des Moines, Iowa statutes.

(d) If, following a termination of this Lease or only of Tenant's possessory rights, Landlord elects to relet the Premises, in whole or in part, Landlord may take possession of the Premises and all contents thereof and such possession shall not release Tenant from its obligations to pay Rent under this Lease. Landlord may grant rent concessions and Tenant shall not be credited therewith. No such reletting shall constitute a surrender and acceptance, or be deemed evidence thereof. If the consideration collected by the Landlord upon any such reletting for Tenant's account is not sufficient to pay monthly the full amount of the Rent reserved in this Lease including the reasonable cost of reletting, Tenant shall pay to Landlord the amount of each monthly deficiency upon demand as it becomes due, including the reasonable cost of reletting. If, at the time of such event, there is vacant space in the Building, Landlord may lease such vacant space before being obligated to relet any part of the Premises.

(e) Any and all property which may be removed from the Premises by Landlord pursuant to the authority of the Lease or of law, to which Tenant is or may be entitled, may be handled, removed and stored by Landlord at the risk, cost and expense of Tenant, provided, however, that Landlord shall use reasonable care and caution to prevent any damage or loss to such property in removing and storing such property. Tenant shall pay to Landlord, upon demand, any and all reasonable expenses incurred in such removal and all reasonable storage charges against such property so long as the same shall be in the Landlord's possession or under the Landlord's control, which amounts shall constitute Additional Rent. Any such property of Tenant not removed from the Premises or retaken from storage by Tenant within thirty (30) days after the end of the Term, however terminated, or any extension thereof, shall be conclusively deemed to have been forever abandoned by Tenant.

(f) If Tenant should default under the terms of this Lease and such default is not cured in accordance with the terms hereof, Landlord shall be entitled to all reasonable costs, charges, expenses, and attorneys' fees incurred by Landlord in connection therewith.

(g) A receipt by Landlord of Rent with knowledge of the breach of any covenant herein by Tenant (including the payment of Rent) shall not be deemed a waiver of such breach, and no waiver by Landlord of any provisions of this Lease shall be deemed to have been made unless expressed in writing and signed by Landlord. The receipt by Landlord of a lesser amount than the Rent then due shall not be construed to be other than a payment on account of the Rent then due, nor shall statement on Tenant's check or any letter accompanying Tenant's check be deemed an accord and satisfaction, and Landlord may accept such payment without prejudice to Landlord's right to recover the balance of Rent due or to pursue any other remedies provided in this Lease. No act or thing done by Landlord or Landlord's agents or employees during the term of this Lease shall be deemed an acceptance of a surrender of the Premises, and no agreement to accept such a surrender shall be valid unless in writing and signed by Landlord. In addition to the other remedies in this Lease provided, Landlord shall be entitled to the restraint by injunction of the violation or attempted or threatened violation of the covenants, conditions and provisions of this Lease.

(h) If Landlord fails to perform any of its obligations or breaches any of its covenants contained in this Lease and (unless another time limit is elsewhere in this Lease specifically provided) the default continues for a period of thirty (30) days after written demand for performance is given by Tenant, or if the default is of such a character as to require more than 30 days to cure and Landlord shall fail to commence said cure promptly and use reasonable diligence in working to complete such cure as quickly as reasonably possible, and if such default has a material adverse impact on Tenant's use of the Premises, then Tenant shall receive an equitable abatement of rent from the date of such default until the date of its cure, and Tenant shall have the option, in addition to any other remedies provided in this Lease, at law or in equity (including the right to sue for damages, an injunction or specific performance), to do any one or more of the following, collectively or individually, concurrently or separately, in any order and as often as necessary: (i) to elect to make such payments and cure such defaults on behalf of Landlord and, in connection therewith, do all work and make all payments deemed necessary or appropriate by Tenant (including payment of costs including reasonable attorneys' fees and charges in connection with any legal action which may have been considered or commenced),

and all sums so expended by Tenant are subject to interest at the default rate of interest set forth in Section 33(b) of this Lease from the date of Tenant's original default notice and shall, at Tenant's option, be offset against future rentals due hereunder or reimbursed to Tenant by Landlord within ten (10) days following the date of Tenant's written demand; or (ii) in the event of a default by Landlord under Schedule Section 20 ("**Exclusivity**"), Section 27 ("**Signage**") or Section 33(n) ("**regarding parking rights of Tenant**") to elect to terminate this Lease.

(i) Notwithstanding any provision of this Lease to the contrary, any and all remedies set forth in this Lease:

(w) shall be in addition to any and all other remedies that a party may have at law or in equity,

(x) shall be cumulative; and

(y) may be pursued successively or concurrently as a party may elect. The waiver by a party of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or any subsequent breach of the same, or any other term, covenant or condition herein contained.

(z) no special, consequential, punitive or extraordinary damages shall be asserted against any party under this Lease on account of a default and the exercise of any remedies set forth herein.

19. **HVAC SYSTEMS.**

Tenant agrees to cooperate fully with the Landlord in the operation of the heating, ventilating, air conditioning systems and to abide by all reasonable regulations and requirements which Landlord may prescribe to permit the proper functioning and protection of said systems.

20. **SUBLETTING AND ASSIGNING.**

Tenant shall have the right to assign this Lease or to sublet all or any part of the Premises only on the following conditions.

(a) Approval in writing by Landlord must first be obtained, provided, however, Landlord shall not unreasonably withhold or delay such approval.

(b) No assignment or sublease shall relieve Tenant of its obligations hereunder.

(c) Tenant shall seek such written consent of Landlord by a written request therefor, setting forth such information as Landlord may deem necessary. Without limiting the foregoing, it will not be unreasonable for Landlord to withhold consent if any intended use by any proposed assignee or subtenant conflicts with any written commitment made by Landlord to any other tenant of the Building. Tenant's request for consent shall be in writing and contain the

name, address, and description of business of the proposed assignee or subtenant, its most recent financial statement and other evidence of financial responsibility, intended use of the Premises, and the terms and conditions of the proposed assignment or subletting. Consent by Landlord to any assignment of this Lease or to any subletting of the Premises shall not be a waiver of Landlord's right under this paragraph as to any subsequent assignment or subletting. Except as otherwise provided herein, no such assignment or subleasing shall relieve Tenant of any of Tenant's obligations in this Lease contained, nor shall any assignment or sublease or other transfer of this Lease be effective unless the assignee, sublessee or transferee shall at the time of such assignment, sublease or transfer, assume in writing for the benefit of Landlord, its successors or assigns, all of the terms, covenants and conditions of this Lease thereafter to be performed by Tenant, and shall agree in writing to be bound thereby.

(d) Notwithstanding any provision in this Lease to the contrary, Tenant shall have the right to assign this Lease or sublet all or a portion of the Premises without Landlord's consent to any corporation or business entity which controls, is controlled by or is under common control with Tenant, or to a corporation or other business entity resulting from a merger or consolidation with Tenant, or to any person or entity which acquires substantially all of the assets of Tenant's businesses as a going concern ("**Affiliate**"); provided that in the case of an assignment, the assignee assumes in full the obligations of the Tenant under this Lease and that the use of the Premises remains unchanged.

(e) In the event that Tenant proposes to assign or sublease to an assignee or subtenant whose net worth is equal to or greater than Fifty Million Dollars ("\$50,000,000") and Landlord consents to such assignment or sublease, Tenant shall be released from all liability occurring from and after the effective date of the assignment or sublease with respect to the portion of the Premises subject to such assignment or subletting, and such release shall be documented in Landlord's consent.

(f) Notwithstanding the foregoing, Tenant shall also have the right to provide space in the Premises from time to time (i) to business entities or other organizations for purposes of conducting educational programs and/or meetings, and (ii) to concessionaires or independent contractors who provide services directly related to Tenant's use (such as bookstore and food/beverage service operations) and serving Tenant's staff, guests and students, and such use of the Premises shall not constitute an assignment, sublease or other transfer by Tenant hereunder.

(g) Tenant shall have the right to collect the difference between the sublease rent and the Rent under this Lease.

21. **NOTICES.**

(a) All notices to be given by one party to the other party under this Lease shall be given in writing, mailed, or delivered as follows:

(i) To the Landlord at the office of its management agent located at the Project or to such other person at such other address designated by notice sent to Tenant, and after commencement of the term, at the address to which Rent is payable.

(ii) To Tenant at the address set forth in Item 2 of the Schedule.

(b) Any notice required or permitted to be given hereunder must be in writing and given by: (a) personal delivery; (b) delivery by United States Postal Service certified mail, with postage prepaid and return receipt required or (c) delivery by a reputable overnight courier. Notices shall be deemed to have been given when received after deposit in the U.S. mail in accordance with the requirements set forth herein or on the date of documented delivery or refusal to accept same if delivered in person or by overnight courier.

22. QUIET POSSESSION.

So long as Tenant shall observe and perform the covenants and agreements binding on it hereunder, Tenant shall at all times during the term herein granted peacefully and quietly have and enjoy the possession of the Premises without any encumbrance or hindrance by, from, or through Landlord, its successors and assigns.

23. INTERRUPTION OF SERVICES OR USE.

Except as may be otherwise set forth herein, interruption or curtailment of any service maintained in the Building, if caused by strikes, mechanical difficulties, or any causes beyond Landlord's control, whether similar or dissimilar to those enumerated, shall not entitle Tenant to any claim against Landlord or to any abatement in Rent, nor shall the same constitute constructive or partial eviction, unless Landlord fails to take such measures as may be reasonable in the circumstances to restore the service without undue delay.

24. CONDITION OF LANDLORD'S LIABILITY.

Except as may be otherwise set forth herein, Tenant shall not be entitled to claim a constructive eviction from the Premises unless Tenant shall have first notified Landlord in writing of the condition or conditions, constituting a breach of Landlord's obligations under the Lease, giving rise thereto, and if the complaints be justified, Landlord shall have such period of time as shall be reasonably required to commence and thereafter diligently pursue a cure of such conditions.

25. HAZARDOUS SUBSTANCES AND MATERIALS.

During the term of this Lease, Tenant shall not suffer, allow, permit or cause the generation, accumulation, storage, possession, release or threat of release of "hazardous substances," "pollutants," "hazardous waste" or "toxic materials" as those terms are used in the Comprehensive Environmental Response Compensation and Liability Act of 1980 ("CERCLA"), 42 U.S.C. § 9601 *et seq.*, as amended, the Resource Conservation and Recovery Act of 1976, 42 U.S.C. 6901, *et seq.*, as amended, the Toxic Substance Control Act (or any regulations promulgated under the foregoing) or any other present or future federal, state or local law, ordinance, rule or regulation, including extremely flammable substances, explosives, radioactive materials and petroleum/petroleum products (collectively, "**Hazardous Substances**"); provided, however, that the foregoing prohibition shall not be applicable to (a) Hazardous Substances which are present at the Premises prior to the date hereof, or (b) normal

and reasonable amounts of cleaning, office and pest control supplies reasonably necessary for maintenance of the Premises so long as such materials are properly, safely and lawfully stored and used by Tenant and the quantity of the same does not equal or exceed a "reportable quantity" as defined under 40 C.F.R. 302 and 305, as amended.

26. **CONDITION OF PREMISES.**

Except as may be otherwise set forth herein, neither Landlord nor Landlord's agents have made any representations or promises with respect to physical condition of the Project, the rents, leases, Operating Costs, Taxes, or any other matter or thing affecting or relating to the Premises except as herein expressly set forth, and no rights, easements, or licenses are acquired by Tenant by implication or otherwise except as expressly set forth in the provisions of this Lease.

27. **SIGNAGE.**

Tenant shall have the right, at Tenant's sole cost and expense, to install its signage ("**Tenant's Signage**") on the north façade of the Premises in accordance with Tenant's sign rendering attached to this Lease as Exhibit E (the "**Sign Rendering**"). Landlord has previously approved the Sign Rendering. Landlord hereby grants to Tenant a license for purposes of installation, maintenance, repair, replacement and removal of Tenant's Signage, and for such access to that portion of the Building where Tenant's Signage is installed as may be reasonably necessary for such purposes. On or before the expiration or earlier termination of this Lease, Tenant shall, at Tenant's sole cost and expense, remove Tenant's Signage and repair any damage to the Building which is directly caused by such removal of Tenant's Signage.

28. **RIGHT OF FIRST OPPORTUNITY.**

During the Term of the Lease, Landlord shall notify Tenant in writing of any space contiguous to the Premises on the first floor of the Building becoming available for lease and shall propose rent and other lease terms and conditions for the lease of such space ("**Right of First Opportunity**"), except that the terms shall be coterminous with the term and extensions of this Lease. Tenant shall have ten (10) business days following receipt of Landlord's notice to elect to rent such additional space, which election Tenant shall make in writing to Landlord prior to the end of the ten (10) business day period if Tenant desires to lease the proposed space. Failure of Tenant to notify Landlord prior to the end of said ten (10) business day period shall be deemed Tenant's rejection of the right to rent such additional space. If Tenant does not so elect (or is deemed not to elect) to rent the additional space within such time period, Landlord may lease the space to another tenant at a rate and on terms and conditions substantially the same as those offered to Tenant. If Landlord agrees to lease said space to another tenant on terms substantially more favorable than those offered Tenant, Tenant must first be offered the space on the more favorable terms before such space may be leased to the other tenant; provided that, in this situation, Tenant will make its election within five (5) business days of receipt of Landlord's notice of more favorable terms. For purposes of this Section 28 and as an example only, the offer of a rental rate to another tenant that is more than ten percent (10%) less than the rental rate offered to Tenant shall be considered a term that is "substantially more favorable" to the other

tenant. In addition, Tenant's election either to exercise or not to exercise its Right of First Opportunity as to particular offered space shall not terminate such continuing right to lease as to other space which may become available within the Building which is contiguous to or adjacent to the Premises. Tenant's election (or deemed election) not to exercise its Right of First Opportunity shall not terminate Tenant's Right of First Opportunity with respect to any future leasing of such contiguous space by Landlord and, in such event, the same provisions set forth in this Section 27 shall apply to Tenant's continued right to lease such space.

29. ROOFTOP.

Subject to compliance with state or local statute, rule, code or ordinance and all other relevant laws, statutes, ordinances, codes or regulations and approval by any applicable government agency, Tenant will have the right, at Tenant's cost, to place an antenna solely for its own use on the roof of the Building at a location mutually acceptable to Landlord and Tenant. Landlord hereby grants to Tenant a license for purposes of installation, maintenance, repair, replacement and removal of any such antenna, and for such access to the roof of the Building as may be reasonably necessary for such purposes. Any such rooftop equipment installed by Tenant shall not interfere with any other Tenant of the Building. Tenant shall be obligated to maintain in good condition and repair any such equipment and be responsible, at Landlord's reasonable request, to make any repairs which are required to maintain such equipment in good and safe condition. Tenant shall be obligated to remove any such equipment, at its sole cost and repair any damage to the roof of the Building resulting from any such removal at the termination of the tenancy under this Lease. Landlord shall approve the construction and installation of the equipment in all respects, which approval shall not be unreasonably withheld or delayed.

30. TITLE IV COMPLIANCE.

Landlord represents that neither Landlord nor any of its Affiliates has ever participated as an institution or third-party servicer in any federal student aid program authorized under the Higher Education Act of 1965, as amended. Landlord, upon its knowledge and belief without any duty to investigate, represents that neither it, nor any of its employees, directors, officers, subcontractors or Affiliates has been: (i) convicted of, or pled nolo contendere or guilty to, a crime involving the acquisition, use, or expenditure of Federal, State, or local government funds; or (ii) administratively or judicially determined to have committed fraud or any other material violation of law, in each case involving Federal, State, or local government funds or contracts. From time to time during the Term, Landlord agrees to promptly reaffirm to Tenant the representations in this Section upon Tenant's request. If Landlord breaches any of the representations, warranties or covenants set forth in this Section and (a) such breach results in Landlord or its members being debarred from contracting with the Federal government, (b) in the event of any breach resulting from the actions of any employee, director, officer, such individual is not terminated within thirty (30) days following the conviction, plea or administrative or judicial determination, or (c) in the event of any breach resulting from the actions of any subcontractor, the contract with such subcontractor is not terminated within thirty (30) days following the conviction, plea or administrative or judicial determination (each a "**Triggering Event**"), Tenant shall have the right to terminate this Lease by written notice to Landlord within thirty (30) days following the date Tenant receives written notice of a Triggering Event. The

termination shall be effective on the date specified by Tenant in such notice, which date shall be not earlier than thirty (30) days nor later than one hundred eighty (180) days following the giving of such notice. Upon the effective date of such termination, Landlord and Tenant shall have no further obligations under this Lease except for those obligations which survive the expiration or earlier termination of this Lease pursuant to its terms.

31. **CONDITIONS PRECEDENT; OTHER OBLIGATIONS.**

(a) Zoning: On or before the parties' execution of this Lease, Landlord will provide Tenant with a zoning letter from the applicable governing authority indicating the Premises can be used as an institution of higher education. If a use permit or other approval is required in connection with the Permitted Use, the Landlord shall obtain such permit or approval at Landlord's cost and as a condition to this Lease.

(b) Deed Restrictions: Landlord must obtain the consent of any and all third parties from whom consent to the Lease is required, including any third parties under any deed restrictions to which the Premises are subject, to allow the Permitted Use in the Building.

(c) Regulatory Approvals: Landlord acknowledges and agrees that Tenant's use of the Premises for the Permitted Use is subject to certain educational regulatory approvals (each, a "**Regulatory Approval**" and collectively, the "**Regulatory Approvals**"), and therefore, Tenant's obligations under this Lease are subject to receipt of such Regulatory Approvals (the "**Regulatory Contingency**"). As soon as is reasonably possible based on the standards of the applicable educational regulatory agency (each, a "**Regulatory Agency**" and collectively, the "**Regulatory Agencies**"), Tenant will file an application for the applicable Regulatory Approval (each, a "**Regulatory Approval Application**", and collectively, the "**Regulatory Approval Applications**"), with each applicable Regulatory Agency. In the event that Tenant does not receive (but is not denied) all Regulatory Approvals within sixty (60) days following the date of execution of this Lease (the "**Regulatory Approval Deadline**"), Tenant may elect, in its sole and absolute discretion, to either: (i) terminate this Lease, in which case all amounts previously paid by Tenant to Landlord shall be returned to Tenant and neither party shall have any further obligation hereunder; or (ii) extend the Regulatory Approval Deadline by an additional thirty (30) days (the "**Extended Regulatory Approval Deadline**"), such election to be made by Tenant's delivery of written notice (a "**Regulatory Notice**") to Landlord on or before the Regulatory Approval Deadline; provided that Tenant's failure to deliver a Regulatory Notice to Landlord prior to the Regulatory Approval Deadline shall be deemed an election by Tenant to extend the Regulatory Approval Deadline to the Extended Regulatory Approval Deadline. If Tenant has elected (or is deemed to have elected) to extend the Regulatory Approval Deadline to the Extended Regulatory Approval Deadline and then does not receive (but is not denied) all Regulatory Approvals on or before the Extended Regulatory Approval Deadline, then Tenant may elect, in its sole and absolute discretion, to either: (i) terminate this Lease, in which case all amounts previously paid by Tenant to Landlord shall be returned to Tenant and neither party shall have any further obligation hereunder; or (ii) waive the Regulatory Contingency, such election to be made by Tenant's delivery of a Regulatory Notice to Landlord on or before the Extended Regulatory Approval Deadline; provided that Tenant's failure to deliver a Regulatory Notice prior to the Extended Regulatory Approval Deadline shall be deemed an election by

Tenant to terminate this Lease. If any Regulatory Approval Application is at any time denied, this Lease shall automatically, without the need for any action by either Landlord or Tenant, terminate, in which case all amounts previously paid by Tenant to Landlord shall be returned to Tenant and neither party shall have any further obligation hereunder. The termination options set forth in this Section shall be null and void in the event the Regulatory Approvals are received on or before the delivery of a Regulatory Notice which terminates this Lease. Notwithstanding anything contained in this Lease to the contrary, Tenant shall not be required to commence preparation of Working Drawings until Tenant receives the Regulatory Approvals pursuant to the provisions of this Section. Landlord has no obligation to expend funds or commence construction of Tenant Improvements unless and until any and all Regulatory Approvals are obtained or waived by Tenant.

(d) Landlord represents and warrants to and covenants with Tenant as follows:

(i) Legal Compliance. To the best of Landlord's knowledge, the Building (inclusive of the Premises) and the Land currently are, and during the Term will remain, in compliance with all applicable laws, rules, regulations, ordinances and local codes, including, without limitation, O.S.H.A. rules and regulations governing asbestos and asbestos containing materials and the Americans with Disabilities Act and/or any comparable state statute ("**Applicable Laws**"). To the best of Landlord's knowledge, the Building is also in compliance with all private covenants, conditions and restrictions affecting the Building, if any (the "**Deed Restrictions**"), copies of which have been given to Tenant, which could affect Tenant's use of the Premises. The Deed Restrictions do not conflict with terms of this Lease. Landlord has obtained any and all consents of third parties necessary to permit Tenant to operate the Premises for the permitted uses set forth in this Lease.

(ii) Environmental Compliance. To the best of Landlord's knowledge, the Building is as of the date hereof and the Premises upon commencement of the Term will be free from Hazardous Substances, in full compliance with any applicable Environmental Law and not located within a Superfund site as specified by the Environmental Protection Agency. As used in this paragraph, the term "Environmental Law" shall mean any federal, state or local law, statute, ordinance or regulation pertaining to health, industrial hygiene or environmental conditions, and the term "Hazardous Substances" shall mean any material, waste, substance, pollutant or contaminant which may or could pose a risk of injury or threat to health or the environment. To the best of Landlord's knowledge, any use, storage, treatment, or transportation of Hazardous Substances which may have occurred in or on the Premises or the Building prior to the date hereof has been in compliance with all applicable Environmental Laws. Landlord agrees to defend and shall indemnify and hold Tenant harmless from any and all claims, damages, fines, judgments, penalties, costs, liabilities or losses (including, without limitation, any and all sums paid for settlement of claims, attorneys' fees, consultant and expert fees) arising during or after the Term (as such may be extended) from or in connection with the presence of Hazardous Substances in or on the Premises or the Building, except to the extent that the Hazardous Substances are

present as a result of acts of Tenant, Tenant's agents, employees, contractors or invitees. This indemnification shall survive the expiration or earlier termination of this Lease.

(iii) Landlord's Authority. Any individual executing this Lease on behalf of Landlord is authorized to do so by requisite action of the appropriate board, partnership, or other entity, as the case may be. Upon written request from Tenant, Landlord will deliver to Tenant a copy of the resolution or other document evidencing such authority. Landlord has good and marketable fee simple title to the Building, including the Premises, with full right and authority to grant the estate demised herein and to execute and perform all of the terms and conditions of this Lease. Upon request of Landlord, Tenant will deliver to Landlord a copy of the resolution or other document evidencing the authority of Tenant (and the individuals executing this Lease) to execute and perform its obligations under this Lease.

(iv) Anti-Terrorism. Landlord is not, and is not acting, directly or indirectly, for or on behalf of, any person or entity named as a "specially designated national and blocked person" (as defined in Presidential Executive Order 13224) on the most current list published by the U.S. Treasury Department Office of Foreign Assets Control, and that Landlord is not engaged in this transaction, directly or indirectly, on behalf of, and is not facilitating this transaction, directly or indirectly, on behalf of, any such person or entity. Landlord also represents and warrants to Tenant that neither Landlord nor its constituents or affiliates are in violation of any laws relating to terrorism or money laundering, including the aforesaid Executive Order and the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (Public Law 107-56), as amended. Landlord hereby agrees to defend, indemnify and hold harmless Tenant for, from and against any and all claims, damages, losses, risks, liabilities and expenses (including reasonable attorneys' fees and costs) arising from or related to any breach of the foregoing representations and warranties by Landlord.

(v) Conflict of Interest. Landlord acknowledges and understands that Tenant has a Conflict of Interest Policy, which prohibits any employee, officer or director of Tenant or any Affiliate of Tenant from directly or indirectly receiving any financial or other benefit from Landlord, whether as a result of this Lease or otherwise. If Landlord becomes aware of a relationship with any employee, officer or director of Tenant or an Affiliate of Tenant during the term of this Lease that results in such employee, officer or director receiving any direct or indirect financial or other benefit from Landlord, Landlord shall disclose such relationship to Tenant in writing within fifteen (15) calendar days of learning about such relationship.

(vi) Gratuity. Landlord acknowledges and understands that Tenant has a Gift and Entertainment Policy, which prohibits employees, officers, directors, agents and representatives of Tenant and its Affiliates from accepting any gifts, gratuities, favors or advantages from Landlord except for insignificant items of low value such as business lunches and advertising items (for example, pens, calendars and the like).).

32. **OPTIONS TO EXTEND.**

Landlord grants to Tenant options to extend the term of this Lease (the "**Options to Extend**") for two (2) separate but consecutive additional periods of five (5) years each (each an "**Extension Term**"), subject to and upon the following conditions:

(a) The first Extension Term shall commence as of the expiration of the Term as set forth herein, and the second Extension Term shall commence as of the expiration of the first Extension Term.

(b) Tenant shall give written notice of its exercise of the Options to Extend to Landlord not less than one hundred eighty (180) days prior to the proposed commencement of the Extension Term (the "**Extension Notice**").

(c) The Extension Terms shall be upon all of the terms and conditions of the Lease, except the Base Rent, which shall be equal to ninety percent (90%) of the fair market rate for comparable space in comparable buildings in the same geographic submarket at the time of the commencement of each Extension Term provided. The Base Rent for each Extension Term shall be escalated for each year of the applicable Extension Term based upon the same percentage increase in the Base Rent during the initial Term of the Lease.

(d) No Event of Default beyond any applicable notice or cure period shall be in existence at either the time of exercise or at the commencement of an Extension Term.

(e) If Tenant fails to satisfy any of the foregoing conditions, the Options to Extend shall be null and void and of no further force and effect.

(f) The fair market rate referenced in Section 32(c) above, and other terms and conditions ("**Current Market Rate**") necessary to establish the rent when Tenant is exercising an option, shall be determined as follows:

(i) "Current Market Rate" shall be defined as the bona fide rates, terms and conditions then being offered in "arm's length" transactions to prospective tenants for comparable space in comparable buildings in the same geographic submarket as the Building, recognizing that there shall be no brokerage fees in the transaction and taking into consideration and making adjustment to reflect tenant finish allowances and concessions and the use of the calendar year in which the first Extension Term and the Second Extension Term each commences as the base year for Operating Expenses.

(ii) Landlord shall notify Tenant in writing of Landlord's determination of the Current Market Rate within fifteen (15) days following receipt of Tenant's notice. If, within fifteen (15) days after receipt of such market rate notice, Tenant fails to notify Landlord in writing of Tenant's objections to Landlord's proposed Current Market Rate, Tenant shall be deemed to have accepted Landlord's Current Market Rate and Landlord will prepare an appropriate amendment to this Lease. If, within the 15-day period, Tenant notifies Landlord in writing of its objections to Landlord's proposed Current Market Rate, the parties agree to negotiate their differences in good faith within thirty

(30) days following Tenant's notice of objections to Landlord. If the parties fail to agree on a Current Market Rate within the 30-day period, then Tenant shall have ten (10) days thereafter within which to withdraw its notice or to notify Landlord of its desire to arbitrate the Current Market Rate. If Tenant fails to notify Landlord of its election within the 10-day period, Tenant shall be deemed to have elected to arbitrate as of the last day of the 10-day period, and the determination of Current Market Rate shall be settled by arbitration in accordance with the provisions of subparagraph (c) below.

(iii) In the event of a continuing dispute concerning Current Market Rate, Tenant and Landlord shall each appoint a local appraiser who is a member of the American Institute of Real Estate Appraisers, or if it shall not then be in existence, a member of the most nearly comparable organization, and who has a minimum of five (5) years' experience in the Des Moines, Iowa commercial office leasing market, who is licensed by the State of Iowa, and who is not affiliated with either party or involved in an active transaction in which either party is also involved. Each party shall notify the other as to the name and address of the appraiser selected within ten (10) days after the arbitration election date. Each appraiser shall, during the next five (5) days, calculate the Current Market Rate and notify both parties of said determination of Current Market Rate. If the two appraisers agree upon a Current Market Rate, such determination shall be final and binding on the parties. If the difference between the rate calculated by each appraiser is \$0.20 per rentable square foot or less, the parties may mutually agree to elect to average the rates calculated by the two appraisers, such option to be exercised by written notice from each party to the other party and to the appraisers within five (5) days after receipt of notice by the appraisers of their Current Market Rate calculations. If both parties do not elect to average, the rates calculated by the two appraisers will not be so averaged. If Landlord and Tenant agree to such an averaging, the resulting figure shall be the agreed upon Current Market Rate. If Landlord and Tenant fail to agree to such an averaging within the 5-day notice period, the two appraisers shall select a third appraiser, who shall satisfy the same professional qualification requirements set forth above, and the appraisers will then notify Landlord and Tenant of such appraiser's name, address and selection within five (5) days following the failure of the parties to agree upon an averaging the Current Market Rate. The third appraiser will select one or the other of the two calculations of Current Market Rate submitted by the other two appraisers and will notify the parties and the appraisers within ten (10) days of being selected to make the Current Market Rate determination. The determination of the third appraiser shall be final and binding on Landlord and Tenant.

33. MISCELLANEOUS.

(a) Each provision hereof shall extend to and shall, as the case may require, bind and inure to the benefit of the Landlord, its successors and assigns, and Tenant, its permitted successors and assigns.

(b) All amounts owed to Landlord hereunder, for which the date of payment is not expressly fixed herein, shall be payable upon demand and shall bear interest at the rate of twelve percent (12%) per annum thereafter until paid.

(c) Landlord and Tenant shall each, upon not less than twenty (20) days' prior written notice by the other party, execute, acknowledge and deliver to the requesting party a statement in writing certifying to those facts for which certification has been requested by the requesting party or any current or prospective purchaser, assignee or subtenant, holder of any security instrument, ground lessor or master lessor, including, but without limitation, that (i) this Lease is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as modified and stating the modifications), (ii) the dates to which the Base Rent, Adjustment Rent and other charges hereunder have been paid, if any, and (iii) whether or not to the best knowledge of such party, Landlord or Tenant is in default in the performance of any covenant, agreement or condition contained in this Lease and, if so, specifying each such default of which such party may have knowledge.

(d) A failure of either party to insist on strict performance of any covenant, or condition hereof, or to exercise any option herein contained, shall not be construed as a waiver of such covenant, condition or option in any other instance. This Lease cannot be changed or terminated orally.

(e) Except as may be otherwise set forth herein, if the Premises are underlet or occupied by anybody other than Tenant and Tenant is in default hereunder, or if this Lease is assigned by Tenant, Landlord may collect rent from the assignee, under-Tenant, or occupant, and apply the net amount collected to the Rent herein reserved; but no such collection shall be deemed a waiver of the covenant herein against the assignment and underletting, or the acceptance of such assignee, under-Tenant or occupant as Tenant, or release of Tenant from further performance of the covenants herein contained.

(f) If any term or provision of this Lease shall to any extent be held invalid or unenforceable, the remaining terms and provisions of this Lease shall not be affected thereby, but each term and provision of this Lease shall be valid and enforced to the fullest extent permitted by law. This Lease shall be construed and enforced in accordance with the laws of the State of Iowa. This Lease shall be deemed to have been entered into and to be performed in Des Moines, Polk County, Iowa.

(g) The term "**Landlord**" as used in this Lease so far as covenants or obligations on the part of Landlord are concerned shall be limited to mean and include only the owner or owners of the Building at the time in question, and in the event of any transfers or conveyances, the then grantor shall be automatically freed and released from and after the date of such transfer or conveyance and assumption by the transferee of all liability as respects the performance of any conveyance or obligation on the part of Landlord contained in this Lease thereafter to be performed, it being intended hereby that the covenants and obligations contained in this Lease on the part of Landlord shall be binding on the Landlord, its successors and assigns only during and in respect to their respective periods of ownership.

(h) All preliminary and contemporaneous negotiations are merged into and incorporated into this Lease.

(i) This Lease can only be modified or amended by an agreement in writing signed by the parties hereto.

(j) All negotiations relevant to this Lease and the transactions contemplated hereby have been carried on by Landlord directly with Tenant and without the intervention of any other persons, and there are no brokerage or finders' fees or commissions payable to any parties as a result of this Lease. The Landlord agrees that it will indemnify Tenant against and in respect to any and all damages, losses, liabilities and expenses, including attorneys' fees, which may be incurred by Tenant as a result of any claims asserted against Tenant by any broker or other person on the basis of any arrangements or agreements made or alleged to have been made by Landlord; and Tenant agrees that it will indemnify Landlord against and in respect to any and all damages, losses, liabilities and expenses, including attorneys' fees, which may be incurred by Landlord as a result of any claims against Landlord by any broker or other person on the basis of any arrangements or agreements made or alleged to have been made by Tenant.

(k) If any suit, action, arbitration or other proceeding, including, without limitation, an appellate proceeding, is instituted in connection with any controversy, dispute, default or breach arising out of this Lease, the prevailing or non-defaulting party shall be entitled to recover from the losing or defaulting party all reasonable fees, costs and expenses (including the reasonable fees and expenses of third-party attorneys, paralegals and witnesses) incurred in connection with the prosecution or defense of such proceeding, whether or not the proceeding is prosecuted to a final judgment or determination; provided, however, if there is no clear prevailing party, such fees, costs and expenses shall be borne as determined by the applicable fact finder.

(l) The terms and conditions of this Lease are confidential and may not be disclosed by Landlord or Tenant or to any third parties without the prior written consent of the other party except for such parties' respective attorneys, tax advisors, financial consultants or as may be required by applicable laws or as may be necessary to enforce the terms of this Lease.

(m) Each party agrees not to discriminate against any employee or applicant for employment on the basis of any category or characteristic protected by applicable federal, state, or local law. In addition, the provisions of 41 C.F.R. Section 60-1.4(a), 41 C.F.R. Section 60-300.5(a), 41 C.F.R. Section 60-741.5(a), and 29 C.F.R. Part 471, Appendix A to Subpart A are, if applicable, incorporated herein by reference.

(n) Landlord acknowledges that use of the parking areas currently available for the Building as described in Item 11 of the Schedule is necessary in order for Tenant to operate its business on the Premises. Accordingly, Landlord shall make such parking, at a minimum, available to Tenant for the Term and all extensions thereof. Any failure to supply such parking in accordance with this Lease shall constitute an event of default hereunder. At Tenant's option, and upon its written notice to Landlord, the charge for Tenant's parking shall be added to and paid with Base Rent hereunder, rather than being paid by Tenant as a separate charge. Landlord may elect, at its option, to provide to Tenant use of additional parking areas within the Keck Parking Garage located adjacent to the Building, it being understood that such use of additional parking in the Keck Parking Garage is in addition to the parking spaces to be provided by Landlord pursuant to Item 11 of the Schedule.

(o) Landlord shall also provide, at its sole cost and expense, facilities suitable for securing bicycles for employees of Tenants of the Building, together with two (2) showers to be located in the first floor common area bathrooms of the Building.

34. **OTHER PROVISIONS.**

The following are made a part hereof, with the same force and effect as if specifically set forth herein:

- (a) Addendum One.
- (b) Legal Description (**Exhibit A**).
- (c) Work Letter (**Exhibit B**).
- (d) Janitorial Service (**Exhibit C**).
- (e) Rules and Regulations (**Exhibit D**)
- (f) Sign Rendering (**Exhibit E**)
- (g) Subordination, Non-Disturbance and Attornment Agreement (**Exhibit F**)

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have executed this Lease as of the date and year first above written.

TENANT:

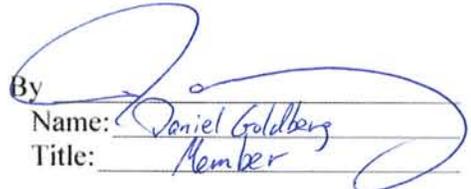
UNIVERSITY OF PHOENIX, INC.

By 
Name: _____
Title: Colette Temmink
VP, Real Estate & Facilities

LANDLORD:

**BRIDGE DES MOINES PROPERTIES
LLC**

**By: Des Moines Venture LLC, its
Managing Member**

By 
Name: Daniel Goldberg
Title: Member

ADDENDUM ONE

TENANT TERMINATION OPTION
ATTACHED TO AND A PART OF THE OFFICE SPACE LEASE
BY AND BETWEEN
BRIDGE DES MOINES PROPERTIES LLC
and
THE UNIVERSITY OF PHOENIX, INC.

- Tenant shall have the right, at any time on or before the last day of the twenty-seventh (27th) full calendar month of the Lease Term, to send Landlord irrevocable written notice (the "Termination Notice") that Tenant has elected to terminate this Lease, effective on the last day of the thirty-sixth (36th) full calendar month of the Lease Term (the "Termination Date").

- If Tenant elects to terminate this Lease pursuant to the immediately preceding sentence, the effectiveness of such termination shall be conditioned upon Tenant paying to Landlord, simultaneously with Tenant's delivery of the Termination Notice to Landlord, a termination fee equal to the sum of the unamortized Tenant Improvement Allowance and brokerage commissions (collectively the "Termination Fee"). Such Termination Fee is consideration for Tenant's option to terminate and shall not be applied to Rent or any other obligation of Tenant. Except as otherwise expressly set forth in this Lease, Landlord and Tenant shall be relieved of all obligations accruing under this Lease after the Termination Date, but not any obligations accruing under the Lease prior to the effective date of such termination. Both Landlord and Tenant acknowledge and agree that it would be impracticable or extremely difficult to affix damages if Tenant terminates this Lease and that the Termination Fee set forth above represents a reasonable estimate of Landlord's damages in the event Tenant terminates this Lease under this Addendum. If Tenant does not timely deliver the Termination Notice or Termination Fee to Landlord, then this termination option shall become null and void and the Lease shall continue in full force and effect.

EXHIBIT A
LEGAL DESCRIPTION

Lots Seven (7) and Eight (8), in Block Thirteen (13) in Original Town of Fort Des Moines, now included in and forming a part of the City of Des Moines, Polk County, Iowa; and

Lots One (1) and Two (2) and the vacated North/South Alley lying East and adjacent to said Lots One (1) and Two (2), in Block Thirteen (13) in Original Town of Fort Des Moines, now included in and forming a part of the City of Des Moines, Polk County, Iowa.

**EXHIBIT B
WORK LETTER**

WORK LETTER AGREEMENT

LANDLORD: Bridge Des Moines Properties LLC
TENANT: University of Phoenix, Inc.
EXECUTION DATE: February 24, 2011

RECITALS

A. Concurrently with the execution of this Work Letter Agreement (the "**Work Letter**"), Landlord and Tenant have entered into a lease (the "**Lease**") covering certain leased premises (the "**Premises**") in the building known as the Bank of America Building and located at 317 Sixth Avenue, Des Moines, Iowa (the "**Building**"), as more particularly described in the Lease. Landlord and Tenant have entered into this Work Letter pursuant to the terms of the Lease.

B. To induce Landlord and Tenant to enter into the Lease (which is hereby incorporated by reference to the extent that the provisions of the Lease apply hereto) and in consideration of the mutual covenants hereinafter contained, Landlord and Tenant hereby agree as follows:

AGREEMENT

1. **Tenant Improvements.** "**Tenant Improvements**" shall include all work to be required be performed by Landlord within the Premises including the ceiling grid, HVAC duct work and distribution system, partitioning, interior doors, floor covering and finishes, reflective ceiling, electrical fixtures, electrical outlets and switches, telephone outlets, plumbing fixtures, paint and wall coverings, shelving and other millwork and locations for computer and word processing equipment, and all work related to such items, pursuant to the Tenant Improvement Plans as defined in Paragraph 3 below. Landlord will construct the Tenant Improvements in accordance with all applicable laws, ordinances, codes, rules and regulations ("**Applicable Laws**") affecting the construction of the Tenant Improvements and all restrictions applicable to the Premises and the Building. Landlord will provide the Tenant Allowance described in **Paragraph 7** below. All Tenant Improvements will be done to the standards and using the materials and finishes set forth in the Tenant Improvement Plans and/or in **Schedule 2** to this Work Letter, as applicable. Landlord hereby confirms that, to the best of its knowledge, the Building and the Premises complies with all Applicable Laws which would affect the Premises and Tenants' rights under the Lease. In addition, Landlord agrees that the shell and core improvements and the common areas of the Building include the improvements generally described on Schedule 1 to this Work Letter.

2. **Parties' Responsibilities.**

(a) **Landlord's Responsibilities.** Landlord will construct the Tenant Improvements pursuant to the Tenant Improvement Plans and make any necessary modifications to the Base Building as may be necessary or appropriate in order to accomplish that result. Landlord will be responsible for the review and approval of all plans and construction drawings for the Tenant Improvements as provided in **Paragraph 3** below. Landlord shall supervise the completion of all such work and shall use commercially reasonable efforts to secure Substantial Completion of the Tenant Improvements (as defined in Section 8 hereof) in a timely manner so that Tenant is able to take possession of the Premises on or before one hundred twenty (120) days after the later of: (i) receipt (or waiver of the receipt) of the Regulatory Approvals pursuant to Section 31(c) of the Lease; and (ii) selection of a Contractor pursuant to Section 4 hereof and execution of a construction contract between Landlord and said Contractor for the construction of the Tenant Improvements (the "**Anticipated Commencement Date**"), as such date shall be extended pursuant to Section 6(a) hereof.

(b) **Tenant's Responsibilities.** Tenant shall be responsible for the preparation and approval of preliminary space plans and specifications for the Tenant Improvements in sufficient detail so as to enable Landlord to estimate the cost of constructing the Tenant Improvements ("**Space Plans**"), and Tenant shall be responsible for the preparation and approval of the final construction drawings and specifications for the Tenant Improvements in compliance with all Applicable Laws ("**Working Drawings**"). Tenant shall also be responsible for the review and approval of the Tenant Improvement Plans as described in **Paragraph 3** below, for the review and approval of all pricing related to the construction of the Tenant Improvements, and for the payment of any Tenant approved charges in excess of the Tenant Allowance. Landlord shall have the right to review and approve Space Plans, Working Drawings, and all pricing related to the construction of the Tenant Improvements.

(c) **Mutual Cooperation.** The parties agree to work together in good faith and to cooperate reasonably with one another so as to facilitate the completion of the Tenant Improvements in accordance with the terms of this Work Letter.

3. **Tenant Improvement Plans.**

(a) Landlord and Tenant have previously approved the Space Plan for the Premises in the form attached as **Schedule 4**.

(b) On January 6, 2012, Landlord provided Tenant with a reasonably detailed breakdown of Landlord's estimate of the total costs to construct the Tenant Improvements ("**Landlord's Cost Estimate**").

(c) Tenant shall cause its architect to prepare final Working Drawings, shall review and approve such Working Drawings, and shall submit the same to Landlord for approval within forty-five (45) days after the date of execution of the Lease. Landlord's approval shall not be unreasonably withheld, conditioned, or delayed. If Landlord requests modifications to the Working Drawings, Landlord shall notify Tenant in writing within five (5) business days of Landlord's receipt of said drawings from Tenant. If Tenant objects to any modifications requested by Landlord to the Working Drawings, the parties shall promptly confer to resolve all

issues related thereto. If Landlord fails to notify Tenant of any modifications within the five (5)-business day period, Landlord shall be deemed to have approved said Working Drawings. Once approved by both parties, the Working Drawings and the Space Plans shall be referred to collectively herein as the “**Tenant Improvement Plans.**”

(d) Once approved by both parties, the Tenant Improvement Plans shall not be changed without Landlord’s and Tenant’s prior written consent, which consent shall not be unreasonably withheld, conditioned, or delayed. If any material change is necessary in the Tenant Improvement Plans due to requirements of any Applicable Laws, Landlord shall consult with Tenant to develop an approach to meeting any such requirements that is acceptable to Tenant.

4. **Bidding the Job.**

(a) Within fifteen (15) business days following approval of the Tenant Improvement Plans by both parties, Landlord shall secure a minimum of three (3) independent bids from general contractors qualified to handle the construction of a project of this scope and complexity who can satisfy the following qualifications: (i) the contractor shall be a contractor who has successfully completed work of a similar nature and complexity on at least two (2) other comparable projects within the prior two (2) years; and (ii) the contractor shall be capable of securing bonding and insurance for the potential contract and shall provide to Tenant and Landlord a description of its qualifications. Tenant shall have the right to submit the name of at least one general contractor who shall meet the foregoing requirements to be included among the contractors from which Landlord will secure bids.

(b) Landlord shall promptly provide copies of all bids to Tenant.

(c) Following the receipt of bids or revised bids, as applicable, Landlord and Tenant jointly shall select the contractor (“**Contractor**”) to construct the Tenant Improvements. The Contractor shall be required to obtain the insurance provided for on **Schedule 3** (NOTE: Landlord to review **Schedule 3** prior to accepting) to this Work Letter.

5. **Beneficial Pricing.** Landlord will use commercially reasonable efforts to make available to Tenant any Landlord’s Building Standard items and the same unit prices that Landlord received from Landlord’s vendors including Contractor to the extent that Building Standard items and unit prices shall exist. Landlord will work with Tenant in bidding out the Tenant Improvements and in planning the construction sequencing and all other aspects of the work so as to maximize Tenant’s ability to reduce its costs by taking advantage of volume and other benefits, if any, economies of scale and any discounts accorded to Landlord.

6. **Construction.**

(a) **Process and Schedule.** Based upon the approved Tenant Improvement Plans, Landlord shall cause all necessary permits to be secured, and shall cause the Contractor to promptly commence and to complete construction in accordance with the Tenant Improvement Plans. Landlord shall supervise the completion of the Tenant Improvements and any necessary modifications to the Base Building and shall use its commercially reasonable efforts to ensure that the Premises are substantially completed (as provided in **Paragraph 8** below) on or before the Anticipated Commencement Date. The Anticipated Commencement Date should be

Exhibit B-3

extended due to delays caused by the Tenant; governmental review, approvals, and issuance of permits; strikes; labor unrest; and other typical force majeure events. All work shall be done in a good and workmanlike manner using quality materials and finishes as specified in said plans or as set forth in **Schedule 2** (Note: Landlord to review **Schedule 2** prior to accepting) to this Work Letter as appropriate.

(b) **Construction Standards.** The Tenant Improvements shall comply in all respects with the following: (i) Applicable Laws; (ii) building material manufacturer's specifications; and (iii) the Tenant Improvement Plans. All necessary licenses, permits and certificates of occupancy required both for any necessary modifications to the Base Building and for the work to construct the Tenant Improvements to the Premises shall be included in the Tenant Improvement Allowance.

(c) **Warranties.** The Tenant Improvements shall be free from any defects in workmanship and materials for a period of at least one (1) year from the date of completion thereof. The construction contracts entered into by Landlord in connection with this Work Letter shall provide that each contractor and each subcontractor shall be responsible for the replacement or repair, without additional charge, of all work done or furnished in accordance with its contract that shall become defective within one (1) year after completion of the work performed by such contractor or subcontractors. The correction of defects in such work shall include, without additional charge, all additional expenses and damages incurred in connection with such removal or replacement of all or any part of the Tenant Improvements and/or the Premises that may be damaged or disturbed thereby. All such warranties or guarantees as to materials or workmanship or with respect to the work shall be contained in each contract or subcontract, which contracts shall be written such that all guarantees and warranties and all other rights and remedies at law, in equity or by contract with respect to the work performed and the contractor's or subcontractor's obligations shall inure to the benefit of Landlord.

7. **Payment for Tenant Improvements.**

(a) Landlord will provide to Tenant an allowance of \$229,590 ("**Tenant Allowance**"). Such Tenant Allowance shall be used for any and all costs associated with the construction of the Tenant Improvements and paid either by Tenant or out of the Tenant Allowance. Any Tenant Improvement Allowance in excess of the actual cost of the Tenant Improvements may, at Tenant's option, either be applied against future improvements to the Premises or applied to future amounts due under the Lease.

(b) Except as provided otherwise herein, the cost of constructing the Tenant Improvements shall be charged against the Tenant Allowance. If the bid selected pursuant to **Paragraph 4** above exceeds the Tenant Allowance, the excess shall be paid by Tenant.

(c) In the event that Tenant shall request any changes or substitutions to the Tenant Improvements after the Tenant Improvement Plans have been prepared and the Contractor's bid for the Tenant Improvements has been accepted, any additional costs which cause the Tenant Improvements to exceed the Tenant Allowance shall be paid by Tenant, provided that Tenant approves such additional costs in writing before change orders for such changes or substitutions are accepted by Landlord and the work pursuant thereto is done.

(d) If the costs to construct the Tenant Improvements are less than the Tenant Allowance, the difference shall be applied to the initial installment(s) of rent and other amounts Tenant is obligated to pay under the Lease. In the event that, based upon the agreed budget for the Tenant Improvements the cost of completing the Tenant Improvements shall exceed the Tenant Improvement Allowance, Tenant shall be responsible for paying all excess costs after the Tenant Allowance is exhausted, including the cost of any punch list items. Tenant shall pay its share of costs of the Tenant Improvements in the same manner as payment of the Tenant Allowance by Landlord and upon receipt of similar documentation. Failure by Tenant to pay any amount in excess of the Tenant Allowance shall be a default by Tenant under the Lease. Tenant's payments of excess costs for Tenant Improvements shall be paid on a monthly draw basis within thirty (30) days after receipt of a written request for payment and all invoices and other back-up draw documentation required from the contractor and subcontractors pursuant to the contract entered into by Landlord for the Tenant Improvements.

8. **Completion/Punch-List.** The Premises shall not be considered "Substantially Complete" and "Substantial Completion" shall not have occurred until the Tenant Improvements have been completed in accordance with the Tenant Improvement Plans subject only to the completion of punch-list items that will not interfere with Tenant's use and occupancy of the Premises for Tenant's permitted use under the Lease. Upon Substantial Completion of the Tenant Improvements, Landlord shall notify Tenant in writing and, within five (5) business days of Tenant's receipt of such notice, Landlord and Tenant shall conduct a "walk through" inspection of the Premises and prepare a punch-list of known or apparent deficiencies or incomplete work required to be corrected or completed by Landlord pursuant to the Tenant Improvement Plans. Landlord shall cause all punch-list items to be repaired or completed as soon as reasonably possible. Latent or hidden defects in the Tenant Improvements shall be brought to Landlord's attention promptly upon Tenant's becoming aware of such defects. Landlord shall promptly cause such defects to be repaired following receipt of notice thereof and Tenant shall have the same rights with respect thereto as set forth herein for all other punch-list items.

9. **Representatives and Notices.** Landlord and Tenant each appoint the following individuals to act as their respective representatives in all matters covered by this Work Letter:

Tenant's Representative: Colette Temmink
APOLLO GROUP, INC.
4025 S. Riverpoint Pkwy
Phoenix, Arizona 85040
Mail Stop: CF-K205
Phone No.: 602-557-1714
Fax No.: 602-557-1101

Brent Fuller
APOLLO GROUP, INC.
4025 S. Riverpoint Pkwy
Phoenix, Arizona 85040
Mail Stop: CF-K205
Phone No.: 602-557-1352
Fax No.: 602-557-1101

Landlord's Representative: Alex Broderick
TERRUS REAL ESTATE GROUP
616 10th Street
Des Moines, Iowa 50309
Phone No.: 515-471-4400
Fax No.: 515-280-5100

All inquiries, requests, instructions and authorizations and other communications with respect to the matters covered by this Work Letter will be submitted to the Landlord's Representative or Tenant's Representative, as the case may be. Each party may change its representative under this Work Letter at any time upon three (3) days prior written notice to the other party. Notices will be given in accordance with the notice provisions set forth in the Lease.

10. **Default.** Any default under this Work Letter shall be considered a default under the Lease entitling the parties to the remedies set forth therein.

11. **Miscellaneous.**

(a) Landlord and the Contractor shall allow Tenant and/or Tenant's agents access to the Premises prior to the Substantial Completion of the Premises for the purpose of Tenant and/or Tenant's agents installing furniture, equipment or fixtures (including Tenant's data and telephone equipment and related cabling) in the Premises, and for other activities related to Tenant's preparation for occupying the Premises so long as Tenant and/or Tenant's agents do not unreasonably interfere with the work to be performed by Landlord or the Contractor in the Building and the Premises. Tenant's interference with work shall extend the Anticipated Commencement Date.

(b) During the period of construction of the Tenant Improvements and Tenant's move into the Premises, Tenant and Tenant's agents shall not be charged, directly or indirectly, for reasonable usage of restrooms, HVAC, electricity, water, elevator, loading dock, freight elevator, or similar services.

(c) Prior to the delivery of the Premises to Tenant, Landlord shall remove all rubbish and debris therefrom arising from construction of the Tenant Improvements and thoroughly clean the Premises.

(d) In the event of any conflict between the provisions of this Work Letter and the provisions of the Lease, the provisions of this Work Letter shall govern.

[SIGNATURES SET FORTH ON FOLLOWING PAGE]

Exhibit B-6

IN WITNESS WHEREOF, this Work Letter is executed as of the date first above written.

University of Phoenix, Inc.

By: _____
Name: _____
Title: _____

“Tenant”

Bridge Des Moines Properties LLC

By: **Des Moines Venture LLC,**
its managing member

By: _____
Name: _____
Title: _____

“Landlord”

EXHIBIT C
BRIDGE DES MOINES PROPERTIES LLC

JANITORIAL SERVICE FOR THE PREMISES

1. DAILY - OFFICES

- a. Sweep, dust mop or vacuum all floors complete and elevators. Remove gum, tar, etc. adhering to the floor.
- b. Empty and clean wastepaper baskets, ashtrays, receptacles, etc.; damp dust as necessary.
- c. Remove waste paper and waste materials to a location on the shipping platform.
- d. Dust all horizontal surfaces that can be reached without a ladder, including all wood conference tables, with a treated cloth, mitt, or duster.
- e. Clean, polish, sanitize all drinking fountains.
- f. Clean and polish all glass work surfaces and glass tables.
- g. Sweep, dust mop, or vacuum internal stairway.

2. WEEKLY - OFFICES

- a. Dust with treated cloth: cleared desk tops, chairs and other office furniture, ledges, windowsills, etc.
- b. Clean door trim, thresholds, and tops of induction units, hardware on entrance doors, remove fingerprints from metal partitions, doors, wall switches, etc., and clean all clear glass partitions.
- c. Vacuum carpeted areas and rugs with edging vacuum.
- d. Spot clean stains from carpets.
- e. Spot clean walls and doorways.
- f. Dust baseboard, chair rails, trim, louvers, etc.
- g. Clean all telephones with a germicidal treatment.
- h. Wet mop internal stairway.

3. MONTHLY - OFFICES

a. Dust with treated clothes, high reach areas, including tops of partitions, doors, ledges, window casings and vertical surfaces.

b. Dust pictures, frames, charts, graphs and similar hangings, not reached in nightly or weekly cleaning.

c. Dust venetian blinds, ventilating louvers, fronts of induction units and exterior of lighting fixtures.

d. Clean all opaque glass partitions.

4. YEARLY - OFFICES

Clean venetian blinds.

5. DAILY - WASHROOMS

a. Sweep and wet mop flooring with approved germicidal solutions.

b. Wash and polish mirrors, powder shelves, bright work, etc., including flush-o-meters, piping, toilet seat hinges, dispensers, doors and receptacles.

c. Wash both sides of toilet seats, wash basins, bowls and urinals removing stain marks and scale with approved germicidal detergent solutions.

d. Spot clean partitions and tile walls with approved germicidal solutions.

e. Empty and clean towel and sanitary disposal receptacles.

f. Fill toilet tissue, soap and towel dispensers with supplies.

g. Remove waste paper and refuse to a designated area in the Premises.

6. MONTHLY - WASHROOMS

a. Machine scrub flooring with approved germicidal detergent solution.

b. Wash partitions, tile walls and enameled surfaces with approved germicidal detergent solution.

c. Dust exterior of lighting fixtures, ventilating louvers and other high dusting not covered nightly.

EXHIBIT D
BRIDGE DES MOINES PROPERTIES LLC

RULES AND REGULATIONS

1. Tenant shall not place anything or allow anything to be placed near the glass of any window, door, partition or wall which may in Landlord's judgment appear unsightly from outside the Premises.

2. The Building directory located in the Building lobby as provided by Landlord shall be available to Tenant solely to display names and their location in the Building, which display shall be as directed by Landlord.

3. The sidewalks, halls, passages, exits, entrances, elevators and stairways shall not be obstructed by Tenant or used by Tenant for any purposes other than for ingress to and egress from the Premises. The halls, passages, exits, entrances, elevators, stairways, balconies and roof are not for the use of the general public and the Landlord shall in all cases retain the right to control and prevent access thereto by all persons whose presence in the judgment of Landlord, reasonably exercised, shall be prejudicial to the safety, character, reputation and interests of the Building. Neither Tenant nor any employees or invitees of any Tenant shall go upon the roof of the Building.

4. The toilet rooms, urinals, wash bowls and other apparatus shall not be used for any purposes other than that for which they were constructed and no foreign substance of any kind whatsoever shall be thrown therein and to the extent caused by Tenant or its employees or invitees, the expense of any breakage, stoppage or damage resulting from the violation of this rule shall be borne by Tenant.

5. Tenant shall not cause any unnecessary janitorial labor or services by reason of Tenant's carelessness or indifference in the preservation of good order and cleanliness.

6. No cooking, except microwave cooking, shall be done or permitted by Tenant on the Premises, nor shall the Premises be used for lodging.

7. Tenant shall not bring upon, use or keep in the Premises or the Building any kerosene, gasoline or inflammable or combustible fluid or material, other than those materials normally used in Tenant's operation, or use any method of heating or air conditioning other than that supplied by Landlord, without Landlord's prior written approval, such approval shall not be withheld or delayed.

8. Landlord shall have sole power to direct electricians as to where and how telephone and other wires are to be introduced. No boring or cutting for wires are to be allowed without the consent of Landlord. The location of telephones, call boxes and other office equipment affixed to the Premises shall be subject to the approval of Landlord, such approval shall not be unreasonably withheld or delayed.

9. Upon the termination of the tenancy, Tenant shall deliver to the Landlord all keys and passes for offices, rooms, parking lot and toilet rooms which shall have been furnished to Tenant. In the event of the loss of any keys so furnished, Tenant shall pay the Landlord therefor. Tenant shall not make or cause to be made any such keys and shall order all such keys solely from Landlord and shall pay to Landlord a reasonable amount for any additional such keys over and above the two sets of keys furnished by Landlord.

10. Tenant shall not install linoleum, tile, carpet or other floor covering so that the same shall be affixed to the floor of the Premises in any manner except as approved by the Landlord, such approval shall not be unreasonably withheld or delayed.

11. Landlord's approval of the weight, size and position of all safes or other property to be brought into the Building of which the Premises is a part must be obtained prior to the same being brought into the Building, and all such property shall be moved into or out of the Building only during such time or times and at such entrances as may be designated by Landlord. Further, all such moving must be done by professional bonded movers under the supervision of Landlord. Landlord shall not be responsible for any loss or damage to any such safe or property from any cause, but all damage caused to such Building in the moving or maintaining of any such property shall be at the expense of Tenant.

Under no circumstances, without prior written approval by Landlord, shall Tenant exceed the maximum floor loading capacity as recommended in the design specifications for the Building. If it becomes necessary to retain a professional to determine such maximum floor loading capacity, Tenant shall be responsible for any fees and other amounts charged by such professional.

12. Tenant shall cause all doors to and all windows in the Premises to be closed and securely locked before leaving the Building at the end of the day.

13. Intentionally Omitted.

14. Tenant shall cooperate fully with Landlord to assure the most effective operation of the Premises, or the Building's heating and air conditioning, and shall refrain from attempting to adjust any controls. Tenant shall keep windows closed when heating or cooling is continuously required, but during transitional seasons, windows can be opened to bring outside air into the Building. However, all windows must be closed and secured before leaving the Premises for the day.

15. Except from Landlord's negligence, Tenant assumes full responsibility for protecting the Premises from theft, robbery and pilferage, which includes keeping doors locked and other means of entry to Premises closed and secured.

16. Peddlers, solicitors and beggars shall be reported to the office of the Building Manager or as Landlord otherwise requests.

17. Tenant shall not perform any act or carry on any practice which may injure Landlord, the Premises or the Building of which it is a part, or any portion thereof, or

adversely affect the general quality of the Building, or any part thereof, or cause any offensive odors or noises, or constitute a menace to any other Tenants in said Building.

18. Tenant acknowledges that Landlord may require the employment of enhanced security procedures at the Building. Accordingly:

(a) Landlord may at any time or from time to time, or for regularly scheduled timed periods, as deemed advisable by Landlord and/or its agents, in their sole discretion, employ enhanced security procedures such as, but not limited to, the registration of persons, parcels, packages etc. entering the Building, the evacuation of the Building in cases of emergency or as required by local governmental authorities and the denial of access of any person to the Common Areas.

(b) Tenant hereby assents to the exercise of the above discretion by Landlord and its agents. Tenant agrees that it and its employees, as well as any security personnel of Tenant, will cooperate fully with the implementation of any and all such security procedures.

(c) The exercise of any such security measures and any resulting interruption of service and cessation or loss of Tenant's business, if any, shall never be deemed an eviction or disturbance of Tenant's use and possession of the Premises, or any part thereof, or render Landlord liable for damages or relieve Tenant from Tenant's obligations under this Lease.

(d) Landlord shall take into account and endeavor to minimize the disruption to Tenant's business in implementing any such security measures.

Landlord agrees that the foregoing provisions of this Paragraph 18 shall not materially interfere with Tenant's access to the Premises through its separate outside entrance.

19. Other than Tenant's standard graphics, no sign, advertisement (including door lettering), posters, decorations, or notices of any kind or description shall be inscribed, painted, or affixed on or to any part of the outside or inside of the Premises or the Building of which the Premises is a part by Tenant or its agents, employees, customers, guests, licensees, or invitees. All signs (including door lettering) shall be of such place or places, as may be designated by Landlord in its sole and absolute discretion. All of such signs shall be erected, installed and maintained at Tenant's expense.

20. No additional lock or locks shall be placed on any door in the Building or which the Premises is a part without Landlord's prior written consent, such consent shall not be unreasonably withheld or delayed. All such keys shall at all times remain the property of Landlord and shall be surrendered to Landlord upon termination of the Lease.

21. Tenant shall not engage the services of any person or persons other than employees or agents of Landlord for the purpose of cleaning the Premises without first obtaining written consent of the Landlord, such consent shall not be unreasonably withheld or delayed.

22. Landlord reserves the right to designate, limit, restrict and control all sources furnishing any service in or to the Building, including but not limited to, sign painting and lettering, ice, drinking water, beverage, foods, towels or toilet supplies used or consumed in the Building or on the Premises. Any restriction, designation, limitation or control imposed herewith shall be imposed uniformly on all tenants occupying space in the Building.

23. Landlord reserves the right to establish and enforce additional rules and regulations for the safety, maintenance, repair and cleanliness of the Building of which the Premises is a part and for the preservation of good order therein, and Tenant agrees to comply with and abide by all such further reasonable rules and regulations.