

ASSURANCE OF VOLUNTARY COMPLIANCE

In the matter of:

**BRIDGEPOINT EDUCATION, INC.,
A Delaware Corporation**

and

**ASHFORD UNIVERSITY, L.L.C.
A California Limited Liability Company**

INTRODUCTION

This Assurance of Voluntary Compliance (“AVC” or “Assurance”) is entered into between the State of Iowa, by Attorney General Thomas J. Miller, and Bridgepoint Education, Inc., (“Bridgepoint” or “BPI”) and its wholly owned subsidiary, Ashford University L.L.C. (“Ashford”) (collectively “Respondents”).

This AVC resolves the State of Iowa’s concerns regarding Respondents’ compliance with the Iowa Consumer Fraud Act, Iowa Code § 714.16 (2013) (“Consumer Fraud Act”), and particularly with respect to Ashford’s recruitment and enrollment practices and certain post-enrollment practices.

Respondents are entering into this Assurance solely for the purpose of settlement and nothing contained herein shall constitute or may be construed as an admission or concession of any violation of law, or of any other matter of fact or law, or of any liability or wrongdoing, all of which Respondents expressly deny.

PARTIES

1. The State of Iowa, through Attorney General Thomas J. Miller, is specifically authorized to enforce the Consumer Fraud Act.

2. Bridgepoint is a Delaware corporation with corporate headquarters at 13500 Evening Creek Drive North, Suite 600, San Diego, California. It was founded in 1999.

3. Ashford is a limited liability company organized under the laws of California by Bridgepoint in December 2004 that primarily offers online degree programs. Ashford also operates the Clinton, Iowa-based college formerly known as The Franciscan University of the Prairies. Ashford is accredited by the Western Association of Schools and Colleges.

THE ATTORNEY GENERAL'S ALLEGATIONS

4. The Attorney General alleges that in the course of offering for sale and selling online education degree programs, Ashford used unconscionable sales practices through which Ashford telemarketers, under significant pressure to enroll students, engaged in violations of the Consumer Fraud Act by:

- a) making false or misleading statements to prospective students in order to convince them to enroll;
- b) utilizing unfair and high pressure sales tactics, including but not limited to emotionally-charged appeals to persuade prospective students to make an uninformed decision to enroll;
- c) failing to disclose material facts to prospective students;
- d) misrepresenting to prospective students who wished to become teachers that an Ashford Education Degree would allow students to become classroom teachers when, in fact, many Ashford graduates are subject to additional requirements on a state-by-state basis that may include student teaching or practicum experience, additional coursework, additional testing, or earning an additional degree, all requiring substantial additional expenditures by students;

e) unfairly imposing a “Technology Services Fee” on all students after six weeks of enrollment, and then retaining the fee regardless of how long the student remained enrolled at Ashford.

5. The Attorney General alleges that as a result of this conduct, many students did not complete a course of study, could not obtain professional licensure, and were saddled with substantial student loan debt that they could not repay nor discharge.

6. The Attorney General believes that, in combination with changes Respondents have made over the past several years, the requirements of this AVC will provide an improved enrollment process at Ashford University that complies with the Consumer Fraud Act.

RESPONDENTS’ POSITION

7. Respondents deny wrongdoing or liability of any kind, but have agreed to enter into this Assurance in order to resolve all issues raised regarding the Consumer Fraud Act during the Attorney General’s inquiry.

DEFINITIONS

Whenever the terms listed below are used in this AVC, the following definitions shall apply:

8. “Academic Advisor” means any natural person employed by Respondents whose primary job responsibility is to provide current Ashford students with guidance on Ashford policies, program offerings, degree options, and information about alternatives, limitations and potential consequences of academic decisions in order to assist students in achieving their educational and career goals.

9. “Admissions Counselor” means any natural person employed by Respondents whose primary job responsibility is to recruit prospective students, including, but not limited to,

assisting prospective students with the application process and informing prospective students about Ashford's program and degree offerings and student financial aid.

10. "Ashford" means Ashford University, LLC, and anyone acting under its behalf or subject to its control.

11. "AVC" or "Assurance" means this Assurance of Voluntary Compliance.

12. "Bridgepoint" or "BPI" means Bridgepoint Education, Inc., and anyone acting under its behalf or subject to its control, when acting on behalf of, as an agent of, or in any way related to Ashford's online programs. For avoidance of any doubt, nothing in this AVC is intended to affect the University of the Rockies or Ashford's Clinton, Iowa, ground-based degree programs.

13. "Clearly and Conspicuously" or "Clear and Conspicuous," when referring to a statement or disclosure, means that such statement or disclosure is made in such size, color, contrast, location, duration, and audibility that it is readily noticeable, readable, understandable, and capable of being heard. A statement may not contradict or be inconsistent with any other information with which it is presented. If a statement modifies, explains, or clarifies other information with which it is presented, it must be presented in proximity to the information it modifies, in a manner that is likely to be noticed, readable, and understandable, and it must not be obscured in any manner. Audio disclosure shall be delivered in a volume and cadence sufficient for the listener to hear and comprehend it. Visual disclosure shall be of a size and shade and appear on the screen for a duration sufficient for a student to read and comprehend it. In a print advertisement or promotional material, including, but without limitation, point of sale display or brochure materials directed to students, the disclosures shall be in a type size and

location sufficiently noticeable for the viewer to read and comprehend it, in a print that contrasts with the background against which it appears.

14. “Effective Date” means the date upon which all parties to this AVC have executed the Assurance, provided, however, that Respondents shall have a period of no less than ninety days in which to implement this Assurance (unless otherwise specified).

15. “Iowa Student” means any natural person who is or was a student at Ashford while a resident of the State of Iowa.

16. “Out of Pocket Expenses” shall mean all reasonable and necessary expenses for: (a) software and services used to process, store and review documents, data and other materials (but not costs associated with reviewing any such materials); (b) legal research databases such as Lexis and Westlaw (but not attorney’s fees associated with such research); (c) travel; (d) telecommunications, including voice and video conferencing; (e) recording and transcription services; (f) document printing and reproduction; (g) shipping and postage; and (h) other similar expenses. Out of Pocket Expenses do not include expenses related to accountants, experts, consultants, contract attorneys, firms, or other personnel engaged to assist the Settlement Administrator. Costs associated with Respondents’ compliance with this AVC, including costs associated with responding to requests for information and documents by the Settlement Administrator, are not considered Out of Pocket Expenses and shall be paid by Respondents.

17. “Respondents” shall mean Ashford and Bridgepoint, collectively.

18. “Student” means any person who is enrolled in Ashford or a person who contacted or is contacted by Ashford regarding enrollment.

19. “Technology Fee” means the fee charged to students that covers access to Ashford systems such as the online classroom, student portal, and other electronic academic resources.

20. “Third Party Vendor” means any person, corporation, partnership, or any other type of entity that is authorized by Respondents to provide prospective student inquiries to Ashford.

COMPLIANCE MEASURES

Representations to Students and Prospective Students

21. In connection with any communication with a Student regarding enrollment at Ashford, disbursement of Student financial aid, or academic advising, Respondents are prohibited from (a) making any false, deceptive, or misleading statements; (b) omitting any material fact with the intent that a Student rely on the omission; (c) engaging in unfair practices; and (d) using any unconscionable or coercive tactic to persuade a Student to enroll or remain enrolled in Ashford.

Representations and Disclosures Regarding College of Education Licensure

22. Respondents will not represent or imply that completion of any Ashford College of Education degree program will lead a Student to licensure or certification without additional steps, unless true. Nor will Respondents fail to disclose material facts concerning the licensure implications of Ashford’s College of Education degree programs.

23. For any Student entering a degree program within Ashford’s College of Education, Respondents will Clearly and Conspicuously disclose, in a separate written disclosure form that is solely dedicated to licensure or certification, that:

a) **“An online degree from Ashford University does not lead to immediate teacher licensure in any state.** If you want to become a classroom teacher, contact

your state's education authorities **prior** to enrolling at Ashford to determine what state-specific requirements you must complete before obtaining your teacher's license.”

b) “Ashford graduates will be subject to additional requirements on a state-by-state basis that will include one or more of the following: student teaching or practicum experience, additional coursework, additional testing, or, if the state requires a specific type of degree to seek alternative certification, earning an additional degree.”

c) “None of Ashford's online education programs are CAEP, TEAC or NCATE accredited, which is a requirement for certification in some states.”

Any disclosure made pursuant to this paragraph shall be designed to allow the Student to elect to print and retain a copy of the disclosure as part of the enrollment application.

24. Respondents shall require all Students who enroll in Ashford's College of Education to affirmatively acknowledge that they have read and understand the disclosures set forth in the preceding paragraph. Such acknowledgement may be made either by affirmatively checking a box in the online application or by providing the Student's signature on a webpage or document solely dedicated to the disclosure referenced in the preceding paragraph, either during the enrollment process or prior to transferring into the College of Education or any program therein. Any acknowledgment made pursuant to this paragraph shall be designed to allow the Student to elect to print and retain a copy of the acknowledgment as part of the enrollment application.

25. Respondents shall provide written notification to all Students enrolled in Ashford's College of Education reiterating the disclosure statement in paragraph 22, above, when the Student has obtained 30, 60 and 90 completed credit hours, whether at Ashford or through transfer credit.

26. Should programs in Ashford's College of Education qualify for immediate licensure in one or more states, the parties shall meet in good faith to revise the preceding disclosures to reflect any changes in licensure status.

Disclosures During Admissions Process

27. In all Ashford enrollment applications and academic catalogs, Respondents shall Clearly and Conspicuously disclose the undergraduate and graduate graduation rates and the median loan debt of graduates from each program. For the purpose of this paragraph only, a Clear and Conspicuous hyperlink to the aforementioned information shall suffice, provided that the enrollment application requires Students to follow the hyperlink in order to proceed with the enrollment application. Any disclosure made pursuant to this paragraph shall be designed to allow the Student to elect to print and retain a copy of the disclosure as part of the enrollment application.

Required Training and Compliance

28. Respondents shall provide mandatory training to all Admissions Counselors regarding Ashford's relevant policies and procedures. Such mandatory training shall include information on (a) the transferability of credits between Ashford and other educational institutions; (b) career counseling services offered to Students; (c) financial aid practices, including eligibility, packaging and disbursement policies; (d) any licensure, certification, or accreditation information related to the degree, program, or field of study discussed by the Admissions Counselor; and (e) compliance with the Federal Educational Rights and Privacy Act of 1974 ("FERPA"), 20 U.S.C. § 1232g.

29. Respondents shall provide training to all Academic Advisors and Admissions Counselors to act in compliance with the terms of this AVC. Such training shall be provided

within thirty (30) days of becoming an Academic Advisor or Admissions Counselor, or as soon thereafter as practicable.

30. Within 120 days of the Effective Date of this AVC, Respondents shall ensure that all Academic Advisors and Admissions Counselors are trained to act in compliance with the terms of this AVC. For the following three (3) years, Respondents shall provide annual refresher training to all Academic Advisors and Admissions Counselors regarding compliance with the terms of this AVC.

31. For a period of three (3) years following the effective date of the AVC, Respondents shall have in place a system to monitor Admission Counselors' telephone calls with Students to ensure that Admissions Counselors are complying with the provisions set forth in this Section. To that end, Respondents shall:

a) monitor Admission Counselors' telephone calls with Students using voice recognition software in a manner consistent with current practices; and

b) monitor via non-computerized methods at least seventy-five (75) minutes of each Admission Counselor's telephone calls with Students on a quarterly basis, provided the Admissions Counselor is an active employee throughout the quarter.

32. Respondents shall take disciplinary action in accordance with Respondents' policies and procedures against any Admissions Counselor found in violation of any policy or procedure instituted by Respondents pursuant to this Assurance, up to and including termination of the Admissions Counselor.

33. Respondents shall retain copies of all performance reports that form the basis of any formal disciplinary action against an Admission Counselor for a minimum of three (3) years

following the commencement of such disciplinary action, and provide such performance reports to the Attorney General and to the Administrator upon written request.

34. Respondents shall retain copies of all recordings that form the basis of any formal disciplinary action against an Admission Counselor for a minimum of one (1) year following the commencement of such disciplinary action, and provide such recordings to the Attorney General and to the Administrator upon written request.

35. Nothing in the preceding paragraph shall limit Respondents' ability to terminate an employee for failing to fulfill the responsibilities of his or her position.

Measures to Increase Student Retention and Graduation Rates

36. Respondents shall prescreen all incoming telephone inquiries concerning prospective enrollment in any Ashford program for minimum eligibility requirements as defined in the Admission Policies and Procedures in the Ashford University Catalog.

37. Respondents shall require all incoming Associate and Bachelor Degree candidates who have zero transfer credits from prior coursework from a college or university other than Ashford to attend a no-cost, two-week orientation program. During this orientation, Respondents will provide Clear and Conspicuous written disclosures concerning the undergraduate and graduate graduation rates and the median loan debt for Ashford graduates.

38. Respondents shall provide a three (3) week trial period during which undergraduate Students will be permitted to withdraw from Ashford without any cost. Such trial period applies to the first course taken as a degree-seeking Student at the undergraduate level. During such trial period, Respondents shall evaluate each Student's achievement and progress according to objective criteria designed to determine whether each Student is likely to succeed in the Ashford program in which he or she is enrolled.

39. Respondents shall monitor Student achievement and progress using academic intervention tools in order to assist Students in achieving academic success.

Third Party Vendor Requirements

40. Respondents shall require that all contracts with Third Party Vendors for the provision of services to Ashford executed after the Effective Date include a provision requiring that the Third Party Vendor and any of its subcontractors, when performing services related to Respondents, comply with (a) Ashford's Online Vendor Compliance Guide that is currently in effect at the time of contracting, (b) all applicable state and federal consumer protection laws, including the Consumer Fraud Act, and (c) any applicable injunctive relief in effect as a result of this AVC. Nothing in this paragraph shall be interpreted as requiring Respondents to provide, or disclose the content of, this Assurance to any Third Party Vendor.

41. Respondents shall conduct an annual audit of all Third Party Vendor practices for three (3) years following the effective date of this AVC. Such audit shall examine, at a minimum, compliance with the applicable terms of this AVC and all practices relating to the use of any incentive, discount or inducement of any kind to encourage Student inquiries or otherwise used to recruit Students. Respondents shall include in the annual audit report a list of all Third Party Vendors and the date of retention of the Third Party Vendor.

42. Each audit report shall be retained for a period of three (3) years following the date of issuance and shall be provided to the Settlement Administrator within ten business days of completion. The Attorney General shall have access to the audit reports upon written request.

43. If, during the term of a contract, Respondents learn that a Third Party Vendor has engaged, or may be engaging, in an act or practice which would violate this Assurance if

committed by Respondents, Respondents shall send a cease and desist notice to the Third Party Vendor.

44. Upon written notice from the Attorney General that a Third Party Vendor is violating any provision of this AVC, or any provision of the Consumer Fraud Act in connection with services provided to Ashford, Respondents shall conduct an investigation of the Third Party Vendor practice and report the results of that investigation to the Attorney General.

45. Respondents shall maintain policies and procedures, exercise its contractual rights or take other appropriate action to require Third Party Vendors to comply with this AVC. Appropriate action shall be determined by the nature and circumstance of the alleged violation, including but not limited to, the pattern or severity of the alleged conduct. Respondents shall exercise any contractual rights available to them to require the Third Party Vendor to comply with the terms of this AVC.

Technology Fee

46. For a period of three (3) years following the Effective Date, Respondents shall impose the Ashford Technology Fee on a per-class basis. Should Respondents seek to alter the method by which the Technology Fee is assessed during the three years following the Effective Date, the parties shall meet and confer in good faith to discuss the proposed change; however, no change shall be implemented during this three year period without the express consent of the Attorney General.

47. For a period of three (3) years following the Effective Date, the Technology Fee for a Student's first class shall be fully refundable up to and including the third week of class.

48. Beginning three (3) years after the Effective Date, Respondents shall be permitted to alter the amount of its Technology Fee provided that any increase in the amount of the Technology Fee is reasonably related to the increase in the cost of such services.

49. Respondents shall Clearly and Conspicuously disclose the Technology Fee, along with all other fees and costs associated with an Ashford degree program, in the enrollment application and the Ashford Academic Catalog.

Enforcement

50. A violation of this AVC by Respondents is a violation of Iowa Code § 714.16.

51. The Attorney General agrees that no action by the Attorney General related to this AVC will be filed in district court without first meeting and conferring with Respondents concerning the subject of the action, so long as Respondents make necessary representatives available to meet and confer within two (2) weeks of the receipt of notice from the Attorney General of a violation.

APPOINTMENT OF A SETTLEMENT ADMINISTRATOR

52. Thomas J. Perrelli, Esq. is hereby appointed as the Settlement Administrator (“Administrator”) to review Respondents’ compliance with this AVC.

53. Within thirty (30) days after entering into a contract with Respondents to serve as the Administrator, the Administrator shall complete a proposed work plan with input from the parties.

54. In the event of any dispute arising over the Administrator’s performance or the reasonableness of the Administrator’s costs and fees, the parties or the Administrator may submit such dispute to a one day, binding arbitration conducted pursuant to the Commercial Rules of the American Arbitration Association, or JAMS, in Polk County, Iowa or another location if agreed to by the parties. Respondents shall pay all administrative charges assessed by the tribunal. The

arbitrator shall have the power to decide all matters, including arbitrability, but must decide all disputes in accordance with Iowa law. The arbitrator shall reach a decision based solely on the written submissions of the parties, unless the arbitrator requests additional evidence, including argument by the parties.

55. Upon agreement of the Attorney General and Respondents, the Administrator may be dismissed for Good Cause. In the event the parties do not agree to the dismissal of the Administrator, the party seeking dismissal may submit the question of the Administrator's dismissal to a neutral arbitrator agreed to by the parties, under the procedure for arbitration identified in paragraph 54. "Good Cause" shall mean: (a) a material and substantial breach of the terms of this Assurance by the Administrator, including the failure to comply with the terms and limitations of this Assurance; (b) any act of dishonesty, misappropriate, embezzlement, intentional fraud, or similar conduct; (c) any intentional act of bias or prejudice in favor or against either party or Consumers by the Administrator; or (d) conduct by the Administrator that demonstrates unfitness to serve in any administrative capacity. Good Cause shall not include disagreements with the decisions of the Administrator pursuant to this Assurance, unless there is a clear pattern in the Administrator's decisions that demonstrates or shows that the Administrator has not been acting as an independent third party in rendering decisions.

56. The Administrator shall be appointed for a term of three (3) years. If the Administrator leaves the position for any reason before the end of the term, another Administrator shall be appointed by agreement of the parties to this AVC.

Costs of the Administrator

57. Respondents shall pay all reasonable and necessary fees of the Administrator, as well as a set amount of Out of Pocket Expenses. Reasonable and necessary fees shall be limited

to those set out in the Administrator's contract with Respondents, which is subject to the approval of the Attorney General. The Attorney General may pay a portion of the Settlement Administrator's fees and Out of Pocket Expenses as set forth in the work plan.

Powers and Duties of the Administrator

58. The Administrator shall independently review Respondents' compliance with the terms of this AVC. In furtherance of this purpose, the Administrator shall be permitted to:

- a) observe Admissions Counselor training sessions;
- b) review telephone calls between Admissions Counselors and prospective students;
- c) review any transcripts, recordings, and performance reports related to any telephone calls, if such performance reports exist;
- d) review materials used to train Admissions Counselors;
- e) review complaints made to Respondents, the Attorney General, the Better Business Bureau, Iowa College Student Aid Commission, or any state or federal governmental body after the effective date of this AVC that concern or relate to Ashford's admissions practices;
- f) have reasonable access to books, records, and other documents related to Ashford's current admissions practices; and
- g) have reasonable access to books, records, and other documents, and staff sufficient to ensure compliance with all provisions of the AVC as set forth in the Administrator's work plan.

59. The Administrator shall make a good faith effort to leverage Respondents' existing compliance mechanisms when reviewing Respondents' compliance with this AVC.

60. The Administrator shall make a good faith effort to perform its duties in a manner designed to cause minimal disruption to Respondents' activities. In this regard, Respondents shall designate senior officials within the Office of the General Counsel to serve as the primary points of contact for the Administrator in order to facilitate the Administrator's access to documents or materials necessary to review Respondents' compliance with this AVC. The Administrator shall communicate any request for documents, materials, or access to staff to the designated contacts, unless otherwise instructed.

61. If at any time the Administrator believes that there is undue delay, resistance to, limitation or denial of, or interference with any requests for records, or access to any staff member deemed necessary by the Administrator to review compliance with this AVC, the Administrator may meet and confer with designated officials in the Office of the General Counsel. If the Administrator cannot resolve such limitation or denial, it shall be immediately reported to the Attorney General.

62. The Administrator shall keep confidential any information, documents, and reports obtained or produced in the course of his duties from any and all individuals, entities, regulators, government officials or any other third party that is not a party to this AVC. Nothing in the preceding sentence shall limit the Administrator's ability to make any disclosure compelled by law.

Oversight and Compliance

63. The Administrator shall inform the Attorney General at any time it appears that Respondents are engaged in a pattern and practice of non-compliance with any requirement of this AVC. The Administrator shall gather all relevant facts before making any report to the Attorney General, including requesting Respondents' position on the suspected violation. Upon

receipt of information from the Administrator about compliance concerns, the Administrator, the Attorney General and Respondents shall meet and confer regarding the nature of the concern, and whether any remediation is necessary. If there is an agreement on the resolution, a record shall be made in writing concerning the matter.

64. The Administrator shall issue a report (hereafter “Annual Report”) to the Attorney General and to Respondents within one year after the Effective Date and annually thereafter for the duration of the Administrator’s term. The Administrator may make more frequent written reports as necessary or upon request of the Attorney General. All written reports requested by the Attorney General shall be provided to Respondents prior to their presentation to the Attorney General. The ICC and Respondents shall meet and confer to discuss all written reports and Annual Reports prior to their presentation to the Attorney General. As part of this conferral process, the ICC shall in good faith consider all reasonable modifications to the report proposed by Respondents.

65. The Annual Report shall include a description of the methodology and review procedures used and an evaluation of Respondents’ compliance with this AVC, including any matters which were resolved pursuant to paragraphs 63 and 64, above. The Administrator’s Annual Report shall identify only patterns or practices of noncompliance by Respondents, if any, and is not intended to identify isolated incidents if the Administrator determines that such incidents are not indicative of Respondents’ compliance with the AVC.

66. Nothing in this section shall limit the ability of the Administrator to communicate at any time with the Attorney General regarding Respondents’ conduct.

Admissibility of the Administrator's Work Product and Testimony

67. Any Administrator report, finding, or other written document may be used by the Attorney General or Respondents in any court hearing, trial, or other proceeding relating to this AVC. The Administrator's reports, findings, and other written documents shall be admissible into evidence in a proceeding between the parties if there is an alleged violation of this AVC.

68. The Administrator may testify in any court hearing, trial, or other proceeding relating to this AVC. The Administrator's testimony may concern his reports, findings, opinions, or written documents relating to compliance with this AVC.

Authority of the Attorney General

69. Nothing in this AVC limits the right of the Attorney General to conduct future investigations of other alleged violations of applicable law in addition to the independent work of the Administrator.

PAYMENT TO THE ATTORNEY GENERAL

70. Within five business days of the Effective Date of this AVC, Respondents shall make a payment to the Attorney General of Iowa in the sum of \$7,250,000.00, to be used by the Attorney General for costs and fees of the Attorney General's investigation, for any purpose for which funds directed to the Consumer Litigation and Education Fund, referenced in Iowa Code § 714.16C, may be expended, apportioned at the discretion of the Attorney General, and for any other use for which the Attorney General may lawfully expend funds, including but not limited to reimbursement for current and former Students or Settlement Administrator fees and costs, apportioned at the sole discretion of the Attorney General. In no event shall any portion of this payment be characterized as the payment of a fine, civil penalty, or forfeiture by Respondents.

GENERAL TERMS OF ASSURANCE

71. This Assurance is for settlement purposes only. No part of this Assurance constitutes or shall be deemed to constitute an admission by Respondents that they have ever engaged in any conduct proscribed by this Assurance, nor shall this Assurance constitute evidence against Respondents in any action brought by any person or entity for any violation of any federal or state statute or regulation or the common law, except in an action brought by the Attorney General to enforce the terms of this Assurance.

72. This Assurance constitutes a complete settlement and general release (“Release”) by the Attorney General of all claims the State of Iowa may have under the Iowa Consumer Fraud Act against Respondents. The Release becomes operative ninety days after the Effective Date. For avoidance of any doubt, nothing in this Assurance releases claims against the University of the Rockies or Ashford’s Clinton, Iowa, ground-based degree programs.

73. The parties agree that this Assurance does not constitute an approval by the Attorney General of any of Respondents’ past or future practices and Respondents shall not make any representation to the contrary.

74. The requirements of this Assurance are in addition to, and not in lieu of, any other requirements of state or federal law.

75. Nothing contained in this Assurance shall be construed to create or waive any individual private right of action by any consumer.

76. Respondents shall not participate directly or indirectly in any activity to form or proceed as a separate entity or corporation for the purpose of engaging in acts prohibited in this Assurance or for any other purpose which would otherwise circumvent any part of this Assurance.

77. This Assurance may only be enforced by the parties.

78. If any clause, provision or section of this Assurance shall, for any reason, be held illegal, invalid or unenforceable, such illegality, invalidity or unenforceability shall not affect any other clause, provision or section of this Assurance and this Assurance shall be construed and enforced as if such illegal, invalid or unenforceable clause, section or other provision had not been contained herein.

79. The section headings and subheadings contained in this Assurance are included for convenience of reference only and shall be ignored in the construction or interpretation of this Assurance.

80. The parties agree that this Assurance will become binding and effective when executed by all of the parties.

81. To the extent that any changes in Respondents' business, advertisements, and/or advertising practices are made to achieve or facilitate conformance to the terms of this Assurance, the fact that such changes were made shall not constitute any form of evidence or admission, explicit or implicit, by Respondents of wrongdoing.

82. With respect to solicitations, advertising or marketing which has been used prior to the Effective Date, Respondents shall not be liable for its non-compliance so long as it has made reasonable efforts to locate, withdraw, or amend such solicitations, advertising or marketing to comply with the foregoing requirements within 90 days of the Effective Date. Respondents shall not be liable for failing to prevent the republication of pre-existing solicitation, advertising or marketing that does not comply with this Assurance by independent third-parties or parties who are not subject to Respondents' control so long as Respondents make reasonable efforts to prevent such republication, including, but not limited to, exercising any

available contractual rights, and, where no contractual relationship exists, requesting in writing that the third party terminate the republication of such solicitation, advertising or marketing.

83. Neither this AVC nor anything herein shall be construed or used as a waiver, limitation, or bar on any defense otherwise available to Respondents, or on Respondents' right to defend itself from or make any arguments in any pending, or future legal, or administrative action, proceeding, or state or federal claim or suit, including without limitation, private individual or class action claims or suits, relating to Respondents' conduct prior to the execution of this AVC, or to the existence, subject matter or terms and conditions of this AVC.

84. In the event that any statute, rule or regulation pertaining to the subject matter of this AVC is enacted, promulgated, modified, or interpreted by any federal or state government or agency, or a court of competent jurisdiction holds that such statute, rule or regulation is in conflict with any provision of the AVC, Respondents may comply with such statute, rule or regulation and such action in the affected jurisdiction shall not constitute a violation of this AVC.

85. Any document, information, or report created pursuant to paragraphs 33, 34, 44, 63, 64, and/or 65 of this AVC by Respondents or the Settlement Administrator and shared with the Attorney General is subject to Iowa Code chapter 22. The Attorney General recognizes that some or all of the documents, information or reports may be confidential pursuant to chapter 22 or other applicable state or federal laws. In the event that the Attorney General determines the document, information, or report is not confidential pursuant to applicable law, or if the Attorney General is compelled to produce the material pursuant to a court or administrative order, the Attorney General shall provide notice to Respondents ten (10) business days prior to disclosing the document, information, or report to any third party. Notwithstanding the above requirements, the Attorney General may share any document, information, or report subject to

this paragraph with any other local state or federal agency empowered to investigate or prosecute any laws, regulations, or rules, provided that, prior to making the disclosure, the Attorney General obtains the agency's agreement in writing that it will abide by the terms of this paragraph to the same extent as required of the Attorney General.

[Signature pages to follow]

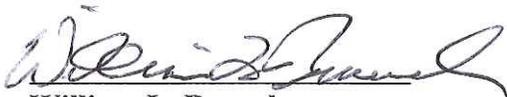
In Re Bridgepoint Education, Inc., and Ashford University L.L.C.

May 15, 2014

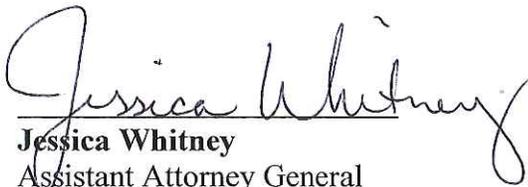
For the State of Iowa:



Thomas J. Miller
Attorney General of Iowa



William L. Brauch
Special Assistant Attorney General
Director-Consumer Protection Division

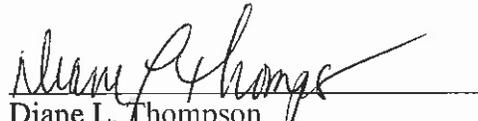


Jessica Whitney
Assistant Attorney General

In Re Bridgepoint Education, Inc., and Ashford University L.L.C.

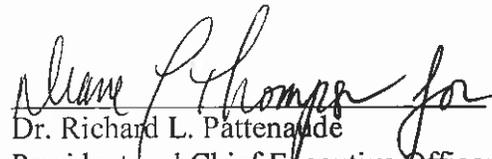
May 15, 2014

For Bridgepoint Education, Inc.



Diane L. Thompson
Senior Vice President, Secretary and General Counsel
Bridgepoint Education, Inc.

For Ashford University, LLC



Dr. Richard L. Pattenade
President and Chief Executive Officer
Ashford University, LLC