UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2026

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission File Number: 001-34211

GRAND CANYON EDUCATION, INC.
(Exact name of registrant as specified in its charter)

Delaware	**20-3356009**
(State or other jurisdiction of Incorporation or organization)	***(I.R.S. Employer Identification No.)***

2600 W. Camelback Road
Phoenix, Arizona 85017
(Address, including zip code, of principal executive offices)

(602) 247-4400
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock	LOPE	Nasdaq Global Select Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.:

Large Accelerated Filer	☒	Accelerated Filer	☐
Non-accelerated Filer	☐	Smaller Reporting Company	☐
		Emerging Growth Company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The total number of shares of common stock outstanding as of July 28, 2026, was 26,065,037.

GRAND CANYON EDUCATION, INC.
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PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

GRAND CANYON EDUCATION, INC.
Consolidated Income Statements
(Unaudited)

(In thousands, except per share data)	Three Months Ended June 30, 2026	Three Months Ended June 30, 2025	Six Months Ended June 30, 2026	Six Months Ended June 30, 2025
Service revenue	$ 264,045	$ 247,499	$ 572,805	$ 536,809
Costs and expenses:				
Technology and academic services	45,645	43,134	90,675	84,798
Counseling services and support	88,072	83,023	179,929	169,845
Marketing and communication	59,963	56,037	123,950	116,367
General and administrative	10,109	11,411	20,428	21,777
Amortization of intangible assets	2,105	2,105	4,210	4,210
Total costs and expenses	205,894	195,710	419,192	396,997
Operating income	58,151	51,789	153,613	139,812
Investment interest and other	2,702	3,226	5,723	6,607
Income before income taxes	60,853	55,015	159,336	146,419
Income tax expense	15,001	13,469	38,136	33,255
Net income	$ 45,852	$ 41,546	$ 121,200	$ 113,164
Earnings per share:				
Basic income per share	$ 1.75	$ 1.48	$ 4.58	$ 4.02
Diluted income per share	$ 1.75	$ 1.48	$ 4.57	$ 4.00
Basic weighted average shares outstanding	26,162	27,996	26,451	28,136
Diluted weighted average shares outstanding	26,221	28,134	26,543	28,301

The accompanying notes are an integral part of these consolidated financial statements.

GRAND CANYON EDUCATION, INC.
Consolidated Balance Sheets

(In thousands, except par value)	June 30, 2026 (Unaudited)	December 31, 2025
ASSETS:		
Current assets		
Cash and cash equivalents	$ 171,060	$ 111,762
Investments	103,466	188,317
Accounts receivable, net	34,237	84,278
Income tax receivable	7,863	2,392
Other current assets	14,830	13,430
Total current assets	331,456	400,179
Property and equipment, net	181,051	178,957
Right-of-use assets	93,767	96,571
Amortizable intangible assets, net	147,333	151,543
Goodwill	160,766	160,766
Other assets	4,806	4,289
Total assets	$ 919,179	$ 992,305
LIABILITIES AND STOCKHOLDERS' EQUITY:		
Current liabilities		
Accounts payable	$ 16,781	$ 24,347
Accrued compensation and benefits	35,332	35,199
Accrued liabilities	34,989	32,283
Income taxes payable	69	3,355
Deferred revenue	15,119	—
Current portion of lease liability	15,346	14,568
Total current liabilities	117,636	109,752
Deferred income taxes, noncurrent	41,840	41,426
Other long-term liability	1,328	1,439
Lease liability, less current portion	88,866	92,755
Total liabilities	249,670	245,372
Commitments and contingencies		
Stockholders' equity		
Preferred stock, $0.01 par value, 10,000 shares authorized; 0 shares issued and outstanding at June 30, 2026 and December 31, 2025	—	—
Common stock, $0.01 par value, 100,000 shares authorized; 54,265 and 54,178 shares issued and 26,234 and 27,393 shares outstanding at June 30, 2026 and December 31, 2025, respectively	543	542
Treasury stock, at cost, 28,031 and 26,785 shares of common stock at June 30, 2026 and December 31, 2025, respectively	(2,496,632)	(2,291,610)
Additional paid-in capital	357,427	350,374
Accumulated other comprehensive (loss) gain	(145)	511
Retained earnings	2,808,316	2,687,116
Total stockholders' equity	669,509	746,933
Total liabilities and stockholders' equity	$ 919,179	$ 992,305

The accompanying notes are an integral part of these consolidated financial statements.

GRAND CANYON EDUCATION, INC.
Consolidated Statements of Comprehensive Income
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
(In thousands)	**2026**	**2025**	**2026**	**2025**
Net income	$ 45,852	$ 41,546	$ 121,200	$ 113,164
Other comprehensive income, net of tax:				
Unrealized gains (losses) on available-for-sale securities, net of taxes of $13 and $52 for the three months ended June 30, 2026 and 2025, respectively, and $204 and $51 for the six months ended June 30, 2026 and 2025, respectively	40	172	(656)	165
Comprehensive income	$ 45,892	$ 41,718	$ 120,544	$ 113,329

The accompanying notes are an integral part of these consolidated financial statements.

GRAND CANYON EDUCATION, INC.
Consolidated Statement of Stockholders' Equity
(In thousands)
(Unaudited)

	Six Months Ended June 30, 2026							
	Common Stock		Treasury Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Retained Earnings	Total
	Shares	Par Value	Shares	Cost				
Balance at December 31, 2025	54,178	$ 542	26,785	$ (2,291,610)	$ 350,374	$ 511	$ 2,687,116	$ 746,933
Comprehensive income	—	—	—	—	—	(696)	75,348	74,652
Common stock purchased for treasury	—	—	725	(121,472)	—	—	—	(121,472)
Restricted shares forfeited	—	—	1	—	—	—	—	—
Share-based compensation	85	1	47	(7,521)	3,597	—	—	(3,923)
Balance at March 31, 2026	54,263	$ 543	27,558	$ (2,420,603)	$ 353,971	$ (185)	$ 2,762,464	$ 696,190
Comprehensive income	—	—	—	—	—	40	45,852	45,892
Common stock purchased for treasury	—	—	472	(76,029)	—	—	—	(76,029)
Restricted shares forfeited	—	—	1	—	—	—	—	—
Share-based compensation	2	—	—	—	3,456	—	—	3,456
Balance at June 30, 2026	54,265	$ 543	28,031	$ (2,496,632)	$ 357,427	$ (145)	$ 2,808,316	$ 669,509

	Six Months Ended June 30, 2025							
	Common Stock		Treasury Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Retained Earnings	Total
	Shares	Par Value	Shares	Cost				
Balance at December 31, 2024	54,090	$ 541	25,232	$ (2,024,370)	$ 336,736	$ —	$ 2,470,946	$ 783,853
Comprehensive income	—	—	—	—	—	(7)	71,618	71,611
Common stock purchased for treasury	—	—	395	(68,927)	—	—	—	(68,927)
Restricted shares forfeited	—	—	—	—	—	—	—	—
Share-based compensation	86	1	53	(9,463)	3,629	—	—	(5,833)
Balance at March 31, 2025	54,176	$ 542	25,680	$ (2,102,760)	$ 340,365	$ (7)	$ 2,542,564	$ 780,704
Comprehensive income	—	—	—	—	—	172	41,546	41,718
Common stock purchased for treasury	—	—	259	(47,933)	—	—	—	(47,933)
Restricted shares forfeited	—	—	5	—	—	—	—	—
Share-based compensation	2	—	—	—	3,487	—	—	3,487
Balance at June 30, 2025	54,178	$ 542	25,944	$ (2,150,693)	$ 343,852	$ 165	$ 2,584,110	$ 777,976

The accompanying notes are an integral part of these consolidated financial statements.

GRAND CANYON EDUCATION, INC.
Consolidated Statements of Cash Flows
(Unaudited)

(In thousands)	Six Months Ended June 30, 2026	Six Months Ended June 30, 2025
Cash flows provided by operating activities:		
Net income	$ 121,200	$ 113,164
Adjustments to reconcile net income to net cash provided by operating activities:		
Share-based compensation	7,054	7,117
Depreciation and amortization	17,028	15,260
Amortization of intangible assets	4,210	4,210
Deferred income taxes	618	1,657
Other, including fixed asset disposals	(307)	(602)
Changes in assets and liabilities:		
Accounts receivable	50,041	55,249
Other assets	(2,095)	(4,732)
Right-of-use assets and lease liabilities	(307)	379
Accounts payable	(7,841)	(2,605)
Accrued liabilities	892	3,014
Income taxes receivable/payable	(8,757)	(14,622)
Deferred revenue	15,119	14,150
Net cash provided by operating activities	196,855	191,639
Cash flows provided by (used in) investing activities:		
Capital expenditures	(18,863)	(17,561)
Additions of amortizable content	(44)	(28)
Purchase of equity investment	—	(1,000)
Loss on equity investment	100	500
Purchases of investments	(36,672)	(191,666)
Proceeds from sale or maturity of investments	121,108	11,007
Net cash provided by (used in) investing activities	65,629	(198,748)
Cash flows used in financing activities:		
Repurchase of common shares and shares withheld in lieu of income taxes	(203,186)	(125,236)
Net cash used in financing activities	(203,186)	(125,236)
Net increase (decrease) in cash and cash equivalents and restricted cash	59,298	(132,345)
Cash and cash equivalents and restricted cash, beginning of period	111,762	324,623
Cash and cash equivalents and restricted cash, end of period	$ 171,060	$ 192,278
Supplemental disclosure of cash flow information		
Cash paid for interest	$ —	$ —
Cash paid for income taxes	$ 43,728	$ 44,476
Supplemental disclosure of non-cash investing and financing activities		
Purchases of property and equipment included in accounts payable	$ 1,110	$ 1,302
Excise tax on treasury stock repurchases	$ 1,836	$ 1,087

The accompanying notes are an integral part of these consolidated financial statements.

Grand Canyon Education, Inc.
Notes to Consolidated Financial Statements
(In thousands, except per share data)

1. Nature of Business

Grand Canyon Education, Inc. (together with its subsidiaries, the "Company" or "GCE") is a publicly traded education services company dedicated to serving colleges and universities. GCE has developed significant technological solutions, infrastructure and operational processes to provide services to these institutions on a large scale. GCE's most significant university partner is Grand Canyon University ("GCU"), an Arizona non-profit corporation, a comprehensive regionally accredited university that offers graduate and undergraduate degree programs, emphases and certificates across ten colleges both online, on ground at its campus in Phoenix, Arizona and at 12 off-campus classroom and laboratory sites.

We also provide education services to numerous university partners across the United States. In the healthcare field, we work in partnership with a number of top universities and healthcare networks, offering healthcare-related academic programs at off-campus classroom and laboratory sites located near healthcare providers and developing high-quality, career-ready graduates who enter the workforce ready to meet the demands of the healthcare industry. In addition, we have provided certain services to a university partner to assist them in expanding their online graduate programs. As of June 30, 2026, GCE provides education services to 20 university partners across the United States.

2. Summary of Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries. Intercompany transactions have been eliminated in consolidation.

Unaudited Interim Financial Information

The accompanying unaudited interim consolidated financial statements of the Company have been prepared in accordance with U.S. generally accepted accounting principles ("GAAP") and pursuant to the rules and regulations of the United States Securities and Exchange Commission (the "SEC") and the instructions to Form 10-Q and Article 10, consistent in all material respects with those applied in its financial statements included in its Annual Report on Form 10-K for the fiscal year ended December 31, 2025. They do not include all of the information and footnotes required by GAAP for complete financial statements. Such interim financial information is unaudited but reflects all adjustments that in the opinion of management are necessary for the fair presentation of the interim periods presented. Interim results are not necessarily indicative of results for a full year. These consolidated financial statements should be read in conjunction with the Company's audited financial statements and footnotes included in its Annual Report on Form 10-K for the fiscal year ended December 31, 2025 from which the December 31, 2025 balance sheet information was derived.

Use of Estimates

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts in the consolidated financial statements and accompanying notes. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Company invests a portion of its cash in excess of current operating requirement in short term certificates of deposit and money market instruments. The Company considers all highly liquid investments with maturities of three months or less at the time of purchase to be cash equivalents.

Investments

As of June 30, 2026 and December 31, 2025, the Company considered its investments in corporate bonds, agency bonds, treasury bills and commercial paper as available-for-sale securities based on the Company's intent for the respective securities. Available-for-sale securities are carried at fair value, determined using Level 1 of the hierarchy of valuation inputs, with the use of inputs other than quoted prices that are observable for the assets. Unrealized investment gains and losses, net of tax, are reported as a separate component of other comprehensive income. Unrealized losses considered to be other-than-temporary are recognized currently in earnings. Amortization of premiums, accretion of discounts, interest and dividend income and realized gains and losses are included in interest and other income.

Property and Equipment

Property and equipment are recorded at cost less accumulated depreciation. Depreciation is computed using the straight-line method. Normal repairs and maintenance are expensed as incurred. Expenditures that materially extend the useful life of an asset are capitalized. Construction in progress represents items not yet placed in service and are not depreciated. Depreciation is provided using the straight-line method over the estimated useful lives of the assets. Furniture and fixtures, computer equipment, and vehicles generally have estimated useful lives of ten, four, and five years, respectively. Leasehold improvements are depreciated over the shorter of their lease term or their useful life. Land improvements and buildings are depreciated over lives ranging from 10 to 40 years.

Arrangements with GCU

On July 1, 2018, the Company consummated an Asset Purchase Agreement (the “Asset Purchase Agreement”) with GCU. In conjunction with the Asset Purchase Agreement, the Company and GCU entered into a long-term master services agreement (the “Master Services Agreement”) pursuant to which the Company provides identified technology and academic services, counseling services and support, marketing and communication services, and several back-office services to GCU in return for 60% of GCU’s tuition and fee revenue. Except for identified liabilities assumed by GCU, GCE retained responsibility for all liabilities of the business arising from pre-closing operations.

Internally Developed Technology

The Company capitalizes certain costs related to internal-use software, primarily consisting of direct labor associated with creating the software. Software development projects generally include three stages: the preliminary project stage (all costs are expensed as incurred), the application development stage (certain costs are capitalized and certain costs are expensed as incurred) and the post-implementation or operation stage (all costs are expensed as incurred). Costs capitalized in the application development stage include costs of design, coding, integration, and testing of the software developed. Capitalization of costs requires judgment in determining when a project has reached the application development stage and the period over which we expect to benefit from the use of that software. Once the software is placed in service, these costs are amortized straight-line over the estimated useful life of the software, which is generally three years. These assets are a component of our property and equipment, net in our consolidated balance sheets.

Capitalized Content Development

The Company capitalizes certain costs to fulfill a contract related to the development and digital creation of content on a course-by-course basis for each university partner, many times in conjunction with faculty and subject matter experts. The Company is responsible for the conversion of instructional materials to an on-line format, including outlines, quizzes, lectures, and articles in accordance with the educational guidelines provided to us by our university partners, prior to the respective course commencing. We also capitalize the creation of learning objects which are digital assets such as online demonstrations, simulations, and case studies used to obtain learning objectives.

Costs that are capitalized include payroll and payroll-related costs for employees who are directly associated and spend time producing content and payments to faculty and subject matter experts involved in the process. The Company starts capitalizing content costs when it begins to develop or to convert a particular course, resources have been assigned and a timeline has been set. The content asset is placed in service when all work is complete, and the curriculum could be used for instruction. Capitalized content development assets are included in other assets in our consolidated balance sheets. The Company has concluded that the most appropriate method to amortize the deferred content assets is on a straight-line basis over the estimated life of the course, which is generally four years which corresponds with the course’s review and major revision cycle. As of June 30, 2026 and December 31, 2025, $335 and $413, respectively, net of amortization, of deferred content assets are included in other assets, long-term in the Company’s consolidated balance sheets and amortization is included in technology and academic services where the costs originated.

Grand Canyon Education, Inc.
Notes to Consolidated Financial Statements
(In thousands, except per share data)

Long-Lived Assets

The Company evaluates the recoverability of its long-lived assets for impairment, other than goodwill, whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to undiscounted future net cash flows expected to be generated by the assets. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets.

Leases

The Company determines if an arrangement is a lease at inception and evaluates the lease agreement to determine whether the lease is a finance or operating lease. Right-of-use ("ROU") assets and lease liabilities are recognized at commencement date based on the present value of lease payments over the lease term. The Company uses its incremental borrowing rate based on the information available at the commencement to determine the present value of lease payments over the lease term. At lease inception, the Company determines the lease term by assuming no exercises of renewal options, due to the Company's constantly changing geographical needs for its university partners. Leases with an initial term of 12 months or less are not recorded in the consolidated balance sheets and are recognized as lease expense on a straight-line basis over the lease term. The Company has lease agreements with lease and non-lease components, and the non-lease components are accounted for separately and not included in our ROU assets and lease liabilities. Leases primarily consist of off-campus classroom and laboratory site locations and office space.

Goodwill and Amortizable Intangible Assets

Goodwill represents the excess of the purchase price of an acquired business over the amount assigned to the tangible and intangible assets acquired and liabilities assumed. Goodwill is assessed at least annually for impairment during the fourth quarter, or more frequently if circumstances indicate potential impairment. Goodwill is allocated to our reporting unit at the education services segment, which is the same as the entity as a whole (entity level reporting unit). The Company has concluded there is one operating segment and one reporting unit for goodwill impairment consideration. The Financial Accounting Standards Board has issued guidance that permits an entity to first assess qualitative factors to determine whether it is necessary to perform the quantitative goodwill impairment test. The Company reviews goodwill at least annually or more frequently if an event occurs or circumstances change that would more likely than not reduce the fair value of the reporting unit below its carrying amount.

Finite-lived intangible assets that are acquired in a business combination are recorded at fair value on their acquisition dates and are amortized using a method that reflects the pattern in which the economic benefits of the intangible assets are consumed or on a straight-line basis over the estimated useful life of the intangible asset if the pattern of economic benefit cannot be reliably determined. Finite-lived intangible assets consist of university partner relationships and trade names. The Company reviews its finite-lived intangible assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an intangible asset may not be recoverable. There were no indicators that the carrying amount of the finite-lived intangible assets were impaired as of June 30, 2026. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to undiscounted future net cash flows expected to be generated by the assets. If such intangible assets are not recoverable, a potential impairment loss is recognized to the extent the carrying amounts of the assets exceeds the fair value of the assets.

Share-Based Compensation

The Company measures and recognizes compensation expense for share-based payment awards made to employees and directors. The fair value of the Company's restricted stock awards is based on the market price of its common stock on the date of grant. Stock-based compensation expense related to restricted stock grants is expensed over the vesting period using the straight-line method for Company employees and the Company's board of directors (the "Board of Directors"). The Company recognizes forfeitures as they occur.

Grand Canyon Education, Inc.
Notes to Consolidated Financial Statements
(In thousands, except per share data)

Fair Value of Financial Instruments

The carrying value of cash and cash equivalents, accounts receivable, accounts payable, accrued compensation and benefits and accrued liabilities expenses approximate their fair value based on the liquidity or the short-term maturities of these instruments.

The fair value of investments was determined using Level 1 of the hierarchy of valuation inputs, with the use of inputs other than quoted prices that are observable for the assets. The unit of account used for valuation is the individual underlying security. The basis for fair value measurements for each level is described below, with Level 1 having the highest priority.

-Level 1 – inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

-Level 2 – inputs are quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in non-active markets; and model-derived valuations whose inputs are observable or whose significant valuation drivers are observable.

-Level 3 – unobservable inputs that are not corroborated by market data.

Investments are comprised of corporate bonds, agency bonds, treasury bills and commercial paper.

Commitments and Contingencies

The Company accrues for contingent obligations when it is probable that a liability has been incurred and the amount is reasonably estimable. When the Company becomes aware of a claim or potential claim, the likelihood of any loss exposure is assessed. If it is probable that a loss will result and the amount of the loss is estimable, the Company records a liability for the estimated loss. If the loss is not probable or the amount of the potential loss is not estimable, the Company will disclose the claim if the likelihood of a potential loss is reasonably possible and the amount of the potential loss could be material. Estimates that are particularly sensitive to future changes include tax, legal, and other regulatory matters, which are subject to change as events evolve, and as additional information becomes available during the administrative and litigation process. The Company expenses legal fees as incurred.

Revenue Recognition

The Company generates all of its revenue through services agreements with its university partners ("Services Agreements"), pursuant to which the Company provides integrated technology and academic services, marketing and communication services, and back-office services to its university partners in return for a percentage of tuition and fee revenue.

The Services Agreements have initial terms ranging from 7-15 years, subject to renewal options, although certain agreements may give the university partners the right to terminate early if certain conditions are met. The Services Agreements have a single performance obligation, as the promises to provide the identified services are not distinct within the context of these agreements. The single performance obligation is delivered as our partners receive and consume benefits, which occurs ratably over a series of distinct service periods (daily or semester). Service revenue is recognized over time using the output method of measuring progress towards complete satisfaction of the single performance obligation. The output method provides a faithful depiction of the performance toward complete satisfaction of the performance obligation and can be tied to the time elapsed which is consumed evenly over the service period and is a direct measurement of the value provided to our partners. The service fees received from our partners over the term of the agreement are variable in nature in that they are dependent upon the number of students attending the university partner's program and revenues generated from those students during the service period. Due to the variable nature of the consideration over the life of the service arrangement, the Company considered forming an expectation of the variable consideration to be received over the service life of this one performance obligation. However, since the performance obligation represents a series of distinct services, the Company recognizes the variable consideration that becomes known and billable because these fees relate to the distinct service period in which the fees are earned. The Company meets the criteria in the standard and exercises the practical expedient to not disclose the aggregate amount of the transaction price allocated to the single performance obligation that is unsatisfied as of the end of the reporting period. The Company does not disclose the value of unsatisfied performance obligations because the directly allocable variable consideration is allocated entirely to a wholly unsatisfied promise to transfer a service that forms part of a single performance obligation. The service fees are calculated and settled per the terms of the Services Agreements and result in a settlement duration of less than one year for all partners. There are no refunds or return rights under the Services Agreements.

The Company's receivables represent unconditional rights to consideration from our Services Agreements with our university partners. Accounts receivable, net is stated at net realizable value and contains billed and unbilled revenue. The Company utilizes the allowance method to provide for doubtful accounts based on its evaluation of the expected credit losses. There have been no amounts written off and no reserves established as of June 30, 2026 given historical collection experience and an evaluation of reasonable and supportable forecasts of economic conditions and other pertinent factors affecting the Company's customers such as known credit risk or industry trends. The Company will continue to review and revise its allowance methodology based on its collection experience with its partners.

For our partners with unbilled revenue, revenue recognition occurs in advance of billings. Billings for some university partners do not occur until after the service period has commenced and final enrollment information is available. Given that the Fall semester ends just prior to December 31 of each year, unbilled revenue is low at year end (whereas a semester is ongoing at the end of each other fiscal quarter, and unbilled revenue is thus higher at the end of our first three quarters). Our unbilled revenue of $4,677 and $53 as of June 30, 2026 and December 31, 2025, respectively, are included in accounts receivable in our consolidated balance sheets. Deferred revenue represents the excess of amounts received as compared to amounts recognized in revenue on our consolidated statements of income as of the end of the reporting period, and such amounts are reflected as a current liability on our consolidated balance sheets. We generally receive payments for our services billed within 30 days of invoice. These payments are recorded as deferred revenue until the services are delivered and revenue is recognized.

Allowance for Credit Losses

The Company records its accounts receivable at the net amount expected to be collected. Our accounts receivable are derived through education services provided to university partners. The Company maintains an allowance for credit losses resulting from our university partners not making payments. The Company determines the adequacy of the allowance by periodically evaluating each university partner's balance, considering their financial condition and credit history, and considering current and forecasted economic conditions. Bad debt expense is recorded as a technology and academic services expense in the consolidated income statements. The Company monitors the impact of other factors on expected credit losses.

Technology and Academic Services

Technology and academic services consist primarily of costs related to ongoing maintenance of educational infrastructure, including online course delivery and management, student records, assessment, customer relations management and other internal administrative systems. This also includes costs to provide support for content development, faculty training, development and other faculty support, technology support, rent and occupancy costs for university partners' off-campus classroom and laboratory sites, and assistance with state compliance. This expense category includes salaries, benefits and share-based compensation, information technology costs, amortization of content development costs and other costs associated with these support services. This category also includes an allocation of depreciation, amortization, and occupancy costs attributable to the provision of certain services, primarily at the Company's Phoenix, Arizona and Indianapolis, Indiana locations.

Counseling Services and Support

Counseling services and support consist primarily of costs including team-based counseling and other support to prospective and current students as well as financial aid processing. This expense category includes salaries, benefits and share-based compensation, and other costs such as dues, fees and subscriptions and travel costs. This category also includes an allocation of depreciation, amortization, lease expense, and occupancy costs attributable to the provision of certain services, primarily at the Company's Phoenix, Arizona and Indianapolis, Indiana locations.

Grand Canyon Education, Inc.
Notes to Consolidated Financial Statements
(In thousands, except per share data)

Marketing and Communication

Marketing and communication include lead acquisition, digital communication strategies, brand identity advertising, media planning and strategy, video, data science and analysis, marketing to potential students and other promotional and communication services. This expense category includes salaries, benefits and share-based compensation for marketing and communication personnel, brand advertising, marketing leads and other promotional and communication expenses. This category also includes an allocation of depreciation, amortization, lease expense, and occupancy costs attributable to the provision of certain services, primarily at the Company's Phoenix, Arizona and Indianapolis, Indiana locations. Advertising costs are expensed as incurred.

General and Administrative

General and administrative expenses include salaries, benefits and share-based compensation of employees engaged in corporate management, finance, human resources, compliance, and other corporate functions. This category also includes an allocation of depreciation, amortization, lease expense, and occupancy costs attributable to the provision of these services, primarily at the Company's Phoenix, Arizona and Indianapolis, Indiana locations.

Insurance/Self-Insurance

The Company uses a combination of insurance and self-insurance for a number of risks, including claims related to employee healthcare, workers' compensation, general liability and business interruption. Liabilities associated with these risks are estimated based on, among other things, historical claims experience, severity factors and other actuarial assumptions. The Company's loss exposure related to self-insurance is limited by stop loss coverage on a per occurrence and aggregate basis. The Company regularly analyzes its reserves for incurred but not reported claims, and for reported but not paid claims related to self-funded insurance programs. While the Company believes reserves are adequate, significant judgment is involved in assessing these reserves such as assessing historical paid claims, average lags between the claims' incurred date, reported dates and paid dates, and the frequency and severity of claims. There may be differences between actual settlement amounts and recorded reserves and any resulting adjustments are included in expense once a probable amount is known.

Concentration of Credit Risk

The Company believes the credit risk related to cash equivalents and investments is limited due to its adherence to an investment policy that requires investments to have a minimum BBB rating, depending on the type of security, by at least one major rating agency at the time of purchase. All of the Company's cash equivalents and investments as of June 30, 2026 and December 31, 2025 consist of investments rated BBB or higher by at least one rating agency. Additionally, the Company utilizes at least one financial institution to conduct initial and ongoing credit analysis on its investment portfolio to monitor and lower the potential impact of market risk associated with its cash equivalents and investment portfolio. Financial instruments that potentially subject the Company to concentration of credit risk consist principally of cash balances, which are primarily invested in money market funds or on deposit at high credit quality financial institutions in the U.S. Accounts at each institution are insured by the Federal Deposit Insurance Corporation ("FDIC") up to $250,000. At June 30, 2026 and December 31, 2025, the Company had $169,042 and $111,011, respectively, in excess of the FDIC insured limit. The Company is also subject to credit risk for its accounts receivable balance. Our dependence on our most significant university partner, GCU, with 89.4% of total service revenue for each of the six-month periods ended June 30, 2026 and 2025, subjects us to the risk that declines in our customer's operations would result in a sustained reduction in service revenue for the Company.

Segment Information

The Company operates as a single education services company using a core infrastructure that serves the curriculum and educational delivery needs of its university partners. The Company's Chief Executive Officer (the "Chief Operating Decision Maker" or "CODM") manages the Company's operations as a whole and no expense or operating income information is generated or evaluated on any component level other than consolidated net income.

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The education services segment generates revenue through Service Agreements with its university partners, pursuant to which the Company provides integrated technology and academic services, marketing and communication services, and back-office services to its university partners in return for a percentage of tuition and fee revenue.

The accounting policies of the education services segment are the same as those described in the summary of significant accounting policies. The measure of segment assets is reported on the consolidated balance sheet as total consolidated assets. The CODM uses consolidated net income to monitor budget versus actual results, which is used to evaluate headcount and compensation decisions.

Recent Accounting Pronouncements

In November 2024, the FASB issued ASU 2024-03, “Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses”. ASU No. 2024-03 does not change or remove existing expense disclosure requirements but requires disaggregated disclosures about certain expense categories and captions, including but not limited to, purchases of inventory, employee compensation, depreciation, amortization and selling expenses. ASU No. 2024-03 will become effective for us in fiscal 2027 and in the first quarter of fiscal 2028 for interim reporting. Retrospective application is permitted. The Company does not expect the adoption of this guidance to have a material impact on the Company’s financial condition, results of operations or statements of cash flows.

In September 2025, the FASB issued ASU 2025-06, “Intangibles – Goodwill and Other – Internal-Use Software (Subtopic 350-40)”. ASU 2025-06 removes all references to project stages throughout ASC 350-40 and clarifies the applicable threshold to begin capitalizing costs. ASU 2025-06 is effective for annual reporting periods beginning after December 15, 2027, and interim periods within those annual reporting periods. Early adoption is permitted as of the beginning of an annual reporting period. Adoption of this ASU should be applied using a prospective transition approach, a modified transition approach based on project status or a retrospective transition approach. The Company is currently evaluating the impact of this new standard on our financial statements and disclosures.

The Company has determined that no other recent accounting pronouncements apply to its operations or could otherwise have a material impact on its consolidated financial statements.

3. Investments

As of June 30, 2026 the Company had investments of $103,466 classified as available-for-sale securities.

	As of June 30, 2026			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized (Losses)	Estimated Fair Value
Corporate bonds	$ 102,806	$ 66	$ (255)	$ 102,617
Agency bonds	850	—	(1)	849
Total investments	$ 103,656	$ 66	$ (256)	$ 103,466

For the six months ended June 30, 2026 and 2025, the net unrealized gains and (losses) were ($656) and $165, respectively, net of taxes. Available-for-sale securities are carried at fair value on the consolidated balance sheets. The Company estimates the lifetime expected credit losses for all available-for-sale debt securities in an unrealized loss position. If our assessment indicates that an expected credit loss exists, we determine the portion of the unrealized loss attributable to credit deterioration and record a reserve for the expected credit loss in the allowance for credit losses in technology and academic services in our consolidated income statements. Based on the nature of securities there is no allowance recorded for available-for-sale debt securities.

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Available-for-sale securities maturing as of December 31:		
2026	$	18,072
2027		41,850
2028		31,088
2029		12,456
	$	103,466

4. Net Income Per Common Share

Basic earnings per common share is calculated by dividing net income available to common stockholders by the weighted average number of common shares outstanding for the period. Diluted earnings per common share reflects the assumed conversion of all potentially dilutive securities, consisting of restricted stock awards, for which the estimated fair value exceeds the exercise price, less shares which could have been purchased with the related proceeds, unless anti-dilutive. For employee equity awards, repurchased shares are also included for any unearned compensation adjusted for tax. The table below reflects the calculation of the weighted average number of common shares outstanding, on an as if converted basis, used in computing basic and diluted earnings per common share.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Denominator:				
Basic weighted average shares outstanding	26,162	27,996	26,451	28,136
Effect of dilutive stock options and restricted stock	59	138	92	165
Diluted weighted average shares outstanding	26,221	28,134	26,543	28,301

Diluted weighted average shares outstanding excludes the incremental effect of unvested restricted stock in accordance with the treasury stock method. For the three-month periods ended June 30, 2026 and 2025, approximately 116 and nil, respectively, and for the six-months periods ended June 30, 2026 and 2025, approximately 112 and 30, respectively, of the Company's restricted stock awards outstanding were excluded from the calculation of diluted earnings per share as their inclusion would have been anti-dilutive. These restricted stock awards could be dilutive in the future.

5. Property and Equipment

Property and equipment consist of the following:

	June 30, 2026	December 31, 2025
Land	$ 5,098	$ 5,098
Land improvements	2,242	2,242
Buildings	51,399	51,399
Buildings and leasehold improvements	40,291	39,159
Computer equipment	144,263	142,412
Furniture, fixtures and equipment	30,957	30,639
Internally developed software	135,976	125,160
Construction in progress	8,438	4,348
	418,664	400,457
Less accumulated depreciation and amortization	(237,613)	(221,500)
Property and equipment, net	$ 181,051	$ 178,957

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6. Amortizable Intangible Assets

Identified intangible assets of $210,280 consisted primarily of university partner relationships that were valued at $210,000, which arose in connection with the acquisition of Orbis Education in January 2019.

Amortizable intangible assets consist of the following as of:

	June 30, 2026			
	Estimated Average Useful Life (in years)	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
University partner relationships	25	$ 210,000	$ (62,667)	$ 147,333
Trade names	1	280	(280)	—
Total amortizable intangible assets, net		$ 210,280	$ (62,947)	$ 147,333

Estimated amortization expense for university partner relationships and trade names for the years ending December 31:

2026	$ 4,209
2027	8,419
2028	8,419
2029	8,419
2030	8,419
Thereafter	109,448
	$ 147,333

7. Leases

The Company has operating leases for off-campus classroom and laboratory sites, office space, office equipment, and optical fiber communication lines. These leases have remaining lease terms that range from two months to 11 years. At lease inception, we determine the lease term by assuming no exercises of renewal options due to the Company's constantly changing geographical needs for its university partners. Leases with an initial term of 12 months or less are not recorded in the consolidated balance sheets and we recognize lease expense for these leases on a straight-line basis over the lease term. The Company had operating lease costs of $9,065 and $8,749 for the six-month periods ended June 30, 2026 and 2025, respectively.

As of June 30, 2026, the Company had $31,055 of non-cancelable operating lease commitments for five off-campus classroom and laboratory sites that had not yet commenced. The Company's weighted-average remaining lease term relating to its operating leases is 6.97 years, with a weighted-average discount rate of 4.51%. The cash paid for operating lease liabilities was $9,372 and $8,358 for the six months ended June 30, 2026 and 2025, respectively. As of June 30, 2026, the Company had no financing leases.

Future payment obligations with respect to the Company's operating leases, which were existing at June 30, 2026, by year and in the aggregate, are as follows:

Year Ending December 31,	Amount
2026	$ 9,777
2027	18,625
2028	17,937
2029	17,838
2030	16,047
Thereafter	42,573
Total lease payments	$ 122,797
Less interest	18,585
Present value of lease liabilities	$ 104,212

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8. Commitments and Contingencies

Legal Matters

From time to time, the Company is a party to various lawsuits, claims, and other legal proceedings that arise in the ordinary course of business, some of which are covered by insurance. When the Company is aware of a claim or potential claim, it assesses the likelihood of any loss or exposure. If it is probable that a loss will result and the amount of the loss can be reasonably estimated, the Company records a liability for the loss. If the loss is not probable or the amount of the loss cannot be reasonably estimated, the Company discloses the nature of the specific claim if the likelihood of a potential loss is reasonably possible, and the amount involved could be material. With respect to the majority of pending litigation matters, the Company's ultimate legal and financial responsibility, if any, cannot be estimated with certainty and, in most cases, any potential losses related to those matters are not considered probable.

Upon resolution of any pending legal matters, the Company may incur charges in excess of presently established reserves. Management does not believe that any such charges would, individually or in the aggregate, have a material adverse effect on the Company's financial condition, results of operations or cash flows.

Pending Litigation Matters

Matters Related to GCU Graduate Program Disclosures and Related Matters. The Company is a party to several matters alleging that, in the performance of its marketing services provided on behalf of GCU, it made false or misleading representations regarding the time to complete and the costs associated with and/or accreditation issues related to certain GCU graduate programs. These matters include:

- Smith and Wang v. Grand Canyon Education, Inc. This putative class action was filed in June 2024 in the United States District Court for the District of Arizona and asserts claims under the federal RICO statute as well as various claims for violations of state law consumer protection statutes. On September 20, 2024, the plaintiffs amended their complaint, and on November 4, 2024, the Company moved to dismiss the case. The court granted in part and denied in part the motion to dismiss. Specifically, the court dismissed one of the plaintiff's RICO counts but allowed the other RICO count and the consumer protection claims to proceed to discovery. Fact discovery ended on May 12, 2026, but the Parties jointly requested that the Court permit limited supplemental depositions that were conducted on July 15, 2026. Plaintiffs filed a motion for class certification as to their RICO claims and to certify California and Florida subclasses as to their state law consumer protection claims. The Company has filed its opposition to class certification. There is currently no trial date scheduled in this matter.
- Ogdon v. Grand Canyon Education, Inc., et al. This putative class action was filed in May 2020 in federal district court in California and later transferred to United States District Court for the District of Arizona and asserts claims for violations of California's False Advertising Law, Unfair Competition Law, Consumer Legal Remedies Act; Unjust Enrichment; and purported violations of the federal RICO statute, including a conspiracy claim. The defendants include the Company along with our chief executive officer, chief operating officer and chief financial officer. In July 2025, the plaintiff filed a Second Amended Complaint and added an additional plaintiff. The Company filed a motion to dismiss the Second Amended Complaint on August 19, 2025. The court granted in part and denied in part the motion to dismiss. Specifically, the court dismissed plaintiffs' claims for injunctive relief and plaintiff Ogdon's money damages for forgiven loans but allowed plaintiff Singh's New York law claims and RICO claims to proceed. Discovery is ongoing, and there is currently no trial date scheduled in this matter.
- Valerio, et al. v. Grand Canyon Education, Inc., et al. This suit was filed on December 24, 2024, in Maricopa County, Arizona Superior Court on behalf of nearly 300 plaintiffs. The plaintiffs assert various claims, including claims for violations of state law consumer protection statutes. The Company filed a motion to dismiss the complaint on May 12, 2025. On September 17, 2025, the court denied the motion to dismiss. The court held a status conference on October 9, 2025, to address issues of case management. The court ordered plaintiffs to file individual complaints for each plaintiff. The plaintiffs

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filed their individual complaints on December 11, 2025, and Defendants filed answers to each complaint on January 30, 2026. Discovery is ongoing and there is currently no trial date scheduled in this matter.

We believe that the Company's representations made in marketing materials or by our employees regarding GCU's doctoral program requirements were at all times accurate and not false or misleading and thus did not violate applicable law. The Company intends to defend itself vigorously in each of these legal proceedings. The outcome of these legal proceedings is uncertain at this point. At present, the Company cannot estimate a range of loss for these actions based on the information available to the Company. Accordingly, the Company has not accrued any liability associated with these actions.

9. Share-Based Compensation

Incentive Plan

Prior to June 2026, the Company made equity incentive grants under its 2017 Equity Incentive Plan (the "2017 Plan"). In April 2026, the Board of Directors of the Company approved, and at the Company's 2026 annual meeting of stockholders held on June 10, 2026, the Company's stockholders adopted, a 2026 Equity Incentive Plan (the "2026 Plan"). All future grants of equity incentives will be made from the 2026 Plan. As of June 30, 2026, 1,497 shares were available for grants under the 2026 Plan.

Restricted Stock

During the six months ended June 30, 2026, the Company granted 85 shares of common stock with a service vesting condition to certain of its executives, officers and employees. The restricted shares have voting rights and vest in five annual installments of 20%, with the first installment vesting in March of the calendar year following the date of grant (the "first vesting date") and subsequent installments vesting on each of the four anniversaries of the first vesting date. Upon vesting, shares will be withheld in lieu of taxes equivalent to the minimum statutory tax withholding required to be paid when the restricted stock vests. During the six months ended June 30, 2026, the Company withheld 47 shares of common stock in lieu of taxes at a cost of $7,521 on the restricted stock vesting dates. In June 2026, following the annual stockholders meeting, the Company granted 2 shares of common stock to the non-employee members of the Board of Directors. The restricted shares granted to these directors have voting rights and vest on the earlier of (a) the one-year anniversary of the date of grant or (b) immediately prior to the next annual stockholders meeting.

A summary of the activity related to restricted stock granted under the 2017 Plan and the 2026 Plan since December 31, 2025 is as follows:

	Total Shares	Weighted Average Grant Date Fair Value per Share
Outstanding as of December 31, 2025	331	$ 124.22
Granted	87	$ 174.18
Vested	(123)	$ 111.18
Forfeited, canceled or expired	(2)	$ 145.82
Outstanding as of June 30, 2026	293	$ 144.38

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Share-based Compensation Expense

The table below outlines share-based compensation expense for the six months ended June 30, 2026 and 2025 related to restricted stock granted:

	2026	2025
Technology and academic services	$ 1,306	$ 1,452
Counseling services and support	3,868	3,834
Marketing and communication	153	132
General and administrative	1,727	1,699
Share-based compensation expense included in operating expenses	$ 7,054	$ 7,117
Tax effect of share-based compensation	(1,764)	(1,779)
Share-based compensation expense, net of tax	$ 5,290	$ 5,338

10. Treasury Stock

The Board of Directors has authorized share repurchases of up to $2,545,000 since the initiation of the Company's stock repurchase program. The expiration date on the current repurchase authorization is March 1, 2027. Repurchases occur at the Company's discretion. Repurchases may be made in the open market or in privately negotiated transactions, pursuant to the applicable SEC rules. The amount and timing of future share repurchases, if any, will be made as market and business conditions warrant.

During the six months ended June 30, 2026 the Company repurchased 1,197 shares of common stock, at an aggregate cost of $195,665. As of June 30, 2026, there remained $148,689 available under its current share repurchase authorization. Shares repurchased in lieu of taxes are not included in the repurchase plan totals as they were approved in conjunction with the restricted share awards. Excise taxes of $1,836 are not included in the repurchase plan totals but are included in the total cost of net share repurchases in the consolidated statement of stockholders' equity.

11. Subsequent Events

As is described in Footnote 1, on July 1, 2018, the Company entered into the Master Services Agreement with GCU. Under the terms of the Master Services Agreement, the Company provides identified technological, counseling, marketing, financial aid processing and other support services to GCU in return for service fees equal to 60% of GCU's revenue derived from tuition and academic-related fees, ancillary fees related to student housing, food service, athletic ticket sales, and arena, hotel, golf course, and apparel operations. The Master Services Agreement had an initial term of fifteen (15) years running through June 30, 2033, subject to renewal options, although GCU has the right to terminate the MSA at any time after July 1, 2025 for convenience upon payment of a termination fee equal to one-hundred (100%) of the fees paid to the Company in the trailing twelve (12) month period. If GCU chose not to renew the Master Services Agreement after the initial fifteen (15) year term or any subsequent five-year automatic renewal term, GCU would be required to pay the Company a non-renewal fee equal to fifty percent (50%) of the fees paid in the trailing twelve (12) month period.

On July 29, 2026, we entered into an Amended and Restated Master Services Agreement with GCU (the "Amended MSA"). The Amended MSA is effective as of July 1, 2026, has an initial term of fifteen (15) years running through June 30, 2041, and, unless notice of non-renewal is given at least eighteen (18) months in advance of the end of the initial term or any renewal term, will automatically renew up to three additional five (5) year renewal terms. The Amended MSA eliminates GCU's ability to terminate for convenience (while also eliminating any related early termination fees owed by GCU) prior to the end of the term, restructures the service fees such that going forward (i) service fees are calculated as 60% of tuition and academic-related fees only, (ii) ancillary fees and other revenue are for the sole benefit of GCU, and (iii) a reimbursement payment that the Company had been making to GCU in respect of certain academic related costs is eliminated, and (iv) in lieu of the prior non-renewal fee that was due if GCU did not renew the MSA at the end of the term, the Company would continue to provide services to, and receive services fees from, GCU for an eighteen (18) month period following termination. As previously disclosed, the Company estimates that, under the Amended MSA, its service revenue will be reduced by approximately $20 million annually but that its operating income will decline by an immaterial amount due to the elimination of the academic reimbursement payment.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with the financial statements and related notes that appear elsewhere in this report.

Forward-Looking Statements

This Quarterly Report on Form 10-Q, including Item 2, *Management's Discussion and Analysis of Financial Condition and Results of Operations*, contains certain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). These forward-looking statements include, without limitation, statements regarding: proposed new programs; statements as to whether regulatory developments or other matters may or may not have a material adverse effect on our financial position, results of operations, or liquidity; statements concerning projections, predictions, expectations, estimates, or forecasts as to our business, financial and operational results, and future economic performance; and statements of management's goals and objectives and other similar expressions concerning matters that are not historical facts. Words such as "may," "should," "could," "would," "predicts," "potential," "continue," "expects," "anticipates," "future," "intends," "plans," "believes," "estimates" and similar expressions, the negative of these expressions, as well as statements in future tense, identify forward-looking statements. You can also identify forward-looking statements by discussions of strategy, plans or intentions of management.

Forward-looking statements should not be read as a guarantee of future performance or results and will not necessarily be accurate indications of the times at, or by, which such performance or results will be achieved. Forward-looking statements are based on information available at the time those statements are made or management's good faith belief as of that time with respect to future events and are subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in or suggested by the forward-looking statements. Important factors that could cause our actual performance or results to differ materially from those expressed in or suggested by the forward-looking statements, include, but are not limited to:

- legal and regulatory actions taken against us related to our services business, or against our university partners that impact their businesses and that directly or indirectly reduce the service revenue we can earn under our master services agreements;
- the occurrence of any event, change or other circumstance that could give rise to the termination of any of the key university partner agreements;
- our ability to properly manage risks and challenges associated with strategic initiatives, including potential acquisitions or divestitures of, or investments in, new businesses, acquisitions of new properties and new university partners, and expansion of services provided to our existing university partners;
- our failure to comply with the extensive regulatory framework applicable to us either directly as a third-party service provider or indirectly through our university partners, including Title IV of the Higher Education Act and the regulations thereunder, state laws and regulatory requirements, and accrediting commission requirements, and the results of related legal and regulatory actions that arise from such failures;
- the harm to our business, results of operations, and financial condition, and harm to our university partners resulting from epidemics, pandemics, or public health crises;
- the harm to our business and our ability to attract and retain students resulting from capacity constraints, system disruptions, or security breaches in our online computer networks and phone systems;
- the ability of our university partners' students to obtain federal Title IV funds, state financial aid, and private financing;
- potential damage to our reputation or other adverse effects as a result of negative publicity in the media, in the industry or in connection with governmental reports or investigations or otherwise, affecting us or other companies in the education services sector;
- risks associated with changes in applicable federal and state laws and regulations and accrediting commission standards, including pending rulemaking by the United States Department of Education applicable to us directly or indirectly through our university partners;

- competition from other education service companies in our geographic region and market sector, including competition for students, qualified executives and other personnel;
- our expected tax payments and tax rate;
- our ability to hire and train new employees, and develop and train existing employees;
- the pace of growth of our university partners' enrollment and its effect on the pace of our own growth;
- fluctuations in our revenues due to seasonality;
- our ability, on behalf of our university partners, to convert prospective students to enrolled students and to retain active students to graduation;
- our success in updating and expanding the content of existing programs and developing new programs in a cost-effective manner or on a timely basis for our university partners;
- risks associated with the competitive environment for marketing the programs of our university partners;
- failure on our part to keep up with advances in technology that could enhance the experience for our university partners' students;
- our ability to manage future growth effectively;
- the impact of any natural disasters or public health emergencies; and
- general adverse economic conditions or other developments that affect the job prospects of our university partners' students.

Additional factors that could cause actual results to differ from those discussed in the forward-looking statements include, but are not limited to, those described in this "Management's Discussion and Analysis of Financial Condition and Results of Operations" and in "Risk Factors" in Part I, Item 1A of our Annual Report on Form 10-K (the "2025 Form 10-K") for the fiscal year ended December 31, 2025, filed with the Securities and Exchange Commission ("SEC") on February 18, 2026, and as updated in our subsequent reports filed with the SEC, including any updates found in Part II, Item 1A of this Quarterly Report on Form 10-Q or our other reports on Form 10-Q. Forward-looking statements speak only as of the date the statements are made. You should not put undue reliance on any forward-looking statements. We assume no obligation to update forward-looking statements to reflect actual results, changes in assumptions, or changes in other factors affecting forward-looking information, except to the extent required by applicable securities laws. If we do update one or more forward-looking statements, no inference should be drawn that we will make additional updates with respect to those or other forward-looking statements.

Executive Overview

Grand Canyon Education, Inc. (together with its subsidiaries, the "Company" or "GCE") is a publicly traded education services company dedicated to serving colleges and universities. GCE has developed significant technological solutions, infrastructure and operational processes to provide services to these institutions on a large scale. GCE's most significant university partner is Grand Canyon University ("GCU"), a comprehensive regionally accredited university that offers graduate and undergraduate degree programs, emphases and certificates across ten colleges both online and on ground at its campus in Phoenix, Arizona, and at 12 off-campus classroom and laboratory sites.

We also provide education services to numerous university partners across the United States. In the healthcare field, we work in partnership with a number of top universities and healthcare networks, offering healthcare-related academic programs at off-campus classroom and laboratory sites located near healthcare providers and developing high-quality, career-ready graduates who enter the workforce ready to meet the demands of the healthcare industry. In addition, we have provided certain services to a university partner to assist them in expanding their online graduate programs. As of June 30, 2026, GCE provides education services to 20 university partners across the United States.

We plan to continue to add additional university partners and to introduce additional programs with both our existing partners and with new partners. We may engage with both new and existing university partners to offer healthcare programs, online only or hybrid programs, or, as is the case for our most significant partner, GCU, both healthcare and other programs. We do disclose significant information for GCU, such as enrollments, due to its size in comparison to our other university partners.

Critical Accounting Policies and Use of Estimates

Our critical accounting policies are disclosed in the 2025 Form 10-K for the fiscal year ended December 31, 2025. During the six months ended June 30, 2026, there were no significant changes in our critical accounting policies.

Results of Operations

The following table sets forth certain income statement data as a percentage of revenue for each of the periods indicated. Amortization of intangible assets has been excluded from the table below:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Costs and expenses				
Technology and academic services	17.3 %	17.4 %	15.8 %	15.8 %
Counseling services and support	33.4	33.5	31.4	31.6
Marketing and communication	22.7	22.6	21.6	21.7
General and administrative	3.8	4.6	3.6	4.1

Three Months Ended June 30, 2026 Compared to Three Months Ended June 30, 2025

Service revenue. Our service revenue for the three months ended June 30, 2026 was $264.0 million, an increase of $16.5 million, or 6.7%, as compared to service revenue of $247.5 million for the three months ended June 30, 2025. The increase year over year in service revenue was primarily due to an increase in university partner enrollments of 7.6% to 126,231 at June 30, 2026 as compared to 117,283 at June 30, 2025. GCU enrollments increased to 121,921 at June 30, 2026, an increase of 7.5% over enrollments at June 30, 2025. University partner enrollments at our off-campus classroom and laboratory sites were 5,829, an increase of 16.8% over enrollments at June 30, 2025, which includes 1,519 and 1,142 GCU students at June 30, 2026 and 2025, respectively. Excluding sites that have been closed or are in teach out, total enrollments at our off-campus classroom and laboratory sites increased 18.5% between years. Revenue per student decreased slightly between years primarily due to contract modifications with one of our university partners in which our revenue share percentage was reduced in exchange for us no longer reimbursing this partner for certain faculty costs which had the effect of reducing revenue per student and a slight decline year over year in revenue per student for online students due to the continued mix shift to students that have a slightly lower net tuition rate and a slight decline year over year in Spring semester ground traditional students which generate a higher revenue per student than online students. In addition there was one less day of revenue for the ground campus due to the start date shifting one day of revenue from the second quarter to the first quarter in 2026 which had a $1.0 million impact. These decreases were partially offset by the service revenue per student for accelerated Bachelor of Science in Nursing ("ABSN") students at off-campus classroom and laboratory sites generating a significantly higher revenue per student than we earn under our agreement with GCU, as these agreements generally provide us with a higher revenue share percentage, the partners have higher tuition rates than GCU and the majority of our partners' students take more credits on average per semester.

We opened one new site in the six months ended June 30, 2026 and closed one site in which we stopped recruiting new students in 2025, thus the total number of sites remains at 47 at June 30, 2026. We plan to open one additional site in the Fall of 2026. Enrollments for GCU ground students were 8,910 at June 30, 2026, up 3.9% from 8,579 at June 30, 2025. GCU ground enrollment declines between March 31 and June 30 of each year as ground traditional enrollment at GCU at June 30 of each year only includes traditional-aged students taking summer school classes, which is a small percentage of GCU's traditional-aged student body. The Spring semester for GCU's traditional-aged student body ends near the end of April each year. GCU online enrollments were 113,011 at June 30, 2026, up from 104,856 at June 30, 2025, an increase of 7.8% between years.

Technology and academic services. Our technology and academic services expenses for the three months ended June 30, 2026 were $45.6 million, an increase of $2.5 million, or 5.8%, as compared to technology and academic services expenses of $43.1 million for the three months ended June 30, 2025. This increase was primarily due to increases in employee compensation and related expenses, including share-based compensation and benefit costs, in other technology and academic costs, and in occupancy and depreciation costs of $0.9 million, $0.8 million and $0.8 million, respectively. The increase in employee compensation and related expenses is primarily due to increased headcount to support our 20 university partners and their increased enrollment growth, tenure-based salary adjustments and a significant year-over-year increase in benefit costs. The increases in other technology and academic costs and occupancy and depreciation were primarily due to the costs associated with the increased enrollment growth at our off-campus classroom and laboratory sites to support our 20 university partners as well as an increase in technology costs and curriculum cost reimbursements to our university partners. Our technology and academic services expenses as a percentage of revenue decreased by 0.1% to 17.3% for the three months ended June 30, 2026, from 17.4% for the three months ended June 30, 2025. This decrease was primarily due to our ability to leverage our technology and academic service expenses across an increasing revenue base offset by the increased technology costs and curriculum cost reimbursements. We anticipate that technology and academic services expenses will increase in the future as we open more off-site classroom and laboratory sites and technology costs continue to grow, partially offset by a decrease in curriculum cost reimbursements due to the Amended Master Services Agreement, and these costs as a percentage of revenue could increase in the future.

Counseling services and support. Our counseling services and support expenses for the three months ended June 30, 2026 were $88.1 million, an increase of $5.1 million, or 6.1%, as compared to counseling services and support expenses of $83.0 million for the three months ended June 30, 2025. This increase was primarily attributable to increases in employee compensation and related expenses including share-based compensation and benefits and in occupancy and depreciation costs of $4.7 million and $0.6 million, respectively, partially offset by a decrease in other counseling services and support expenses of $0.2 million. The increases in employee compensation including share-based compensation and benefits were primarily due to increased headcount to support our university partners, and their planned increases in enrollment, tenure-based salary adjustments and a significant year over year increase in benefit costs. The increase in occupancy and depreciation is primarily related to the increased headcount and continued enhancements to technology infrastructure and internal-use software development for employees that service students. The decrease in other counseling services and support expenses is primarily the result of lower travel costs to service our 20 university partners. Our counseling services and support expenses as a percentage of revenue decreased 0.1% to 33.4% for the three months ended June 30, 2026, from 33.5% for the three months ended June 30, 2025 primarily due to our ability to leverage our counseling services and support expenses across an increasing revenue base offset by the increased costs described above. We anticipate that counseling services and support expense will increase in the future as we continue to invest to meet our partners' needs and these costs as a percentage of revenue could increase in the future.

Marketing and communication. Our marketing and communication expenses for the three months ended June 30, 2026 were $60.0 million, an increase of $4.0 million, or 7.0%, as compared to marketing and communication expenses of $56.0 million for the three months ended June 30, 2025. This increase was primarily attributable to the increased spend to market our university partners' programs and due to the marketing of new locations which resulted in increased advertising of $3.6 million, increased employee compensation, including share-based compensation and benefits of $0.2 million, increased occupancy and depreciation expense of $0.1 million and increased other communication expenses of $0.1 million. Our marketing and communication expenses as a percentage of revenue increased by 0.1% to 22.7% for the three months ended June 30, 2026, from 22.6% for the three months ended June 30, 2025. We anticipate that marketing and communication expenses will increase in the future as we continue to invest to meet our partners' needs and these costs as a percentage of revenue could increase in the future.

General and administrative. Our general and administrative expenses for the three months ended June 30, 2026 were $10.1 million, a decrease of $1.3 million, or 11.4%, as compared to general and administrative expenses of $11.4 million for the three months ended June 30, 2025. This decrease was primarily attributable to a decrease in professional fees, in other administrative expenses and in occupancy and depreciation expenses of $0.9 million, $0.4 million and $0.2 million, respectively. These decreases were partially offset by increases in employee compensation, including share-based compensation and benefit costs of $0.2 million. The decrease in professional fees was primarily due to lower legal costs between years. Our general and administrative expenses as a percentage of revenue decreased by 0.8% to 3.8% for the three months ended June 30, 2026, from 4.6% for the three months ended June 30, 2025, primarily due to the decreased legal fees and our ability to leverage our general and administrative expenses across an increasing revenue base. General and administrative expenses could increase in the future and these costs as a percentage of revenue could increase in the future.

Amortization of intangible assets. Amortization of intangible assets for the three months ended June 30, 2026 and 2025 were $2.1 million for both periods. As a result of the Orbis Education acquisition in 2019, certain identifiable intangible assets were created (primarily customer relationships) that will be amortized over their expected lives.

Investment interest and other. Investment interest and other for the three months ended June 30, 2026 was $2.7 million, a decrease of $0.5 million, as compared to $3.2 million for the three months ended June 30, 2025 due to slightly lower returns and lower investment balances.

Income tax expense. Income tax expense for the three months ended June 30, 2026 was $15.0 million, an increase of $1.5 million, or 11.4%, as compared to income tax expense of $13.5 million for the three months ended June 30, 2025. The increase in income tax expense is due to the increase in income before taxes and a higher effective tax rate. Our effective tax rate was 24.7% during the three months ended June 30, 2026 compared to 24.5% during the three months ended June 30, 2025. The effective tax rate increased year over year due to changes in state income taxes.

Net income. Our net income for the three months ended June 30, 2026 was $45.9 million, an increase of $4.4 million, or 10.4% as compared to $41.5 million for the three months ended June 30, 2025, due to the factors discussed above.

Six Months Ended June 30, 2026 Compared to Six Months Ended June 30, 2025

Service revenue. Our service revenue for the six months ended June 30, 2026 was $572.8 million, an increase of $36.0 million, or 6.7%, as compared to service revenue of $536.8 million for the six months ended June 30, 2025. The increase year over year in service revenue was primarily due to an increase in university partner enrollments of 7.6% to 126,231 at June 30, 2026 as compared to 117,283 at June 30, 2025. GCU enrollments increased to 121,921 at June 30, 2026, an increase of 7.5% over enrollments at June 30, 2025. University partner enrollments at our off-campus classroom and laboratory sites were 5,829, an increase of 16.8% over enrollments at June 30, 2025, which includes 1,519 and 1,142 GCU students at June 30, 2026 and 2025, respectively. Excluding sites that have been closed or are in teach out, total enrollments at our off-campus classroom and laboratory sites increased 18.5% between years. Revenue per student decreased slightly between years primarily due to contract modifications with one of our university partners in which our revenue share percentage was reduced in exchange for us no longer reimbursing this partner for certain faculty costs which had the effect of reducing revenue per student and a slight decline year over year in revenue per student for online students due to the continued mix shift to students that have a slightly lower net tuition rate and a slight decline year over year in Spring semester ground traditional students which generate a higher revenue per student than online students. These decreases were partially offset by the service revenue per student for ABSN students at off-campus classroom and laboratory sites generating a significantly higher revenue per student than we earn under our agreement with GCU, as these agreements generally provide us with a higher revenue share percentage, the partners have higher tuition rates than GCU and the majority of our partners' students take more credits on average per semester.

We opened one new site in the six months ended June 30, 2026 and closed one site in which we stopped recruiting new students in 2025, thus the total number of sites remains at 47 at June 30, 2026. We plan to open one additional site in the Fall of 2026. Enrollments for GCU ground students were 8,910 at June 30, 2026, up 3.9% from 8,579 at June 30, 2025. GCU ground enrollment declines between March 31 and June 30 of each year as ground traditional enrollment at GCU at June 30 of each year only includes traditional-aged students taking summer school classes, which is a small percentage of GCU's traditional-aged student body. The Spring semester for GCU's traditional-aged student body ends near the end of April each year. GCU online enrollments were 113,011 at June 30, 2026, up from 104,856 at June 30, 2025, an increase of 7.8% between years.

Technology and academic services. Our technology and academic services expenses for the six months ended June 30, 2026 were $90.7 million, an increase of $5.9 million, or 6.9%, as compared to technology and academic services expenses of $84.8 million for the six months ended June 30, 2025. This increase was primarily due to increases in other technology and academic costs, in employee compensation and related expenses, including share-based compensation and benefit costs and in occupancy and depreciation costs of $2.4 million, $2.2 million and $1.3 million, respectively. The increases in other technology and academic costs and occupancy and depreciation were primarily due to the costs associated with the increased enrollment growth at our off-campus classroom and laboratory sites to support our 20 university partners as well as an increase in technology costs and curriculum cost reimbursements to our university partners. The increase in employee compensation and related expenses is primarily due to increased headcount to support our 20 university partners and their increased enrollment growth, tenure-based salary adjustments and a significant year-over-year increase in benefit costs. Our technology and academic services expenses as a percentage of revenue stayed flat at 15.8% for the six months ended June 30, 2026 and 2025. The increases in technology costs and curriculum cost reimbursements were offset by our ability to leverage our technology and academic service expenses across an increasing revenue base. We anticipate that technology and academic services expenses will increase in the future as we open more off-site classroom and laboratory sites and technology costs continue to grow, partially offset by a decrease in curriculum cost reimbursements due to the Amended Master Services Agreement, and these costs as a percentage of revenue could increase in the future.

Counseling services and support. Our counseling services and support expenses for the six months ended June 30, 2026 were $179.9 million, an increase of $10.1 million, or 5.9%, as compared to counseling services and support expenses of $169.8 million for the six months ended June 30, 2025. This increase was primarily attributable to increases in employee compensation and related expenses including share-based compensation and benefits and in occupancy and depreciation costs of $9.4 million and $1.2 million, respectively, partially offset by a decrease in other counseling services and support expenses of $0.5 million. The increases in employee compensation including share-based compensation and benefits were primarily due to increased headcount to support our university partners, and their planned increases in enrollment, tenure-based salary adjustments and a significant year over year increase in benefit costs. The increase in occupancy and depreciation is primarily related to the increased headcount and continued enhancements to technology infrastructure and internal-use software development for employees that service students. The decrease in other counseling services and support expenses is primarily the result of lower travel costs to service our 20 university partners. Our counseling services and support expenses as a percentage of revenue decreased 0.2% to 31.4% for the six months ended June 30, 2026, from 31.6% for the six months ended June 30, 2025 primarily due to our ability to leverage our counseling services and support expenses across an increasing revenue base partially offset by the increased costs discussed above. We anticipate that counseling services and support expense will increase in the future as we continue to invest to meet our partners' needs and these costs as a percentage of revenue could increase in the future.

Marketing and communication. Our marketing and communication expenses for the six months ended June 30, 2026 were $124.0 million, an increase of $7.6 million, or 6.5%, as compared to marketing and communication expenses of $116.4 million for the six months ended June 30, 2025. This increase was primarily attributable to the increased spend to market our university partners' programs and the marketing of new locations which resulted in increased advertising of $6.7 million, increased employee compensation, including share-based compensation and benefits of $0.6 million, increased other communication expenses of $0.2 million and increased occupancy and depreciation expense of $0.1 million. Our marketing and communication expenses as a percentage of revenue decreased by 0.1% to 21.6% for the six months ended June 30, 2026, from 21.7% for the six months ended June 30, 2025. We anticipate that marketing and communication expenses will increase in the future as we continue to invest to meet our partners' needs and these costs as a percentage of revenue could increase in the future.

General and administrative. Our general and administrative expenses for the six months ended June 30, 2026 were $20.4 million, a decrease of $1.4 million, or 6.2%, as compared to general and administrative expenses of $21.8 million for the six months ended June 30, 2025. This decrease was primarily attributable to a decrease in professional fees, in occupancy and depreciation expenses and in other administrative expenses of $1.3 million, $0.3 million and $0.2 million, respectively. These decreases were partially offset by increases in employee compensation, including share-based compensation and benefit costs of $0.4 million. The decrease in professional fees was primarily due to lower legal costs between years. Our general and administrative expenses as a percentage of revenue decreased by 0.5% to 3.6% for the six months ended June 30, 2026, from 4.1% for the six months ended June 30, 2025, primarily due lower legal expenses and due to our ability to leverage our general and administrative expenses across an increasing revenue base. General and administrative expenses could increase in the future and these costs as a percentage of revenue could increase in the future.

Amortization of intangible assets. Amortization of intangible assets for the six months ended June 30, 2026 and 2025 were $4.2 million for both periods. As a result of the Orbis Education acquisition in 2019, certain identifiable intangible assets were created (primarily customer relationships) that will be amortized over their expected lives.

Investment interest and other. Investment interest and other for the six months ended June 30, 2026 was $5.7 million, a decrease of $0.9 million, as compared to $6.6 million for the six months ended June 30, 2025 due to slightly lower returns and lower investment balances.

Income tax expense. Income tax expense for the six months ended June 30, 2026 was $38.1 million, an increase of $4.8 million, or 14.7%, as compared to income tax expense of $33.3 million for the six months ended June 30, 2025. The increase in income tax expense is due to the increase in income before taxes and a higher effective tax rate. Our effective tax rate was 23.9% during the six months ended June 30, 2026 compared to 22.7% during the six months ended June 30, 2025. The effective tax rate increased year over year due to changes in state income taxes and a decrease in excess tax benefits to $1.4 million in the six months ended June 30, 2026 due to the decline in our stock price as compared to $2.7 million in the six months ended June 30, 2025. The inclusion of excess tax benefits and deficiencies as a component of our income tax expense increases the volatility within our provision for income taxes as the amount of excess tax benefits or deficiencies from share-based compensation awards are dependent on our stock price at the date the restricted stock awards vest. Our restricted stock awards vest in March each year so any benefit or expense will primarily impact the first quarter each year.

Net income. Our net income for the six months ended June 30, 2026 was $121.2 million, an increase of $8.0 million, or 7.1% as compared to $113.2 million for the six months ended June 30, 2025, due to the factors discussed above.

Seasonality

Our net revenue and operating results normally fluctuate as a result of seasonal variations in our business, principally due to changes in our university partners' enrollment. Our partners' enrollment varies as a result of new enrollments, graduations, and student attrition. Revenues in the Summer months (May through August) are lower primarily due to the majority of GCU's traditional ground university students not attending courses during the Summer months, which affects our results for our second and third fiscal quarters. Since a significant amount of our costs are fixed, the lower revenue resulting from the decreased Summer enrollment has historically contributed to lower operating margins during those periods. Partially offsetting this Summer effect has been the sequential quarterly increase in enrollments that has occurred as a result of the traditional Fall school start. This increase in enrollments also has occurred in the first quarter, corresponding to calendar year matriculation. Thus, we experience higher net revenue in the fourth quarter due to its overlap with the semester encompassing the traditional Fall school start and in the first quarter due to its overlap with the first semester of the calendar year. A portion of our expenses do not vary proportionately with these fluctuations in service revenue, resulting in higher operating income in the first and fourth quarters relative to other quarters. We expect quarterly fluctuation in operating results to continue as a result of these seasonal patterns.

Liquidity and Capital Resources

(In thousands)	As of June 30, 2026	As of December 31, 2025
Cash, cash equivalents and investments	$ 274,526	$ 300,079

Overview

Our liquidity position, as measured by cash and cash equivalents and investments decreased by $25.6 million between December 31, 2025 and June 30, 2026, which was largely attributable to cash expended for share repurchases and capital expenditures exceeding our cash provided by operations during the six months ended June 30, 2026.

Based on our current level of operations and anticipated growth, we believe that our cash flow from operations and other sources of liquidity, including cash and cash equivalents and investments, will provide adequate funds for ongoing operations, planned capital expenditures, and working capital requirements for at least the next 12 months.

Cash Flows from Operating Activities

	Six Months Ended June 30,	
(In thousands)	2026	2025
Net cash provided by operating activities	$ 196,855	$ 191,639

The increase in cash generated from operating activities between the six months ended June 30, 2025 and the six months ended June 30, 2026 was primarily due to increased income and depreciation expense partially offset by net changes in working capital balances. Income tax receivable/payable amounts increased by $8.7 million between December 31, 2025 and June 30, 2026 compared to the increase of $14.6 million between December 31, 2024 and June 30, 2025, a $5.9 million increase year over year in cash provided by operating activities due to the increased taxable income. Accounts receivable increased $50.0 million between December 31, 2025 and June 30, 2026 compared to the increase of $55.2 million between December 31, 2024 and June 30, 2025, a $5.2 million decrease year over year in cash provided by operating activities due to the timing of collections. Accounts payable decreased by $7.8 million between December 31, 2025 and June 30, 2026 compared to the decrease of $2.6 million between December 31, 2024 and June 30, 2025, a decrease year over year in cash provided by operating activities of $5.2 million due to timing of vendor payments. We define working capital as the assets and liabilities, other than cash, generated through the Company's primary operating activities. Changes in these balances are included in the changes in assets and liabilities presented in the consolidated statement of cash flows.

Cash Flows from Investing Activities

	Six Months Ended June 30,	
(In thousands)	**2026**	**2025**
Net cash provided by (used in) investing activities	$ 65,629	$ (198,748)

Investing activities provided $65.6 million of cash in the six months ended June 30, 2026 compared to consuming $198.7 million of cash in the six months ended June 30, 2025.

Cash used in investing activities includes investment activity and the change between years in net investing activities is primarily due to investment activity. In the six months ended June 30, 2026, the proceeds from the sale of investments, net of purchases of available-for-sale securities were $84.4 million. In the six months ended June 30, 2025, the purchase of available-for-sale securities, net of proceeds from the sale of investments were $180.7 million.

In the first six months of 2026 and 2025 cash used in investing activities also included capital expenditures totaling $18.9 million and $17.6 million, respectively. Capital expenditures for both periods primarily consisted of leasehold improvements and equipment for new off-campus classroom and laboratory sites, as well as purchases of computer equipment, internal use software projects and furniture and equipment to support our increasing employee headcount. The Company incurs upfront expenses and capital expenditures prior to an off-campus classroom and laboratory site being opened. The Company intends to continue to spend approximately $30.0 million to $35.0 million per year for capital expenditures.

Cash Flows from Financing Activities

	Six Months Ended June 30,	
(In thousands)	**2026**	**2025**
Net cash used in financing activities	$ (203,186)	$ (125,236)

Financing activities consumed $203.2 million of cash in the six months ended June 30, 2026 compared to $125.2 million in the six months ended June 30, 2025.

During the six months ended June 30, 2026 and 2025, $195.7 million and $115.7 million, respectively was used to purchase treasury stock in accordance with GCE's share repurchase program. In 2026 and 2025, $7.5 million and $9.5 million, respectively, of cash was utilized to purchase common shares withheld in lieu of income taxes resulting from the vesting of restricted share awards. The Company intends to continue using a significant portion of its cash flows from operations to repurchase its shares.

Share Repurchase Program

The Board of Directors has authorized share repurchases of up to $2,545.0 million since the initiation of the Company's stock repurchase program. The expiration date on the current repurchase authorization by our Board of Directors is March 1, 2027. Repurchases occur at the Company's discretion and the Company may modify, suspend or discontinue the repurchase authorization at any time.

Under our share repurchase authorization, we may purchase shares in the open market or in privately negotiated transactions, pursuant to the applicable SEC rules. The amount and timing of future share repurchases, if any, will be made as market and business conditions warrant.

We repurchased 1,195,897 shares of common stock in the six months ended June 30, 2026. At June 30, 2026, there remains $148.7 million available under our share repurchase authorization.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements that have had or are reasonably likely to have a material current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures, or capital resources.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Market risk. As of June 30, 2026, we have no derivative financial instruments or derivative commodity instruments. We invest cash in excess of current operating requirements in money market instruments, municipal and corporate bond portfolios or commercial paper at multiple financial institutions.

Interest rate risk. We manage interest rate risk by investing excess funds in cash equivalents, BBB or higher rated corporate bonds, commercial paper, agency bonds, municipal securities, asset backed securities, municipal bonds, and collateralized mortgage obligations bearing variable interest rates, which are tied to various market indices or individual bond coupon rates. Our future investment income may fall short of expectations due to changes in interest rates or we may suffer losses in principal if we are forced to sell securities before their maturity date that have declined in market value due to changes in interest rates. At June 30, 2026, a 10% increase or decrease in interest rates would not have a material impact on our future earnings, fair values, or cash flows.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

We carried out an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer and the Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures are effective, as of June 30, 2026, in ensuring that material information relating to us required to be disclosed by us in reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by an issuer in reports it files or submits under the Exchange Act is accumulated and communicated to management, including its principal executive officer or officers and principal financial officer or officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

Changes in Internal Control over Financial Reporting.

Based on an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer (who is our principal executive officer) and our Chief Financial Officer (who is our principal financial officer), there were no changes in our internal control over financial reporting identified in connection with the evaluation required by Rule 13a-15(d) and 15d-15(d) of the Exchange Act that occurred during the period covered by this report that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings

For information regarding our material pending legal proceedings, see the section entitled Pending Litigation Matters within Note 8 – Commitments and Contingencies of our notes to consolidated financial statements included in Part I, Item 1 of this report, which section is incorporated by reference into this Part II, Item 1.

Item 1A. Risk Factors

There have been no material changes to the risk factors disclosed in the “Risk Factors” section of the 2025 Form 10-K.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Recent Sales of Unregistered Securities

None.

Purchases of Equity Securities by the Issuer and Affiliated Purchasers

The Board of Directors has authorized share repurchases of up to $2,545.0 million since the initiation of the Company's stock repurchase program. The expiration date on the current repurchase authorization by our Board of Directors is March 1, 2027. Repurchases occur at the Company's discretion and the Company may modify, suspend or discontinue the repurchase authorization at any time. Repurchases may be made in the open market or in privately negotiated transactions, pursuant to the applicable SEC rules. The amount and timing of future share repurchases, if any, will be made as market and business conditions warrant.

During the six months ended June 30, 2026, 1,195,897 shares of common stock were repurchased by the Company. At June 30, 2026, there remains $148.7 million available under our share repurchase authorization.

The following table sets forth our share repurchases of common stock and our share repurchases in lieu of taxes, which are not included in the repurchase plan totals as they were approved in conjunction with the restricted share awards, during each period in the second quarter of fiscal 2026:

Period	Total Number of Shares Purchased	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Program	Maximum Dollar Value of Shares That May Yet Be Purchased Under the Program
Share Repurchases				
April 1, 2026 – April 30, 2026	213,854	$ 169.45	213,854	$ 187,700,000
May 1, 2026 – May 31, 2026	73,539	$ 164.00	73,539	$ 175,700,000
June 1, 2026 – June 30, 2026	184,096	$ 146.56	184,096	$ 148,700,000
Total	471,489	$ 159.66	471,489	$ 148,700,000
Tax Withholdings				
April 1, 2026 – April 30, 2026	—	$ —	—	$ —
May 1, 2026 – May 31, 2026	—	$ —	—	$ —
June 1, 2026 – June 30, 2026	—	$ —	—	$ —
Total	—	$ —	—	$ —

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

None.

Item 5. Other Information

During the three months ended June 30, 2026, no director or officer of the Company adopted or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K.

On July 29, 2026, we entered into an Amended and Restated Master Services Agreement with GCU. For information regarding this agreement, see Note 11 Subsequent Event of our notes to consolidated financial statements included in Part I, Item 1 of this report, which section is incorporated by reference into this Part II, Item 5.

Item 6. Exhibits

(a) Exhibits

Number	Description	Method of Filing
3.1	Amended and Restated Certificate of Incorporation.	Incorporated by reference to Exhibit 3.1 to the Company's Annual Report on Form 10-K filed with the SEC on February 20, 2019.
3.2	Third Amended and Restated Bylaws.	Incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed with the SEC on October 29, 2014.

4.1	Specimen of Stock Certificate.	Incorporated by reference to Exhibit 4.1 to Amendment No. 2 to the Company's Registration Statement on Form S-1 filed with the SEC on September 29, 2008.
10.1	Executive Employment Agreement, dated February 9, 2026, by and between Grand Canyon Education, Inc. and Dilek Marsh†	Incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q filed with the SEC on April 30, 2026.
10.2	Amended and Restated Master Services Agreement, dated as of July 29, 2026, by and between Grand Canyon University and Grand Canyon Education, Inc.##	Filed herewith.
31.1	Certification of Principal Executive Officer pursuant to Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.	Filed herewith.
31.2	Certification of Principal Financial Officer pursuant to Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.	Filed herewith.
32.1	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. ††	Filed herewith.
32.2	Certification of Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. ††	Filed herewith.
101	The following financial statements from the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2026, formatted in Inline XBRL: (i) Consolidated Income Statements, (ii) Consolidated Statements of Comprehensive Income, (iii) Consolidated Balance Sheets, (iv) Consolidated Statements of Stockholders' Equity, (v) Consolidated Statements of Cash Flows, and (vi) Notes to Consolidated Financial Statements tagged as blocks of text and including detailed tags.	Filed herewith.
104	The cover page from the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2026, formatted in Inline XBRL (included as Exhibit 101).	Filed herewith.

† Indicates a management contract or any compensatory plan, contract or arrangement.

Certain portions of this document have been redacted pursuant to Regulation S-K, Item 601(b)(10)(iv).

†† This certification is being furnished solely to accompany this report pursuant to 18 U.S.C. Section 1350 and is not being filed for purposes of Section 18 of the Exchange Act, and is not to be incorporated by reference into any filings of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

SIGNATURES

Pursuant to the requirements 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.

GRAND CANYON EDUCATION, INC.

Date: July 30, 2026

By: /s/ Daniel E. Bachus
Daniel E. Bachus
Chief Financial Officer
(Principal Financial Officer)

Exhibit 10.2

Certain material (indicated by three asterisks in brackets [***]) has been omitted from this document because it is both (1) not material and (2) would be competitively harmful if publicly disclosed.

Execution Copy

AMENDED AND RESTATED MASTER
SERVICES AGREEMENT

between

GRAND CANYON UNIVERSITY,
an Arizona nonprofit corporation

and

GRAND CANYON EDUCATION, INC.,
a Delaware corporation

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**AMENDED AND RESTATED MASTER
SERVICES AGREEMENT**

THIS AMENDED AND RESTATED MASTER SERVICES AGREEMENT (the "***Agreement***"), by and between **GRAND CANYON EDUCATION, INC.**, a Delaware corporation ("***Provider***"), and **GRAND CANYON UNIVERSITY**, an Arizona non-profit corporation ("***University***") (each, a "***Party***" and, collectively, the "***Parties***"), is entered into as of this _29th, day of July, 2026 and shall have effect as of the 1st day of July, 2026 (the "***Effective Date***"). The Agreement amends and replaces, in its entirety, that certain Master Services Agreement, entered into as of the 1st day of July, 2018, by and between Provider and University.

A. As of the Effective Date, University has determined that it is in the best interests of University and its Students, faculty and staff to engage Provider to provide to University certain Services as such Services are (i) set forth in this Agreement, (ii) set forth in one or more Services Addenda to this Agreement, or (iii) mutually agreed by the Parties in writing, and has further determined that the terms of this Agreement, including the Services Fees payable hereunder, are fair to the University.

B. University has further determined that the implementation of the services relationship between University and Provider as set forth in this Agreement is in alignment with University's mission and that the Services to be provided by Provider to University hereunder will assist University in fulfilling that mission.

C. Provider desires to provide such Services to University.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Definitions. Capitalized terms used in this Agreement and not otherwise defined herein shall have the respective meanings ascribed to such terms in Exhibit A to this Agreement or given to them in Exhibit B to this Agreement.

2. Certain Representations, Warranties and Covenants of the Parties. Each Party hereby represents, warrants and covenants that, during the Initial Term of this Agreement and any Renewal Term: (a) it has the requisite corporate power and authority to enter into this Agreement; (b) the performance by such Party of its obligations under this Agreement shall not constitute a material breach of, or otherwise contravene the terms of, any other agreement to which it is a party or under which it is otherwise bound; and (c) it has obtained or will obtain all third party consents, authorizations and approvals (including Educational Approvals in the case of University) necessary for it to perform its obligations and exercise its rights under this Agreement.

3. Services Provided to University.

3.1 Services to be Provided; Exclusivity. Provider shall, subject to the terms and conditions in this Agreement and any applicable Services Addenda, provide to University the specific set of technological, marketing, promotional, development and/or support Services as are set forth on Exhibit B to this Agreement and in any Services Addenda. Additional Services (and the terms thereof) may be added pursuant to the execution of a Services Addendum. Services may be terminated as provided in this Agreement or in the applicable Services Addendum. Subject to Provider's performance of its obligations hereunder and to Provider's right to cure any failure by Provider to perform after receipt of written notice from University pursuant to Section 6.3 (Termination of Agreement for Breach) or Section 6.4 (Termination of Particular Service) and except as otherwise provided herein, Provider will be the exclusive provider to University of those Services that are designated or identified on Exhibit B as "Exclusive Services" (i.e., those identified with an "*") (collectively, the "***Exclusive Services***"). University will not contract with any third party for the performance of any Exclusive Services, in each case without the prior written consent of Provider to be granted in Provider's sole discretion. The Parties also acknowledge the exclusive nature of certain of the licenses granted to Provider in Section 10 (Intellectual Property Rights). University's determination to seek a third party provider to provide Services, other than the Exclusive Services, shall have no effect on University's obligation to pay the Services Fees pursuant to Section 5 (Fees and Payments) and as set forth and calculated on Exhibit D to this Agreement.

3.2 Location of Services; Subcontracting. Provider shall provide the Services from, and using Services Personnel located at, Provider's premises; provided that Provider may provide certain Services at the Campus as contemplated by this Agreement and as reasonably necessary or appropriate for Provider to provide the Services; provided further, that if any such activity by Provider at the Campus is outside the ordinary and usual type of activities engaged in by Provider in its provision of the Services, Provider shall provide reasonable notice to University in advance of engaging in such activities. Notwithstanding the foregoing, Provider may subcontract the performance of any one or more of the Services to third parties (a) to the same extent that any such Services were subcontracted to third parties in the normal course of Provider's business prior to the Effective Date and (b) as otherwise determined by Provider; provided that Provider shall remain responsible and liable for the performance, acts and omissions of all such third party subcontractors; and provided further that Provider shall not subcontract the performance of substantially all the Services.

3.3 Services Addenda. To add Services in addition to those described in Exhibit B, or to delete or materially change Services set forth on Exhibit B, the Parties shall enter into one or more services addenda substantially in the form attached hereto as Exhibit C ("***Services Addenda***") which Services Addenda shall be numbered sequentially (e.g., Services Addendum C-1, Services Addendum C-2, etc.). Each Services Addendum will be effective only when signed by authorized representatives of the Parties and, once finalized and signed by the Parties, shall be incorporated by reference and deemed part of this Agreement. In the event of a conflict between the terms of any Services Addendum and the body of the Agreement, the terms and conditions of the Agreement shall control to the extent of the conflict (unless the Services Addendum specifically identifies and overrides the conflicting term(s), in which event, the terms of the Services Addendum shall control for such Services Addendum). Notwithstanding anything to the contrary, the term "Services Addenda" will also include any other written documents exchanged by the Parties pursuant to which the Parties agree that Provider will provide Services in addition to those described in Exhibit B to University. For purposes of clarity, the Parties acknowledge and agree that any and all editions, versions, formats, improvements, enhancements, updates, or other changes of or to the Provider Intellectual Property (including the Platform) (collectively, "***Updates***") that (a) are developed by Provider in the ordinary course (whether on Provider's own initiative, at the specific request of University, or otherwise) in connection with providing the Services hereunder shall be promptly provided to University as part of the Services set forth on Exhibit B to this Agreement, shall not be deemed to constitute additional Services, shall not require a Services Addenda, and shall not otherwise result in an additional fee or other charge to University, and (b) are (i) independently developed by Provider otherwise than in connection with providing the Services hereunder (including any such Updates as may be developed in the course of providing services to other third parties), or (ii) developed by Provider, other than in the ordinary course, at the specific request of University, shall, in each case, be deemed to constitute additional Services and, if desired by University, shall require a Services Addenda and shall be subject to additional fees or other charges as mutually negotiated by the Parties.

3.4 Services and Performance Standards. Pursuant to the terms and conditions of this Agreement, Provider will use commercially reasonable efforts to provide to University the Services in accordance herewith and any applicable performance standards set forth on Exhibit B and in the applicable Services Addendum. Provider shall perform the Services in a good and workmanlike manner and (subject to Section 3.6 (Compliance with Laws)) in accordance with all Applicable Laws. University will use commercially reasonable efforts to perform its obligations under this Agreement.

3.5 Provision of Information; Access. University shall, during the Initial Term of this Agreement and any Renewal Term, make available to Provider on a timely basis all Books and Records within University's reasonable control, and provide Access to Provider's personnel, to the extent reasonably necessary for Provider to perform each of the Services. In furtherance of the foregoing, and subject to Provider's compliance with the terms of this Agreement, University shall provide Provider with immediate and ongoing Access to University's enrollment, marketing and other data in Provider-hosted systems as necessary to facilitate the provision of the Services. The Parties agree that Provider shall have no liability for any failure to perform, or for the late performance of, any Services to the extent such Services require Books and Records possessed, prepared or generated by University, or Access to be given to Provider's personnel, to the extent that University shall have failed to provide or make available the same or to cause the same to be provided or made available to Provider in accordance with Provider's reasonable written or oral (if promptly confirmed in writing) requests, and such failure by University is the cause of Provider's lack of or delay in performance. Provider shall require that the Services Personnel comply with all business, administrative, security and other policies of University that otherwise would apply to University personnel in roles providing such Services and that are provided by University to Provider in writing. Provider shall use such Access only as reasonably necessary in connection with providing the Services and shall not use such Access for any purpose or activity unrelated to providing the Services.

3.6 Compliance with Laws. The Parties agree that each Party shall perform its respective obligations hereunder in compliance with the Applicable Laws that apply to such Party's performance under this Agreement. For the avoidance of doubt, Provider shall not be responsible for University's compliance with the Applicable Laws that apply to University's Educational Activities (including the Educational Laws), even if the performance of the Services relate to such Applicable Laws, unless (a) Provider failed to provide specific Services expressly set forth herein or in a Services Addendum in accordance with the terms hereof or such Services Addendum, and (b) (i) such failure directly causes University's failure to comply with Applicable

Laws, or (ii) such failure results from Provider's non-compliance with certain Educational Laws applicable to Provider as set forth in Section 3.7 (Provider's Compliance with Certain Educational Laws) below. For the further avoidance of doubt, and with the exception of the provision to Provider of scripts, or advertising or web materials, for use by Provider as contemplated by Section 3.7.6 (Marketing Laws and Regulations; No Misrepresentation), University shall not be responsible for the Provider's compliance with the Applicable Laws (including the Educational Laws). Neither Provider nor its Affiliates (nor its subcontractors) shall be required to provide any Services to the extent that providing such Services would require Provider or its Affiliates or subcontractors to violate any Applicable Law; provided, that if Provider reasonably concludes that any such Service would require Provider or its Affiliates or subcontractors to violate any Applicable Law, then Provider shall deliver reasonable written notice thereof to University, and Provider shall reasonably cooperate with University to mitigate the impact of Provider being unable to provide such Services, including the development and implementation of a reasonable work-around or reasonable revision to such Services as necessary to comply with such Applicable Law, which work-around or revisions shall be set forth in an amendment to this Agreement or in a Services Addendum, as applicable.

3.7 Provider's Compliance with Certain Educational Laws. In furtherance of Provider's obligations under Section 3.6 (Compliance with Laws):

3.7.1 Personal Information and Privacy. Provider acknowledges that University is subject to internal policies, laws, and regulations that govern and restrict the collection, storage, processing, dissemination, and use of education records (as that term is defined in 34 C.F.R. § 99.3), including federal taxpayer information and other types of non-public personal information that relates to applicants to University and its Programs, internship participants and University's Students and personnel that could be used, either directly or indirectly, to identify such person (collectively, "***Personal Information***"). In the performance of Provider's obligations under this Agreement, Provider shall and shall cause its employees, agents, servants, principals, and any subcontractors to, at all times, comply with all Applicable Law, including Educational Laws, and University policies, including privacy and information security laws and regulations and University policies regarding Personal Information. Without limiting the generality of the foregoing and subject to University's oversight, Provider agrees (a) not to collect, store, process, disseminate, or use any such Personal Information obtained from University except to the extent expressly permitted or required in the performance of its Services under this Agreement, (b) to store all such Personal Information only in encrypted or otherwise secure form on Provider's computer systems, and (c) except as permitted in this Agreement, not to sell, distribute, release or disclose lists or compilations of any items of Personal Information without the prior written consent of University or of the subject(s) of the Personal Information to be released or disclosed. Any disclosure of Personal Information by Provider in the performance of its obligations hereunder shall be made only on a "need-to-know" basis and subject to an applicable confidentiality agreement or other obligation substantially similar to the confidentiality, privacy and information security requirements imposed on Provider under this Agreement and Applicable Law. To the extent Provider utilizes subcontractors to perform Services under this Agreement, Provider shall disclose all subcontractors used to perform its Services to University upon University's reasonable request and (to the extent applicable) will require each such subcontractor to agree in writing to terms substantively similar to the terms, obligations, and restrictions contained in this Agreement.

3.7.2 **<u>Student Privacy Rights</u>**. Without limitation of its obligations under Section 3.7.1 (Personal Information and Privacy) above, (a) Provider shall take all commercially reasonable measures to protect the Personal Information of University Students consistent with the Family Education Rights and Privacy Act, as amended, and the rules and regulations thereunder ("***FERPA***"), the Gramm-Leach-Bliley Act (including the "Red Flags Rule" and other implementing regulations) and other Applicable Law, (b) Provider shall make available to University a copy of Provider's information security procedures for the storage and handling of education records and other Personal Information upon University's reasonable request, (c) Provider shall promptly furnish University a copy of any update or other modification of such security procedures, and (d) such security procedures and all updates and modifications thereof shall be subject to University's written approval. Provider shall not disclose, release, or otherwise authorize access to Personal Information without written authority of University and/or the Students to the extent required under FERPA, or as may be required by judicial order or lawfully issued subpoena. Upon request, Provider shall meet and confer with University to discuss Provider's information security procedures for the storage and handling of Personal Information.

3.7.3 **<u>Agency Regarding Student Information</u>**. In order to satisfy FERPA and regulatory requirements applicable to University, Provider is hereby appointed as an agent of University's Office of Academic Records for the use of Student education records and other Personal Information solely for the purpose of providing the Services hereunder throughout such Students' tenures at University and attendance in its Programs and thereafter, including, without limitation, counseling of prospective Students and continuing contact with graduates of University.

3.7.4 **<u>Timely Notice of Breach</u>**. Provider shall promptly notify the University Registrar of any unauthorized access, use, or disclosure ("***Breach***") of any Personal Information or of University's Confidential Information of which it becomes aware. Provider shall take reasonable steps to limit and investigate a Breach occurring as a result of Provider's action or inaction, and Provider shall be responsible to the extent of Provider's fault for the cost of notifying individuals whose Personal Information has been Breached as a direct result of Provider's action or inaction, and any reasonable or court-ordered remedial action.

3.7.5 **<u>HEA Section 495 Compliance</u>**. Provider shall remain in compliance with HEA Section 495. Without limiting the foregoing, Provider shall have and maintain security mechanisms in place to ensure that each Student registering for a Course is the same Student who participates in the Course or receives Course credit. Such security mechanisms shall include one or more of the following methods: (a) a login and pass code procedure; (b) proctored examinations; and (c) new or other technologies and practices that are effective in verifying Student identification and to detect and deter identity theft.

3.7.6 **<u>Marketing Laws and Regulations; No Misrepresentation</u>**. Provider agrees to comply with all federal, state or local laws, statutes, rules and regulations concerning consumer and student marketing, including but not limited to the DOE misrepresentation regulations (34 C.F.R. §668.71-75), the CAN-SPAM Act of 2003, the Telephone Consumer Protection Act, the Telemarketing and Consumer Fraud and Abuse Prevention Act, the Telecommunications Act, Section 5 of the Federal Trade Commission Act and any amendments thereto, and any regulations promulgated thereunder. Without limiting the forgoing, Provider shall (a) maintain written procedures to comply with all applicable do-not-call rules, (b) implement an adequate training program for all personnel who interact with Students or prospective Students, (c) maintain an internal do-not-call list of phone numbers that prohibits personnel from contacting Students or prospective Students who have expressed a desire not to be contacted, (d) implement practices to prevent telephone or text message solicitations to any telephone number listed on any do-not-call list, and (e) promptly honor requests not to be contacted or for rescission of prior consent to be contacted. Any communications with prospective or exiting Students shall follow scripts or use advertising or web materials approved by University. Other than as may be included on any such University-approved scripts or materials, Provider shall make no misrepresentation concerning University, including about any of its Programs, financial charges or the employability of its graduates.

3.7.7 Incentive Compensation Rule. Provider shall compensate its employees and agents engaged in the recruitment of University's Students and in the awarding of financial aid, and those responsible for such employees and agents, only in accordance with the provisions of HEA Section 487(a)(20) (20 U.S.C. § 1094(a)(20)), or any successor provision, and the regulations promulgated thereunder by the DOE (currently located at 34 C.F.R. § 668.14(b)(22)), commonly referred to as the Incentive Compensation Rule ("ICR"). The Parties agree that this Agreement falls under Example 2-B, page 12 of the Dear Colleague letter titled "Implementation of Program Integrity Regulations" from the U.S. Department of Education issued on March 17, 2011 (including any amended or successor DOE guidance, the "Guidance"). Each Party further covenants and agrees that it will fully comply with the Guidance during the Initial Term and any Renewal Term. In furtherance of the foregoing, Provider represents and warrants that, as of the Effective Date, Provider compensates all employees covered by the ICR in accordance with the compensation plan of Provider reviewed and approved by the Department of Education in 2025.

3.8 Compliance with University Policies and Standards; Fulfillment of University Mission.

3.8.1 Provider acknowledges that University has established, and maintains and enforces, policies with regard to fair and ethical behavior in its day-to-day operations, copies of which have been provided to Provider. Provider agrees that it shall perform the Services and otherwise abide by its obligations under this Agreement in full compliance with any such generally applicable ethics policies, as the same may be updated from time to time. University agrees to notify Provider promptly in writing if University updates or amends such policies and to provide Provider with reasonable advance notice of the implementation of such updates or amendments to enable Provider to achieve compliance therewith.

3.8.2 In addition to the matters described in Section 3.8.1, Provider acknowledges that certain Services, as listed and described in Exhibit B, are to be provided subject to University's oversight and approval, or pursuant to written plans and procedures approved by University (such as quality control standards governing the provision of student support services counseling under Section 3 of Exhibit B). Provider agrees that, in its provision of the Services, it shall accept such oversight and/or approval requirements and abide by any such written plans and procedures.

3.8.3 Provider is aware of University's mission and, in the performance of the Services hereunder, will use its reasonable efforts to assist University in fulfilling that mission. Provider shall have no authority pursuant to this Agreement with respect to (a) the election or appointment of University's board of trustees or corporate officers, (b) the engagement, dismissal, reprimand, or other management of University faculty or personnel, or (c) any aspect of University's internal human resources, business or administrative policies.

3.9 **Services Personnel**. Provider shall determine the appropriate personnel (the "***Services Personnel***") to provide the Services. Provider will have full and complete authority to engage, dismiss, reprimand, or otherwise manage all Services Personnel; provided, that, if and to the extent Provider is hiring or providing Services Personnel to provide student support services counseling under Section 3 of Exhibit B, such Services Personnel shall meet the same or superior qualifications as such personnel hired directly by University, as determined by University in its reasonable discretion. University expressly understands and agrees that any actions by Provider with respect to the Services Personnel shall be in accordance with Provider's internal human resources, business or administrative policies in effect from time to time and that University shall have no authority pursuant to this Agreement with respect to any aspect of such policies of Provider.

3.10 **Removal of Personnel**. If University shall reasonably determine that one or more of the Services Personnel providing the Services hereunder (including Services Personnel of any subcontractor used by Provider) are ineffective or otherwise unsuitable to perform the Services, University may send written notice to Provider identifying such Services Personnel and the nature of the ineffectiveness or lack of suitability (e.g., offensive behavior, security concerns, lack of qualifications or the like). Upon University's reasonable written request, Provider shall, in its discretion, as promptly as is practical, provide substitute Services Personnel or take appropriate steps to ensure that the Services Personnel performing the Services perform said Services effectively. Nothing in this Section or this Agreement shall require Provider to (a) hire additional employees or consultants to serve as Services Personnel, or (b) terminate the employment of any Services Personnel.

3.11 **Points of Contact; Designees**. Each of Provider and University will name a point of contact for the Services that are the subject of this Agreement or any Services Addendum (each, a "***Designee***"). Each Party may also designate one or more alternate Designees (each, an "***Alternate Designee***") empowered to act in the place of the Designee if the Designee is unavailable, and while acting in such capacity the Alternate Designee will be deemed the Designee for purposes of this Agreement. University's Designee and any Alternate Designee of University shall be free of any conflict of interest with respect to Provider and this Agreement as determined under University's conflict of interest policy. Additionally, University's Designee shall report to the MSA Committee established under the University Bylaws. Designees shall be responsible for supervising and coordinating the performance of the Services, including using good faith efforts to resolve any disputes or issues that may arise during the performance of the Services hereunder on a day-to-day basis. Any dispute among the Parties relating to any Services or this Agreement shall be handled as provided in Section 18.11 (Dispute Resolution). Each Party shall designate its Designee by written notice to the other Party and may designate a successor Designee by written notice to the other Party. In addition, each Service Addendum may identify Designees for the Services described in such Service Addendum and such Designees will be the Designees for such

Service Addendum. University shall at all times maintain the University Bylaws and other policies as necessary to comply with this Section 3.11 (Points of Contact; Designees).

3.12 Periodic Reviews of Services. At University's request, but no more frequently than annually, Provider shall review the delivery of the Services and report to University on the performance of Provider in connection with the delivery of the Services. In addition, at each of the fifth (5th) and tenth (10th) anniversaries of the Effective Date, the Parties agree to conduct a formal review of the operations of this Agreement. Such review will commence no later than the applicable anniversary date and be completed by an agreed upon deadline, will be led by each side's respective Designee in place at such time, and will cover such topics as the Parties agree with a focus on establishing, modifying and/or improving communication, close coordination, and a positive relationship between University and Provider with respect to the matters covered by this Agreement.

3.13 Disclaimer of Warranties. EXCEPT FOR THE EXPRESS WARRANTIES SET FORTH IN SECTION 2 (REPRESENTATIONS OF THE PARTIES) AND SECTION 3.4 (SERVICES AND PERFORMANCE STANDARD), OR AS SPECIFICALLY SET FORTH IN EXHIBIT B, THE PARTIES MAKE NO REPRESENTATIONS OR WARRANTIES IN RESPECT OF THE SERVICES OR ANY ITEMS TO BE DELIVERED OR PROVIDED TO THE OTHER OF ANY KIND, NATURE OR DESCRIPTION, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR ANY WARRANTY ARISING FROM COURSE OF DEALING, COURSE OF PERFORMANCE OR USAGE OF TRADE, AND EACH PARTY HEREBY DISCLAIMS THE SAME.

4. University Roles and Responsibilities.

4.1 Sole Control Over University and Academic Matters. Anything herein to the contrary notwithstanding, the Parties acknowledge and agree that University is solely responsible for, and will provide and perform at its sole cost and expense, and within its sole discretion and oversight, during the Initial Term and any Renewal Term, the following roles and responsibilities as they relate to Programs and Courses offered by University and Educational Activities conducted by University, as well as such other roles and responsibilities as may be required to be performed solely by University under Applicable Laws (including Educational Laws and requirements of Accrediting Bodies and Educational Agencies):

4.1.1 Seeking and obtaining any required Educational Approvals or Educational Consents;

4.1.2 Setting the qualifications for, overseeing the verification of the credentials of, and hiring, appointing, training (and creating related training content), compensating, and supervising faculty to teach the Courses comprising the Programs and providing reasonably sufficient faculty and staff as necessary to offer the Programs, conduct the Educational Activities and perform University's responsibilities under this Agreement;

4.1.3 Reviewing, selecting, structuring and adopting, modifying, and ensuring the quality of, the curricula and related Course Materials for the Courses in the Programs, establishing the modalities by which to deliver the Courses, and providing institutional and academic guidance, evaluation and oversight for the Programs;

4.1.4 Overseeing the development, maintenance, and operation of the Programs and ensuring an appropriate number and selection of Programs and Courses;

4.1.5 Setting appropriate standards for admission to, and implementing the admissions policies applicable to, University and any particular Program, including overseeing the application and enrollment process and making decisions as to the admission to University and any particular Program of applicants who meet the requisite admission standards, in compliance with Applicable Law;

4.1.6 Overseeing the instruction of Courses and related student and academic support activities and functions;

4.1.7 Setting standards for Student performance and the evaluation of that performance, including through the monitoring of Student progression and outcomes;

4.1.8 Setting the requirements for the achievement of credit for Courses successfully completed, the achievement of applicable degrees following completion of a Program, determining those Students who qualify to receive such credit or such degrees, granting such degrees, and determining graduation requirements;

4.1.9 Entering into all agreements and other necessary documentation with Students regarding their enrollment in the Programs and their receipt of student financial aid pursuant to applicable Title IV Programs or other financial assistance programs;

4.1.10 Receiving all tuition, fees and other amounts (such as room and board) from, or on behalf of, Students;

4.1.11 Overseeing all matters related to Student discipline and the establishment and administration of appropriate processes related thereto;

4.1.12 Maintaining all academic and administrative records for Students who are enrolled in or seeking enrollment in a Program at University; and

4.1.13 Providing Students with appropriate academic facilities on the Campus or at other locations determined by University, as well as housing to Students in accordance with its ordinary course practices.

4.2 **Reporting of Approvals**. If reasonably requested by Provider in writing, University will provide to Provider a regulatory compliance report reflecting the ongoing status of any Educational Approvals being sought by University and obtained by University in order for University to offer each of the Courses and Programs.

4.3 **Feedback and Complaints**. University will maintain appropriate mechanisms by which it will solicit feedback from Students receiving the Services as well as from University faculty and staff who receive or are otherwise involved in overseeing the Services, and will also maintain a process to review any complaints from faculty or Students about the Services and Provider's performance thereof, which process shall be similar to, and consistent with, University's established complaint policies and procedures. The Parties agree to utilize the information obtained from such feedback and from such complaint process to determine whether any changes may be required to the Services or the performance standards herein, which changes may be made in the manner provided in Section 3.3 (Services Addenda), Section 18.2 (Amendment; Waiver) or otherwise in the Agreement. In addition, the information obtained from such feedback and such complaint process shall be considered in connection with any examination performed pursuant to Section 5.4 (Examination) of the Agreement.

4.4 <u>Other Responsibilities</u>. University shall have other responsibilities related to the provision of Services by Provider, as set forth in <u>Exhibit B</u> and in any Services Addenda.

5. <u>Fees and Payments</u>.

5.1 <u>Services Fees; Payment Terms</u>. The fees payable by University to Provider in respect of the Services provided under this Agreement (such fees, the "***Services Fees***") shall be determined and paid in accordance with (a) the terms set forth in <u>Exhibit D</u>, as <u>Exhibit D</u> may be amended by written agreement of the Parties from time to time, and (b) the terms in any applicable Services Addendum. Notwithstanding anything to the contrary in this Agreement, if Provider provides services to University that are not set forth in this Agreement or on a Services Addendum, such services shall nevertheless be "Services" for purposes of this Agreement and the Parties shall endeavor, as promptly as possible, to add such new services to a Services Addendum; provided that, unless otherwise agreed in such Services Addendum, payment for such new services shall covered by the amounts paid by University to Provider as set forth on <u>Exhibit D</u> to this Agreement.

5.2 <u>Delinquent Payments</u>. Services Fees due under this Agreement that are not paid or not reasonably and in good faith disputed by University in writing within thirty (30) days of the date of an invoice therefor, with such written notice detailing why such disputed fees are not due, shall accrue simple interest at the prime rate as quoted in the Wall Street Journal plus one percent (1.0%) per annum or, if lower, the maximum rate permitted by Applicable Law, from the date due until paid in full. If University does not reasonably and in good faith dispute in writing the fees invoiced by Provider within sixty (60) days of the date of the applicable invoice, with such written notice detailing why such disputed fees are not due, Provider may suspend performance of all or a subset of the Services, may terminate this Agreement by written notice (including after any such suspension), and may seek any other remedies available to it, whether legal, contractual, equitable or otherwise. For the avoidance of doubt, undisputed fees on an invoice shall be payable as provided in this Agreement, and University may only withhold the amounts disputed in good faith as set forth in University's written notice disputing fees invoiced. In the event that University disputes the Services Fees invoiced as provided above, the Parties will expeditiously work together in good faith to resolve such dispute. Disputes related to Services Fees arising in connection with examinations conducted under Section 5.4 (Examinations) shall be administered as provided under that Section.

5.3 Books and Records; Audited Financial Statements.

5.3.1 Books and Records. Each Party shall maintain consistently applied, accurate and complete Books and Records, including as are necessary: (a) to substantiate the Services Fees paid by University to Provider, (b) to substantiate the information in any reports required to be delivered pursuant to this Agreement, including Exhibit B, and (c) to perform any reconciliation under Section 3 of Exhibit D. Each Party shall maintain such Books and Records at, or accessible from, such Party's principal place of business for the period of time required under Applicable Law, but not less than ten (10) years after creation.

5.3.2 Audited Financial Statements. Each Party shall deliver to the other Party each year, promptly upon completion thereof, its Audited Financial Statements; provided, that Provider will be deemed to have delivered its Audited Financial Statements to University if (a) Provider has filed such Audited Financial Reports with the Securities Exchange Commission via the EDGAR filing system and such reports are publicly available, or (b) the reports are posted on Provider's website.

5.4 Examinations. During the twelve (12) month period following receipt of any report (including any reconciliation report) delivered under Section 3 of Exhibit D, each Party shall have the right to examine and audit (or cause its external auditors to examine and audit) the Books and Records of the other Party as necessary to verify the examined Party's compliance with the terms of this Agreement, including the calculation of any of the information required to be included in any such reports. In addition, each Party shall have the right to examine and audit (or cause its external auditors to examine and audit) the compliance by the other Party with such other Party's performance obligations under this Agreement. All examinations shall be performed in accordance with the following terms:

5.4.1 The examined Party shall reasonably cooperate with the examining Party in conducting any such examination. The examining Party and its representatives (including its external auditors) shall keep all information obtained during any such examination confidential pursuant to and in accordance with Section 9 (Confidentiality).

5.4.2 Examinations shall: (a) be performed, upon not less than five (5) Business Days' advance written notice to the examined Party, at the examined Party's principal place of business (or other location mutually agreed by the Parties in writing) during normal business hours, (b) be performed no more frequently than twice during each Fiscal Year (or portion thereof) by any Party (except for examinations to ensure that a previously discovered problem is not reoccurring), (c) not be conducted in a manner that unreasonably interferes with the examined Party's course of business, and (d) subject to delays outside the control of the Parties, be concluded within one hundred and eighty (180) days of commencement of the examination.

5.4.3 The examining Party may perform examinations hereunder using its external auditors, in which case the examined Party shall permit entry of the examining Party's external auditors to its principal place of business to perform inspections of the examined Party's Books and Records.

5.4.4 If any examination made pursuant to this Section 5.4 (Examinations) reveals that (a) any calculation, or any set off or credit, or payments to or from University or Provider under this Agreement have not been made in accordance with the terms of this Agreement (a "***Payment Failure***"), or (b) a Party has failed, in any material respect, to comply with its performance obligations under the Agreement (a "***Performance Failure***"), then the examining Party shall promptly deliver to the examined Party written notice specifying the nature of any Payment Failure or Performance Failure and providing the data and information necessary, or requested, to support such claim (an "***Examination Notice***"). Following its receipt of any such Examination Notice, the examined Party will have a period of thirty (30) days to dispute in writing to the examining Party any of the findings contained in the Examination Notice. If the examined Party fails to dispute the findings in the Examination Notice during such thirty (30) day period, then the results of the examination set forth in the Examination Notice shall become final and binding on the Parties. If the examined Party disputes any findings in the Examination Notice within the applicable thirty (30) day period in accordance with this Section, then the Parties will work together in good faith for a period of up to thirty (30) days to seek to resolve the disputed matter, including the exchange of underlying information and records as reasonably requested. Should no resolution be reached within the first fifteen (15) days of said period, such efforts to resolve the disputed matter shall include escalating the matter to the Parties' respective Designee and/or Senior Designee. If the Parties agree in writing to the resolution of any disputed matters during the thirty (30) day negotiation period described above, then the terms of such written agreement shall be final and binding on the Parties with respect to such resolved matters.

5.4.5 In the case of a Payment Failure, if any of the disputed matters remain unresolved at the end of the thirty (30) day negotiation period described in Section 5.4.4 above or in the case of any disagreements between the Parties regarding any payment or reconciliation thereof, then such disputed matters shall be resolved by an Independent Accounting Firm in accordance with this Section 5.4.5. For purposes of this Agreement, "***Independent Accounting Firm***" means either: (a) a nationally recognized independent chartered accounting firm mutually agreed upon and engaged by Provider and University within thirty (30) days after the expiration of the applicable time period for the Parties to resolve their disputes through negotiations, or (b) if Provider and University are unable to mutually agree upon and engage the Independent Accounting Firm during such thirty (30) day period, then, no later than thirty (30) days thereafter, each of Provider and University shall select and engage a nationally recognized independent accounting firm and those two accounting firms will promptly, but in no event more than twenty (20) days later, select a third nationally recognized independent accounting firm, which third accounting firm shall be engaged by the Parties to serve as the Independent Accounting Firm. Notwithstanding the foregoing, in the case of the application of clause (b) of this definition, if either Provider or University fails to timely engage an accounting firm, then the Independent Accounting Firm will be the accounting firm timely engaged by the other Party. Within thirty (30) days after the Independent Accounting Firm has been engaged, Provider and University shall each submit a written statement to the other Party and the Independent Accounting Firm identifying in reasonable detail such Party's calculation of each disputed amount. If either Party fails to timely submit its written statement to the other Party and the Independent Accounting Firm, or if either Party fails to timely provide Books and Records requested by the other Party, then the Independent Accounting Firm shall resolve such disputed matters in accordance with the written statement of the Party that was timely submitted. Otherwise, the Independent Accounting Firm shall resolve each disputed amount by selecting either the calculation submitted by Provider or the calculation submitted by University, based on which calculation the Independent Accounting Firm determines to be more accurate. The Independent Accounting Firm shall submit its final written report to the Parties within sixty (60) days (or such other time period as the Parties mutually agree in writing) after the deadline for the Parties to submit their written statements to the Independent Accounting Firm. For the avoidance of doubt, the Independent Accounting Firm shall only decide the specific items under dispute by the Parties and its decision for each disputed amount must be either the calculation submitted by Provider or by University and not a different calculation it performs. In connection with the resolution of the disputes, each of the Parties shall make available to the other Parties and the Independent Accounting Firm, as the case may be, such Books and Records, documents, work papers, facilities and other information as such Party or the Independent Accounting Firm may reasonably request to resolve the dispute. The Independent Accounting Firm determination made in accordance with this Section will be final and binding upon the Parties and will not be subject to appeal, absent fraud or manifest error.

5.4.6 In the case of a Performance Failure, if any of the disputed matters remain unresolved at the end of the thirty (30) day negotiation period described in Section 5.4.4 above or in the case of any disagreements between the Parties regarding any cure thereof, then such disputed matters shall be resolved pursuant to Section 18.11 (Dispute Resolution).

5.4.7 Each Party shall be responsible for its own costs and fees relating to any dispute resolution pursuant to Section 5.4.5 or Section 5.4.6 above.

5.4.8 Provider agrees that University may provide the results of any examination undertaken pursuant to this Section 5.4 (Examinations) to any Educational Agency, including HLC, upon such Educational Agency's request.

6. Term, Termination.

6.1 Term. The term of this Agreement (the "***Initial Term***") shall commence on the Effective Date and, unless earlier terminated as provided in this Agreement, shall continue until the earlier of (a) the thirtieth (30^{th}) of June, 2041, or (b) with respect to any particular Service being provided hereunder, such other termination date as is mutually agreed by the Parties in writing or set forth in a Services Addendum related to any additional Service added hereto. Unless earlier terminated as provided in this Agreement, this Agreement shall automatically renew for a maximum of three (3) successive five (5) year terms (each, a "***Renewal Term***").

6.2 Non-Renewal of Initial Term or any Renewal Term. Either Party may elect not to renew this Agreement at the end of the Initial Term or any subsequent Renewal Term by giving the other Party written notice of such election not to renew not less than eighteen (18) months' prior to the end of such Initial Term or subsequent Renewal Term.

6.3 Termination of Agreement for Breach. Subject to the provisions of Section 3.11 (Points of Contact; Designees), Section 5.4 (Examinations) and Section 18.11 (Dispute Resolution), this Agreement may be terminated by either Party (such Party defined herein for convenience as the "***Non-Defaulting Party***") upon a Performance Failure by the other Party (such other Party defined herein for convenience as the "***Defaulting Party***") where such Performance Failure has a material adverse effect on the Non-Defaulting Party or its business. The

Non-Defaulting Party shall give the Defaulting Party written notice of such Performance Failure, stating the nature thereof and a reasonable period (which shall be not less than thirty (30) days) to cure such Performance Failure. If the Non-Defaulting Party determines that the Defaulting Party has not cured any such Performance Failure within the specified cure period, the Non-Defaulting Party may notify the Defaulting Party that it has elected to extend the cure period, or the Non-Defaulting Party may terminate this Agreement effective upon thirty (30) days' prior written notice given on or after the end of the specified cure period; provided, that if, at the end of the specified cure period, the Defaulting Party is continuing to use reasonably diligent efforts to cure such Performance Failure in light of the nature of such Performance Failure, then the Non-Defaulting Party may not give written notice of termination of this Agreement until the earlier of (a) an additional thirty (30) days has passed following the end of the original specified period, or (b) such time as the Defaulting Party has ceased using reasonably diligent efforts to cure such Performance Failure . For the avoidance of doubt, any termination of this Agreement in respect of a Payment Failure shall be governed by Section 5.2 (Delinquent Payments) or Section 5.4 (Examinations), as applicable.

6.4 **Termination of Particular Service**. Subject to the provisions of Section 3.11 (Points of Contact; Designees), Section 5.4 (Examinations) and Section 18.11 (Dispute Resolution), the provision by Provider of any particular Service may be terminated by the Non-Defaulting Party upon a Performance Failure by the Defaulting Party with respect to such particular Service where such Performance Failure has an adverse effect on the operations of the Non-Defaulting Party to which such Service relates. The Non-Defaulting Party shall give the Defaulting Party written notice of such Performance Failure, stating the nature thereof and a reasonable time (which shall be not less than thirty (30) days) to cure such Performance Failure. If the Defaulting Party does not cure any such Performance Failure within the specified cure period, the Non-Defaulting Party may notify the Defaulting Party that it has elected to extend the cure period, or the Non-Defaulting Party may terminate the provision of the applicable Service effective upon thirty (30) days' prior written notice given on or after the end of the specified cure period; provided, that if, at the end of the specified cure period, the Defaulting Party is continuing to use reasonably diligent efforts to cure such Performance Failure in light of the nature of such Performance Failure, then the Non-Defaulting Party may not give written notice of termination of the particular Service until the earlier of (a) an additional thirty (30) days has passed following the end of the original specified period, or (b) such time as the Defaulting Party has ceased using reasonably diligent efforts to cure such Performance Failure .. Upon the termination of any particular Service being provided hereunder, the Parties will work together mutually and in good faith to agree upon an appropriate adjustment to the Service Fees payable hereunder to reflect the elimination of such Service and this Agreement shall be amended accordingly. For the avoidance of doubt, any termination of a particular Service in respect of a Payment Failure shall be governed by Section 5.2 (Delinquent Payments) or Section 5.4 (Examinations), as applicable.

6.5 **Special Termination Right**. Anything in Section 6.4 (Termination of Particular Service) to the contrary notwithstanding, University may immediately and without penalty terminate the portions of this Agreement related to the provision of Services covered in Section 8 (Financial Aid Services) of Exhibit B to this Agreement if it receives notification that the DOE has imposed an emergency, limitation, suspension, or termination action with regard to Provider's ability to contract with the University to administer any aspects of its participation in the Title IV Programs. Any such termination of the Services covered in Section 8 (Financial Aid

Services) of Exhibit B shall not affect Provider's provision of Services not covered in Section 8 (Financial Aid Services) of Exhibit B. Upon any termination of the Services covered in Section 8 (Financial Aid Services) of Exhibit B to this Agreement, the Services Fees payable hereunder shall be adjusted as provided in Exhibit D. If the Parties disagree as to whether such Services must be terminated, then the matter will be submitted for dispute resolution under Section 18.11 (Dispute Resolution). However, the Parties agree that they will comply with any directions or requirements on an interim basis or otherwise as may be mandated by any Educational Agency.

6.6 Transition Services. Except in the case of a non-renewal of the Agreement under Section 6.2 (Non-Renewal of Initial Term or Any Renewal Term), if this Agreement or any particular Service is terminated (regardless of the reason for such termination) prior to the expiration of this Agreement, (a) by Provider, then, at University's written election, Provider will continue providing the Services (or the applicable Service) for a period of up to two (2) years following the termination date, or (b) by University, then, at University's written election, Provider will continue providing the Services (or applicable Service) for a period of up to six (6) months following the termination date (the post-termination services are referred to herein as the "*Transition Services*," and the applicable period during which the Transition Services are provided is referred to herein as the "*Transition Period*"). Notwithstanding the foregoing, if this Agreement or a Service is terminated as a result of University's failure to timely pay the applicable Services Fees, then if University desires to receive Transition Services during the Transition Period, University must, prior to the commencement of any Transition Services, (a) pay all outstanding Services Fees that are not subject to a good faith dispute by University pursuant to Section 5.2 (Delinquent Payments) and (b) pay the estimated Services Fees as reasonably determined by Provider for the Transition Period on a monthly basis in advance. If the actual Services Fees payable for the Transition Period are different than the estimated Services Fees paid by University, then (i) if the actual Services Fees exceed the estimated Services Fees, University will pay the difference within thirty (30) days after the expiration of the Transition Period, and (ii) if the actual Services Fees are less than the estimated Services Fees, Provider will refund to University the difference within thirty (30) days after the expiration of the Transition Period. The Transition Services will be provided at least at the same levels of quality and timeliness of performance as such Services were required to be provided prior to the termination. In connection with a termination of the Agreement, University may, upon written notice to Provider, modify the specific Transition Services to be provided to a subset of the Services provided under this Agreement and, in any case, may reduce the term for the Transition Period to a lesser period. Following any termination, the Parties agree to work in good faith to effectuate an orderly transition of the Services (or any particular Service), with a goal of minimum interruption to University, its Students and its Educational Activities. It is agreed and understood that the licenses granted to Provider in Section 10 (Intellectual Property Rights) shall remain in effect during the Transition Period, provided that University complies with the terms in this Agreement, including timely paying the Services Fees for the Transition Services. If this Agreement expires after the giving by a Party of notice of non-renewal under Section 6.2 (Non-Renewal of Initial Term or any Renewal Term) above, then during the period between the giving of such notice of non-renewal and the expiration of the Initial Term or any Renewal Term, the Parties shall likewise work in good faith to wind down their relationship and effectuate an orderly transition of the Services, with a goal of minimum interruption to University, its Students and its Educational Activities.**Effect of Termination or Expiration**. Upon expiration or termination of this Agreement, (a) Provider shall be entitled to all Services Fees and other amounts due for the provision of the relevant Services rendered up to and through the later of the effective date of expiration or termination or the end of the Transition Period, as determined and payable in accordance with the terms in this Agreement and any Services Addendum and for any further periods as provided in Exhibit D, (b) the Parties shall take reasonable steps to provide the other Party with any information and records reasonably relating to this Agreement or such Service requested by such other Party in writing to the extent appropriate and necessary to permit the continuing business operations of each of the Parties with a minimum of disruption, (c) except for any licenses that are identified as irrevocable or that are expressly identified as surviving the termination of this Agreement, all licenses granted under Section 10 (Intellectual Property Rights) below will terminate; provided, if University requests the performance of Transition Services, such licenses will terminate at the end of the applicable Transition Period, (d) subject to Section 13, the Terminating Party may seek any other remedies available to it, whether legal, contractual, equitable or otherwise (subject to the limitations on remedies set forth in this Agreement), and (e) each Party will exercise commercially reasonable efforts to return or migrate (i) in the case of Provider, any University Intellectual Property in Provider's possession or control to University or its designee as reasonably directed by University in writing, except to the extent that Provider has the express right under this Agreement to continue using such University Intellectual Property after termination or expiration of this Agreement, and (ii) in the case of University, any Provider Intellectual Property in University's possession or control to Provider or its designee as reasonably directed by Provider, except to the extent that University has the express right under this Agreement to continue using such Provider Intellectual Property after termination or expiration of this Agreement.

7. Tax Matters.

7.1 Tax. The Services Fees are exclusive of all Tax. University will pay and be liable for any and all Tax imposed on, sustained, incurred, levied and measured by the cost, value or price of Services provided by Provider under this Agreement; provided, that in no event shall University be liable for any Taxes that are imposed on or calculated by reference to the net income received or receivable by Provider. All such Tax for which University is liable will, as applicable, be invoiced to and payable by University to Provider in accordance with Section 5.1 (Services Fees; Payment Terms) or as otherwise mutually agreed in writing by the Parties and under the terms of the Applicable Law which governs the relevant Tax. Notwithstanding anything to the contrary contained in this Agreement, in the event that any applicable Tax authority imposes a transaction privilege, sales or similarly denominated Tax on the Services, the responsibility for such Tax shall be borne equally by Parties.

7.2 Tax Withholding. University shall (a) make all payments of Services Fees to be made by it to Provider hereunder without any Tax withholding, unless a Tax withholding is required by Applicable Law and (b) promptly upon becoming aware that University must make a Tax withholding (or that there is any change in that rate or the basis of a Tax withholding) notify Provider in writing accordingly. Provider shall co-operate in completing any procedural formalities necessary for University to obtain authorization to make payment without a Tax withholding.

8. Indemnification for Third Party Claims.

8.1 Indemnification of University. Subject to the limitations set forth in Section 11 (Limitation of Liability) below, Provider hereby agrees to (a) defend University and its trustees, officers, employees, agents, successors, and assigns (collectively, the "***University Indemnitees***"), from and against all demands, suits, claims, actions, or causes of action (each, a "***Claim***") asserted or brought by any third party against any of the University Indemnitees, and (b) indemnify and hold the University Indemnitees harmless from any assessments, losses, damages, costs and expenses (including, interest, penalties, and reasonable attorneys' fees), of any nature, and in all cases awarded in a final judgment, order or regulatory action to the third party bringing the applicable Claim or any settlement amount paid to the third party bringing the applicable Claim in order to settle such Claim; provided that, in each case, such Claim arises directly from any act or omission of any Provider Indemnitee, including any violation of any Applicable Law by Provider, in connection with its performance under this Agreement; provided further, that Provider shall have no obligation to defend, indemnify or hold University Indemnitees harmless from any such assessments, losses, damages, costs and expenses to the extent arising from actions taken by Provider in respect of any communications with prospective or existing Students made by Provider following scripts, or using advertising or web materials, approved by University, as provided in Section 3.7.6 (Marketing Laws and Regulations; No Misrepresentation), so long as Provider did not deviate from University's specific request, or previously approved scripts, advertising or web materials, in any material respect, and so long as Provider was not negligent, grossly negligent or reckless in taking such actions.

8.2 Indemnification of Provider. Subject to the limitations set forth in Section 11 (Limitation of Liability) below, University hereby agrees to (a) defend Provider and its directors, officers, stockholders, employees, agents, successors, and assigns, (collectively, the "***Provider Indemnitees***"), from and against all Claims asserted or brought by any third party against any of the Provider Indemnitees, and (b) indemnify and hold the Provider Indemnitees harmless from any assessments, losses, damages, costs and expenses (including, interest, penalties, and reasonable attorneys' fees), of any nature, and in all cases awarded in a final judgment, order or regulatory action to the third party bringing the applicable Claim or any settlement amount paid to the third party bringing the applicable Claim in order to settle such Claim; provided that, in each case, such Claim arises directly from any act or omission of any University Indemnitee including any violation of any Applicable Law by University, in connection with its performance under this Agreement including in respect of the provision to Provider of scripts, or advertising or web materials, for use by Provider as contemplated by Section 3.7.6 (Marketing Laws and Regulations; No Misrepresentation).

8.3 Conditions. The indemnifying Party's obligations under this Section 8 (Indemnification for Third Party Claims) shall be conditioned upon and subject to the indemnified parties (i.e., the Provider Indemnitees or the University Indemnitees, as the case may be): (a) notifying the indemnifying Party promptly in writing of any Claim of which an indemnified party becomes aware, provided, that the failure to provide such notice shall not relieve the indemnifying Party from its obligations hereunder, except to the extent of any material prejudice to the indemnifying Party as a direct result of such failure; (b) offering the indemnifying Party sole authority to control fully, at the indemnifying Party's expense, the defense and settlement of any Claim, with such control to be conditioned on (i) the indemnifying Party confirming its indemnification obligations with respect to such Claim, and (ii) the indemnifying Party selecting qualified counsel to defend such Claim that is approved by the indemnified Party, such approval not to be unreasonably withheld, conditioned or delayed; provided, that any Claim of a regulatory nature involving any Educational Agency shall be under the control of University (with respect to any Claim asserted or brought by any Educational Agency against any of the University Indemnitees) or Provider (with respect to any Claim asserted or brought by any Educational Agency against any of the Provider Indemnitees), in each case subject to Section 15 (Duty to Cooperate) of this Agreement, it being understood that the communications with the Educational Agency shall be through the Party against whom the Claim is asserted or brought (although such Party shall provide the other Party with reasonable prior written notice of such discussions and such other Party may be present at or participate in such discussions in its discretion); provided further, that prior to taking any substantive position in any proceeding before an Educational Agency, the Party controlling the Claim involving such Educational Agency shall consult with and consider in good faith the positions of the non-controlling Party, and neither Party may take any position in any such proceeding in front of an Educational Agency that would reasonably be expected to adversely affect the other Party's regulatory standing (including University's eligibility to participate in Title IV Programs or Provider's status as a "Third-Party Servicer" as defined in 34 C.F.R. § 668.2) without the other Party's prior written consent, such consent not to be unreasonably withheld, conditioned or delayed; (c) having the right, at the indemnified parties' cost and expense, to participate in the defense of such Claim using legal counsel of its or their own choosing, provided, that such participation shall not reduce or impact the indemnifying Party's control of the defense and settlement as provided herein; and (d) furnishing all reasonable cooperation and assistance requested by the indemnifying Party in accordance with Section 15 (Duty to Cooperate) below. Notwithstanding anything to the contrary contained in this Section 8 (Indemnification for Third Party Claims), if, within fifteen (15) days following receipt by the indemnifying Party of notice of a Claim pursuant to subpart (a) of the preceding sentence, the indemnifying Party fails to provide written notice to the indemnified parties of the indemnifying Party's intention to assume the defense of such Claim in accordance with the conditions provided above, then each indemnified party shall have the right to assume the sole control of the defense of such Claim by counsel of its choice, in which event if the Claim is in fact a Claim for which the indemnifying Party was obligated to defend, indemnify and hold harmless the indemnified parties, the indemnifying Party shall indemnify any such indemnified party for all reasonable attorneys' fees and costs incurred by such indemnified party in connection with such defense and such reimbursement of attorneys' fees shall be in addition to the indemnification for other amounts sought hereunder in connection with such Claim. For the avoidance of doubt, neither Party may settle a Claim without the prior written consent of the other Party, such consent not to be unreasonably withheld, delayed or conditioned.

9. **Confidentiality**. Each Party acknowledges that Confidential Information may be disclosed to the other Party in connection with this Agreement.

9.1 **Definition**. "***Confidential Information***" shall mean, with respect to each Party (a) any non-public, proprietary information, Intellectual Property and other confidential information, including, but not limited to, any technical and non-technical information regarding current, future and proposed business operations, products and services, including for example and without limitation, information concerning research and development, financial information, procurement requirements, Student and customer information and lists, business forecasts, sales information and marketing plans, descriptions, specifications and the like of a Disclosing Party, and (b) any information Disclosing Party has received from a third party which the Disclosing Party is obligated to treat as confidential or proprietary, in each case that is provided or communicated by the Disclosing Party to the Receiving Party in connection with this Agreement after the Effective Date, including pursuant to Section 15 (Duty to Cooperate).

9.2 Obligations. Each Party (in such capacity, the "***Receiving Party***") acknowledges and agrees to (a) use with respect to the Confidential Information of the other Party (in such capacity, the "***Disclosing Party***") the same care and discretion to prevent such Confidential Information from being disclosed, published or disseminated as it employs to avoid disclosure, publication or dissemination of its own similar Confidential Information (but in no event less than reasonable care), (b) use the Disclosing Party's Confidential Information only for the purpose for which it was disclosed, and (c) not disclose, disseminate or provide access to the Disclosing Party's Confidential Information to any Person other than to those employees and agents who (i) have a need to know it in order to assist the Receiving Party in performing its obligations under, or to permit the Receiving Party to exercise its rights under, this Agreement, and (ii) are legally bound by the same obligations regarding Confidential Information as the Parties are subjected to in this Section 9 (Confidentiality). Furthermore, neither Provider nor University will: (A) acquire any right in or assert any lien against the Confidential Information of the other Party, other than as provided in this Agreement; or (B) sell, assign, lease or otherwise dispose of Confidential Information of the other to third parties (except in connection with a sale of all or substantially all of such Party's assets to which this Agreement relates) or commercially exploit such Confidential Information, other than as permitted in this Agreement. In addition, the Parties shall take reasonable steps by agreement or otherwise so that their Affiliates, employees, subcontractors and consultants comply with these confidentiality provisions.

9.3 Permitted Disclosures. Notwithstanding the foregoing, the Receiving Party may disclose the Confidential Information of the Disclosing Party (a) to a third party subcontractor who is involved in providing Services under this Agreement or a third party who is contemplating entering into a transaction with Provider pertaining to a financing event or a sale of all or any portion of its business, provided that: (i) such disclosure is reasonably necessary for the third party to perform its duties or evaluate the potential transaction; (ii) the Receiving Party causes the third party to be bound to the same obligations regarding Confidential Information as the Parties are subjected to in this Section 9 (Confidentiality); and (iii) the Receiving Party assumes full responsibility for the acts or omissions of such third parties, no less than if the acts or omissions were those of the Receiving Party; (b) to the extent required under the terms of any credit agreement, indenture or related agreement entered into by the Receiving Party or one of its Affiliates; (c) to an Affiliate, provided that: (i) such Affiliate is bound to the same obligations regarding Confidential Information as the Parties are subjected to in this Section 9 (Confidentiality); and (ii) Receiving Party shall only disclose such Confidential Information to those directors, trustees, officers, employees and agents of such Affiliate who have a need to know it in order to assist the Receiving Party in performing its obligations hereunder, or to permit the Receiving Party to exercise its rights under this Agreement; (d) as required pursuant to any Applicable Law; provided, that the Receiving Party shall advise the Disclosing Party of such required disclosure promptly upon learning thereof in order to afford the Disclosing Party a reasonable opportunity to contest, limit and/or assist the Receiving Party in crafting such disclosure; or (e) to an Educational Agency when requested by such Educational Agency.

9.4 **<u>Exclusions</u>**. Notwithstanding anything to the contrary in the foregoing, Confidential Information does not include, and this Section 9 (Confidentiality) will not apply to, any information that the Receiving Party can demonstrate was:

9.4.1 at the time of disclosure of such information to the Receiving Party, in the public domain;

9.4.2 information related to applicants to University that do not enroll in University within three months of initial outreach to such applicant;

9.4.3 after disclosure of such information to the Receiving Party, published or otherwise became part of the public domain through no fault of the Receiving Party or its directors, trustees, officers, employees and agents;

9.4.4 rightfully in the possession of the Receiving Party at the time of disclosure of such information to the Receiving Party, free of any obligation of confidentiality;

9.4.5 received after disclosure of such information to the Receiving Party from a third party who had a lawful right to disclose such information to the Receiving Party; or

9.4.6 independently developed by the Receiving Party without reference to Confidential Information of the Disclosing Party.

9.5 **<u>Loss of Confidential Information</u>**. In the event of any disclosure or loss of, or inability to account for, or unauthorized use of, Confidential Information, the Receiving Party will notify the Disclosing Party immediately in writing, and shall reasonably assist the Disclosing Party in remedying the unauthorized disclosure or use.

9.6 **<u>Period of Confidentiality</u>**. Confidential Information disclosed pursuant to this Agreement will be subject to the terms of this Agreement until such time as it ceases to be characterized as Confidential Information under one or more of clauses 9.4.1 through 9.4.6 of Section 9.4 (Exclusions)

9.7 **<u>Return of Confidential Information</u>**. Within thirty (30) Business Days after the effective date of termination of this Agreement or any Transition Period (if applicable), the Receiving Party shall destroy or deliver to the Disclosing Party, at the Disclosing Party's option, (a) all materials furnished by the Disclosing Party, and (b) all materials in the Receiving Party's possession or control (even if not furnished by the Disclosing Party), in each case that contain or disclose any of the Disclosing Party's Confidential Information. The Receiving Party will provide the Disclosing Party a written certification of the Receiving Party's compliance with the Receiving Party's obligations under this Section 9.7 (Return of Confidential Information). Notwithstanding the foregoing, Confidential Information stored on back-up storage media in the normal course of business need not be returned or destroyed, but shall remain subject to the terms of this Agreement in accordance with Section 9.6 (Period of Confidentiality).

10. Intellectual Property Rights.

10.1 Definitions.

10.1.1 As used herein, the term "***Intellectual Property***" shall mean any and all technology, inventions, processes, know-how, designs, works of authorship, and any other technical subject matter related thereto. The term "***Intellectual Property***" also includes all intellectual property rights or similar proprietary rights related to or protecting the foregoing, including (a) all inventions, all improvements thereto and all patents, patent applications, provisionals and patent disclosures, together with all reissuances, continuations, continuations-in-part, revisions, extensions, and reexaminations thereof, (b) all registered and unregistered trademarks, service marks, trade dress, logos, trade names, registered domain names, and corporate names, including all goodwill associated therewith, and all applications (including intent-to-use applications), registrations, and renewals in connection therewith, (c) all copyrightable works, all copyrights and all applications, registrations and renewals in connection therewith, including all rights in works of authorship, curricula, program materials, translations, abridgments, revisions compilations and derivative works, (d) all trade secrets, customer lists, lists of Students and prospective Students, employer lists, alumni lists, supplier lists, pricing and cost information, business and marketing plans and other confidential business information (including, without limitation, ideas, formulas, compositions, know-how, techniques, research and development information, drawings, specifications, designs, plans, proposals, and technical data), (e) all computer programs and related software, including source code and object code thereof, data, data tapes, databases and related manuals, notes, and documentation, and (f) all copies and tangible embodiments thereof.

10.1.2 As used herein, the term "***University Intellectual Property***" shall mean any and all Intellectual Property in (a) all of the content of the Courses and Programs, including the Course Materials and all Improvements thereto, (b) all Plans and related Plan Information (each as defined in Section 1.1 of Exhibit B) developed by University, and (c) any Intellectual Property expressly identified in a Service Addendum as "University Intellectual Property."

10.1.3 As used herein, the term "***Provider Intellectual Property***" shall mean any and all Intellectual Property in (a) the Platform, including Provider-developed or Provider-acquired user interface designs necessary to facilitate access to University Intellectual Property via the Platform (provided that, for further clarity, Provider's rights in such matter shall not give it any right whatsoever in or to any portion of University Intellectual Property, none of which may be used by Provider except in accordance with the express terms of this Agreement), logic and data modules, algorithms, feature sets and source code, and documentation relating thereto (b) all Aggregated Data Sets (as further discussed in Section 10.13 (Aggregated Data Sets) below), and documentation relating thereto, (c) all Plan Information developed by Provider, and (d) any Intellectual Property expressly identified in a Service Addendum as "Provider Intellectual Property."

10.2 Ownership.

10.2.1 Ownership by Each Party. Following Provider's assignment, sale and transfer to University of certain Intellectual Property as set forth in the Asset Purchase Agreement or any related agreement executed by the Parties in connection therewith, each Party (and their respective Affiliates) (as the "***Owner Party***") owns and shall retain all right, title and interest in and to any and all (a) Confidential Information of such Owner Party, (b) all Intellectual Property of such Owner Party or its Affiliates existing as of the Effective Date, (c) except as may be expressly provided otherwise in this Agreement or a Services Addendum, all Intellectual Property independently developed by such Owner Party or its Affiliates after the Effective Date, and (d) in the case of University, all Improvements to University Intellectual Property, together with all associated Intellectual Property rights in such Improvements, that are conceived, created, or developed by Provider in connection with providing the Services hereunder. For the avoidance of doubt, Intellectual Property developed by Provider, whether in connection with the provision of the Services or outside the provision of the Services, including, without limitation, Aggregated Data Sets (as defined below), shall be Intellectual Property independently developed by Provider for purposes of the foregoing and Provider will be the "Owner Party" of such Intellectual Property, except for Intellectual Property that is developed by Provider and assigned to University as specifically provided in this Section 10 (Intellectual Property Rights).

10.2.2 Works Made for Hire. Provider acknowledges and agrees that all works of authorship included in the University Intellectual Property shall constitute a "work made for hire" for University, as that phrase is defined in Section 101 and 201 of the Copyright Act of 1976 (Title 17, United States Code), including a work specially commissioned by University. With respect to any such works of authorship that are not "works made for hire" and with respect to any other University Intellectual Property, Provider hereby assigns and transfers and agrees to assign and transfer to University all of Provider's right, title and interest in and to such works of authorship and University Intellectual Property, including, all patent, copyright, trade secret and other proprietary rights, and the right to make any modifications, adjustments or additions thereto (Provider hereby expressly waiving any droit moral or similar rights to object to any such changes), the right to make and distribute derivative works thereof and the right to all claims for past infringement thereof.

10.2.3 Further Assurances. Upon a Party's reasonable written request, the other Party shall execute and deliver to the requesting Party all documents and instruments, including copyright assignments, and shall otherwise assist the requesting Party, at the requesting Party's expense, to perfect in the requesting Party the sole and exclusive right, title and other interests in the Intellectual Property of such requesting Party (as provided herein). In the event a requesting Party is unable, because the other Party is no longer in business, to obtain the signature of the other Party to any document or instrument necessary or desirable to apply for protection of, or to enforce any action with respect to, any Intellectual Property right of the requesting Party, the other Party hereby irrevocably designates and appoints the requesting Party and its duly authorized officers and agents as the other Party's agent and attorney-in-fact, whose power is expressly coupled with an interest, to act for and on behalf of the other Party, to execute such documents and instruments and to take all lawfully permitted actions to protect the requesting Party's interests in any such Intellectual Property with the same legal force and effect as if executed by such other Party.

10.3 License to Course Materials. Subject to the terms and conditions of this Agreement, and subject to the applicable Quality Control Standards set forth in Section 10.9 (Quality Control), University, on behalf of itself and its Affiliates, hereby grants to Provider, during the Initial Term or any Renewal Term and under the Intellectual Property rights owned or controlled by University or its Affiliates, a non-exclusive, non-transferable, worldwide, royalty-free right and license, without the right to sublicense, (a) to create derivative works of, and to modify, enhance and develop improvements to, the Course Materials (collectively, "***Improvements***"), and (b) to use the Course Materials, including the right to reproduce, distribute copies, publicly display and publicly perform the Course Materials, in each case solely in connection with the performance by Provider of Services under this Agreement. The foregoing license only in clause (a) of Section 10.3 (License to Course Materials) is subject to University's prior written consent (not to be unreasonably withheld, conditioned or delayed) for each of the Improvements and such consent may be reasonably conditioned on additional terms and conditions to be proposed by University consistent with University's academic control over the Course Materials. During the Initial Term of this Agreement and any Renewal Term, Provider shall disclose all Improvements to University. Provider will have written agreements with its employees and contractors that develop Improvements pursuant to which such employees and contractors assign to Provider all right, title and interest in and to the Improvements and all Intellectual Property rights therein.

10.4 License to Other University Intellectual Property. Subject to the terms and conditions of this Agreement, University, on behalf of itself and its Affiliates, hereby grants to Provider, during the Initial Term and any Renewal Term and under the Intellectual Property rights owned or controlled by University or its Affiliates, a non-exclusive (except as provided in the next sentence), non-transferable, worldwide, royalty-free right and license, without the right to sublicense, to use, reproduce, create derivative works and to modify, enhance and develop improvements to the University Intellectual Property (other than the Course Materials and University Marks) and distribute copies, publicly display and publicly perform such other University Intellectual Property, in each case solely in connection the performance by Provider of Services under this Agreement. Notwithstanding the foregoing, the license set forth in this Section 10.4 (License to Other University Intellectual Property) shall be exclusive with respect to the Exclusive Services.

10.5 License to University Marks. Subject to the terms and conditions of this Agreement and to the Quality Control Standards set forth in Section 10.9 (Quality Control), University, on behalf of itself and its Affiliates, hereby grants to Provider, during the Initial Term and any Renewal Term, a worldwide, non-exclusive (except as provided in the next sentence), non-transferable, royalty-free right and license, without the right to sublicense, to use, reproduce and display the University Marks solely in connection with the performance by Provider of the Services (e.g., marketing and promotion services). Notwithstanding the foregoing, the license set forth in this Section 10.5 (License to University Marks) shall be exclusive with respect to the Services identified herein; provided, that University may use, reproduce and display the University Marks in connection with the marketing and promotion of University and the Programs as well as any other uses unrelated to the Services identified herein. Subject to the terms of this Agreement (e.g., with respect to Provider's permitted use of University Marks), Provider and University shall coordinate their marketing and promotional activities in respect of University to ensure a consistent message. A list of University Marks as of the Effective Date is set forth on Exhibit E to this Agreement.

10.6 Reservation of Rights. Nothing in this Agreement shall be deemed in any way to constitute a transfer or assignment by University to Provider of ownership of or title to any of University Intellectual Property.

10.7 Domain Names; Additional Trademarks. If Provider is interested in using domain names containing one of the University Marks, for any purpose, Provider shall provide a written request to University and University may, in its sole discretion, apply to register the additional domain names and/or trademarks and amend the list of University Marks to include such additional domain names and/or trademarks.

10.8 Restrictions on Trademark Usage. University grants no rights under the University Marks other than those expressly granted herein unless otherwise agreed to in writing on a case-by-case basis, at the sole discretion of University. Without limiting the foregoing, Provider agrees that it shall not directly or indirectly at any time:

10.8.1 use any of the University Marks for or in connection with any business of Provider other than the provision of Services to University under this Agreement;

10.8.2 use any of the University Marks in combination with any other trade name, trademark, service mark, corporate name, logo, domain name or trade dress, unless approved in advance in writing by University;

10.8.3 use any trade name, trademark, service mark, domain name, logo or trade dress which, in University's opinion, is likely to be confused with, tarnish or dilute any of the University Marks;

10.8.4 apply to register, obtain, use or own any domain name or trademark comprising or related to any of the University Marks, or any confusingly similar marks; or

10.8.5 use the University seal (which is solely used for academic purposes).

10.9 Quality Control.

10.9.1 Notwithstanding anything herein to the contrary, University shall retain absolute final authority respecting the form and content of any of the Programs, including Courses and Course Materials, offered under the University name or University Marks. Provider shall at all times operate Provider's business in accordance with standards of professionalism and business practices consistent with those of University, and in accordance with Applicable Law. Provider shall not perform, or fail to perform, any act if, in University's reasonable opinion, such act, or failure to act, materially and adversely affects the business or academic reputation of University, or in any way materially diminishes or tarnishes the reputation of University, its employees, its Students or any University Marks.

10.9.2 Provider shall comply with University's written quality control standards provided from time to time by University to Provider in connection with Provider's use of the University Marks, as in effect from time to time, which shall be subject to reasonable changes or re-branding by University from time to time upon at least thirty (30) days prior written notice to Provider (the "Quality Control Standards"). All such changes and re-branding shall be consistent with changes and re-branding implemented and put into practice by University generally and shall not be unique to Provider. All uses of the University Marks must be in conformance with the then-current form of Quality Control Standards or otherwise be approved in writing by University prior to their use. Provider shall not by any act or omission use the University Marks in any manner that disparages or reflects adversely on the University Marks or on University, its employees, its Students, its business or its reputation.

10.9.3 If at any time University is of the reasonable opinion that Provider is in breach of Section 10.8 (Restrictions on Trademark Usage) or the terms of this Section 10.9 (Quality Control) (other than Section 10.9.4), University shall deliver written notice to Provider as provided in, and otherwise proceed under, Section 6.3 (Termination of Agreement for Breach) or Section 6.4 (Termination of Particular Service), as applicable. Notwithstanding the foregoing, the terms of this Section 10.9.3 shall not limit any right or remedy available to either Party, whether under this Agreement, Applicable Law or in equity, subject to the limitations on damages set forth in Section 11 (Limitation of Liability).

10.9.4 Provider shall not challenge or assist others in challenging University's ownership of the Course Materials and/or University Marks. Similarly, Provider shall not challenge or assist others in challenging University's ownership of University Intellectual Property.

10.10 **<u>License to Provider Intellectual Property</u>**. Subject to the terms and conditions in this Agreement, Provider hereby grants to University the non-exclusive, non-transferable, right and license, during the Initial Term of this Agreement and any Renewal Term, and without the right to sublicense, to use all Provider Intellectual Property used in the Programs, including a license of all rights under copyright and the rights to reproduce and copy Provider Intellectual Property in all editions, versions, enhancements, improvements, updates, changes, and formats for print and in any other form or medium, whether now known or hereafter known, throughout the world, including, electronic, magnetic, digital, laser, or optical-based media, for use only in University's Programs. To the extent necessary to facilitate access to the Programs, Provider shall also grant to University Students a royalty-free license to use Provider Intellectual Property that is included in any Program for the duration of their participation in such Program, but only as part of the Program studies. Except for the express assignment by Provider to University of certain Intellectual Property as provided in Section 10.2.2 (Works Made for Hire), nothing in this Agreement shall be deemed in any way to constitute a transfer or assignment by Provider to University of ownership of or title to any Intellectual Property.

10.11 **<u>Licenses to Plans and Plan Information</u>**. Licenses to Plans and Plan Information shall be governed by Section 1.2 of <u>Exhibit B</u>.

10.12 **<u>No Additional Rights</u>**. Except as expressly provided in this Agreement, a Services Addendum, or a separate written agreement between the Parties, neither Party shall receive, by virtue of this Agreement, any rights of ownership to, or any license or other rights in or to, any Confidential Information or Intellectual Property of the other Party.

10.13 Aggregated Data Sets. Notwithstanding anything else in this Agreement to the contrary, Provider may collect, store and use data and information related to use of the Services and delivery of Courses in an aggregated and anonymous manner, including to compile statistical and performance information related to the provision and operation of the Services by Provider ("***Aggregated Data Sets***"). University shall undertake such reasonable actions, such as disclosing such collection and use in its privacy policies, as the Provider may request from time to time. As between Provider and University, all right, title and interest in the Aggregated Data Sets and all Intellectual Property therein, belong to and are retained solely by Provider. Provider hereby grants to University a perpetual license to use any Aggregated Data Sets derived solely from University data solely for University's internal institutional, academic and operational purposes. University acknowledges that Provider will be compiling Aggregated Data Sets based on delivery and use of the Services and University agrees that Provider may (a) make such Aggregated Data Sets publicly available, and (b) use such information and data to the extent and in the manner permitted by Applicable Law, including without limitation, for purposes of data gathering, analysis, service enhancement and marketing, provided that such use does not specifically identify University or its Confidential Information without University consent.

11. Limitation of Liability. The Parties hereby agree that each Party's aggregate liability under this Agreement, regardless of the nature of the claim or cause of action, whether in contract, warranty, in tort (including negligence), or strict liability or any other legal theory regarding any claim by the other Party related in any way to the performance or non-performance of such Party under this Agreement, is limited to the amount paid by University to Provider for Services in the most recently completed three-month period, less in all circumstances, any amounts previously paid (as of the date of satisfaction of such liability) by such Party in satisfaction of any liability under this Agreement, and the claiming Party hereby releases and waives any claim against the other Party in excess of such amount, to the extent permitted by Applicable Law. The limitation set forth in this Section shall not apply to liability or claims arising out of or related to (a) breach of Section 9 (Confidentiality) or Section 10 (Intellectual Property Rights) (including infringement, violation or misappropriation of the other Party's Intellectual Property rights), (b) claims based on a Party's gross negligence or willful misconduct, to the extent permitted by Applicable Law, or (c) any failure by University to pay to Provider all Services Fees or other amounts due hereunder. The limitations in this Section shall apply notwithstanding any failure of essential purpose of any limited remedy set forth in this Agreement. No Party will claim, assert or take the position that any limitation on damages set forth in this Section is or should be found unenforceable or that such limitation should not be enforced. The foregoing limitations on damages shall apply to the maximum extent permitted by Applicable Law. If Applicable Law precludes the exclusion of certain types of damages or of certain types of damages in certain circumstances, then the foregoing limitations on damages shall not apply to such damages or such damages in such circumstances, provided that the balance of the limitations shall continue to apply.

12. Force Majeure. Neither Party shall be liable or in breach of this Agreement for any interruption of the provision of Services, or any delay or failure to perform under this Agreement when such interruption, delay or failure results from causes beyond that Party's reasonable control, including as a result of strikes, lock-outs or other labor difficulties; acts of government, riot, insurrection or other hostilities; embargo, fuel or energy shortages; fire, flood, acts of God, wrecks or transportation delays; or inability to obtain necessary labor, materials or utilities from usual sources. In such event, a Party's obligations hereunder shall be postponed for such time as its performance is suspended or delayed on account thereof. Upon the cessation of the force majeure event, each Party will use commercially reasonable efforts to resume its performance with the least possible delay.

13. **Available Remedies**. Notwithstanding anything herein to the contrary, the Parties agree that the failure of a Party to perform any obligation which arises under Section 9 (Confidentiality) or Section 10 (Intellectual Property Rights) of this Agreement will cause irreparable harm to the other Party which may not be fully or adequately compensated by the award and/or payment of monetary damages alone. In the event of actual or threatened breach by a Party of Section 9 (Confidentiality) or Section 10 (Intellectual Property Rights), the Parties agree that the non-breaching Party shall be entitled to injunctive or other equitable relief in order to enforce or prevent any such conduct or continuing violation, without having to post a bond or other security and the breaching Party agrees not to raise the defense of an adequate remedy at law in any such proceeding. Nothing herein shall be construed as prohibiting either Party from pursuing any other remedies available for such breach or threatened breach, including the recovery of damages, costs, and reasonable attorneys' fees from the other.

14. **Relationship of the Parties**. The relationship of Provider to University under this Agreement shall be that of an independent contractor. Services Personnel rendering Services pursuant to this Agreement shall not be deemed employees of University, and shall not be entitled to or qualified under any employee benefit plans, including pension, health and insurance plans, provided by University for its employees. Each Party shall be solely responsible for the fulfillment of all labor and Social Security provisions that affect the labor relationships with its personnel, either currently in force or that may be passed during the Initial Term of this Agreement and any Renewal Term, expressly discharging the other Party from any liability for the breach thereof. Neither Party, nor its respective employees, agents or representatives, is authorized to, nor shall at any time attempt to, act on behalf of the other Party to bind the other Party in any manner whatsoever to any obligations. Provider acknowledges that it is not entitled to take, and agrees that it shall not take, any tax position inconsistent with being a service provider to the University.

15. **Duty to Cooperate**. If a Governmental Entity, Educational Agency, or third party files any type of Claim, or commences an investigation, adverse action, review or audit against Provider or one of its Affiliates or University or one of its Affiliates, in each case related, in whole or in part, to this Agreement and the Services provided hereunder, each Party (and its respective Affiliates, to the extent applicable) shall provide prompt notice to the other Party of such Claim, investigation, adverse action, review or audit and shall use commercially reasonable efforts to cooperate with the other's defense. Each Party (and its Affiliates, to the extent applicable) further agrees in principle to assert the common interest privilege and to execute such joint defense agreements, on customary terms, as may be necessary or appropriate for the protection of any privilege or confidentiality in the course of cooperating with the other's defense. Provider and University (and their respective Affiliates, to the extent applicable) agree to use commercially reasonable efforts to make available to the other upon reasonable request in writing any and all non-privileged or non-proprietary documents that either Party (or either of their respective Affiliates, to the extent applicable) has in its or their possession, which relate to any such claim, lawsuit, charge, investigation or audit. However, neither Party (nor any of their respective Affiliates) shall have the duty to cooperate with the other Party if the dispute is between the Parties themselves, nor shall this provision preclude the raising of cross-claims or third party claims between Provider and University (or one of their respective Affiliates) if the circumstances justify such proceedings. The Parties agree that this provision shall survive the termination of this Agreement.

16. **Survival of Obligations**. Each Party's obligations under this Section and Section 6.7 (Effect of Termination or Expiration), the second sentence of Section 3.2 (Location of Services; Subcontracting), Section 3.6 (Compliance with Laws), Section 3.7 (Provider's Compliance with Certain Educational Laws), Section 3.12 (Disclaimer of Warranties), Section 4 (University Roles and Responsibilities), Section 5 (Fees and Payments), Section 7 (Tax Matters), Section 8 (Indemnification for Third Party Claims), Section 9 (Confidentiality), the terms in Section 10 (Intellectual Property Rights) with respect to ownership of Intellectual Property and the irrevocable licenses, Section 11 (Limitation of Liability), Section 13 (Available Remedies), Section 14 (Relationship of the Parties), Section 15 (Duty to Cooperate), Section 18 (Miscellaneous), and University's obligations under Exhibit D of this Agreement, shall survive the termination of this Agreement to the extent permitted by Applicable Law.

17. **Insurance**. Each Party shall be solely responsible for obtaining workers' compensation insurance for its employees and agents and such other insurance as may be required by Applicable Laws. In addition, each Party agrees to carry (or, in University's case, to self-insure for) commercial general liability insurance with coverage including, but not limited to, products and completed operations, personal and advertising injury, and cybersecurity insurance in amounts, and with scope of coverage, customary for similarly situated entities and as mutually agreed on by the Parties in accordance with their mutual obligations and responsibilities under this Agreement. Each insurance policy required above shall name the other Party as additional insured on broad form endorsements with respect to all bodily injury, personal injury, advertising injury, and property damage liability arising out of the Party's operations, services or products. Each such insurance policy shall be endorsed to provide that such coverage shall be primary over any coverage available to the other Party under its own insurance program in the event of any suit, claim, damages or loss. Each Party shall provide to the other party a copy or copies of a certificate or certificates of insurance or, in University's case, evidence of a self-insurance program, demonstrating that the insurance coverage set forth above is in full force and effect no later than sixty (60) Business Days after the date of the Parties' execution of this Agreement. Each party shall endeavor to provide the other Party at least thirty (30) days' advance notice of any cancellation or material change in any policy of insurance for coverage required under this Agreement. Further, each Party shall maintain any insurance coverage referenced herein for a period of five (5) years after termination of this Agreement. To the extent, and only to the extent necessary to effectuate the Limitation of Liability provisions of Section 11, the Parties will use best efforts to obtain a waiver from its insurers of the insurers' subrogation rights against the other.

18. **Miscellaneous**.

18.1 **Notices**. All notices, demands and other communications to be sent to a Party under this Agreement shall be sent to such Party at the address as may be specified by the

Party from time to time in a notice sent as provided in this Section, provided that the initial notice address for each Party is as follows:

if to Provider:

Grand Canyon Education,
Inc.
2600 West Camelback Road
Phoenix, Arizona 85017
Attention: Sarah Collins
Email:
sarah.collins@gce.com

if to University:

Grand Canyon University
3300 West Camelback Road
Phoenix, Arizona 85017
Attention: Raymond
Kaselonis
Email:
raymond.kaselonis@gcu.edu

All such notices, demands or other communications shall be in writing and shall be deemed to have been received (a) when personally delivered, delivered by facsimile or delivered by other telecommunication mechanism, including electronic mail (provided there is no error or failure in transmission), (b) the next day, if sent by recognized overnight courier, or (c) five (5) days after deposit in the United States mail, postage prepaid, properly addressed and return receipt requested.

18.2 Amendment; Waiver.

18.2.1 This Agreement, including the Exhibits and any Services Addendum, may be amended or modified only in a written instrument executed by each Party hereto. Any provision of this Agreement may be waived only in a written instrument executed by the Party granting such waiver. The failure at any time of a Party to require performance by any other Party of any responsibility or obligation required by this Agreement shall in no way affect a Party's right to require such performance at any time thereafter, nor shall the waiver by a Party of a breach of any provision of this Agreement by any other Party constitute a waiver of any other breach of the same or any other provision nor constitute a waiver of the responsibility or obligation itself.

18.2.2 If continuing this Agreement or any particular Service hereunder could (a) as reasonably and in good faith determined by University (i) jeopardize University's accreditation status with the HLC and/or other Educational Agencies (including, for example, where, due to a change in accreditation standards or Applicable Law, the performance standards applicable to Provider's provision of the Services, as set forth in Section 3.4 (Services and Performance Standards) and Exhibit B, are required to be modified in order for University to achieve compliance with such changed standards or Applicable Law), (ii) cause, or could be reasonably likely to cause, the loss or material impairment of University's status under Section 501(c)(3) of the Code as a public charity more specifically described in Code Section 170(b)(1)(A)(ii), (iii) cause a loss of the tax-exempt status of any bonds issued by University, or

(iv) cause, or be reasonably likely to cause, the loss or material impairment of University's participation in the Title IV Programs or the imposition of material fines or repayment liabilities arising from such participation, or (b) as reasonably and in good faith determined by University or Provider, as a result of the creation, amendment or interpretation of any Educational Laws, significantly impact any material aspect of this Agreement, then, in each case (and subject to Section 18.11 (Dispute Resolution)), the Parties will negotiate in good faith an amendment to this Agreement or such Services Addendum so as to address such issues in a manner that preserves, to the maximum extent feasible, the economic interests of both Parties and that is reasonably satisfactory to both Parties.

18.2.3 If, following the Effective Date, Provider determines to provide Services through one or more subsidiaries, then (subject to Section 18.3 (Assignment)) University agrees to execute an amendment to this Agreement and/or any new agreements with such subsidiaries, in each case which, taken in the aggregate, reflect the terms and provisions of this Agreement.

18.2.4 The Parties acknowledge that, during the term of this Agreement, the University may desire to finance or refinance certain outstanding obligations or credit facilities with the proceeds of tax-exempt obligations. In connection with any such financing or refinancing, the Parties agree to reasonably cooperate with one another to make changes to this Agreement to the minimum extent necessary (in accordance with the Code or the Treasury Regulations thereunder, or in any private letter ruling sought and obtained by the University in connection with any such financing or refinancing) in order for this Agreement to comply with Applicable Law governing facilities financed or refinanced with proceeds of tax-exempt obligations, including the requirements for qualified management contracts under Revenue Procedure 2017-13 (or any successor guidance) and the private business use restrictions under Section 141(b)(1) of the Code and the Treasury Regulations issued thereunder. Any agreed upon changes to this Agreement shall only be effective upon the execution of an amendment to this Agreement by both Parties.

18.3 **Assignment**. This Agreement shall be binding upon and inure to the benefit of the successors and permitted assigns of each party hereto. Except as provided below, neither this Agreement nor any right or obligation hereunder may be assigned or delegated in whole or in part by a Party to any other Person, without the prior written consent of the other Party (which consent shall not be unreasonably withheld, conditioned or delayed). Provider may, without the consent of University, (a) collaterally assign its rights under this Agreement to a lender to Provider, and (b) assign this Agreement and any right or obligation hereunder, or any portion hereof or thereof to one or more subsidiaries of Provider formed for the purpose of providing services such as the Services provided hereunder, provided that (i) any such subsidiary is wholly owned by Provider, (ii) Provider remains primarily liable for all of Provider's obligations arising under this Agreement and also executes a guarantee of performance and payment by any such subsidiary of all such obligations, in form and substance reasonably satisfactory to University, (iii) any such subsidiary agrees in writing to be bound by this Agreement, and the assignment and assumption agreement is otherwise in form and substance reasonably satisfactory to University, and (iv) such assignment to any such subsidiary shall automatically terminate and be of no further force or effect if at any time such subsidiary is no longer wholly owned by Provider. For purposes of this Section, "assignment" includes any change in control of a Party, any subcontracting or other delegation by Provider of the performance of substantially all of the Services, and any transfer or assignment of this Agreement (whether by operation of law or otherwise) in connection with any merger, sale of all or substantially all assets, or any other transaction.

18.4 Third Party Rights. Except to the extent provided in Section 8 (Indemnification for Third Party Claims), nothing in this Agreement, whether express or implied, is intended or shall be construed to confer, directly or indirectly, upon or give to any Person other than the Parties any legal or equitable right, remedy or claim under or in respect of this Agreement or any covenant, condition or other provision contained herein.

18.5 Choice of Law. This Agreement shall be construed and enforced in accordance with and governed by the laws of the State of Arizona, without giving effect to the principles of conflict of laws thereof.

18.6 Headings. The headings of the Sections in this Agreement are provided for convenience of reference only and shall not be deemed to constitute a part hereof.

18.7 Entire Agreement. This Agreement, together with the Appendices, Exhibits and Schedules hereto and the agreements and instruments expressly provided for herein, as all of the foregoing may be amended from time to time in accordance with the terms hereof, constitute the entire agreement of the Parties hereto with respect to the subject matter hereof and supersede all prior agreements and understandings, oral and written, among the Parties hereto with respect to the subject matter hereof.

18.8 Severability. Should any provision of this Agreement be deemed in contradiction with the laws of any jurisdiction in which it is to be performed or unenforceable for any reason, such provision shall be deemed null and void, but this Agreement shall remain in full force in all other respects. Should any provision of this Agreement be or become ineffective because of changes in Applicable Law or interpretations thereof, or should this Agreement fail to include a provision that is required as a matter of law, the validity of the other provisions of this Agreement shall not be affected thereby. If such circumstances arise, then (subject to Section 3.11 (Points of Contact; Designees) and Section 18.11 (Dispute Resolution) the Parties hereto shall negotiate in good faith appropriate modifications to this Agreement to reflect those changes that are required by Applicable Law.

18.9 Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

18.10 Further Assurances. Each Party shall execute such deeds, assignments, endorsements, evidences of transfer and other instruments and documents and shall give such further assurances as shall be necessary to perform such Party's obligations hereunder.

18.11 Dispute Resolution.

18.11.1 In the event of any dispute, claim or controversy arising out of or relating to this Agreement, including, but not limited to, its creation, validity, interpretation or enforcement (a "***Dispute***"), the Parties shall endeavor to settle the Dispute through their respective Designees. University's Designee shall report Disputes to the MSA Committee and the MSA

Committee shall provide guidance in accordance with the University Bylaws. If the Designees are unable to resolve the Dispute within thirty (30) days of receipt of written notice by a Designee from the other Designee identifying the dispute and initiating such discussions, the Dispute shall then be submitted to (a) in the case of the Provider, a senior executive officer (other than the chief executive officer) appointed by the Provider's board of directors, and (b) in the case of University, a member or members of the MSA Committee appointed by the MSA Committee (each, a "***Senior Designee***"), who shall work together in good faith effort to resolve the Dispute. If the Dispute cannot be resolved by the respective Party's Senior Designees within thirty (30) days of submission of the matter to such Senior Designees, then either Party may proceed with an action or proceeding under Section 18.11.2 below.

18.11.2 The Parties agree to submit (the "***Submission***") any dispute, claim, or controversy arising out of or relating to this Agreement, including, but not limited to, its creation, validity, interpretation or enforcement to JAMS for non-binding mediation. The Parties agree that the Submission will be treated as Confidential Information and the fact of the Submission and all details thereof shall not be disclosed to any third party except to the mediators. The Submission shall be in writing and set forth with reasonable particularity the grounds for the Submission. The Submission shall be filed with JAMS and sent to the other Party simultaneously. The other Party shall serve a written response to the Submission within five (5) Business Days to both the originating Party and JAMS. The Parties will cooperate with JAMS and with one another in selecting a mediator from a panel of neutrals and in promptly scheduling the mediation proceedings. Any mediation conducted pursuant to this Agreement shall be held in Phoenix, Arizona. If the Parties cannot agree on a mediator, JAMS will appoint one. The Parties covenant that they will participate in the mediation in good faith and that they will (a) bear their own attorneys' fees, costs, and expenses in connection with the mediation; and (b) share equally in the fees and expenses charged by the mediator. All offers, promises, conduct, and statements, whether oral or written, made in the course of the mediation by either Party, their agents, employees, experts, and attorneys, and by the mediator or any JAMS employee are confidential, privileged, and inadmissible for any purpose, including impeachment, in any arbitration or other proceeding involving the Parties, provided that evidence that is otherwise admissible or discoverable shall not be rendered inadmissible or non-discoverable as a result of its use in the mediation. If the Dispute is not resolved within thirty (30) days from the date of the Submission of the Dispute to mediation (or such other date as the Parties may agree to in writing), any Party may proceed forthwith with the initiation and administration of an arbitration in accordance with the terms of this Section 18.11 (Dispute Resolution). The mediation may, however, continue, if the Parties so agree, after the commencement of the arbitration. Unless otherwise agreed by the Parties, the mediator shall be disqualified from serving as arbitrator in the case.

18.11.3 The Parties agree that final and binding arbitration of the Dispute shall be conducted through JAMS, before a single arbitrator and in accordance with the JAMS Streamlined Arbitration Rules & Procedures. Such arbitration shall be the sole and exclusive remedy for resolving any Disputes arising out of, or in any way related to this Agreement, including, but not limited to its creation, validity, interpretation, or enforcement, instead of any court action, which is hereby expressly waived. The Parties agree that the arbitration will be treated as Confidential Information to the extent permitted by law and the fact of the arbitration and all details thereof shall not be disclosed to any third party except to the arbitrator. Any arbitration conducted pursuant to this Agreement shall be held in Phoenix, Arizona. The Parties waive any argument that the selection of that venue is inconvenient or otherwise improper. The non-prevailing Party agrees to pay all expenses and reasonable expenses and attorneys' fees incurred by the prevailing Party.

18.12 <u>Certain Interpretive Matters</u>.

18.12.1 Unless the context requires otherwise, (i) all references to Sections or Exhibits are to Sections or Exhibits of or to this Agreement, (ii) words in the singular include the plural and vice versa, (iii) the terms "***include***", "***includes***" "***including***" means "include, includes or including without limitation," and (iv) the terms "***herein***," "***hereof***," "***hereunder***" and words of similar import shall mean references to this Agreement as a whole and not to any individual Section or portion hereof. All references to "**$**" or dollar amounts will be to lawful currency of the United States of America. All references to "**$**" or dollar amounts, or "%" or percent or percentages, shall be to precise amounts and not rounded up or down. All references to "**day**" or "**days**" will mean calendar days.

18.12.2 No provision of this Agreement will be interpreted in favor of, or against, any of the parties by reason of the extent to which any such party or its counsel participated in the drafting thereof or by reason of the extent to which any such provision is inconsistent with any prior draft of this Agreement or such provision.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have executed and delivered this **AMENDED AND RESTATED MASTER SERVICES AGREEMENT** as of the day and year first above written.

PROVIDER:

GRAND CANYON EDUCATION, INC.

By: /s/ Daniel E. Bachus

Name: Daniel E. Bachus

Title: Chief Financial Officer

UNIVERSITY:

GRAND CANYON UNIVERSITY

By: /s/ Fred Miller

Name: Fred Miller

Title: Chairman of the Board of Trustees

EXHIBIT A

DEFINITIONS

"***Access***" refers to the ability of authorized agents, officers, directors and employees of Provider to (a) enter and exit the Campus or other facilities of the University as reasonably necessary to perform the Services (including the use, consistent with the use prior to the date hereof, of the executive office space on the fourth floor of the Student Life Building), (b) review and analyze relevant Books and Records of University (including copies) as reasonably necessary for the performance of the Services, and (c) consult with any employees of University as reasonably necessary to perform the Services under this Agreement.

"***Accrediting Body***" means any governmental or non-governmental entity, including, without limitation, any institutional and/or specialized accrediting agency, that engages in the granting or withholding of accreditation of postsecondary educational institutions or programs in accordance with standards relating to the performance, operations, financial condition or academic standards of such institutions, including, without limitation, HLC.

"***Affiliate***" means a Person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the Person specified. For the foregoing purposes, "***control***" means the ownership of more than fifty percent (50%) of the securities entitled to elect the board of directors or other managing or governing body of such Person.

"***Aggregated Data Sets***" has the meaning set forth in Section 10.13 (Aggregated Data Sets).

"***Agreement***" has the meaning set forth in the preamble of this Agreement, and this Master Services Agreement, including, the cover page, preamble, exhibits, schedules, attachments, addendums and any future amendments hereto and all Services Addenda, all of which are incorporated herein by reference.

"***Alternate Designee***" has the meaning set forth in Section 3.11 (Points of Contact; Designees).

"***Applicable Law***" means any laws, statutes, rules, regulations, ordinances, orders, codes, arbitration awards, judgments, decrees or other legal requirements of any Governmental Entity or Educational Agency, including any Educational Law, applicable to a Party.

"***Audited Financial Statements***" means, as to any Party, such Party's income statement, balance sheet, cash flow statement and footnotes prepared in accordance with GAAP consistently applied and certified by such Party's auditor.

"***Back-Office Services Functions***" means the Services described in Section 7 of Exhibit B (Accounting Services), Section 9 of Exhibit B (Procurement), Section 10 of Exhibit B (Audit Services), and Section 11 of Exhibit B (Human Resources) which are not directly related to and in support of Students.

"***Books and Records***" means originals (or true, correct and complete copies) of all business, accounting, Tax and financial records, files, lists, ledgers, correspondence, studies, reports databases and other documents (whether in hard copy, electronic or other form), including: (a) all analysis reports, advertising, promotional and marketing materials and creative material, and (b) all records and lists relating to customers, vendors or personnel (including customer lists or databases, vendor lists or databases, mailing lists or databases, e-mail address lists or databases, recipient lists or databases, sales records, credit information, correspondence with customers, customer files and account histories, supply lists and records of purchases from and correspondence with vendors), but shall exclude the student records.

"***Breach***" has the meaning set forth in Section 3.7.4 (Provider's Compliance with Certain Educational Laws).

"***Business Days***" means each day (a) on which banks are open for business in Phoenix, Arizona, and (b) for purposes of calculating any time periods set forth in Exhibit B, designated as a working day by University for its employees.

"***Campus***" means the campus of University located at 3300 West Camelback Road, Phoenix, Arizona 85017, together with any other property or location (inside or outside Arizona) where University offers or supports Courses or Programs (including hybrid Courses or Programs), in each case owned, leased or otherwise used by University in the conduct of its Educational Activities.

"***Claim***" has the meaning set forth in Section 8.1 (Indemnification of University).

"***Code***" means the Internal Revenue Code of 1986, as amended.

"***Confidential Information***" has the meaning set forth in Section 9.1 (Definition).

"***Course***" means those academic courses offered as part of a Program administered by University.

"***Course Materials***" means, collectively, syllabi and resource material and content for the Courses, including concepts, materials, resources and text requirements, self-study materials, case studies, curricula and such other items or materials, in all forms and media, relating to the Courses and the Programs or as is otherwise used by University and/or its Affiliates in connection with the offering and delivery of the Programs, in each case (a) any Improvements thereto made by Provider for University and/or its Affiliates from time to time in connection with the performance of the Services (which Course Materials, together with such Improvements, shall be owned by University as University Intellectual Property) or (b) as otherwise owned, created or developed by University.

"***Defaulting Party***" has the meaning set forth in Section 6.3 (Termination of Agreement for Breach).

"***Designee***" has the meaning set forth in Section 3.11 (Points of Contact; Designees).

"***Disclosing Party***" has the meaning set forth in Section 9.2 (Obligations).

"***Dispute***" has the meaning set forth in Section 18.11.1 (Dispute Resolution).

"***DOE***" means the United States Department of Education and any successor agency administering student financial assistance under Title IV.

"***Educational Activities***" means the operation of an institution of higher education for general educational purposes (including the conferring of academic degrees, diplomas, honors or certificates) on the Campus, as such activities are conducted by University as of the Effective Date and thereafter.

"***Educational Agency***" means any entity or organization, whether governmental, government chartered, tribal, private, or quasi-private, that engages in granting or withholding Educational Approvals for postsecondary educational institutions in accordance with standards relating to the performance, operation, financial condition, or academic standards of such institutions, including the DOE, any Accrediting Body, or any State Educational Agency.

"***Educational Approval***" means, with respect to any Person, any license, permit, authorization, certification, accreditation, or similar approval, issued or required to be issued by an Educational Agency to such Person or with respect to its locations, Courses or Programs, including any such approval for such Person to participate in any Title IV Program or any other government-sponsored or private student financial assistance program offered by any Educational Agency pursuant to which student financial assistance, grants or loans are provided to or on behalf of such Person's Students by such Educational Agency.

"***Educational Consent***" means any pre-approval, approval, authorization or consent by any Educational Agency, or any notification to be made by the Parties to an Educational Agency, which is necessary under Educational Law in order to maintain or continue any Educational Approval held by University or to continue or further the conduct of the Educational Activities.

"***Educational Law***" means any federal, state, municipal, foreign or other law, regulation, order, Accrediting Body standard or other requirement applicable thereto, including, without limitation, the provisions of Title IV of the HEA and any regulations or written guidance implementing or relating thereto, issued or administered by, or related to, any Educational Agency.

"***Effective Date***" has the meaning set forth in the preamble of this Agreement.

"***Examination Notice***" has the meaning set forth in Section 5.4 (Examinations).

"***Exclusive Services***" has the meaning set forth in Section 3.1 (Services to be Provided; Exclusivity).

"***FERPA***" has the meaning set forth in Section 3.7.2 (Provider's Compliance with Certain Educational Laws).

"***Fiscal Year***" means the fiscal year of University starting July 1 and ending on June 30 of the following calendar year.

"***Governmental Entity***" means any governmental authority or entity, including any agency, board, bureau, commission, court, department, subdivision or instrumentality thereof, or any arbitrator or arbitration panel, including any Educational Agency.

"***Guidance***" has the meaning set forth in Section 3.7.7 (Provider's Compliance with Certain Educational Laws).

"***HEA***" means the Higher Education Act of 1965, 20 U.S.C. § 1001 et seq., as amended, or successor statutes thereto.

"***HLC***" means the Higher Learning Commission of the North Central Association of Colleges and Schools.

"***Improvements***" has the meaning set forth in Section 10.3 (License to Course Materials).

"***Independent Accounting Firm***" has the meaning set forth in Section 5.4.5 (Examinations).

"***Initial Term***" has the meaning set forth in Section 6.1 (Term).

"***Intellectual Property***" has the meaning set forth in Section 10.1 (Definitions).

"***IRS***" means the United States Internal Revenue Service.

"***MSA Committee***" means the "MSA Committee" as such term is defined in University's bylaws as in effect on the date hereof and as the same may be amended from time to time. In addition to members of University's board of trustees, the MSA Committee may include, if and to the extent permitted by University's bylaws, one or more additional non-trustee members, who may be members of the administration, faculty and/or Students.

"***Non-Defaulting Party***" has the meaning set forth in Section 6.3 (Termination of Agreement for Breach).

"***Owner Party***" has the meaning set forth in Section 10.2 (Ownership) .

"***Party***" and "***Parties***" have the meaning set forth in the preamble to this Agreement.

"***Payment Failure***" has the meaning set forth in Section 5.4.4 (Examination).

"***Performance Failure***" has the meaning set forth in Section 5.4.4 (Examinations).

"***Person***" means any individual or entity.

"***Personal Information***" has the meaning set forth in Section 3.7.1 (Provider's Compliance with Certain Educational Laws).

"***Platform***" has the meaning set forth in Section 12.1 (Technology) of Exhibit B to this Agreement.

"***Programs***" means all graduate degree programs, undergraduate degree programs, certificate programs, professional studies programs or other educational programs offered by University from time to time.

"***Provider***" has the meaning set forth in the preamble to this Agreement.

"***Provider Indemnitees***" has the meaning set forth in Section 8.2 (Indemnification of Provider).

"***Provider Intellectual Property***" has the meaning set forth in Section 10.1.3 (Ownership).

"***Quality Control Standards***" has the meaning given to it in Section 10.9.2 (Quality Control).

"***Receiving Party***" has the meaning set forth in Section 9.2 (Obligations).

"***Renewal Term***" has the meaning set forth in Section 6.1 (Term).

"***Senior Designee***" has the meaning set forth in Section 18.11.1 (Dispute Resolution).

"***Services***" means the services set forth in this Agreement or any Exhibit hereto, or on one or more Services Addenda.

"***Services Addenda***" has the meaning set forth in Section 3.3 (Services Addenda).

"***Services Fees***" has the meaning set forth in Section 5.1 (Services Fees; Payment Terms).

"***Services Personnel***" has the meaning set forth in Section 3.9 (Services Personnel).

"***State Educational Agency***" means any state educational licensing body that (a) provides a license, authorization or exemption necessary for University to conduct its Educational Activities in that state, whether at a physical location, online or through other distance education delivery methods, or (b) administers any student financial aid programs at the state level.

"***Student"*** means any person enrolled in Courses and Programs taught by University online, including professional studies students in a non-traditional modality, and any person enrolled in Courses and Programs taught by University in a traditional modality, including but not limited to those students studying on University's main ground traditional campus, students studying in the hybrid ABSN program (both core and pre-requisites), and any other future offsite locations.

"***Submission***" has the meaning set forth in Section 18.11.2 (Dispute Resolution).

"***Tax***" means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same) imposed or required by Applicable Law.

"***Title IV***" means Title IV of the HEA, and any amendments or successor statutes thereto.

“***Title IV Program***” means any program of student financial assistance administered pursuant to Title IV as set forth at 34 C.F.R. § 668.1(c).

“***Transition Period***” has the meaning set forth in Section 6.6 (Transition Services).

“***Transition Services***” has the meaning set forth in Section 6.6 (Transition Services).

“***University***” has the meaning set forth in the preamble to this Agreement. Unless the context otherwise requires, references herein to “University” include references to the postsecondary educational institution known as “Grand Canyon University” that is operated by University.

“***University Bylaws***” means the bylaws of University as in effect on the date hereof and as may be amended and/or amended and restated from time to time after the date hereof.

“***University Indemnitees***” has the meaning set forth in Section 8.1 (Indemnification of University).

“***University Intellectual Property***” has the meaning set forth in Section 10.1.2 (Definition).

“***University Marks***” means the trade names, registered domain names, service marks, seals, trademarks, trade dress, corporate names and logos used by University or its Affiliates in connection with the Educational Activities, including the Programs.

“***Updates***” has the meaning set forth in Section 3.3 (Services Addenda).

[End of Exhibit A]

EXHIBIT B

DESCRIPTION OF SERVICES

With respect to University, Provider shall, subject to the terms and conditions in this Agreement, provide a specific bundle of technological, marketing, promotional, development and/or support Services, including student support services. The following list and description represents the set of Services that Provider will provide to University under this Agreement, with any additional Services or deletions to such Services to be provided in an applicable Services Addendum. Notwithstanding the foregoing, to ensure that this Agreement complies with the bundled services exception to the ICR Guidance under Title IV, Provider will at all times provide at least three (3) Services in addition to the enrollment services described in Section 2 below. For clarity, no Services Addendum shall be required for the Services described in this Exhibit B; however, the Parties may further detail the Services described in this Exhibit B or add or remove Services in a Services Addendum. In addition, Provider agrees that all Services related to marketing and student recruiting/enrollment are encompassed in this Exhibit B and no additional Services related to such matters shall be made part of any Services Addendum.

The Parties agree that the Services marked by "*" below shall be Exclusive Services for purposes of this Agreement, including Section 3.1 (Services to be Provided; Exclusivity).

1. Marketing.*

1.1 Subject to University oversight and approval, Provider shall create and carry out marketing and promotional strategies (collectively, "***Promotion Strategies***") targeted toward building the brand of University and awareness of its Programs and generating a flow of quality applications from prospective Students to University. In furtherance of the foregoing:

1.1.1 Provider shall develop a quarterly written plan (the "***Plan***") and appropriate marketing materials covering various media channels for University and shall, upon prior approval by University, execute the Plan. Provider shall fund and develop appropriate materials and content to utilize all reasonable media platforms frequently used by prospective Students and consumers of postsecondary education programs. The Plan and all materials related to University or its Programs, including advertising copy, shall be subject to University's written approval prior to any use thereof.

1.1.2 At any time when major changes to the Plan are proposed, Provider will submit the revised Plan, along with materials related to University or its Programs, to the appropriate office designated by University for review and approval.

1.1.3 Provider will, as part of the Promotion Strategies, establish alliances between University and other educational organizations, including high schools and related associations, subject to University's prior approval of the types of alliances requested.

1.2 The content of each Plan shall be owned by University as University Intellectual Property. If Provider is engaged to develop plans for other educational institutions, Provider shall have the right to develop such plans, including using knowledge, tools, frameworks, architecture, strategies, tactics and information of general application that are included in a Plan or used in connection with the development of a Plan (collectively, the "***Plan Information***"). If Provider develops any such Plan Information, including any of the foregoing that are included in a Plan, then such Plan Information shall be Provider Intellectual Property. Provider hereby grants to University a non-exclusive, worldwide, royalty-free, perpetual, irrevocable license (without the right to sublicense) to use Plan Information that is Provider Intellectual Property in connection with the execution and performance of the applicable Plan(s), subject to the terms in this Agreement. If University develops any Plan Information, then such Plan Information shall be University Intellectual Property. University hereby grants to Provider a non-exclusive, worldwide, royalty-free, perpetual, irrevocable license (without the right to sublicense) to use such Plan Information that is University Intellectual Property in connection with the development of plans for other educational institutions.

2. <u>Enrollment Services and Budget Consultations</u>.*

2.1 University shall have final discretion over the enrollment budget. University shall develop an annual enrollment budget that will include projected enrollment targets by Program, pricing (including tuition, fees, room and board), and scholarship amounts, together with the projected numbers of Students that will graduate from University, drop Programs, or re-enter Programs. Prior to final approval by University, University shall provide this budget to Provider for its review and comment, and Provider shall provide University with input on the projected budget, including any changes that may be required in order to deliver the Services, and will review the Provider's progress toward meeting this budget monthly. Notwithstanding the foregoing, University shall have sole and final authority with respect to adoption of this budget. Subject to University's oversight and pursuant to a written plans and procedures approved by University, Provider will:

2.1.1 provide prospective Students with accurate and transparent information on program requirements, finance options, degree time to completion (through unofficial evaluations of transfer credits as prospective Students provide them), required state authorization and eligibility for state approved professional licensure (if applicable) for programs of study to be delivered in whole or in part by distance education, and cost of attendance, net program or net price calculator results in alignment with agreed upon Key Performance Indicators ("***KPIs***").

2.1.2 Provide guidance as needed to prospective Students through the Program application process using Provider's application platform and forward completed applications that satisfy University's admissions standards to University's admissions office for review and acceptance.

2.1.3 determine levels of satisfaction using student surveys per the goals of the University Strategic Plan.

3. <u>Student Support Services Counseling</u>.* Subject to University's oversight and pursuant to written plans, policies and procedures approved by University, Provider will:

3.1 provide all Students with an assigned advisor after all application documentation has been processed and proactively work with Students throughout the entire

Program. Such advisors will, under University's oversight, provide guidance pertaining to the Student's selected Program according to University-approved training materials and in alignment with agreed upon KPIs. University shall retain the right to provide Students with faculty and other advisors.

3.2 assist Students with scheduling and program change options, and contact Students during the pendency of their Programs to help with retention in alignment with agreed upon KPIs.

3.3 help Students, where necessary, to secure timely field experience placements to satisfy their Program requirements in alignment with agreed upon KPIs.

3.4 review, maintain and manage receivables on student accounts and leverage external collections agencies where necessary in alignment with agreed upon KPIs.

3.5 determine levels of satisfaction using student surveys in alignment with agreed upon KPIs.

3.6 Manage University's online student tutors, who provide assistance to online Students for Courses approved by University through student self-schedule appointments and outreach.

4. Document Intake. Subject to University oversight (including as provided in Section 2.1.4 of this Exhibit B, above), Provider will collect all application documents from prospective Students and enter them into the student information system (SIS) maintained for University within two (2) Business Days of receipt. Provider will also request all transcripts from any prior institutions Students have attended and enter them into the SIS within five (5) Business Days of receipt of all requested transcripts. University will be exclusively responsible for evaluating prior institutions and courses and making admissions decisions in accordance with the criteria set forth in the UPH.

5. Student Records Management. Provider will:

5.1 schedule course start dates to align with the requirements of each Program and available Program start dates, as determined by University.

5.2 enter all Courses on Students' transcripts into Student Information Systems within (3) Business days of receipt.

5.3 process student transfer credits according to the transfer decisions made by the University related to institutions and courses within five (5) Business Days of receipt of transcripts.

5.4 optimize class size prior to Course starts based on University's standards, in order to maximize class resources and faculty utilization.

5.5 process Program, Course, and University status changes and provide Students' documentation regarding those actions when requested by University. All status changes and documents provided are based on the Students meeting qualifications set by University.

5.6 ensure Students are meeting the prescribed program benchmarks and meeting all course requirements as set by University in alignment with agreed upon KPIs.

6. Curriculum Services.

6.1 University is responsible for all educational content provided in Course Materials and Courses. In collaboration with the University's faculty, Provider will assist with the Program and Course design by providing curricular assistance and recommendations with respect to content and techniques that make use of the available technologies and methods embodied in the Platform in order to endeavor to meet the needs of University's Students and Programs. Provider may also provide other related support as necessary and as agreed by the Parties.

6.2 University will determine the selection of Programs to be offered and will provide faculty and content experts to determine the material to be covered in the Courses.

6.3 University-designated faculty will work with Provider to identify and license academic resources relevant to the Programs and Courses.

7. Accounting Services. The provision of the accounting services described in this section is intended merely to provide costs savings to University; such services shall be provided at University's discretion and any such services will be subject to University oversight.

7.1 ***Payroll.*** Provider will utilize its third-party payroll provider to process payroll of University employees, student work-study employees, and faculty as specified in an agreed upon calendar year. Provider will maintain University's online paycheck system on behalf of University. Provider will work with such third-party payroll provider to, or will itself act to, remit all withheld Taxes and payroll contributions on behalf of University per IRS rules and deadlines and will be responsible for preparing and sending out during the year all forms by applicable IRS deadlines.

7.2 ***Accounts Payable (Vendor).*** Provider will provide and maintain an accounts payable system for University and will train and assist University personnel in the use of such system. Provider will input University invoices within two (2) Business Days of being received as long as the vendor has been properly approved by University and a University purchase order has been created. Otherwise, Provider will contact the applicable University department within two (2) Business Days to create a purchase order. Upon University's prior approval of invoice amounts, Provider will authorize the payment of invoices from University's account on University's behalf per payment terms on invoice or net 30 days. Provider reserves the right to choose the method of payment (check, Automated Clearing House ("***ACH***"), or credit card) as long as it does not result in additional expense to University or create issues with a vendor. All vendor statements will be properly reviewed by the Parties within thirty (30) days of being received and issues will be resolved timely. University understands that it must respond within two (2) Business Days with respect to inquiries and requests for assistance or the deadlines will not be met.

7.3 ***Accounts Payable (Travel & Entertainment).*** Provider will provide and maintain an expense reporting system for University and will train and assist University in the use of such system. University will set travel policies for its employees, and Provider will audit compliance with such policies. Once expense reports are submitted through the system, Provider will have three (3) Business Days to audit or to request additional backup.

7.4 ***Accounts Payable (PCard).*** Provider will provide and maintain the purchasing cards and reconciliation system for University and will train and assist University personnel in the use of such system. University will create approval processes to issue new cards and will set policies for their use, and Provider will audit compliance with such processes and policies. Once PCard reconciliations are submitted through the system, Provider will have thirty (30) days to audit or to request additional backup. University will follow IRS guidelines for documentation requirements.

7.5 ***Accounts Payable (Tax Services).*** Provider will maintain and reconcile accounts payable records for University and will follow IRS guidelines for issuing annual 1099 forms by the required deadlines. In addition, provider will process and report unclaimed property as instructed by the University and required by state law.

7.6 ***General Ledger (Month End Close and General Tasks).*** Provider will provide and maintain the general ledger system to be used for University's financial statement production and will provide view access to University's accounting personnel. Provider will prepare and post entries based on processes and information produced by Provider or system including, but not limited to, debt schedules, interest calculations and accruals, amortization of prepaid expenses, accruals, and unrecorded liabilities. Provider will close the books (excluding Tax entries) for each calendar month by the tenth (10^{th}) Business Day of the following calendar month (e.g., for the month of May, the tenth ($10^{th)}$ Business Day of June). University understands that it must have all entries and accruals to Provider by the fifth (5th) Business Day of such following calendar month or the Provider close timeline may be delayed. Provider will reconcile all necessary balance sheet accounts by the twenty-fifth (25th) day of such following calendar month. Provider will prepare all required audit schedules per reasonable due date set by University's audit firm. Provider will respond to all general ledger questions from University within two (2) Business Days.

7.7 ***General Ledger (Fixed Assets).*** Provider will provide and maintain the fixed asset system to record and track all University assets and will provide reports to University personnel as needed. Provider will enter the fixed assets into the system at each calendar month end and will close the fixed asset books for any calendar month by the fifth (5th) Business Day of the following calendar month. Provider will prepare all required fixed asset schedules by the tenth (10th) Business Day of such following month. Provider will respond to all fixed asset questions from University within two (2) Business Days.

7.8 ***General Ledger (Leases).*** Provider will provide and maintain the lease tracking system to record and track all University leases and will provide reports to University personnel as needed. Provider will enter the leases into the system at each calendar month end and will generate Right-of-Use asset and lease liability entries by the fifth (5th) Business Day of the following calendar month. Provider will respond to all lease questions from University within two (2) Business Days.

7.9 ***General Ledger (Bank Reconciliations).*** Provider will perform bank reconciliations for University. Provider will have access to all required University bank accounts as specified in Schedule B-7.7 hereto solely for purposes of making vendor payments and other purposes authorized by University. Provider will prepare a daily cash requirements report which will be sent to University's vice president of business and finance by noon daily. Provider will complete all requested account transfers, wire transfers, and financial aid draws as requested and approved by University. Provider will create and send all positive pay files for checks processed and answer all questions from banks and vendors on checks and ACH exceptions per deadlines set by bank and/or University. Provider will complete all cash entries for any calendar month by the third (3rd) Business Day of the following calendar month. Provider will complete all bank reconciliations by the last day of such following calendar month. All outstanding items which are errors will be researched and removed from reconciliation within thirty (30) days from the reconciled date.

7.10 ***Student Accounting (Adjustments).*** Provider processes manual charges, account adjustments, scholarships and payments and performs account maintenance to ensure accurate student account ledgers by the last day of each month. Provider agrees to process all adjustment tickets within two (2) Business Days. All auto and recurring adjustments will be processed per agreed upon schedules.

7.11 Student Accounting (Payment/Stipend services). Provider will process all Student payments including posting Title IV disbursements, 3rd party billing and Student payment plans. The provider will review accounts with a credit balance and calculate and create stipends for Students within the Regulatory and University policies and requirements including payment verification requests by banks.

7.12 Student Accounting (Accounts Receivable Management). Provider will complete revenue recognition and bad debt calculations, perform analysis, complete reconciliations, and create entries and accruals to ensure the accuracy of the University financial statements. At University's option, Provider will collect outstanding past due accounts by hiring and managing an internal collection department and using external agencies on the University's behalf. Provider will be responsible for preparing and sending out year-end tax forms to Students by applicable IRS deadlines.

7.13 ***Financial Reporting.*** Provider will produce monthly financial statements for University for each calendar month, which statement will include a balance sheet, income statement, cash flow statement and detailed Services Fees reconciliation along with a budget to actual spend comparison, by the fifteen (15th) day of the following calendar month. Provider will work with University's outside audit firm such that University can issue and file its audited financial statements with the DOE by the applicable due date following the end of each Fiscal Year.

7.14 ***Budgeting.*** Provider will assist University with preparing an annual budget using a budget calendar determined by University. For purposes of clarity, Provider acknowledges and agrees that University shall have sole and final authority with respect to adoption of an annual budget.

7.15 ***Taxes.*** Provider will assist University in calculating its applicable Tax liabilities, filing Tax or other relevant information returns and applications, making required Tax payments, and complying with the rules and regulations governing any tax-exempt bonds issued by University.

7.16 ***Audit Services and Assistance.*** Provider will provide assistance with the following audits: annual University External audit, interim University external audit, NCAA audit, Title IV compliance audit, and audits performed by the internal audit department. Provider will prepare all required audit schedules and provide requested information and documents per due date set by University's audit firm and internal auditors.

8. **Financial Aid Services.** Provider will provide (or engage other third parties to provide) certain financial aid services as set forth herein. The Parties acknowledge that these services may result in Provider being classified as a "Third-Party Servicer" as defined in 34 C.F.R. § 668.2.

8.1 Provider shall provide the following services:

8.1.1 subject to University's final approval, awarding, certifying, originating, and disbursing Title IV Program funds upon the successful collection of all required documents needed to fulfill both federal and institutional requirements, with awarding to be processed typically within five (5) business days of receipt of all documents and internal controls documented to ensure workstreams function compliantly.

8.1.2 on a timely basis delivering Title IV Program credit balance refunds to Students (whether via cash, check, ACH, debit card, or other means); processing Return of Title IV Program funds for all Title IV Program Students who have ceased to be enrolled at least half time; and providing financial counseling and entrance and exit loan counseling, including in person, by mail, or electronically.

8.1.3 financial aid consulting, including financial aid staffing and training interim management, processing support, and/or development and maintenance of written policies and procedures approved by University; provided, that any policy and procedure updates that affect financial aid compliance must be approved by University before enacting.

8.1.4 subject to University's final approval and in accordance with Applicable Law or the requirements of Educational Agencies, preparing and/or timely submitting required reports, including enrollment reporting to the National Student Loan Data System, the Integrated Postsecondary Education Data System, the Fiscal Operations report, and monthly and annual reconciliations of federal funds, preparing or disseminating required consumer information disclosures, including general, campus crime, drug and alcohol prevention, graduation rates, placement rates, and gainful employment disclosures.

8.1.5 electronic storage and maintenance of Title IV Program-related records.

8.1.6 managing the front-end process and awards for university scholarships for ground Students, including University's Merit-Based and Institutional Scholarships, as well as other scholarship programs such as Canyon Institute, Endowed, Donor, and Grant-Funded Scholarships, etc.

8.2 Provider hereby represents and warrants to University that it will, and hereby agrees to:

8.2.1 Comply with all statutory provisions of or applicable to Title IV of the HEA, all regulatory provisions prescribed under that statutory authority, and all special arrangements, agreements, limitations, suspensions and terminations entered into under the authority of statutes applicable to Title IV of the HEA, including the requirement to use any funds that Provider administers under any Title IV Program and any interest or other earnings thereon solely for the purposes specified in and in accordance with that Title IV Program.

8.2.2 Refer to the Office of Inspector General of the DOE for investigation any information indicating there is reasonable cause to believe that University might have engaged in fraud or other criminal misconduct in connection with University's administration of any Title IV Program. Report to University's Internal Review Office if an applicant for Title IV Program assistance might have engaged in fraud or other criminal misconduct in connection with his or her application. Examples of the type of information that must be referred are:

(D) False claims for Title IV Program assistance;

(E) False claims of independent Student status;

(F) False claims of citizenship;

(G) Use of false identities;

(H) Forgery of signatures or certifications;

(I) False statements of income; and

(J) Payment of any commission, bonus or other incentive payment based in any part, directly or indirectly, upon success in securing enrollments or the award of financial aid to any person or entity engaged in any Student recruitment or admission activity or in making decisions regarding the award of Title IV Program funds.

8.2.3 Be jointly and severally liable with University to the Secretary of the DOE (the "***Secretary***") for any violation by Provider of any statutory provision of or applicable to Title IV of the HEA, any regulatory provision prescribed under that statutory authority, and any applicable special arrangement, agreement, or limitation entered into under the authority of statutes applicable to Title IV of the HEA.

8.2.4 If Provider disburses funds (including funds received under the Title IV Programs) or delivers federal Stafford Loan Program proceeds to a Student, Provider will:

(D) Confirm the eligibility of the Student before making that disbursement or delivering those funds, which confirmation must include, but is not limited to, any applicable information contained in the records required under 34 C.F.R. § 668.24; and

(E) Calculate and return any unearned Title IV Program funds to the Title IV Program accounts and the Student's lender, as appropriate, in accordance with the provisions of 34 C.F.R. §§ 668.21 and 668.22, and applicable program regulations.

8.2.5 If either Party terminates this Agreement, or if Provider stops providing services for the administration of a Title IV Program, goes out of business, or files a petition under the Bankruptcy Code, Provider will return to University all:

(D) Records in Provider's possession pertaining to the University's participation in the Title IV Programs for which Services are no longer provided; and

(E) Funds, including Title IV Program funds, received from or on behalf of University or University's Students, for the purpose of the Title IV Programs for which Services are no longer provided.

8.2.6 Provider also hereby represents and warrants that:

(D) It has not been limited, suspended, or terminated by the Secretary within the preceding five (5) years;

(E) It has not had an audit finding resulting in its having to repay an amount greater than five percent (5%) of the funds that Provider administered under the Title IV Program for any award year;

(F) It has not been cited during the preceding five (5) years for failure to submit audit reports required under Title IV of the HEA in a timely fashion; and

(G) In the event Provider sub-contracts any Title IV services set forth in Section 8.1 of this Agreement, Provider shall immediately identify the contractor and provide a copy of such contract to University, which contract shall identify in reasonable detail all functions to be performed by such contractor.

8.2.7 Provider agrees to implement and maintain appropriate safeguards to protect all customer information in its possession, in compliance with FERPA and GLBA the information security requirements established by the Federal Trade Commission, regardless of whether such information pertains to Students, parents, or other individuals with whom University has a customer relationship, or pertains to the customers of other financial institutions that have provided such information to University. For purposes hereof, "customer information" means any record containing nonpublic personal information about a customer, whether in paper, electronic, or other form, that is handled or maintained by or on behalf of the University or its Affiliates.

9. **<u>Procurement Services</u>.** The provision of the procurement services described in this section is intended merely to provide costs savings to University; such services shall be provided at University's discretion and any such services will be subject to University oversight.

9.1 Provider will utilize its purchasing department upon request by University personnel to secure products and services for University, including travel services;

9.2 Provider will utilize its purchasing department upon request by University personnel to review, support the execution of, and maintain vendor contracts associated with University purchases; and

9.3 Provider will provide and maintain a procurement system for University and will train and assist University personnel in the use of such system.

The parties acknowledge that, as currently designed, Provider's procurement software may require that an authorized employee of Provider "approve" any purchase order. Provider covenants and agrees that it will approve any purchase order submitted by University for processing through the Provider procurement department.

10. **<u>Audit Services</u>.** The provision of the audit services described in this section is intended merely to provide costs savings to University; such services shall be provided at University's discretion and any such services will be subject to University oversight. Provider will work with the Board of Trustees of University to develop an annual internal audit plan for University and then will assist University, upon request, in performing internal auditing services for University in accordance with such plan. The Parties anticipate that such plan will include audits of at least four (4) University departments annually, although University has discretion regarding the number of annual audits.

11. **<u>Human Resources</u>.** The provision of the human resources services described in this section is intended merely to provide costs savings to University; such services shall be provided at University's discretion and any such services will be subject to University oversight.

11.1 Provider will provide guidance and support to University in University's goal of preventing and resolving workplace issues. Subject to University policies, such guidance and support will include consulting with business leaders and employees on performance management, human resources policies, business unit restructures, workforce planning and formal complaint investigation and response. Provider will meet annually with University to ensure service quality and responsiveness remains at an acceptable level. Following these meetings, Provider will implement requested changes within forty-five (45) calendar days. Provider will investigate and respond to formal legal complaints within thirty (30) calendar days of receipt and/or according to the applicable legally required deadlines.

11.2 University has exclusive authority regarding all hiring decisions for University personnel. Provider will, at the request of University, assist University in its employee recruitment process, including sourcing, interviewing and on-boarding employees. Provider will maintain an external job posting website for the University. Provider will post University approved position requisitions within two (2) Business Days from receipt and launch the onboarding process within two (2) Business Days of making University approved employment offers. The target average time to fill open positions will be forty-five (45) days.

11.3 University has exclusive authority regarding all compensation decisions for University personnel. Provider will, at the request of University, provide compensation consulting to University, including assisting in creating job descriptions, conducting market compensation, headcount and turnover analyses and managing salary administration plans. Provider will respond to all compensation related requests or questions from University within fifteen (15) Business Days.

11.4 Provider will provide HR system technology for automated HR business processes, employee and manager self-service, and reporting and analytics that support University initiatives; execute HR system technology updates, changes and new functionality/business requests that support business goals; and provide communication, training and support to all HR system users and manage all employee data. Provider will provide 99% HR system availability in any given year.

11.5 University has exclusive authority regarding all employee group insurance and retirement plan decisions for University personnel. Provider will advise University on group benefit plan design and procurement. Provider will provide University with an annual review of benefit cost prior to the designated open enrollment period. Provider will represent University with all employee benefit vendors and negotiate and present University options regarding fees and rates.

11.6 Provider will be the central point of contact for all University employees in respect of providing employee benefits and leave administration, resolving general HR inquiries and offering assistance with any HR system. Provider will provide HR Service Center support for employees five (5) days per week (7:00 a.m. to 5:00 p.m., Monday through Friday). Provider will respond to calls and emails within two (2) Business Days.

11.7 Provider will provide the following services: New Hire Orientations, Staff Onboarding Programs, Staff Development Programs/Modules, Management Development Programs/Modules, Compliance Modules, New Policy/Procedure/System/Programmatic Trainings, and Staff Management Performance Evaluations. Provider will provide new hire orientation and onboarding programs on a monthly basis (based on organizational needs), Development Programs for staff twice per year, Development Programs for managers annually, Compliance Modules annually, Other Staff and Management modules/trainings as needed/available. Provider will provide Staff and Management Performance Evaluations a minimum of once per year.

11.8 Provider will provide the following services: Call Recordings, Call Monitoring/Evaluation functionality for managers, Call Evaluations, Call Library [***]. Provider will capture 90% of the calls requested to be recorded and monitored of which calls will be available for staff/manager access ninety (90) calendar days after the call has business. Provider will conduct call evaluations based on the criteria and frequency determined by University. Provider will make calls requested by managers for training purposes available in a call library based upon the time agreed upon by Provider and University. Provider will provide weekly, monthly and quarterly reports on the call evaluations completed by Provider to the University. Provider will provide secret shops to businesses requesting this service based on the criteria and frequency identified by the University.

11.9 With respect to employment opportunities at University, the Talent Acquisition Team of Provider provides the following services to University:

11.9.1 Services Provided:

(D) Job Posting: Provider shall be responsible for posting job vacancies on designated platforms.

(E) Additional Resources: Provider will manage recruiting sites including, but not limited to, Jobs.gcu.edu, LinkedIn Premium, Indeed, and Dice.

(F) Sourcing: Provider will actively seek out potential candidates through various channels to fulfill University's hiring needs.

(G) Resume Review: Provider will review resumes of applicants to ensure alignment with University's job requirements.

(H) Interviewing: Provider will conduct interviews with shortlisted candidates on behalf of University.

(I) Behavioral Training: Provider will conduct training sessions to equip University's hiring managers with behavioral interviewing techniques.

(J) Job Offers: Provider will assist in the formulation and delivery of job offers to successful candidates.

(K) Background Checks: Provider will facilitate background checks on selected candidates as per University's requirements

11.9.2 Full-Time Faculty & Staff Recruiting Services

(D) In-Person Hiring Events: Provider will organize an annual hiring expo for full-time faculty and staff, including informational sessions, application support, and interview facilities.

(E) All Staff Hiring Event: Provider will host an annual hiring event to connect candidates with employment opportunities across all departments of University's organization.

(F) Non-GCU Hosted/Community Hiring Events: Provider will collaborate with University to share 50% of the costs for external hiring events.

(G) Niche Site Posting: Provider will allocate budget for posting job vacancies on niche sites to attract suitable candidates.

(H) Assistance with Dean Visits: Provider will provide on-site support during dean visits to coordinate recruitment activities.

(I) Executive Hiring: Provider will collaborate with University's senior management to facilitate recruitment for executive positions. If engagement of a recruitment agency is desired by University, all recruitment agency costs will be borne by University.

11.9.3 Student Employment Services

(D) Welcome Week: Provider will have a presence during Welcome Week to engage with new Students and parents regarding on-campus employment opportunities.

(E) College Kickoffs, Fairs, and Events: Provider will attend various college events to address Student queries and support hiring needs.

(F) Match Mondays: Provider will conduct weekly tabling sessions to engage with Students and provide information on campus job opportunities.

(G) Virtual Hiring Events: Provider will organize virtual hiring events during summer to facilitate Student employment.

(H) Office Hours at ACE: Provider will offer regular office hours at the ACE Center for Student consultations.

11.9.4 Public Safety & Facilities Hiring Initiatives

(D) In-person & Virtual Hiring Events: Provider will arrange hiring events for public safety positions, both in-person and virtually.

(E) External Hiring Fairs/Expos: Provider will cover the expenses for attending external law enforcement career fairs and expos.

(F) Trade School and Community Partnerships: Provider will engage with trade schools and community partners to recruit for public safety and facility roles.

12. Technology.*

12.1 Provider has built, and shall maintain, periodically revise, and host a technology platform for University, to serve as an online communication portal for University Students, University faculty, course coordinators, course assistants, interns and University staff and to enable online applications, course delivery, communications, development and maintenance of Student portfolios, placement services and such other functions as are mutually agreed to by the parties (the "***Platform***"). Provider will use commercially reasonable efforts to provide University Students with online access to the Platform, including electronic Course Materials (Canyon Connect), student information and contact management systems that will be used by University Students and employees via the Platform. At the Effective Date, the systems and functionality of the Platform shall be consistent with the Platform as provided immediately prior to the Effective Date. Thereafter, subject to Section 3.3 (Services Addenda) of the Agreement, and in the course of providing the Services, Provider will use commercially reasonable efforts to improve the systems and functionality of the Platform and develop additional systems and functionality to improve the Platform's learning experience for University faculty and Students. Provider will prioritize development efforts with input from University.

12.2 The specifications and performance standards for the Platform are as follows. Any changes that materially degrade such specifications and standards shall be subject to the written approval of University. Periodically, Provider may propose enhancements to the specifications and performance standards for the Platform, all of which shall be subject to review by University at University's request.

12.2.1 *Technical Support for Students*. Provider will provide technical support to all enrolled Students of University regarding the Platform seven (7) days per week (6:00 a.m. to midnight, Monday through Friday; 7:00 a.m. to midnight Saturday and Sunday (Arizona time)) for at least 124 hours each week with a target for the average wait time to be no more than 2 minutes.

12.2.2 *Help Desk Support for University Employees*. Provider will provide an IT Help Desk available to University employees. Help Desk hours of service will be as follows (AZ time): Monday – Friday: 6am – 7pm, Sat: 8am – 5pm, Sun: Closed (Arizona time). Provider will respond to any technical concerns regarding the Platform within the following guidelines: "Critical" being 30 minutes or less; "Medium/Low" being 120 minutes or less. Lower issues are typically a project. Provider will seek to resolve 85% of all issues during first contact. Provider will measure satisfaction by quality assurance scoring and ticket resolution follow up calls. The other metrics above will be tracked.

12.3 Provider will make available to University an IT infrastructure for mutually agreed applications and such infrastructure will be designed to be an always available, 24x7 full service network. Student facing and critical business applications that have been mutually agreed by the Parties, such as Halo, CRM, CampusVue and email, have been architected with additional redundancy using N+1 or clustering technologies. Provider will provide 98% uptime on these applications provided that University's systems meet all technical requirements for such applications communicated by Provider to University from time to time.

12.4 Provider will provide those software and technology capabilities to University as are currently provided as of the Effective Date. For each of these capabilities, Provider will work with University to define in more detail the following:

12.4.1 Service or capability being provided;

12.4.2 The service level agreement ("***SLA***") related to the service or capability;

12.4.3 Processes related to the service or capability;

12.4.4 Limitations related to the service or capability;

12.4.5 How new services or capabilities beyond the baseline services and capabilities are added and how cost is determined; and

12.4.6 Regular reporting related to the service or capability as provided in the SLA.

12.5 Subject to the exclusions described in Section 12.7 below, services to be provided by Provider to University include, but are not limited to, the following:

12.5.1 Staff desktop technology support;

12.5.2 Classroom technology support;

12.5.3 Miscellaneous campus technology support;

12.5.4 Point of sale terminal support;

12.5.5 Phone and cell phone support;

12.5.6 Student and faculty technical support;

12.5.7 Staff and Student software application support on applications built or sourced for University; and

12.5.8 Cybersecurity services, support and incident response for all infrastructure and software provided by Provider.

12.6 Subject to the exclusions described in Section 12.7 below, capabilities that Provider will provide to University include, but are not limited to, the following:

12.6.1 Campus networking;

12.6.2 Campus wireless;

12.6.3 Campus phone services;

12.6.4 Student software licensing;

12.6.5 Library integrations; and

12.6.6 Data analytics/reporting.

12.7 Capabilities and services that are not included as part of this Agreement include:

12.7.1 Engineering lab support or maintenance other than desktop, network and phone; and

12.7.2 Healthcare lab support or maintenance other than desktop, network and phone.

12.8 Anything in the foregoing to the contrary notwithstanding, except as set forth below, University shall be responsible for all third party expenses and charges associated with campus Internet access and other telecom services for Students, faculty, staff and others, including with respect to computers, audio/visual equipment, other hardware, and television/cable services. The Parties agree that:

12.8.1 Provider will pay for the Igloo platform, provided that costs associated with improvements that are not maintenance related or development of new features on Igloo will be paid for by the University;

12.8.2 Provider will pay for the StarRez platform as it pertains to managing student housing, including licenses, hosting costs and per bed costs. Any third party integration costs associated to the StarRez platform that do not contribute to housing operations will be paid for by the University;

12.8.3 The University assumes costs for search tools needed for the Lopes Write (or other product with similar functionality). This cost is 100% based on usage and the University directly controls the utilization requirements of the tool.

12.9 Provider and University's designated IT liaisons will meet on a regular basis to review current work and backlog of requested changes to IT systems, services or capabilities. University's designated IT liaisons will participate in setting the priorities of work being done on their behalf. Provider will propose and get approval for standard and exceptional system maintenance windows and provide advance documentation of all changes occurring during a maintenance window. When appropriate, University will be part of the validation testing after the maintenance occurs and will decide whether the changes are accepted or should be rolled back.

It is understood and agreed that, as of and following the Effective Date, Provider will continue to provide Services pursuant to this Section 12 for University operations unrelated to University Tuition and Fee Revenue at levels consistent with past practices prior to the Effective Date, and that, if and to the extent University desires new or different such Services for such operations, University and Provider will agree on appropriating pricing therefor.

13. **__Business Analytics Services__.** Based on University's determination of the type of information needed, Provider will provide timely business analytics to support the operational and academic departments of University. The parties will meet regularly to ensure timely delivery of this data.

14. Faculty Operations.

14.1 Under the direction of University and University faculty, Provider will recruit and schedule faculty based on qualifications and expressed needs of University and its colleges. Provider will screen candidates and schedule faculty based on policies created by University's colleges and faculty. University college deans will be responsible for determining who is hired as University faculty and who is qualified to teach respective Courses. Provider will oversee the accrual of accurate faculty payments and provide University with such information in order for University to pay faculty accurately in accordance with the University's agreed pay scale.

14.2 Under the direction of University college deans and faculty, Provider will administer initial faculty training and provide ongoing faculty development. Provider will evaluate adjunct faculty according to University standards and provide evaluation results to University college deans. Provider will support University colleges in processing evaluations; provided, that University and its college deans shall determine employment statuses including terminations of all faculty and adjuncts.

15. Compliance Monitoring and Audits. In furtherance of, but subject to, Section 5.4 (Examinations) of the Agreement:

15.1 Provider shall (a) measure, monitor, and track the performance of its Services, conduct internal audits and self-testing, and compare such performance to the standards and other specifications and standards provided for in this Agreement, (b) detect and promptly cure deficiencies, and (c) report such performance, deficiencies and cures to University on a quarterly or other basis as agreed between the Parties in a form mutually agreed by the Parties from time to time. Such assessment of the performance of Provider's Services shall include providing University an opportunity to assess or comment to Provider on Provider's performance of its Services, irrespective of any other measurements. If required by Applicable Law, Provider shall also provide to University, initially and on an annual basis thereafter, a copy of a Statement on Standards for Attestation Engagements (SSAE) No. 16 report obtained by Provider from an auditing firm reasonably acceptable to University with respect to Provider's operations related to its Services under this Agreement.

15.2 As requested by University in writing (but not more than once per Fiscal Year), Provider shall provide reasonable, mutually acceptable, written certifications as to Provider's compliance with Applicable Law. For the avoidance of doubt, such written certifications shall include any sub-certifications reasonably required by University to enable University to provide its own written certifications to any Governmental Entity as required by Applicable Law or contract. University shall consult with Provider prior to agreeing to provide certifications with regard to University and its Programs that will require a Provider sub-certification.

15.3 Upon University's request and subject to Provider's then-current confidentiality, security and data protection procedures, Provider will permit University's authorized representatives and auditors to visit with the appropriate personnel at Provider, and will provide University with access to or copies of (a) applicable Provider records, including testing results (whether conducted by Provider or a third-party), (b) Provider's compliance policies and procedures applicable to Provider's operations related to its Services, and (c) any other records required to be delivered by Provider pursuant to this Agreement, in each case in order to conduct due diligence on, audit, inspect or otherwise examine Provider's operations, computer systems and access controls directly relating to its performance hereunder (collectively, "***Reviews***").University agrees that Reviews will be completed at Provider's facilities upon reasonable advance notice during regular business hours. The parties will cooperate in good faith to minimize the disruption associated with Reviews, including the timing of such Reviews.

15.4 If Provider receives a request or demand from an Educational Agency requesting a Review, Provider shall notify University promptly, and Provider shall work with University and such Educational Agency in conducting and responding to any such request for a Review; provided, that Provider shall not be required to provide a Review to any third party, except as required by Applicable Law.

15.5 Subject to Provider's then-current confidentiality, security, and data protection procedures, (a) Provider will discuss with University personnel, or provide summaries to University of, any material violations of Provider's code of ethics or other compliance-related policies and procedures by Provider personnel related to Provider's performance hereunder, and (b) Provider will promptly notify University of (and, if requested by University, provide University summaries of) material changes to Provider's code of ethics and other compliance-related policies and procedures applicable to Provider's performance hereunder in accordance with HLC requirements.

15.6 If Provider fails to meet a specification or standard in the performance of any Service under this Agreement, or if a deficiency is identified as a result of any self-testing, SAS 70 audit or other monitoring or other Review contemplated in this Section 15.6, as soon as practicable following knowledge of such failure or deficiency, Provider shall, at its expense (a) perform an analysis to identify the cause of any such failure or deficiency, (b) provide University with a report identifying the cause of such failure or deficiency and describing the intended procedure/steps for correcting or resolving such failure or deficiency and the timeline for completing such procedure/steps, (c) if requested by University, meet with University (in person or by teleconference, through their respective Designees or otherwise) to discuss such failure or deficiency and such intended procedure/steps and timeline, (d) promptly cure such failure or deficiency and (e) after such failure or deficiency is cured, promptly notify University that such failure or deficiency has been cured.

[End of Exhibit B]

EXHIBIT C

FORM OF SERVICES ADDENDUM

This SERVICES ADDENDUM ("***SA***") is issued pursuant to, and incorporates by reference, that certain Master Services Agreement (as the same may be amended from time to time, the "***Agreement***") dated July 1, 2018 by and between Grand Canyon University, an Arizona non-profit corporation formerly known as Gazelle University ("***University***"), and Grand Canyon Education, Inc., a Delaware corporation ("***Provider***"). This SA is effective as of the date set forth below (the "***SA Effective Date***"). In the event of a conflict between the terms and conditions of this SA and the terms and conditions in the body of the Agreement, the terms and conditions of the Agreement shall control to the extent of the conflict (unless this SA specifically identifies and overrides the conflicting term(s) and condition(s), in which event, the terms of this SA shall control for this SA only).

Unless otherwise defined in this SA, the capitalized terms used herein shall have the meanings ascribed to them in the Agreement.

The purpose of this Services Addendum is to describe new Services, and related Deliverables and Specifications, that the Parties agree should be provided by Provider to University under the Agreement and, if applicable, describe payment terms for such new Services if payment is not intended to be covered by the arrangement described on Exhibit D to the Agreement.

1. **SA Effective Date**: ____________, 20__

2. **Services**.

   Provider shall perform the following Services, subject to the terms and conditions in this SA and the Agreement:

   [*Insert a detailed description of the Services that Provider shall perform.*]

3. **Deliverables**.

   The deliverables ("***Deliverables***") Provider shall provide to University under this SA are as follows:

   [*Insert a description of the tangible deliverables that will be delivered to University, if any.*]

   [*See comments below in the Section titled "Intellectual Property" regarding which party will own the Intellectual Property developed under this SA, including any Intellectual Property in the Deliverables.*]

4. **Specifications**.

The Services and Deliverables shall substantially conform to the following Specifications:

[*Insert the specifications, requirements and testing criteria applicable to the Services and the Deliverables, if any.*]

5. **Time Schedule and Meetings**.

[*Insert the time schedule for the provision of the Services and Deliverables, including any deadlines for the delivery of the Services and Deliverables, and the time and place for any scheduled meetings.*]

6. **Points of Contact**.

For Provider:

For University:

7. **Term and Termination**.

[*Insert the term of the SA and termination rights.*]

8. **Services Fees and Payment**.

a. Services Fees:

[*Insert a description of the Services Fees for the Services and Deliverables if intended not to be covered by <u>Exhibit D</u> of the Agreement.*]

b. Payment Terms:

[*Insert the payment terms, if intended not to be covered by <u>Exhibit D</u> of the Agreement.*]

9. **Intellectual Property**.

[*If the Services will result in the development of new Intellectual Property, then indicate whether such Intellectual Property will be owned by University as University Intellectual Property as contemplated by Section 10.2.2 (Ownership) of the Agreement or whether such Intellectual Property will remain the property of Provider. If such Intellectual Property is* ***<u>not</u>*** *University Intellectual Property and will therefore be owned by Provider, then specify what, if any, licenses are granted to University to use such Intellectual Property. If such Intellectual Property will be owned by University as University Intellectual Property, then specify what, if any, licenses are granted to Provider to use such Intellectual Property.*]

10. **Licenses to Third Party Technology or Materials**.

a. Description: [*Insert a detailed description of any licenses or other rights to technology, content or other materials required from any third party for the performance of the Services or the Deliverables.*]

b. Parties: [*Indicate who will obtain the license: Provider or University.*]

c. Fees: [*Include fees, payment terms and responsible party.*]

d. Term: [*Indicate license term.*]

11. **Licenses to Provider Technology or Materials**.

a. Grant: [*Include a grant of any licenses or other rights to technology, content or other materials from Provider to University or from University to Provider for the performance of the Services or the Deliverables, or attach a separate license agreement.*]

b. Fees: [*Include fees and payment terms.*]

c. Term: [*Indicate license term.*]

d. Other: [*Include any other license terms.*]

12. **Subcontracting**.

[*Include any limits on subcontracting. See Section 3.2 of the Agreement.*]

13. **Other Terms**.

[*Insert a description of any additional terms or conditions applicable to the Services to be provided under this SA.*]

IN WITNESS WHEREOF, an authorized representative of each Party has executed this SA as of the SA Effective Date written above.

Grand Canyon University	**Grand Canyon Education, Inc.**
Signature: ______________________	Signature: ______________________
Name: ______________________	Name: ______________________
Title: ______________________	Title: ______________________

EXHIBIT D

PRICING AND PAYMENT TERMS; OTHER AGREEMENTS

1. University Tuition and Fee Revenue.

For purposes of this Agreement, University tuition and fee revenue ("***University Tuition and Fee Revenue***") is defined as:

(a) *Tuition:*

(i) *Non-Traditional Campus Students*. For Students enrolled in Courses and Programs taught by University online, including professional studies Students in a non-traditional modality, all tuition revenue earned from such Students net of institutional funded discounts and scholarships;

(ii) *Traditional Campus Students*. For Students enrolled in Courses and Programs taught by University in a traditional modality, including but not limited to those Students studying on University's main ground traditional campus, Students studying in the hybrid ABSN program (both core and pre-requisites), and any other future offsite locations, all tuition revenue as calculated on a per Student basis at University's published tuition rates for the applicable Courses and Programs (which rates shall be no less than such published tuition rates as in effect on the Effective Date), without regard to any scholarships or discounts actually applied.

(b) *Fees*.

(i) Course and Program premiums and fees;

(ii) fee revenue from Students for use of the Platform (or any successor Platform), including learning management fees and technology fees (or any similar use fees);

(iii) fee revenue from Students for use of the Canyon Connect learning resources platform (or any successor learning resources platform).

For clarity, University Tuition and Fee Revenue does not include any University revenue generated from, and University would be entitled to retain 100% of revenue derived from, any other sources not specifically enumerated above, including, but not limited to (i) Student housing, (ii) food service, (iii) fees not specifically identified above including but not limited to the activity fee, graduation fee, doctoral residency fee, parking fees and charges, health services, facilities fees, etc., (iv) revenue from sources such as charitable contributions, grants, and interest income, and (v) all other ancillary sources, including but not limited to, athletic ticket sales, the Grand Canyon University Arena, the Grand Canyon University golf course, the Grand Canyon University Hotel, Lope Shops and other similar retail operations, and Canyon Promotions. Any future fee charges that are unrelated to Courses and/or to the Platform or other technology used by Students and that is instituted to cover a direct cost incurred by University will not be included in the definition of University Tuition and Fee Revenue unless both Parties agree once the fee is instituted.

2. Payment for Services; Reimbursement of Certain Incidental Costs.

(a) Effective as of the Effective Date, on a monthly basis, as provided in Section 3 of this Exhibit D below, University shall pay Services Fees to Provider for Services rendered hereunder in an amount equal to sixty percent (60.0%) of University Tuition and Fee Revenue ("***Monthly Services Fees***").

(b) Upon and following any termination of a particular Back-Office Services Function pursuant to Section 6.4 (Termination of Particular Service) or Section 6.5 (Special Termination Right), the Monthly Services Fees payable hereunder shall be reduced by an amount equal to (i) Provider's cost to perform the Back-Office Services Functions prior to the effective date of such termination of the specified Back-Office Services Function, minus (ii) Provider's cost to perform the Back-Office Services Functions following the effective date of such termination of the particular Back-Office Services Function. The Parties understand that such Back-Office Services Functions are being provided to the University by the Provider as an accommodation and little value is attributed to them. So, for example, if Provider's provision of a Back-Office Services Function such as described in Exhibit B, Section 7, Accounting Services, were to be terminated, Provider would, following such termination, realize some cost savings, which would be passed on to University, but it is anticipated that such cost savings would be minimal.

(c) If this Agreement expires or terminates pursuant to Section 6.2 (Non-Renewal of Initial Term or any Renewal Term) or Section 6.3 (Termination of Agreement for Breach), or at the end of any Transition Period pursuant to Section 6.6 (Transition Services), as applicable, then, with respect to all (and only) Students recruited by Provider in course of performing Services prior to the later of such expiration or termination of this Agreement or the end of the Transition Period and who are enrolled in University at the date of such expiration or termination or the end date of the Transition Period, as applicable, Provider will continue to provide to University, Services directly related to and in support of such Students, for a period of eighteen (18) months following the date of such expiration or termination or the end date of the Transition Period, as applicable (such period, the "***Extended Services Period***"). In furtherance of the foregoing, during such Extended Services Period, University will continue to pay to Provider, and Provider will continue to be entitled to receive, Monthly Services Fees with respect to such Students, payable in the manner described in Section 5. Provider agrees to effectuate any winding down of its Service level operations in reasonable proportion to the attrition levels of those Students recruited and serviced by Provider which are the subject of this subsection (c).

3. Reports and Payment.

(a) Provider shall provide to University on or before the thirtieth (30^{th}) day after the end of each calendar month a calculation of the Monthly Services Fee payable by University to Provider pursuant to Section 2(a) of this Exhibit D.

(b) Reports regarding the following matters, and any others reasonably requested by the Parties, will be placed in a central repository accessible by both Provider and University concurrently with the calculation provided in Section 3(a) of this Exhibit D:

(i) Students offered admission by University to any Program;

(ii) the tuition and fees charged, by type of charge, for each Student;

(iii) discounts, scholarships and refunds granted for each Student (reporting separately those scholarships and refunds that are accounted for as a discount to tuition and those scholarships and refunds from third party sources (including charitable contributions) that are included within University Tuition and Fee Revenue; and (iv) accounts receivable reconciliation and bad debt analysis.

(c) Concurrently with the delivery of each Monthly Services Fee calculation required by Section 3(a) of this Exhibit D, University shall pay to Provider the Monthly Services Fee for the subject reporting period by wire transfer of funds to such bank account as Provider may direct by notice to University no later than ten (10) Business Days prior to the scheduled date for such wire transfer. If no wire transfer instructions are provided within such period, then payment will be made by check.

(d) A final reconciliation and payment of amounts due from either party to the other pursuant to this Section 3 of this Exhibit D shall be made within thirty (30) days after the termination or expiration of this Agreement.

4. Other Agreements between University and Provider. For so long as the Agreement remains in effect, Services Personnel who apply for and are accepted into a Program at University will not be required to pay tuition or other University fees during their enrollment in any such Program (or Courses comprising such Program) which are in excess of (a) for Services Personnel who are enrolled in traditional Courses, the average net tuition rate, after giving effect to institutional scholarships, charged by University for any such Courses during the prior Fiscal Year, and (b) for Services Personnel who are enrolled in online Courses, the lowest published tuition rate for any such Courses. If any Services Personnel are enrolled in a Program at the time the Agreement terminates, this Section 4 of Exhibit D will remain in effect with respect to such Services Personnel for the duration of the then current Fiscal Year (ending on the next succeeding June 30) for so long as any such Services Personnel remains in continuous enrollment in such Program following such termination and through the end of such Fiscal Year. Provider shall be responsible for administering this employee benefit as regards Services Personnel.

[End of Exhibit D]

EXHIBIT E –
UNIVERSITY MARKS

Registered Trademarks

Mark	U.S. Reg. No.	U.S. Reg. Date
GCU HAVOCS®	7,619,253	12/24/24
GRAND CANYON UNIVERSITY ®	7,555,926	11/05/24
GCU ®	7,548,269	10/29/24
GCU®	7,488,817	08/27/24
CANYON STAR TV MUSIC - MOVIES - TV	7,318,803	03/05/2024
THE BIGGEST PARTY IN COLLEGE BASKETBALL®	7,201,296	10/24/23
HERD STOP® (for expanded services)	6,701,960	04/12/22
CANYON ANGELS®	6,312,506	04/06/21
HERD STOP® (for grocery stores)	6,124,798	08/11/20
LOPACELLIS®	6,055,027	05/12/20
PURPLE GREENS and Design, non-color: Purple Greens ®	6,027,197	04/07/20
SWEET DISCIPLE®	6,012,424	03/17/20
GRAND CANYON UNIVERSITY® (for expanded merchandise)	5,941,997	12/24/19
GRAND CANYON UNIVERSITY® (for merchandise)	5,615,377	11/27/18
GRAND CANYON UNIVERSITY® (for apparel and expanded services)	5,421,628	03/13/18
GCU LEARNING LOUNGE®	5,372,732	01/09/18

Mark		U.S. Reg. No.	U.S. Reg. Date
®		5,357,629	12/19/17
STAMPEDE®		5,325,489	10/31/17
GCBC®		5,266,093	08/15/17
LOPES UP!® (for shirts)		5,252,228	07/25/17
GCU (Varsity Stylized), non-color (for apparel, other merchandise):	®	5,216,662	06/06/17
FIND YOUR PURPOSE®		5,211,666	05/30/17
CANYON® (for streaming music services)		5,121,212	01/10/17
LOPES® (for athletic events, etc.)		5,094,661	12/06/16
GCU (Varsity Stylized), non-color (for athletic events, etc.):	®	5,086,797	11/22/16
LOPES UP!® (for athletic events, etc.)		5,082,360	11/15/16
Antelope Design, non-color (for apparel):	®	4,724,550	04/21/15
Antelope Design, non-color (for athletic events:	®	4,633,637	11/04/14
DC NETWORK®		4,496,361	03/11/14
GRAND CANYON UNIVERSITY ARIZONA 1949 and Design, non-color:	®	4,124,765	04/10/12
GRAND CANYON UNIVERSITY®		3,039,105	01/10/06

Pending Trademark Applications

Mark	U.S. Appl. No.	U.S. Filing Date
OVERCLOCK	99/326,503	August 7, 2025

State Trademarks and Trade Names

Registered Trade Names

State	Trade Name	Reg. No.	Reg. Date
AZ	FIND YOUR PURPOSE	9435766	07/03/25
AZ	‘LOPES	451860	01/23/09
AZ	THUNDER ‘LOPE	451859	01/23/09

(a) Domain Names[1]

1. ACCREDITEDONLINEPHD.COM
2. APPLYGCU.COM
3. APPLYGCU.NET
4. BLANCHARDMBA.COM
5. CANYON.COFFEE
6. CANYON49.COM
7. CANYON49.RESTAURANT
8. CANYON49.REVIEWS
9. CANYON49GRILL.COM
10. CANYONANGEL.ORG
11. CANYONANGELS.COM

[1] The list of domain registrations includes domains not currently in use and some derogatory domains purchased as a protective measure to prevent third parties from registering and using them.

12. CANYONANGELS.ORG
13. CANYONBEVCO.COM
14. CANYONED.COM
15. CANYONEDU.COM
16. CANYONENTERPRISES.COM
17. CANYONENTERPRISES.ORG
18. CANYONEVENTS.COM
19. CANYONEVENTS.MOBI
20. CANYONEXCHANGE.COM
21. CANYONMUSICFESTIVAL.COM
22. CANYONPROMOTIONS.COM
23. CAREERANDCOLLEGES.COM
24. CEELEARNING.COM
25. CENTERFORCHRISTIANARTS.COM
26. CENTERFORCHRISTIANARTS.ORG
27. CHOOSEDISTRICTSCHOOLS.COM
28. CHOOSEDISTRICTSCHOOLS.ORG
29. CHOOSEGCU.COM
30. CIRTFACULTY.COM
31. CLUBGCU.COM
32. COLLEGEOF.EDUCATION
33. COREVALUESCORP.COM
34. CREDITSFORLIFE.COM
35. DISTRICTARIZONA.COM
36. DISTRICTAZ.COM
37. DRINKSTAMPEDE.COM
38. EDUCATIONPHD.COM
39. EDUSERVICES.COM
40. ENERGYSTAMPEDE.COM
41. ENROLLGCU.COM
42. EXCHANGECANYON.COM
43. FUCKGCU.COM
44. FUCK-GCU.COM
45. FUCKGCU.NET
46. FUCK-GCU.NET
47. FUCKUGCU.COM
48. FUCKU-GCU.COM
49. FUCK-U-GCU.COM
50. FUCKUGCU.NET
51. FUCKU-GCU.NET
52. FUCK-U-GCU.NET
53. FUCKYOUGCU.COM
54. FUCKYOU-GCU.COM
55. FUCK-YOU-GCU.COM
56. FUCKYOUGCU.NET
57. FUCKYOU-GCU.NET
58. FUCK-YOU-GCU.NET
59. FUGCU.COM

60. FU-GCU.COM
61. F-U-GCU.COM
62. FUGCU.NET
63. FU-GCU.NET
64. F-U-GCU.NET
65. FUTURELOPE.COM
66. FUTURELOPECSET.COM
67. FUTURELOPECWA.COM
68. FUTURELOPESTEM.COM
69. GCBEVCO.COM
70. GCBEVERAGECO.COM
71. GCEDSERV.COM
72. GCEDSERVICES.COM
73. GCEDUCATIONALSERVICES.COM
74. GCEDUCATIONSERVICES.COM
75. GCESERV.COM
76. GCU.COFFEE
77. GCU.NET
78. GCU.REVIEWS
79. GCU.SOCCER
80. GCU.TODAY
81. GCU.UNIVERSITY
82. GCU.WTF
83. GCU.XXX
84. GCU4ME.COM
85. GCU4U.COM
86. GCUACAPELLA.COM
87. GCUALUMNI.COM
88. GCUAPPS.COM
89. GCUARENA.COM
90. GCUARENA.NET
91. GCUARENA.ORG
92. GCUATHLETICS.COM
93. GCUBEACHVOLLEYBALL.COM
94. GCUBEVERAGECO.COM
95. GCUBLOWS.COM
96. GCU-BLOWS.COM
97. GCUBLOWS.NET
98. GCU-BLOWS.NET
99. GCUBLOWS.ORG
100. GCUCAMPUS.COM
101. GCUCAMPUS.NET
102. GCUCLUBBASEBALL.COM
103. GCUCLUBGOLF.COM
104. GCUCLUBHOCKEY.COM
105. GCUCLUBTENNIS.CLUB
106. GCUCLUBWRESTLING.COM
107. GCUCOLLEGE.COM

108. GCUCOLLEGEONLINE.COM
109. GCUCROSSCOUNTRY.COM
110. GCUCYCLING.COM
111. GCUEDONLINE.COM
112. GCUEDU.COM
113. GCUEDU.MOBI
114. GCUEDUCATE.COM
115. GCUEDUCATIONONLINE.COM
116. GCUEDUCATIONSUCKS.COM
117. GCU-EDUCATION-SUCKS.COM
118. GCUEDUCATIONSUCKS.NET
119. GCU-EDUCATION-SUCKS.NET
120. GCUEMBASUCKS.COM
121. GCUEMBASUCKS.NET
122. GCU-EMBA-SUCSKS.COM
123. GCU-EMBA-SUCSKS.NET
124. GCUENROLL.COM
125. GCUEVENTS.COM
126. GCUFLAGFOOTBALL.COM
127. GCUGOLF.ACADEMY
128. GCUGOLF.COM
129. GCUGOLF.REVIEWS
130. GCUGRADSCHOOL.COM
131. GCUHAVOC.COM
132. GCUHAVOCS.COM
133. GCUHELL.COM
134. GCU-HELL.COM
135. GCUHELL.NET
136. GCU-HELL.NET
137. GCUHELL.ORG
138. GCUHOCKEY.COM
139. GCUHOTEL.COM
140. GCUHOTEL.REVIEWS
141. GCUHOTELBOOKING.COM
142. GCUHOTELDEALS.COM
143. GCUICEHOCKEY.COM
144. GCUISCRAP.COM
145. GCU-IS-CRAP.COM
146. GCUISCRAP.NET
147. GCU-IS-CRAP.NET
148. GCUISSHIT.COM
149. GCU-IS-SHIT.COM
150. GCUISSHIT.NET
151. GCU-IS-SHIT.NET
152. GCUJOURNAL.COM
153. GCULACROSSE.COM
154. GCULEARN.COM
155. GCULICENSING.COM

156. GCULOP.ES
157. GCULOPECOUNTRY.COM
158. GCULOPES.MOBI
159. GCULOPES.TV
160. GCULOPESCOUNTRY.COM
161. GCUMAIL.COM
162. GCUMAIL.NET
163. GCUMBASUCKS.COM
164. GCU-MBA-SUCKS.COM
165. GCUMBASUCKS.NET
166. GCU-MBA-SUCKS.NET
167. GCUMEDIA.COM
168. GCUMENSCLUBSOCCER.COM
169. GCUMISSIONS.COM
170. GCUNOW.COM
171. GCUNURSESSUCK.COM
172. GCU-NURSES-SUCK.COM
173. GCUNURSESSUCK.NET
174. GCU-NURSES-SUCK.NET
175. GCUNURSINGSUCKS.COM
176. GCU-NURSING-SUCKS.COM
177. GCUNURSINGSUCKS.NET
178. GCU-NURSING-SUCKS.NET
179. GCUONLINE.NET
180. GCUONLINEPROGRAMS.COM
181. GCUPOC.COM
182. GCUPURPOSE.COM
183. GCURACESERIES.COM
184. GCURESORT.COM
185. GCURESTAURANT.COM
186. GCUROCKS.COM
187. GCUSCHOOL.COM
188. GCUSOCCER.COM
189. GCUSTORE.COM
190. GCUSTUDENTLOANFORGIVENESS.COM
191. GCUSUCKS.COM
192. GCU-SUCKS.COM
193. GCUSUCKS.NET
194. GCU-SUCKS.NET
195. GCUSUCKS.ORG
196. GCUSWIMMING.COM
197. GCUTEAMSHOP.COM
198. GCUTENNIS.COM
199. GCUTHUNDER.COM
200. GCUTHUNDERTICKET.COM
201. GCUTICKETS.COM
202. GCUTIX.COM
203. GCUTODAY.COM

204. GCUTRIATHLON.COM
205. GCUTV.COM
206. GCUULTIMATEFRISBEE.COM
207. GCUVOLLEYBALL.COM
208. GCUWOMENSCLUBSOCCER.COM
209. GODGIVENTALENT.TV
210. GRANDCANYON.EDUCATION
211. GRANDCANYONBEVERAGE.CO
212. GRANDCANYONBEVERAGE.COM
213. GRANDCANYONBEVERAGECO.COM
214. GRANDCANYONED.COM
215. GRANDCANYONEDUCATION.COM
216. GRANDCANYONEDUCATIONALSERVICES.COM
217. GRANDCANYONEDUCATIONSERVICES.COM
218. GRANDCANYONLOANFORGIVENESS.COM
219. GRANDCANYONUNIVERSITY.NET
220. GRAND-CANYON-UNIVERSITY.NET
221. GRANDCANYONUNIVERSITY.WTF
222. GRANDCANYONUNIVERSITY.XXX
223. GRANDCANYONUNIVERSITYARENA.COM
224. GRANDCANYONUNIVERSITYARENA.NET
225. GRANDCANYONUNIVERSITYARENA.ORG
226. GRANDCANYONUNIVERSITYINFO.COM
227. GRANDCANYONWOMENSLACROSSE.COM
228. GRANDCE.COM
229. GROWINGMYPURPOSE.COM
230. HERDONCAMPUS.COM
231. IHATEGCU.COM
232. IHATEGCU.NET
233. IHATEGCU.ORG
234. INSTANTKNOODLES.COM
235. INSTRUCTIONALRESEARCH.COM
236. JBTSONLINE.ORG
237. JOINGCU.COM
238. LEARNGCU.COM
239. LOPE.MOBI
240. LOPEALOOZA.COM
241. LOPEALOOZA.INFO
242. LOPEALOOZA.NET
243. LOPEALOOZA.ORG
244. LOPECOUNTRY.COM
245. LOPEHOUSE.COM
246. LOPEHOUSE.RESTAURANT
247. LOPEHOUSE.REVIEW
248. LOPES.TV
249. LOPES.XXX
250. LOPESCOUNTRY.COM
251. LOPESHOP.COM

252. LOPESHOP.NET
253. LOPESHOPS.COM
254. LOPESHOPS.NET
255. LOPESLICENSING.COM
256. LOPESPORTAL.COM
257. LOPESTEAMSHOP.COM
258. LOPESTHUNDER.COM
259. LOPESTICKET.COM
260. LOPESTICKETS.COM
261. LOPESTIX.COM
262. LOPESTORE.COM
263. LOPESTV.COM
264. LOPETEAMSHOP.COM
265. LOPETICKET.COM
266. LOPETICKETS.COM
267. LOPEZTICKET.COM
268. LOPEZTICKETS.COM
269. MADEGREES.COM
270. MASTERSONLINE.COM
271. MSDEGREES.COM
272. MYGCUFUTURE.COM
273. MYGIVENPURPOSE.COM
274. MYTRANSFERCREDITS.COM
275. PAINTTHEVALLEYPURPLE.COM
276. PHDEDUCATION.COM
277. PROFESSIONALSTUDIES.COM
278. PROFESSIONALSTUDIES.NET
279. RANKINGONLINESCHOOLS.COM
280. RESOLUTION2011.COM
281. RESOLUTION2011.NET
282. RESOLUTION2011.ORG
283. RESOLUTION2012.COM
284. RESOLUTION2012.NET
285. RESOLUTION2012.ORG
286. RESOLUTION2013.NET
287. RESOLUTION2013.ORG
288. RESOLUTION2014.COM
289. RESOLUTION2014.NET
290. RESOLUTION2014.ORG
291. RESOLUTION2015.COM
292. RESOLUTION2015.NET
293. RESOLUTION2015.ORG
294. RESOLUTION2016.COM
295. RESOLUTION2016.NET
296. RESOLUTION2016.ORG
297. RESOLUTION2017.COM
298. RESOLUTION2017.NET
299. RESOLUTION2017.ORG

300. RESOLUTION2018.COM
301. RESOLUTION2018.NET
302. RESOLUTION2018.ORG
303. RESOLUTION2019.COM
304. RESOLUTION2019.NET
305. RESOLUTION2019.ORG
306. RESOLUTION2020.NET
307. RESOLUTION2020.ORG
308. RESOLUTION2021.COM
309. RESOLUTION2021.NET
310. RESOLUTION2021.ORG
311. RESOLUTIONFEST.COM
312. RESOLUTIONFESTIVAL.COM
313. RESOLUTIONFESTIVAL.ORG
314. RESOURCECLOSET.COM
315. ROCKATGCU.COM
316. RUNTOFIGHTCANCER.COM
317. RUNTOFIGHTCANCER.ORG
318. SCHOOLHOUSECHALK.COM
319. SCHOOLSINPHOENIX.COM
320. SCREWGCU.COM
321. SCREW-GCU.COM
322. SCREWGCU.NET
323. SCREW-GCU.NET
324. SHAREMYPURPOSE.COM
325. SHOWINGPURPOSE.COM
326. SHOWMYPURPOSE.COM
327. STAMPEDEDRINK.COM
328. STUDENTLOANFORGIVENESSGCU.COM
329. STUDENTLOANFORGIVENESSGRANDCANYONUNIVERSITY.COM
330. TALKTOBRENDA.COM
331. TEACHFORPURPOSE.COM
332. TEACHINGPHD.COM
333. THECENTERFORCHRISTIANARTS.COM
334. THECENTERFORCHRISTIANARTS.ORG
335. THECOLLEGEGOSSIP.COM
336. THETHUNDERGROUND.COM
337. THUNDERLOPES.COM
338. TOURGCU.COM
339. TRANSFERTOGCU.COM
340. TRANSFERYOURCREDITS.COM
341. UNITEDBYPURPOSE.COM
342. WORSHIPISOURFOOTBALL.COM
343. WORSHIPISOURFOOTBALL.INFO
344. WORSHIPISOURFOOTBALL.NET
345. WORSHIPISOURFOOTBALL.ORG
346. WORSHIPOLOGIST.COM

Exhibit 31.1

CERTIFICATION PURSUANT TO RULES 13a-14(a) and 15d-14(a),
AS ADOPTED PURSUANT TO SECTION 302 0F THE SARBANES-OXLEY ACT OF 2002

I, Brian E. Mueller, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ending June 30, 2026 of Grand Canyon Education, Inc.;

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: July 30, 2026

/s/ Brian E. Mueller
Brian E. Mueller
Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION PURSUANT TO RULES 13a-14(a) and 15d-14(a),
AS ADOPTED PURSUANT TO SECTION 302 0F THE SARBANES-OXLEY ACT OF 2002

I, Daniel E. Bachus, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ending June 30, 2026 of Grand Canyon Education, Inc.;

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: July 30, 2026

/s/ Daniel E. Bachus
Daniel E. Bachus
Chief Financial Officer
(Principal Financial Officer)

Exhibit 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

In connection with the Quarterly Report on Form 10-Q of Grand Canyon Education, Inc. (the "Company") for the quarter ended June 30, 2026 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Brian E. Mueller, 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, as amended (15 U.S.C. 78m or 78o); 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: July 30, 2026

/s/ Brian E. Mueller
Brian E. Mueller
Chief Executive Officer (Principal Executive Officer)

Exhibit 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**

In connection with the Quarterly Report on Form 10Q of Grand Canyon Education, Inc. (the "Company") for the quarter ended June 30, 2026 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Daniel E. Bachus, 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, as amended (15 U.S.C. 78m or 78o); 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: July 30, 2026

/s/ Daniel E. Bachus
Daniel E. Bachus
Chief Financial Officer (Principal Financial Officer)