

**RESOLUTION OF THE BOARD OF TRUSTEES
OF THE TRUSTEES OF PURDUE UNIVERSITY**

- (1) RATIFYING THE ESTABLISHMENT OF A POSTSECONDARY SEI AFFILIATED EDUCATIONAL INSTITUTION UNDER INDIANA LAW, TO BE TENTATIVELY NAMED PURDUE NEWU, INC., AND OF WHICH THE TRUSTEES OF PURDUE UNIVERSITY (THE “CORPORATION”) IS TO BE THE SOLE MEMBER;**
- (2) AUTHORIZING AND APPROVING AGREEMENTS RELATED TO NEWU’S ACQUISITION OF KAPLAN UNIVERSITY AND ITS INSTITUTIONAL ASSETS AND OPERATIONS (THE “TRANSACTION”); AND**
- (3) AUTHORIZING OTHER ACTIONS AS ARE NECESSARY AND APPROPRIATE TO COMPLETE THE TRANSACTION**

WHEREAS, as the State of Indiana’s only land-grant university, Purdue University (“Purdue”) takes very seriously its commitment to expanding access to higher education; and

WHEREAS, in addition to the traditional resident student population that Purdue has proudly served for nearly 150 years, there are millions of working-adult learners across the nation, many of whom have earned some college credit but no degree, and who desire to further their education and to acquire valuable job skills while balancing work and family responsibilities; and

WHEREAS, serving this population requires a set of online program offerings and technical capabilities that the Purdue system currently lacks and that would require many years and significant financial resources—with no assurance of success—if Purdue were to attempt to build such capabilities on its own; and

WHEREAS, while the pace and dimension of future growth in online education cannot be predicted accurately, it is certain to become a larger phenomenon among the educational offerings available in the U.S. higher education landscape, and the Board of Trustees desires to ensure that Purdue is well-positioned to be a leader in that trend; and

WHEREAS, Kaplan University, an HLC-accredited educational institution that currently serves approximately 32,000 online and campus-based students across 15 locations nationwide, strives to help adult students by providing practical, student-centered education that prepares them for careers in some of the fastest growing industries; and

WHEREAS, the academic operations of Kaplan University, which has been a leading innovator in higher education for many years, including through its pioneering role in delivering online degree programs, are supported by service operations performed by various of its affiliates (“Kaplan Affiliates”); and

WHEREAS, House Enrolled Act 1001, enacted by the Indiana General Assembly in its 2017 legislative session and signed into law by Governor Eric Holcomb on the date of this meeting (the “Act”), authorizes an Indiana state educational institution, such as Purdue, to establish and become a member of a “postsecondary SEI affiliated educational institution” (as defined in the Act) and recognizes, among other things, that “a state educational institution may more effectively advance its educational mission and achieve its public or charitable purposes by being affiliated with [such an institution] that provides these alternative types of instructional, educational, or training offerings, whether onsite, online, or through any combination of these or other instructional modalities, to better reach adult learners and other nontraditional students;” and

WHEREAS, the Purdue administration has taken preliminary steps to establish a postsecondary SEI affiliated educational institution, of which Purdue is to be the sole member, and which has been incorporated under the tentative name “Purdue NewU, Inc.” (hereinafter “NewU”); and

WHEREAS, the Board of Trustees of the Corporation has the authority under Indiana law to do all acts necessary and expedient to put and keep Purdue in operation and to make all bylaws, rules and regulations required or proper to conduct and manage Purdue; and

WHEREAS, in light of the foregoing, and having carefully evaluated Kaplan University’s world-class online capabilities, its student support systems, and a student-focused culture that is very consistent with Purdue’s own, the Board of Trustees has concluded that it is in the best interests of Purdue: (1) to cause Purdue to become a member of NewU, and (2) to cause NewU to acquire Kaplan University via a contribution of its institutional assets and operations from various Kaplan Affiliates, in exchange for entering into a long-term transition and operations support agreement as part of the Transaction:

NOW, THEREFORE, IT IS HEREBY RESOLVED by the Board of Trustees of the Corporation (the “Board”) as follows:

1. In the judgment of this Board, it is in the best interests, and consistent with the mission, of the Corporation and the University to cause the Corporation to become the sole controlling member of NewU, which has been formed as a postsecondary SEI affiliated educational institution as defined in the Act.
2. The actions previously taken by the Purdue administration to incorporate and establish NewU as a postsecondary SEI affiliated educational institution under Indiana law are hereby approved, ratified and confirmed, and the officers of the Corporation identified below are authorized to take such actions as are necessary or appropriate to cause the Corporation to become the sole controlling member of NewU in connection with completing NewU’s organizational process.

3. The Contribution and Transfer Agreement related to the Transaction (the “Transfer Agreement”), in substantially the form presented to the Board in preparation for this meeting, as well as all other ancillary agreements referenced or contemplated by the Transfer Agreement, including the Transition and Operations Support Agreement to be entered into at the closing of the Transaction (the “Related Agreements”), are hereby authorized and approved.
4. The Chairman, Vice Chairman, Treasurer, Assistant Treasurer, Legal Counsel, Secretary and Assistant Secretary of the Trustees of the Corporation, and the President, the Treasurer and Chief Financial Officer and the Senior Vice President and Assistant Treasurer of Purdue, and each of said officers respectively, are hereby authorized and empowered for, on behalf of, and in the name of the Corporation, or of Purdue: (a) to execute and deliver the Transfer Agreement, and (b) to complete, execute and deliver each of the Related Agreements, in each case in such form, and with such further changes thereto, as the officer executing the same may approve (with the execution of such document by such officer to be conclusive evidence of such approval).
5. The foregoing officers of the Corporation and the University, and each of said officers respectively, are hereby further authorized and empowered, for, on behalf of and in the name of the Corporation, or of the University, to do or cause to be done any and all such other acts and things, and to complete, execute, deliver, and/or file any and all such other agreements, documents, submissions and instruments as, in the judgment of the officers taking such action, may be necessary, appropriate or desirable to carry out the purpose and intent of this Resolution or to fully consummate the Transaction, whether herein specifically authorized or not. All acts of said officers in conformity with the intent and purposes of this Resolution, whether taken before or after this date, are ratified, confirmed, approved and adopted as the acts of the Corporation.
6. The Secretary of the Corporation is hereby authorized and instructed to record this Resolution in the minutes of this meeting, to be maintained in the official records of the Board and the Corporation.