Section 1: 8-K (ADTALEM GLOBAL EDUCATION INC. 8-K)

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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report
(Date of earliest event reported):
December 11, 2018

ADTALEM GLOBAL EDUCATION INC.

(*Exact name of registrant as specified in its charter*)

Delaware	**1-13988**	**36-3150143**
(State of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

500 West Monroe **Chicago, IL**	**60661**
(Address of principal executive offices)	(Zip Code)

(630) 515-7700
(Registrant's telephone number, including area code)

N/A
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

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. ☐

Introduction

As previously disclosed in the Current Report on Form 8-K filed with the Securities and Exchange Commission (the "SEC") by Adtalem Global Education Inc. ("Adtalem") on December 4, 2017, Adtalem is party to that certain Stock Purchase Agreement, dated as of December 4, 2017 (as amended or supplemented, the "Agreement"), by and between Adtalem and Cogswell Education, LLC ("Cogswell").

Item 1.01. Entry into a Material Definitive Agreement.

On December 11, 2018, Adtalem entered into Amendment No. 2 to the Agreement ("Amendment No. 2") with Cogswell. Amendment No. 2 adds the U.S. Department of Education (the "DOE") as a party that Adtalem agrees to indemnify for certain losses related to certain pre-closing defense to repayment claims, increases the cap on Adtalem's aggregate obligation for indemnification to $340,000,000 plus any amount by which the Letter of Credit, number 68129526, issued by Bank of America, N.A. for the benefit of the DOE, dated as of November 3, 2016, including any replacement or successor letter of credit (the "DOE LC"), is drawn on and other matters as described therein.

Also on December 11, 2018, Adtalem entered into Amendment No. 3 to the Agreement ("Amendment No. 3") with Cogswell. Amendment No. 3 provides that (i) the annual fee equal to two percent of the amount of the DOE LC payable by Cogswell will be payable quarterly in arrears as opposed to once annually; (ii) extends by one year the period of time during which Adtalem will indemnify Cogswell for Borrower Defense Claims and clarifies that the indemnity is applicable to all pre-closing Borrower Defense Claims as well as claims made in the six-year period post-closing, provided they relate to pre-close enrollees at DeVry University; (iii) provides Cogswell a right of indemnification for liabilities associated with the Institutional Capital Contribution to the Federal Perkins Loan Program of DeVry University; and (iv) provides that if the DOE requires an additional letter of credit during the one year period following the closing as a result of any activities or operations prior to the closing, Adtalem will obtain such letter of credit in an amount not to exceed $10,000,000.

The foregoing description of Amendments No. 2 and No. 3 do not purport to be complete and are qualified in their entirety by reference to the full text of Amendment No. 2, a copy of which is filed as Exhibit 2.3 and Amendment No. 3, a copy of which is filed as Exhibit 2.4, to this Current Report on Form 8-K and are incorporated herein by reference.

In connection with the closing of the Transaction (as defined below) Adtalem loaned to DeVry University, Inc. $10,000,000 under the terms of the promissory note, dated as of December 11, 2018 (the "Note"). The Note bears interest at a rate of 4% per annum, payable annually in arrears and has a maturity date of January 1, 2022.

The foregoing description of the Note does not purport to be complete and is qualified in its entirety by reference to the full text of the Note, a copy of which is filed as Exhibit 2.5 to this Current Report on Form 8-K and is incorporated herein by reference.

Item 2.01. Completion of Acquisition or Disposition of Assets.

On December 11, 2018, and under the terms of the Agreement, Adtalem sold to Cogswell all of Adtalem's right, title, and interest in and to the issued and outstanding shares of capital stock of DeVry University, Inc. and DeVry/New York Inc. (the "DVU Equity Interests"). The DVU Equity Interests were sold free and clear of all liens (other than transfer restrictions imposed thereon by law) to Cogswell for deminimis consideration, subject to customary adjustments for working capital (such sale, the "Transaction").

The description of the Transaction set forth above does not purport to be complete and is qualified in its entirety by reference to (i) the Agreement, which was filed by Adtalem as Exhibit 2.1 to Adtalem's Current Report on Form 8-K filed on December 4, 2017, (ii) Amendment No. 1 to the Agreement, which was filed by Adtalem as Exhibit 2.1 to Adtalem's Current Report on Form 8-K filed on August 2, 2018, (iii) Amendment No. 2 to the Agreement, which is filed as Exhibit 2.3 to this Current Report on Form 8-K and (iv) Amendment No. 3 to the Agreement, which is filed as Exhibit 2.4 to this Current Report on Form 8-K, each of which are incorporated in this Item 2.01 by reference.

Item 8.01. Other Events.

On the Closing Date, Adtalem issued a press release announcing the closing of the Transaction. A copy of the press release is furnished as Exhibit 99.1 hereto. Such press release shall not be deemed "filed" for purposes of Section 18 of the Exchange Act, or otherwise subject to the liabilities of that section. The information in this Item 8.01, including Exhibit 99.1, shall not be deemed incorporated by reference in any filing of the Company under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

The following is a list of the Exhibits filed with this report:

Exhibit No.	Description
2.1	Stock Purchase Agreement, dated as of December 4, 2017, by and between Adtalem and Cogswell (incorporated herein by reference to Exhibit 2.1 to the Current Report on Form 8-K filed by Adtalem on December 4, 2017)
2.2	Amendment No. 1 to the Stock Purchase Agreement, dated as of August 2, 2018, by and between Adtalem and Cogswell (incorporated herein by reference to Exhibit 2.1 to the Current Report on Form 8-K filed by Adtalem on August 2, 2018)
2.3	Amendment No. 2 to the Stock Purchase Agreement, dated as of December 11, 2018, by and between Adtalem and Cogswell
2.4	Amendment No. 3 to the Stock Purchase Agreement, dated as of December 11, 2018, by and between Adtalem and Cogswell
2.5	Promissory Note, dated as of December 11, 2018, by and between Adtalem and DeVry University, Inc.
99.1	Press Release of Adtalem dated December 11, 2018

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 hereunto duly authorized.

ADTALEM GLOBAL EDUCATION INC.
(Registrant)

By: /s/ Stephen W. Beard
Stephen W. Beard
Senior Vice President, General Counsel

Date: December 12, 2018

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Section 2: EX-2.3 (EXHIBIT 2.3)

Exhibit 2.3

AMENDMENT NO. 2 TO STOCK PURCHASE AGREEMENT

THIS AMENDMENT NO. 2 TO STOCK PURCHASE AGREEMENT (this "Amendment"), dated as of December 11, 2018, is made and entered into by and between Adtalem Global Education Inc., a Delaware corporation ("Seller") and Cogswell Education, LLC, a Delaware limited liability company ("Buyer"). Each of the foregoing parties is referred to herein as a "Party" and collectively as the "Parties".

RECITALS

A. The Parties desire to amend the Stock Purchase Agreement (the "Agreement"), dated as of December 4, 2017, as amended by the Amendment No. 1 to Stock Purchase Agreement, dated as of August 2, 2018, by and between the Parties;

B. All capitalized terms used, but not defined, in this Amendment will have the meanings assigned to such terms in the Agreement; and

C. In accordance with Section 11.02 of the Agreement, the Parties have determined to amend the Agreement as set forth in this Amendment.

AGREEMENT

Intending to be legally bound, the Parties hereby agree as follows:

ARTICLE 1
AMENDMENTS

Section 1.01 Section 1.01 of the Agreement is hereby amended to add immediately after the definition of "DOE" the following definition:

"DOE Indemnity Claim" means any claim made by DOE as a Buyer Indemnitee under Section 9.02(a)(iii)(E) of the Agreement.

Section 1.02 Section 9.02(a) of the Agreement is hereby amended and restated and shall, following this Amendment, read in full as follows:

"(a) Subject to Article VI relating to Taxes and the provisions of this Article IX, including the limitations set forth in Section 9.04, Seller agrees to indemnify Buyer and its Affiliates, directors, managers, officers, employees, successors, permitted assigns, agents and representatives with respect to the indemnities set forth in this Section 9.02(a) and, solely with respect to the indemnity set forth in Section 9.02(a)(iii)(E), the DOE (collectively, the "Buyer Indemnitees"), against and agrees to hold each of them harmless from any and all Damages incurred or suffered by any Buyer Indemnitee to the extent arising out of or relating to:"

Section 1.03 Section 9.03(a) of the Agreement is hereby amended and restated and shall, following this Amendment, read in full as follows:

"(a) Any Buyer Indemnitee or Seller Indemnitee seeking indemnification under this Agreement (an "Indemnified Party") with respect to (i) any claim asserted against the Indemnified Party by a third party or (ii) any DOE Indemnity Claim (the claims set forth in clauses (i) or (ii), each a "Third Party Claim") in respect of any matter that is subject to indemnification under Section 9.02 will promptly notify in writing (a "Claim Notice") Buyer or Seller, as applicable (the "Indemnifying Party"), (or in the event of a DOE Indemnity Claim, Buyer and Seller, in which event Seller will be the Indemnifying Party) of the Third Party Claim (and, other than with respect to a DOE Indemnity Claim, in any event within 20 Business Days after receipt by such Indemnified Party of written notice of the Third Party Claim), which Claim Notice will describe in reasonable detail the nature of the Third Party Claim, including the basis of the Indemnified Party's request for indemnification under this Agreement and a reasonable estimate of any Damages suffered or expected to be suffered with respect thereto; provided, that, failure to promptly provide such Claim Notice will not relieve the Indemnifying Party of its indemnification obligations provided under this Agreement except to the extent the Indemnifying Party will have been prejudiced as a result of such failure or delay. The Indemnified Party will promptly provide the Indemnifying Party, and in the event of a DOE Indemnity Claim, Buyer and Seller, with a copy of all papers served with respect to such claim (if any) promptly upon receipt thereof by the Indemnified Party. Solely with respect to any DOE Indemnity Claim, for purposes of Section 9.03(b) – Section 9.03(d), Buyer will be deemed to be the Indemnified Party. Notwithstanding anything to the contrary set forth herein, within five (5) Business Days of receipt by Seller of any (x) Claim Notice from the DOE related to a DOE Indemnity Claim or (y) papers served with respect to such DOE Indemnity Claim, Seller will provide copies of any and all such documents to Buyer. Notwithstanding the foregoing requirement of providing a Claim Notice, DOE shall not be required to provide a Claim Notice or papers served with respect to such claim upon receipt of claims by students or borrowers, but only upon DOE's adjudication of such claims and assertion of its right to indemnification; provided, that this provision shall not modify any notice requirements to the University or the DVU Transferred Entities under 34 CFR 685.222(e) or any successor regulation."

Section 1.03 The second sentence of Section 9.03(b) of the Agreement is hereby amended and restated and shall, following this Amendment, read in full as follows:

"The Indemnifying Party will promptly notify the Indemnified Party (and in any event within 20 Business Days after having received any Claim Notice) with respect to whether or not it is exercising its right to assume and control the defense of any such Third Party Claim."

Section 1.04 Section 9.04(d) of the Agreement is hereby amended and restated and shall, following this Amendment, read in full as follows:

"in no event will Seller's aggregate Liability arising out of or relating to Section 9.02(a) exceed $340,000,000, plus any amount by which the DOE LC is drawn on under Section 5.08 (the "Cap"); however, notwithstanding anything in this Agreement to the contrary, Seller's aggregate Liability under this Agreement, and Seller's obligation to indemnify any Buyer Indemnitee under Section 9.02(a), will not exceed the Cap. Notwithstanding the foregoing, nothing in this Agreement shall be deemed to limit, restrict, or modify the DOE's statutory or regulatory authority to seek recourse from the DVU Transferred Entities for liabilities arising from their participation in the Title IV Programs."

ARTICLE 2
MISCELLANEOUS

Section 2.01 Effect of Amendment. This Amendment will be effective as of the date first written above. After giving effect to this Amendment, unless the context otherwise requires, each reference in the Agreement and the Exhibits, Sections, Schedules and Disclosure Schedules thereto to "this Agreement", "the Agreement", "hereof", "herein" or words of like import referring to the Agreement will refer to the Agreement as amended by this Amendment. Except as amended hereby, the Agreement will continue in full force and effect and will be otherwise unaffected hereby.

Section 2.02 Counterparts; Effectiveness. This Amendment may be signed in any number of counterparts, each of which will be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. This Amendment will become effective when each Party will have received a counterpart hereof signed by all of the other Parties. Until and unless each Party has received a counterpart hereof signed by the other Parties, this Amendment will have no effect and no Party will have any right or obligation hereunder (whether by virtue of any other oral or written agreement or other communication). The exchange of a fully executed Amendment (in counterparts or otherwise) by electronic transmission in .PDF or other equivalent format or by facsimile will be sufficient to bind the Parties to the terms and conditions of this Amendment.

Section 2.03 Headings. The headings in this Amendment are for reference only and shall not affect the interpretation of this Amendment.

Section 2.04 Other Miscellaneous Terms. The provisions of Article XI of the Agreement shall apply *mutatis mutandis* to this Amendment, and the Agreement as modified by this Amendment, taken together as a single agreement, reflecting the terms as modified hereby.

[Signature Page Follows.]

IN WITNESS WHEREOF, the Parties have caused this Amendment to be duly executed by their respective authorized officers as of the day and year first above written.

SELLER:

ADTALEM GLOBAL EDUCATION INC.

By: _____
Name:Stephen W. Beard
Title: Senior Vice President and General Counsel

BUYER:

COGSWELL EDUCATION, LLC

By: _____
Name:Bradley Palmer
Title: Manager

Signature Page to Amendment No. 2 to Stock Purchase Agreement

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Section 3: EX-2.4 (EXHIBIT 2.4)

Exhibit 2.4

AMENDMENT NO. 3 TO STOCK PURCHASE AGREEMENT

THIS AMENDMENT NO. 3 TO STOCK PURCHASE AGREEMENT (this "Amendment"), dated as of December 11, 2018, is made and entered into by and between Adtalem Global Education Inc., a Delaware corporation ("Seller") and Cogswell Education, LLC, a Delaware limited liability company ("Buyer"). Each of the foregoing parties is referred to herein as a "Party" and collectively as the "Parties".

RECITALS

A. The Parties desire to amend the Stock Purchase Agreement (the "Agreement"), dated as of December 4, 2017, as amended by Amendment No. 1 to Stock Purchase Agreement, dated as of August 2, 2018 and Amendment No. 2 to Stock Purchase Agreement, dated as of the date hereof;

B. All capitalized terms used, but not defined, in this Amendment will have the meanings assigned to such terms in the Agreement; and

C. In accordance with Section 11.02 of the Agreement, the Parties have determined to amend the Agreement as set forth in this Amendment.

AGREEMENT

Intending to be legally bound, the Parties hereby agree as follows:

ARTICLE 1
AMENDMENTS

Section 1.01 Section 5.08(c) of the Agreement is hereby amended and restated and shall, following this Amendment, read in full as follows:

"During the first year following the Closing Date, for so long as the DOE LC is outstanding, Buyer will pay, or will cause to be paid, by wire transfer of immediately available funds to Seller, a fee equal to $1,368,718.16 (which amount constitutes two percent of the outstanding DOE LC as of the Closing Date) payable in four equal installments on a quarterly basis in arrears. The first quarterly payment, which is due on March 11, 2019, will equal $342,179.54. From and after the first anniversary of the Closing Date, for so long as the DOE LC is outstanding, Buyer will pay, or will cause to be paid, by wire transfer of immediately available funds to Seller, a fee equal to two percent of the outstanding amount of the DOE LC on the applicable anniversary of the Closing Date, payable in four equal installments on a quarterly basis in arrears. For example only, if on the

first anniversary of the Closing Date the DOE LC is outstanding in an amount equal to $68,435,908, Buyer will pay, or will cause to be paid, by wire transfer of immediately available funds to Seller, an amount equal to $1,368,718.16 in four equal installments of $342,179.54 on each of March 11, 2020, June 11, 2020, September 11, 2020 and December 11, 2020."

Section 1.02 Section 9.02(a)(iii) of the Agreement is hereby amended and restated and shall, following this Amendment, read in full as follows:

"(iii) without duplication, any Liability arising directly from (A) any Action filed with or by any Governmental Authority prior to the Closing Date, (B) an Action set forth on Schedule 3.09, (C) any Action filed prior to the Closing Date, (D) any other Action against Buyer or any DVU Transferred Entity which Action (1) covers all or any part of the subject matter of any of the Actions set forth on Schedule 3.09 and (2) is commenced within the four-year period following the Closing Date or (E) any (1) Borrower Defense Claims arising from applications for Title IV Program loan repayment relief made or submitted by Title IV Program loan borrowers to the DOE prior to the Closing and (2) Borrower Defense Claims arising from applications for Title IV Program loan repayment relief made or submitted by Title IV Program loan borrowers to the DOE within the first six years post-Closing but only to the extent such Borrower Defense Claims relate to Title IV Program loan borrowers who were enrolled at the University pre-Closing, even if the DOE has yet to adjudicate such applications for relief and make a recoupment claim against the University within the same six-year period and such claims are subsequently made against the University; provided, however, that if there have been no Actions of the type described in clause (D) of this Section 9.02(a)(iii) commenced during any consecutive 12-month period beginning after the one-year anniversary of the Closing Date, then Buyer shall have no further right to indemnification pursuant to clause (D) of this Section 9.02(a)(iii) following the end of such 12-month period; or"

Section 1.03 The Agreement is hereby amended to add a new Section 9.02(a)(v), which shall read as follows:

"(v) without duplication, and until December 31, 2031, (A) the good faith determination by Buyer after consultation with Seller that the net proceeds (including anticipated future proceeds) to any DVU Transferred Entity on the Institutional Capital Contribution to the Federal Perkins Loan Program will be less than $13,450,000, (B) the assignment of loans from any DVU Transferred Entity Federal Perkins Loan Program to the DOE or (C) the purchase of loans from any DVU Transferred Entity Federal Perkins Loan Program by any DVU Transferred Entity pursuant to CFR 34, Section 67450(g) of the Federal Perkins Loan Program regulations or as otherwise provided by the Federal Perkins Loan Program regulations, in each case of the matters described in clauses (A) and (C) of this Section 9.02(a)(v), to the extent such Liability does not result solely from conduct of Buyer or any DVU Transferred Entity after the Closing. For the avoidance of doubt, (1) any assignment of, or attempt to assign, loans from any DVU Transferred Entity Federal Perkins Loan Program to the DOE or (2) liquidation of the Federal Perkins Loan Program, in each case, would not be deemed conduct of Buyer or any DVU Transferred Entity that would limit the obligations of Seller under this Section 9.02(a)(v)."

Section 1.04 The Agreement is hereby amended to add a new Section 9.02(d), which shall read as follows:

"(d) Notwithstanding anything to the contrary set forth herein, in the event the DOE imposes a letter of credit (in addition to the DOE LC) upon the Buyer or the DVU Transferred Entities within the one year period following the Closing Date as a result of the activities and operations of the DVU Transferred Entities (including the University) at any time prior to Closing (including, without limitation, Liabilities arising out of the Borrower Defense Claims), Seller will promptly obtain and have issued such letter of credit on behalf of such Parties, in an amount not to exceed $10,000,000. For the avoidance of doubt, this covenant to obtain and issue a letter of credit is in addition to, and not in lieu of, any other indemnification obligation under this Agreement."

Section 1.05 Section 9.04(c) of the Agreement is hereby amended and restated and shall, following this Amendment, read in full as follows:

"(c) in no event will Seller's aggregate Liability arising out of or relating to Section 9.02(a)(i)-(iv) exceed $340,000,000, plus any amount by which the DOE LC is drawn on under Section 5.08 (the "Cap"); however, notwithstanding anything in this Agreement to the contrary, Seller's aggregate Liability under this Agreement, and Seller's obligation to indemnify any Buyer Indemnitee under Section 9.02(a), will not exceed the Cap. Notwithstanding the foregoing, nothing in this Agreement shall be deemed to limit, restrict, or modify the DOE's statutory or regulatory authority to seek recourse from the DVU Transferred Entities for liabilities arising from their participation in the Title IV Programs."

Section 1.06 The clause in Section 11.01 of the Agreement beginning with "if to Buyer, to:" is hereby amended and restated and shall, following this Amendment, read in full as follows:

"If to Buyer, to: Cogswell Education, LLC
c/o Palm Ventures, LLC
19 W. Elm Street
Greenwich, CT 06830
Attention: Bradley Palmer
E-mail: bpalmer@palmventures.com
Facsimile No.: (203) 302-7001".

ARTICLE 2
MISCELLANEOUS

Section 2.01 Effect of Amendment. This Amendment will be effective as of the date first written above. After giving effect to this Amendment, unless the context otherwise requires, each reference in the Agreement and the Exhibits, Sections, Schedules and Disclosure Schedules thereto to "this Agreement", "the Agreement", "hereof", "herein" or words of like import referring to the Agreement will refer to the Agreement as amended by this Amendment. Except as amended hereby, the Agreement will continue in full force and effect and will be otherwise unaffected hereby.

Section 2.02 Counterparts; Effectiveness. This Amendment may be signed in any number of counterparts, each of which will be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. This Amendment will become effective when each Party will have received a counterpart hereof signed by all of the other Parties. Until and unless each Party has received a counterpart hereof signed by the other Parties, this Amendment will have no effect and no Party will have any right or obligation hereunder (whether by virtue of any other oral or written agreement or other communication). The exchange of a fully executed Amendment (in counterparts or otherwise) by electronic transmission in .PDF or other equivalent format or by facsimile will be sufficient to bind the Parties to the terms and conditions of this Amendment.

Section 2.03 Headings. The headings in this Amendment are for reference only and shall not affect the interpretation of this Amendment.

Section 2.04 Other Miscellaneous Terms. The provisions of Article XI of the Agreement shall apply *mutatis mutandis* to this Amendment, and the Agreement as modified by this Amendment, taken together as a single agreement, reflecting the terms as modified hereby.

[Signature Page Follows.]

IN WITNESS WHEREOF, the Parties have caused this Amendment to be duly executed by their respective authorized officers as of the day and year first above written.

SELLER:

ADTALEM GLOBAL EDUCATION INC.

By: _____
Name: Stephen W. Beard
Title: Senior Vice President and General Counsel

BUYER:

COGSWELL EDUCATION, LLC

By: _____
Name: Bradley Palmer
Title: Manager

Signature Page to Amendment No. 3 to Stock Purchase Agreement

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Section 4: EX-2.5 (EXHIBIT 2.5)

Exhibit 2.5

PROMISSORY NOTE

$10,000,000 December 11, 2018

FOR VALUE RECEIVED, the undersigned, DeVry University, Inc. ("Debtor"), hereby promises to pay to Adtalem Global Education Inc. ("Payee"), to an account or accounts designated in writing by Payee, the principal sum of $10,000,000 together with interest thereon calculated in accordance with the provisions of this Promissory Note (as amended, amended and restated, supplemented or otherwise modified, this "Note"), in cash or currency of the United States of America. This Note is delivered in connection with that certain Stock Purchase Agreement, dated as of December 4, 2017 (as amended or supplemented, the "Purchase Agreement"), by and between Payee and Cogswell Education, LLC ("Cogswell"). Capitalized terms used but not defined in this Note have the meaning given to them in the Purchase Agreement.

1. Interest. Interest shall accrue on the unpaid principal amount of this Note outstanding from time to time from and including the date hereof until the Maturity Date (as defined below) at a rate per annum equal to 4.00%. Interest shall be due and payable annually in arrears on January 1 (with respect to the immediately preceding year) and on the Maturity Date, in like money to such account as Payee from time to time shall designate in writing. Debtor shall pay interest on this Note in cash to Payee in an aggregate amount equal to the accrued and unpaid interest on such date. Interest shall be computed on the basis of the actual number of days elapsed over a year consisting of 365 days.

2. Principal Payments. The principal amount of this Note plus all accrued but unpaid interest shall be payable in full on the earliest of (i) January 1, 2022, (ii) the date on which Cogswell or one of its Affiliates receives proceeds from the sale of (x) all or substantially all of the assets of the Debtor or the University or (y) at least a majority of the DVU Equity Interests, (iii) the date of the winding-up of Cogswell, the Debtor or the University, or (iv) the date on which this Note is earlier accelerated pursuant to Section 7 (the "Maturity Date"). Also, Debtor shall have the right at any time and from time to time to prepay, in whole or in part, without premium or penalty, the unpaid principal amount of this Note and accrued interest on such amount. Any such voluntary prepayments shall be applied first to reduce accrued but unpaid interest on the outstanding principal of this Note and then to reduce the outstanding principal amount of this Note.

3. Mandatory Principal Payments. In addition to any payments required by Section 2, on January 1, 2020 and January 1, 2021, Debtor shall be required to pre-pay the Note in immediately available funds to such account as Payee from time to time shall designate in writing, by an amount equal to the net cash actually received by Debtor, Cogswell or their Affiliates with respect to the Federal Perkins Loan Program of the University ("Perkins Loan Proceeds") during the immediately preceding twelve month period ending December 31 for each such period. Any

such mandatory prepayments shall be applied first to reduce accrued but unpaid interest on the outstanding principal of this Note and then to reduce the outstanding principal amount of this Note.

4. Payment Dates. Notwithstanding anything contained herein to the contrary, in the event that any interest, principal or other payment is due on a date that is not a Business Day, then the payment shall be due on the first Business Day following such date. For purposes of this Note, the term "Business Day" means any day other than a Saturday, Sunday, legal holiday or day on which banks in Chicago, Illinois are authorized or required by Law to be closed.

5. Representations and Warranties. Each Party represents and warrants that as of the date of this Note, such Party (a) has the legal capacity and, if applicable, corporate power and authority to execute and deliver this Note and to perform all of its obligations under this Note, and (b) this Note has been duly executed and delivered by each Party and is the legal, valid, binding obligation of such Party, enforceable against such Party in accordance with its terms.

6. Event of Default. The occurrence of any of the following events shall result in Debtor being in default under this Note (each, an "Event of Default"):

(a) the failure of Debtor to pay any amount of the principal or interest due on this Note when due and such failure continues for five Business Days after written notice thereof from Payee;

(b) Debtor or Cogswell (i) files, or consents by answer or otherwise to the filing against it of, a petition for relief or reorganization or arrangement or any other petition in bankruptcy, for liquidation or to take advantage of any bankruptcy, insolvency, reorganization, moratorium or other similar law of any jurisdiction, (ii) makes an assignment for the benefit of its creditors, (iii) consents to the appointment of a custodian, receiver, trustee or other officer with similar powers with respect to it or with respect to any substantial part of its property, or (iv) is adjudicated as insolvent or to be liquidated;

(c) a court or governmental authority of competent jurisdiction enters an order appointing, without consent by Debtor or Cogswell, as applicable, a custodian, receiver, trustee or other officer with similar powers with respect to it or with respect to any substantial part of Debtor's or Cogswell's property, as applicable, or constituting an order for relief or approving a petition for relief or reorganization or any other petition in bankruptcy or for liquidation or to take advantage of any bankruptcy or insolvency law of any jurisdiction, or ordering the dissolution, winding up or liquidation of Debtor or Cogswell, or any such petition shall be filed against Debtor or Cogswell and such petition shall not be dismissed within 30 days of commencement;

(d) any (i) change in ownership of more than 50% of the then outstanding equity interests of Debtor, Cogswell or DeVry New York Inc. or (ii) sale of all or a material portion of the assets of Debtor, Cogswell or DeVry New York Inc., unless all of the proceeds of such asset sale are used to pre-pay this Note; or

(e) Debtor (i) breaches or fails to comply with or to perform any other material term, obligation or covenant contained in this Note, any instrument, agreement, certificate or document executed in connection with this Note, or (ii) any representation or warranty contained in this Note was false or misleading when made.

Promptly upon becoming aware of any Event of Default, and in any event within five Business Days, Debtor shall provide Payee written notice of the occurrence of such Event of Default. Any Event of Default pursuant to Section 6(e) may be cured, so long as (i) Debtor has not been given notice of a breach of the same provision of this Note in the preceding 12 months and (ii) Debtor cures such breach within ten Business Days of the occurrence of such default.

7. Acceleration; Remedies.

(a) Upon the occurrence of any Event of Default, except under Sections 6(a), without any further action on the part of Payee, all liabilities and obligations of Debtor under this Note shall become immediately due and payable in full and Payee may exercise any rights or remedies provided under this Note or pursuant to any applicable law or agreement. Upon the occurrence of an Event of Default under Sections 6(a), Payee may declare all liabilities and obligations of Debtor under this Note immediately due and payable and the same shall thereupon become immediately due and payable without any further action on the part of Payee and Payee may exercise any rights or remedies as provided herein or pursuant to any applicable law or agreement. In addition to the foregoing, Payee may exercise those rights and remedies available to a secured party under the UCC.

(b) No right or remedy conferred upon or reserved to Payee hereunder or now or hereafter existing at law or in equity is intended to be exclusive of any other right or remedy, and each and every such right or remedy shall be cumulative and concurrent, and in addition to every other such right or remedy, and may be pursued singly, concurrently, successively or otherwise, at the sole discretion of Payee, and shall not be exhausted by any one exercise thereof but may be exercised as often as occasion therefor shall occur. No course of dealing between Debtor and Payee or any delay on the part of Payee in exercising any rights hereunder shall operate as a waiver of any right.

8. Collateral. As security for the prompt and complete payment when due of all of the obligations and liabilities of Debtor under this Note, Debtor hereby grants to Payee a lien on and security interest in all of its right, title and interest in, to and under all Accounts and all other rights to payment, in each case, solely with respect to the Perkins Loan Proceeds, whether such rights to payment constitute Accounts, Payment Intangibles or any other classification of property, or are evidenced in whole or in part by Instruments, Chattel Paper or Documents, whether now existing or hereafter from time to time acquired and wherever located (collectively, the "Collateral"). As used herein, the following terms shall be defined terms having the meaning set forth for such terms in the Uniform Commercial Code as in effect in the State of Delaware: "Account", "Payment Intangibles", "Instruments", "Chattel Paper", "Documents". For the avoidance of doubt, so long as an Event of Default is not continuing, any Perkins Loan Proceeds received by Debtor may be used by Debtor in connection with the operation of Debtor's business.

9. Right of Set-off. Debtor shall have the right (but not the obligation) to withhold and set off against any amounts due hereunder, the amount of Damages payable by Payee to any Buyer Indemnified Party, other than the DOE, under Section 9.02(a) of the Purchase Agreement, which amount shall be set off first by any unpaid interest amounts followed by any principal amounts outstanding hereunder until such time as this Note is paid in full by Debtor or the full amount of this Note, including all principal and interest, has been offset. In the event of a dispute as to Seller's Liability (including the amount of Damages) for a claim for indemnification under Section 9.02(a) of the Purchase Agreement, and Debtor notifies Payee in writing that Debtor elects to set off against any amounts due hereunder Damages related to such unresolved disputed claim (such disputed amount of Damages, the "Disputed Damages Amount"), any required payments under this Note (principal or interest) shall be suspended (and interest on such amount will stop accruing) up to the Disputed Damages Amount for the unresolved claim until Damages for such claim have been resolved. If the indemnification claim or the amount of Damages is resolved in Payee's favor (i.e. the amount of Damages as finally determined (the "Actual Damages Amount") is less than the Disputed Damages Amount), Debtor will pay at the time such required payments are due, or if later, the time of such resolution, an amount equal to the Disputed Damages Amount less the Actual Damages Amount, plus interest accrued on such amount from the date of the suspension. For the avoidance of doubt, (i) any undisputed Damages for a claim may be set off immediately against any amounts due hereunder and (ii) the Actual Damages Amount may be set off against any amounts due hereunder immediately following the final determination of such amount.

10. Notices. All notices, requests, claims, demands and other communications required or permitted hereunder will be in writing and will be deemed sent, given and delivered (a) immediately if given by personal delivery, (b) one day after deposit with an overnight delivery service, (c) three days after deposit in the mail via registered or certified mail (return receipt requested) to the Parties at the following addresses (or at such other address for a Party as will be specified by like notice) and (d) upon confirmation of receipt if given by electronic mail, facsimile or other customary means of electronic communication as provided below:

if to Debtor, to:
Cogswell Education, LLC
c/o Palm Ventures, LLC
19 W. Elm Street
Greenwich, CT 06830
Attention: Bradley Palmer
E-mail: bpalmer@palmventures.com
Facsimile No.: (203) 302-7001

with a copy (which will not constitute notice) to:

Greenberg Traurig, P.A.
401 East Las Olas Blvd, Suite 2000
Fort Lauderdale, FL 33301
Attention: Matthew W. Miller, Esq.
E-mail: millerma@gtlaw.com
Facsimile No.: (954) 765-1477

if to Payee, to:
Adtalem Global Education Inc.
3005 Highland Parkway
Downers Grove, Illinois 60515
Attention: Stephen W. Beard
E-mail: stephen.beard@adtalem.com
Facsimile No.: (630) 515-4555

with a copy (which will not constitute notice) to:

Jones Day
77 W. Wacker Drive, Suite 3500
Chicago, IL 60606
Attention: Timothy P. FitzSimons
E-mail: tfitzsimons@jonesday.com
Facsimile No.: (312) 782-8585

or to such other address or facsimile number as any Party will notify the other Parties (as provided above) from time to time. All such notices, requests and other communications will be deemed received on the date of receipt by the recipient thereof if received prior to 5:00 p.m. in the place of receipt and such day is a Business Day in the place of receipt. Otherwise, any such notice, request or communication will be deemed not to have been received until the next succeeding Business Day in the place of receipt.

11. Note Register. Debtor shall maintain a register of the holders of this Note as to both principal and stated interest and promptly reflect therein all transfers of this Note. Any transferee of this Note shall notify Debtor of such transfer, and upon entry by Debtor of such transfer in the register described in the preceding sentence, succeed to all of the rights of Payee under this Note and shall be deemed to be Payee for all purposes of this Note as of the date of such transfer. Any purported transfer of this Note that does not comply with the foregoing shall be null and void and of no effect. Debtor may treat the registered Payee of this Note as he, she or it appears on Debtor's books at any time as Payee for all purposes.

12. Successors and Assigns. This Note shall bind Debtor and its successors and assigns, and the benefits of this Note shall inure to the benefit of Payee and his, her or its successors and assigns. All references herein to the "Debtor" and "Payee" shall be deemed to apply to Debtor and Payee, respectively, and to their respective successors and permitted assigns.

13. Amendments and Waivers. Any provision of this Agreement may be amended or waived if, but only if, such amendment or waiver is in writing and is signed, in the case of an amendment, by Debtor and Payee, or in the case of a waiver, by the Party against whom the waiver is to be effective. No failure or delay by Payee in exercising any right, power or privilege hereunder will operate as a waiver thereof, nor will any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein provided will be cumulative and not exclusive of any rights or remedies provided by Law.

14. Interest Rate Limitation. Nothing contained in this Note or any transaction related to this Note, shall be construed or so operate as to require Debtor to pay interest at a greater rate than is now lawful or in such case to contract for, or to make any payment, or to do any act contrary to applicable law.

15. Waiver. Debtor hereby waives presentment, demand, notice of nonpayment, protest, notice of protest, notice of dishonor and any and all other notices in connection with any default, or any enforcement of the obligations under this Note. To the extent permitted by law, Debtor waives the right to any stay of execution and the benefit of all exemption laws now or hereafter in effect. No delay on the part of Payee in the exercise of any right, power or remedy shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or remedy preclude any other or further exercise thereof, or the exercise of any other right, power or remedy.

16. Cancellation. After all principal, accrued interest, premium and all other amounts at any time owed on this Note have been paid in full, this Note shall be surrendered to Debtor for cancellation.

17. Governing Law; Jurisdiction; Waiver Of Jury Trial.

(a) This Note, and all Actions (whether at law, in equity, in contract, in tort or otherwise) that may be based upon, arise out of or relate to this Note or the negotiation, execution or performance hereof will be governed by and construed and enforced in accordance with the law of the State of Delaware, without regard to the choice of law or conflicts of law principles thereof. The Parties expressly waive any right they may have, now or in the future, to demand or seek the application of a governing law other than the law of the State of Delaware.

(b) Each of the Parties hereby irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of the Court of Chancery of the State of Delaware or, if such court will not have jurisdiction, any federal court of the United States of America sitting in Delaware, and any appellate court from any appeal thereof, in any Action at law, in equity, in contract, in tort or otherwise based upon, arising out of or relating to this Note or the Transaction Documents or the transactions contemplated hereby or thereby or for recognition or enforcement of any judgment relating thereto, and each of the Parties hereby irrevocably and unconditionally (i) agrees not to commence any such Action except in such courts, (ii) agrees that any claim in respect of any such Action may be heard and determined in the Court of Chancery of the State of Delaware or, to the extent permitted by Law, in such federal court, (iii) waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any such Action in the Court of Chancery of the State of Delaware or such federal court and (iv) waives, to the fullest extent permitted by Law, the defense of an inconvenient forum to the maintenance of such Action in the Court of Chancery of the State of Delaware or such federal court. Each of the Parties agrees that a final judgment in any such Action will be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by Law. Each Party irrevocably consents to service of process in the manner provided for notices in Section 10. Nothing in this Note will affect the right of any Party to serve process in any other manner permitted by Law.

(c) EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS NOTE IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES, AND THEREFORE IT HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY ACTION AT LAW, IN EQUITY, IN CONTRACT, IN TORT OR OTHERWISE DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS NOTE AND ANY OF THE TRANSACTION DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY. EACH PARTY CERTIFIES AND ACKNOWLEDGES THAT (I) NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE EITHER OF SUCH WAIVERS, (II) IT UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF SUCH WAIVERS, (III) IT MAKES SUCH WAIVERS VOLUNTARILY AND (IV) IT HAS BEEN INDUCED TO ENTER INTO THIS NOTE BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 17.

18. Severability. If any term, provision, covenant or restriction of this Note is held by a court of competent jurisdiction or other Governmental Authority to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Agreement will remain in full force and effect and will in no way be affected, impaired or invalidated so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any Party. Upon such a determination, the Parties will negotiate in good faith to modify this Note so as to affect the original intent of the Parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

[Signature Follows On Next Page]

IN WITNESS WHEREOF, Debtor has executed this Note as of the date first written above.

DEBTOR:

DEVRY UNIVERSITY, INC.

By: _____
Name:
Title:

ACKNOWLEDGED AND AGREED, as of
the date first written above:

PAYEE:

ADTALEM GLOBAL EDUCATION INC.

By: _____
Name:

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Section 5: EX-99.1 (EXHIBIT 99.1)

Exhibit 99.1

Adtalem Global Education Completes Divestitures of DeVry University and Carrington College

CHICAGO--(BUSINESS WIRE)--December 11, 2018--Adtalem Global Education (NYSE: ATGE), a leading global education provider, today announced the completion of the transfer of ownership of DeVry University (DVU) and its Keller Graduate School of Management to Cogswell Education LLC. Today's announcement closely follows Adtalem's disclosure of the transfer of ownership of Carrington College to San Joaquin Valley College, Inc. (SJVC Inc.) which was completed on Dec. 4, 2018. Post divestitures, Adtalem Global Education's U.S. postsecondary degree-granting institutions serve the high-demand, rapidly growing medical and healthcare markets.

Cogswell Education, LLC assumed full ownership of DVU on Dec. 11, 2018. This transition enables DVU to further pursue its growth strategy while maintaining focus on successful student outcomes and students' ability to achieve their career goals.

On Dec. 4, 2018, Adtalem completed the transfer of Carrington College to SJVC, Inc., a family-owned, California-based career college. Carrington College, which will retain its brand, will benefit from partnering with a comparable institution.

"We are confident we have found the right partners for DVU and Carrington, as each institution begins the next chapter in its legacy of serving students," said Lisa Wardell, president and CEO of Adtalem Global Education. "We are grateful for the incredible efforts over the past year on the part of the teams from Cogswell and SJVC to ensure a smooth transition for our students, faculty and employee teams. As we look ahead, Adtalem's remaining institutions and companies create a focused, performance-oriented portfolio; competing in areas where we have the right to win with platforms upon which we have tremendous opportunities to grow."

About Adtalem Global Education

The purpose of Adtalem Global Education is to empower students to achieve their goals, find success, and make inspiring contributions to our global community. Adtalem Global Education Inc. (NYSE: ATGE, member S&P MidCap 400 Index) is a leading global education provider and the parent organization of Adtalem Educacional do Brasil (IBMEC, Damásio and Wyden institutions), American University of the Caribbean School of Medicine, Association of Certified Anti-Money Laundering Specialists, Becker Professional Education, Chamberlain University, EduPristine, Ross University School of Medicine and Ross University School of Veterinary Medicine. For more information, please visit adtalem.com.

CONTACT:
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630-353-9920

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