

EDLY INC.

**INVESTMENT MANAGEMENT AGREEMENT
DISCRETIONARY ACCOUNT**

INCOME SHARE AGREEMENT SECURITIES

This Agreement (the “Agreement”) is made and entered into as of the date set forth below by and between **EDLY, INC.** (the “Adviser”) and _____ (“Client”). By signing this Agreement, Client acknowledges that Client is engaging Adviser to provide discretionary advisory services for certain investments by Client that will be deposited in an account established by Client (the “Account”) with the Adviser in accordance with the following terms and conditions;

1. **Investment Discretion and Limitations.** Client hereby grants Adviser during the term of this Agreement full power and authority to manage on a discretionary basis the cash, securities and other assets that from time to time will comprise the Account. In furtherance of the foregoing, Adviser is expressly authorized to:
 - (a) make all investment decisions in respect of the Account.
 - (b) effect any and all transactions in cash, securities and other instruments including, without limitation, shares of beneficial interest; bonds, notes and debentures (whether subordinated, convertible or otherwise) and other obligations and instruments or evidences of indebtedness of whatever kind or nature; government obligations; and other financial instruments with respect thereto (collectively, “Securities”), whether or not any Securities have been registered under the Securities Act of 1933, as amended; provided that Adviser and Client agree and acknowledge that the primary investments to be made by Adviser for the benefit of the Client are Securities backed by or collateralized by or evidencing a beneficial interest in income share agreements (“ISAs”) as described on Exhibit A attached hereto and cash distributions and proceeds related thereto (collectively, “ISA Securities”);
 - (c) determine all matters relating to the manner, method and timing of investment and trading transactions and the negotiations of terms in connection with the acquisition and disposition of investment in Securities;
 - (d) open, maintain and close, and draw funds on, bank accounts in the name of the Account, but only in the course of effecting investment and trading transactions for the Account; and
 - (e) make and execute all such contracts, agreements, instruments and other documents and take all such other actions as Adviser may deem necessary or

appropriate in connection with the performance of its investment management duties hereunder or as Client may reasonably request from time to time; and

Client hereby designates and appoints Adviser as its agent and attorney-in-fact with respect to the Account, with full power and authority and without the need for further approval of Client or any other agent of Client (except as may be required by law or as otherwise required by this Agreement), to complete and execute all documents as may be required to effect an investment and to take any and all actions that Adviser, in its discretion, shall deem advisable to carry out its duties with respect to the assets of the Account.

Notwithstanding anything to the contrary in this Agreement, Adviser will manage the Account in accordance with Client's investment objectives, guidelines and/or restrictions, if any, that have been provided by Client and attached hereto as Exhibit B. Such investment objectives, guidelines and restrictions may be amended or supplemented from time to time by mutual agreement between Client and Adviser.

2. **Investment Risk.** Adviser does not guarantee the future performance of the Account or any specific level of performance, the success of any investment decision or strategy that Adviser may use, or the success of Adviser's overall management of the Account. Client understands that investment decisions made for the Account by Adviser are subject to various market, currency, economic, political and business risks, and that such investment decisions will not always be profitable. The price of ISA Securities can and will fluctuate, and any individual ISA Security may become valueless.
3. **Custody.** Adviser maintains custody of Client funds and Securities in accordance with the requirements of Rule 206(4)-2 promulgated under the Investment Advisers Act of 1940, as amended (the "Advisers Act"), and is authorized hereby by Client to hold and receive any Securities or cash that is part of the Account in accordance with the requirements of this rule.
4. **Periodic Reporting; Valuation.** Adviser will provide Client a report of the Account on a monthly basis, along with a yearly summary as of December 31 of each year. Adviser will value all ISA Securities and other investments in the Account in a manner determined in good faith by Adviser to reflect fair market value.
5. **Advisory Fees.** Client will pay Adviser a fee for its investment advisory services hereunder. The fee is described on Exhibit C. Adviser shall not be compensated on the basis of a share of capital gains upon or capital appreciation of the investments made by Adviser for Client or any portion of the investments of Client in the Account. The Adviser may modify, from time to time, the fees set forth in Exhibit C by written notice to the Client sent at least 30 days' prior to the effective date of such fee change, provided that Client does not object in writing prior to the end of such 30-day period.
6. **Additions; Withdrawals.** Client may make additions to and withdrawals of cash from the Account. Additional assets may be contributed to the Account at any time. Withdrawals of cash from the Account will be processed by the Adviser within ten (10)

business days' of a written request for withdrawal to the Adviser. Client acknowledges and agrees that ISA Securities in the Account are illiquid and cannot be withdrawn from the Account. Client may advise Adviser in writing if at any time Client desires to close the Account and transfer the Securities and investments to another account maintained by Client.

7. **Confidentiality**. Except as otherwise agreed in writing or as required by law, Adviser will exercise the highest degree of due diligence and care with respect to keeping confidential all Client information. However, by signing this agreement, Client authorizes Adviser to give a copy of this Agreement to any broker, dealer or other party to a transaction for the Account, as evidence of Adviser's power of attorney and authority to act on Client's behalf. In addition, Client grants Adviser authority to discuss, disclose, and provide confidential Client information to outside attorneys, auditors, consultants and any other professional Advisers retained by Adviser to assist with this Agreement and the exercise of Adviser's responsibilities hereunder and with the management of Client's Account.
8. **Services to Other Clients**. Client understands and agrees that Adviser performs investment advisory services for various other clients. Client agrees that Adviser may give advice or take action in the performance of its duties with respect to any of its other clients, or for the Adviser and/or its employees' own accounts, which may differ from advice given to or action taken on behalf of Client. Adviser is not obligated to buy, sell or recommend for Client any security or other investment that Adviser or its employees may buy, sell or recommend for any other client or for their own accounts.
9. **ERISA Accounts**. This section applies to qualified retirement plans governed by the Employee Retirement Income Security Act of 1974 ("ERISA"). If the account is for a plan subject to ERISA, Client appoints Adviser, and Adviser accepts its appointment, as an "investment manager." Adviser acknowledges that it is a "fiduciary" within the meaning of Section 3(21) of ERISA with respect to these accounts and understands that as a fiduciary, it must:

Act solely in the interests of the plan's participants and their beneficiaries;

Defray the expenses of administration of the plan;

Act with the care, skill, prudence, and diligence that a prudent man would use in the same situation;

Diversify plan investments to reduce the risks of large losses unless it is clearly prudent not to do so; and,

Act according to the terms of the plan documents, to the extent the documents are consistent with ERISA.

Client represents that Adviser has been furnished true and complete copies of all documents establishing and governing the plan and evidencing Client's authority to retain Adviser. Client will furnish promptly to Adviser any amendments to the plan, and

Client agrees that, if any amendment affects the rights or obligations of Adviser, such amendment will be binding on Adviser only when agreed to by Adviser in writing. If the Account contains only a part of the assets of the plan, Client understands that Adviser will have no responsibility for the diversification of all of the plan's investments, and that Adviser will have no duty, responsibility or liability for Client assets that are not in the Account. If ERISA or other applicable law requires bonding with respect to the assets in the Account, Client will obtain and maintain at its expense bonding that satisfies the requirement and covers Adviser and its Affiliated persons (as defined in the Advisers Act).

10. **Securities Voting.** Client shall maintain all voting authority, if any, with respect to any Securities in Client's Account unless a specific written delegation of voting authority has been given to Adviser. If Adviser is assigned such authority, Adviser will exercise any voting rights guided by general fiduciary principles in a prudent manner and solely in the interest of Client, as provided in Rule 206(4)-6 under the Advisers Act.
11. **Investment Adviser Registration.** Adviser has filed an application to be registered as an investment adviser in the State of New York and will maintain this registration, once approved, for so long as the Adviser continues to provide investment advisory services under the terms of this Agreement until an exemption becomes available or the Adviser becomes registered with the Securities and Exchange Commission ("SEC") in accordance with the requirements of the Advisers Act.
12. **Governing Law.** This Agreement and its validity, construction, and performance shall be governed in all respects by the laws of the State of New York applicable to agreements to be performed wholly within the State of New York, without regard to principles of conflict of laws.
13. **Client Representations.** Client represents that it has beneficial ownership over all Securities that will be held in the Account, full and unrestricted power to employ Adviser to manage the Account on a discretionary basis and that any Securities which are held in Client's Account will remain free from any lien, charge or other encumbrance unless Client so notifies Adviser in writing and Adviser so agrees. If Client is a company, government, trust, estate or other entity, Client represents that the person executing this Agreement on its behalf has full power and authority to do so and that it is binding on Client.
14. **Termination.** This Agreement shall be in effect until either party hereto gives written notice to the other party of its intention to terminate this Agreement. This Agreement may be terminated, without penalty, upon at least 30 days written notice by either party. Transactions in progress will be completed in the normal course of business.
15. **Liability.** (a) Adviser will not be liable to Client for any loss or liability that may arise in the following circumstances, provided that in any such case the Adviser has acted in a manner that is reasonably consistent with its fiduciary responsibilities under the provisions of Section 206 of the Advisers Act:

- (i) any loss that Client may suffer by reason of any investment decision made or other action taken or omitted in good faith by Adviser with that degree of care, skill, prudence, and diligence under the circumstances that a prudent person acting in a fiduciary capacity would use;
- (ii) any loss arising from Adviser's adherence to Client's written or oral instructions; or
- (iii) any act or failure to act by any third party with whom Adviser engages in transactions for the investment of Securities for Client's Account and selects consistent with the standard of care in subsection (a).

(b) The federal and state securities laws impose liabilities under certain circumstances on persons who act in good faith, and therefore nothing herein shall in any way constitute a waiver or limitation of any rights that Client may have under such laws.

16. **Form ADV/Brochure Delivery.** As required by Rule 204-3 under the Advisers Act, Client acknowledges receipt of Part II of Adviser's Form ADV, or an alternative disclosure brochure. Such disclosure document was provided either (i) at least 48 hours prior to entering into this written Agreement or (ii) at the time of entering into this Agreement with the right to terminate such Agreement, without penalty, within five (5) business days after entering into it by giving written notice of such cancellation to Adviser.
17. **Privacy Notice.** In compliance with the SEC's Regulation S-P (Privacy of Consumer Financial Information), which was adopted to comply with Section 504 of the Gramm-Leach Bliley Act, the Adviser has disclosed to Client its policies and procedures regarding the use and safekeeping of personal information, including, if applicable, how such Client may avoid ("opt out" of) having his/her information shared. By signing below, Client acknowledges that it has read and understands the initial delivery of Adviser's annual privacy notice.
18. **Arbitration.** Any controversy or claim, including but not limited, to, errors and omissions arising out of, or relating to, this Agreement or the breach thereof, shall be settled by arbitration, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof, Client understands that this Agreement to arbitrate does not constitute a waiver of the right to seek a judicial forum where such waiver would be void under federal or state securities laws. Arbitration is final and binding on the parties.
19. **Assignment.** This Agreement may not be assigned (within the meaning of Rule 202(a)(1)-1 under the Advisers Act) by either Client or the Adviser without the prior written consent of the other party. Client acknowledges and agrees that transactions that do not result in a change of actual control or management of the Adviser shall not be considered an assignment.
20. **Notices.** Any notices required to be delivered hereunder shall be in writing and personally delivered, mailed or sent by telecopy, electronic mail or other similar form of

rapid transmission, and shall be deemed to have been duly given upon receipt by the Adviser or by the Client at its address set forth in Exhibit D attached hereto.

This Agreement represents the entire Agreement between the parties and may be changed or amended only by an agreement in writing signed by all parties.

CLIENT:

Dated: _____ (Sign Name Here)
_____ (Print Name Here)

ADVISER:

EDLY, INC.

Dated: _____ By: _____

Name:
Title:

INCOME SHARE AGREEMENTS

Instead of taking out a loan, students agree to pay a fixed percentage of their earnings for a fixed number of months, which customarily ranges from 24 to 120 months (but can be more or less). Students are obligated to make a monthly payment only if they are working in that month and earning more than a specified minimum salary, which typically ranges from \$25,000 to \$60,000

For example, a student may have to pay 10% of their earnings each month for 48 months, but only if they earn over \$45,000 per year. Payments are also subject to a total cap on payments– for example, the student won't need to pay more than 1.5 times the tuition (sometimes caps are higher or lower than that multiplier). There is also a payment obligation window after which the student no longer has any obligation to make further payments, regardless of the number or amount of payments made.

An important feature of ISAs is their ability to align the interests of schools, students and investors. Because the school is the party best able to influence student outcomes (through admissions, education, and job placement) when possible, Edly has structured its ISA platform so that returns for schools and investors are directly aligned with the success of the students (“skin in the game”).

EXHIBIT B

INVESTMENT MANAGEMENT AGREEMENT INVESTMENT GUIDELINES & RESTRICTIONS

The following investment guidelines and restrictions are to be followed by Adviser in the management of the undersigned Client's account. (Please describe investment guidelines and restrictions below or attach a separate statement.)

Edly allocates investments across ISA pools in a diverse mix of schools, industries, and geographies.

Outcomes Strategy provides investors with diversified ISA investment portfolios backed by (i) pools of ISA contracts, and (ii) loans to schools backed by ISA contracts. As an alternative to a single investment directly in an ISA pool or ISA-backed loan, the use of a managed account allows for minimization of risk through diversification.

Outcomes can be offered on Principal-Protected basis. Edly will purchase U.S. Government Bonds to back the investment principal. Edly will manage the disposition of the Bonds to maximize the return to the investors while still maintaining the principal protection.

At the direction of the client, , Edly will seek liquidity opportunities and present them to the client for approval.

Client's Signature	Date

**INVESTMENT MANAGEMENT AGREEMENT
FEE SCHEDULE**

The following investment advisory fee schedule will be utilized by Adviser to calculate the undersigned Client's advisory fee:

Management Fees:

If offered on a principal protected basis, the fees are as follows: .5% of the initial investment amount per year for two years, plus 2% of ISA cashflows, plus 1% of the Treasury STRIPS cashflows.

If not offered on a principal protected basis, the fees are as follows: 1% of the initial investment amount per year for two years, plus 4% of the ISA cashflows.

If the account is terminated by investor prior to maturity of the investments, Edly will liquidate the investments and charge the management fees on the cash returned to investors at termination.

Expenses:

Edly will also charge investors all of the out of pocket expenses relating to the management of the account up to 1% of cash returned to investors.

Client's Signature	Date

ADDRESSES FOR NOTICES

CLIENT:

ADVISER:

EDLY INC.

555 Pleasantville Road, Suite N202

Briarcliff Manor, NY 10510

Attention: Chris Ricciardi, CEO

EMAIL: chris@edly.info