

**MARYLAND HIGHER EDUCATION COMMISSION
STATE ORCHESTRATED TEACH-OUT AGREEMENT**

In order to serve the students of the precipitously closed Maryland private career school Frederick School of Cosmetology (“FSC”), **The Temple: A Paul Mitchell Partner School** (the “Teach-out School”) has entered into this State Orchestrated Teach-out Agreement (“Agreement”) with the **Maryland Higher Education Commission** (“MHEC”).

Terms of Teach-out

1. Scope. This Agreement applies only to the enrollment of Qualifying Students in The Temple: A Paul Mitchell Partner School’s MHEC-approved Cosmetology Program (1500 clock hours) (the “Teach-out Program”).
2. Qualifying Students. A Qualifying Student is a student who was:
 - a. Enrolled in and attending FSC when it closed on September 10, 2019, or on an approved Leave of Absence from FSC on that date; and,
 - b. Enrolled in FSC’s MHEC-approved Cosmetology program (1500 clock hours).
3. Duties of the Teach-out School. The Teach-out School agrees to implement the teach-out of Qualifying Students in accordance with the following requirements and protocols.
 - a. *Transfer Credit*. A Qualifying Student may transfer into the Teach-out Program. A Qualifying Student shall receive appropriate credit toward the Teach-out Program for prior training based either on a review of the student’s academic transcripts and records or on appropriate placement testing.
 - b. *Tuition and Fees*. The Qualifying Student shall pay no tuition or fees in excess of the amount the Qualifying Student contracted to pay at the time of initial enrollment at FSC. The Teach-out School may charge only the balance of the tuition that the student owed to FSC. For example, if the student paid tuition in full to FSC, the student may be charged only the cost of books and materials to complete the program. If partial tuition was paid to FSC, the student may be charged no more than the balance due to FSC.
 - c. *Additional Purchases*. If additional books, materials, or industry test exams are required to complete the program, the Qualifying Student shall be given the choice of purchasing these through the Teach-out School, or through other sources.
 - d. *Enrollment Agreement*. The Teach-out School shall ensure that the Qualifying Student signs an enrollment agreement with the Teach-out School before enrolling. The enrollment agreement shall disclose the scheduled program completion date and the tuition to be charged, which shall not exceed the maximum permitted amount under Paragraph 2, above.

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- e. *Completion.* Upon successful program completion, the Qualifying Student shall receive a certificate of completion from the Teach-out School.
 - f. *Enrollment Restrictions.* The Teach-out School may not enroll the Qualifying Student in any other program while the student is completing the teach-out program. Only after the Qualifying Student completes the teach-out program may the student enroll in any other program at the school.
 - g. *Enrollment Limitations.* The Teach-out School shall comply with the maximum enrollment limitations and the student-to-teacher ratios approved by MHEC for the Teach-out School.
 - h. *Financial Guarantee.* The financial guarantee of the Teach-out School, if applicable, must be sufficient to cover the tuition liability of all students, including Qualifying Students in the Teach-out Program. If the Teach-out School's current financial guarantee is insufficient to provide this coverage, a new financial guarantee must be posted within 60 days of the date this Agreement is executed.
 - i. *Records and Reporting.*
 - i. The Teach-out School shall designate, and shall provide to MHEC the contact information for, a staff person at the Teach-out School who is responsible for the teach-out of Qualifying Students.
 - ii. The Teach-out School shall notify MHEC when a Qualifying Student enrolls in the Teach-out Program.
 - iii. The Teach-out School shall provide to MHEC a copy of the final transcript and certificate of each Qualifying Student who completes the Teach-out Program.
4. Duties of Maryland Higher Education Commission.
- a. *Communication with School.* MHEC shall provide to the Teach-out School the contact information of MHEC staff members who are coordinating teach-out options for FSC students, including the contact information of a staff person from whom to obtain Qualifying Students' transcripts.
 - b. *Communication with Students.* MHEC shall provide to Qualifying Students information concerning the Teach-out Program at the Teach-out School.

General and Enforcement Provisions

5. Duration. This Agreement is for a term commencing on the date that this Agreement has been executed by both parties, and shall automatically terminate upon the completion of the Teach-out Program by all Qualifying Students at the Teach-out School.

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6. Amendment.

- a. This Agreement constitutes the entire understanding of MHEC and the Teach-out School with respect to their rights and obligations in carrying out the terms of the Agreement, and supersedes any prior or contemporaneous agreements or understandings.
- b. This Agreement may be modified only by written amendment executed by both parties.

7. Termination.

- a. MHEC or the Teach-out School may, at its sole discretion, terminate this Contract by delivering 30 days written notice to the other party. Paragraphs 8, 9, and 10 survive any termination.
- b. Notwithstanding any termination, the parties' obligations to Qualifying Students who enrolled in the Teach-out Program prior to the termination remain intact.

8. Indemnification. To the extent permitted under the Constitution and laws of the State of Maryland, the Teach-out School shall defend, indemnify, and hold harmless the State of Maryland, its officers, and employees, and MHEC, its commissioners, employees, and contractors, from and against all claims, actions, suits, demands, proceedings, costs, damages, and liabilities, including without limitation attorneys' fees and court costs, arising out of, connected with, or resulting from any acts or omissions of the Teach-out School or any agent, employee, or subcontractor of the Teach-out School in the execution or performance of this Agreement.

9. Governing Law. This Agreement shall be governed by the laws of the State of Maryland.

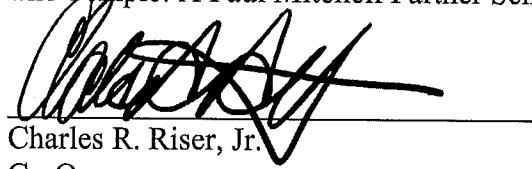
10. Authority to Execute. Each party has taken all action necessary for the approval and execution of this Agreement, and execution by the person signing on behalf of each party has been made with full authority to commit the party to all terms and conditions of this Agreement, which shall constitute valid, binding obligations of each party.

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Teach-out Agreement
by The Temple: A Paul Mitchell Partner School
for Frederick School of Cosmetology Students

Accepted and Agreed to by:

The Temple: A Paul Mitchell Partner School



Charles R. Riser, Jr.
Co-Owner

Date: September 11, 2019

Maryland Higher Education Commission



Dr. James D. Fielder
Secretary of Higher Education

Date: 9/13/19

Approved for Legal Sufficiency:



Soma R. Kedia, Esq.
Assistant Attorney General