

## **PURCHASE AGREEMENT**

This **PURCHASE AGREEMENT** (the “**Agreement**”) with effect from July 19, 2023 (the “**Closing Date**”), is made by and between:

(1) **MOREHOUSE COLLEGE**, a not-for-profit educational corporation duly organized under the laws of the State of Georgia (the “**Seller**”); and

(2) **THE ROLLING JUBILEE FUND**, a not-for-profit corporation duly formed under the laws of the State of Delaware (the “**Buyer**”).

### **RECITALS**

- I. Seller’s mission is to develop men with disciplined minds who will lead lives of leadership and service. Seller makes institutional funds available to eligible students to help them pay their tuition and educational expenses incurred to attend college at Seller. Each student who receives these funds (directly or indirectly through direct application of funds in respect of tuition or other educational expenses) is liable and responsible for the repayment of these amounts to Seller. With respect to each such student, Seller maintains on its books and records a student account with an outstanding balance that reflects the portion of the funds not repaid by such student.
- II. Buyer is a not-for-profit corporation whose mission includes the acquisition and cancellation as gifts of student debt and similar student liabilities.
- III. Each student account of a former student of Seller (each, an “**Obligor**”) on the books and records of Seller with an outstanding balance and the amount of such outstanding balance is itemized in Schedule A to this Agreement (each such account, an “**Outstanding Student Account**”, and the outstanding balance thereof, an “**Outstanding Student Account Balance**”), which Outstanding Student Accounts have aggregate Outstanding Student Account Balances (including any accrued interest thereon, if any) of Nine Million Five Hundred Eight Thousand Four Hundred Forty and 61/100 Dollars (\$9,508,440.61).
- IV. Seller wishes to sell, and Buyer wishes to buy, all right, title, and interest in and to the Outstanding Student Account Balances, pursuant to the terms and conditions set forth in this Agreement.
- V. Prior to the date of this Agreement, Buyer has conducted and had sufficient opportunity to conduct and complete any desired financial, legal and other due diligence in connection with the Outstanding Student Account Balances (“**Due Diligence Period**”) and the transactions contemplated by this Agreement, the results of which are satisfactory to Buyer.

**NOW, THEREFORE**, in consideration of the foregoing and the representations, warranties, covenants, and agreements herein contained, the parties to this Agreement hereby agree as follows:

1. **Purchase.** Seller hereby irrevocably sells, conveys, transfers, and assigns to Buyer all of the Seller's interest in and to, and all attendant rights (including to receive payment) in respect of, the Outstanding Student Account Balances, without recourse and (except as expressly set forth in Section 5 hereof) without representations or warranties of any kind or nature, expressed, implied (including as to collectability), or imposed by law, on an "as is" basis and "with all faults", and Buyer hereby purchases and accepts, together with all duties, responsibilities, payment, and performance obligations of Seller, as of the Closing Date, in, to, and in respect of the Outstanding Student Account Balances (such transactions, the "**Transfer**", and the closing of such Transfer on the Closing Date, the "**Closing**"). After the Closing, the Buyer shall be the absolute owner of each purchased Outstanding Student Account Balance.

2. **Purchase Price.** At the Closing, the Buyer shall deliver in exchange for the Outstanding Student Account Balances an aggregate purchase price equal to One Hundred Twenty Five Thousand and No/100 Dollars (\$125,000.00) (the "**Purchase Price**") by wire transfer of immediately available funds or other electronic transfer to such account as may be designated by Seller in writing for such purpose. Seller acknowledges and agrees that the Purchase Price is full and satisfactory consideration for the Outstanding Student Account Balances. Buyer has determined and agreed to pay the Purchase Price on the basis of its independent investigation and evaluation of the Outstanding Student Accounts and related Outstanding Student Account Balances.

3. **Required Disclosures.** In connection with each of the Outstanding Student Accounts set forth in Schedule A, Seller shall provide the following information on such Schedule A adjacent to the applicable Outstanding Student Account (to the extent known by Seller): each Obligor's name, last known address, electronic mail address, and student identification number assigned to each Obligor by Seller (collectively, "**Student Account Information**"). All Student Account Information known to Seller has been provided by or on behalf of Seller to Buyer as of the Closing Date; provided that, Seller shall deliver to Buyer all such Student Account Information that Seller comes to know or possess, as applicable, following the Closing Date. Buyer agrees to maintain the confidentiality of the Student Account Information in accordance with applicable law, including, but not limited to, the Family Educational Rights and Privacy Act (FERPA). Buyer shall only use the Student Account Information in connection with: the Transfer contemplated by this Agreement; undertaking the cancellation of the Outstanding Student Account Balances effective upon the Closing; and as may otherwise be permitted or consented to by the relevant Obligor in connection with any credit counseling or similar services provided by (or on behalf of) Buyer to such Obligor.

4. **Closing Deliveries.** At the Closing: (a) the parties shall deliver to one another a fully executed Bill of Sale and Assignment, in form and substance reasonably acceptable to the parties; and (b) Seller shall pay any transfer, filing, and recording fees, taxes, costs, and expenses that may be required in connection with the Transfer.

**5. Seller's Representations, Warranties, and Covenants.** Seller represents, warrants, and covenants (as applicable) to Buyer that:

(a) Seller has all requisite power and authority to authorize the execution of this Agreement, to consummate the Transfer, and to otherwise perform its obligations hereunder; and the undersigned is duly authorized by Seller to execute this Agreement on Seller's behalf and by their signature to bind Seller to its terms;

(b) Seller has had the opportunity to discuss the Transfer with its counsel or other advisors;

(c) all enforcement initiatives commenced by Seller, if any, have been (and will remain through the Closing) terminated and all tradelines removed from all credit reporting agencies.

**6. Buyer's Representations, Warranties, and Covenants.** Buyer represents, warrants, and covenants (as applicable) to Seller that:

(a) it is duly formed, validly existing, and in good standing under the laws of the State of Delaware; it has the power and authority to authorize the execution of this Agreement, to consummate the Transfer, and to otherwise perform its obligations hereunder; and the undersigned is duly authorized by Buyer to execute this Agreement on Buyer's behalf and by their signature to bind Buyer to its terms;

(b) the Board of Directors of Buyer has passed a valid and binding resolution, attached as Exhibit A, authorizing Buyer to purchase and, following the Closing, cancel, the Outstanding Student Account Balances as a gift out of detached and disinterested generosity to the Obligors;

(c) it has: (i) conducted satisfactory independent financial, legal, and other due diligence in respect of each Outstanding Student Account and the related Outstanding Student Account Balances; (ii) been given the opportunity to ask questions of, and receive answers from, Seller concerning each Outstanding Student Account and the related Outstanding Student Account Balances and to obtain such additional information regarding the Outstanding Student Account Balances in order to evaluate the Transfer; (iii) had the opportunity to discuss each Outstanding Student Account and related Outstanding Student Account Balances, the Student Account Information, and the Transfer with its counsel or other advisors; and (iv) sufficient knowledge and experience in financial matters so as to be capable of evaluating the merits and risks of the Transfer;

(d) following the Transfer (and effective immediately upon Closing) it will irrevocably cancel the underlying debt and liability of each Obligor reflected in and in respect of the Outstanding Student Account Balances as a gift out of detached and disinterested generosity to the Obligors and will not engage in any enforcement of the Outstanding Student Account Balances or otherwise attempt to collect payments on the Outstanding Student Account Balances;

(e) it will treat the cancellation of the Outstanding Student Account Balances as a gift for federal income tax purposes, and will not send a Form 1099 to the Obligor or to the Internal Revenue Service;

(f) subject to receipt of the Student Account Information, promptly following the Closing, it will send each Obligor a letter, substantially in the form attached as Exhibit B, and it shall not otherwise communicate with the Obligors absent Seller consent;

(g) promptly following the Closing, it will post a Frequently Asked Questions document (the “FAQ”), substantially in the form attached as Exhibit C, on its webpage providing responses to questions frequently asked in connection with its loan forgiveness programs; and

(h) following the Closing, it will make its personnel reasonably available to answer Obligor questions in consultation with Seller.

7. **Further Assurances.** Buyer and Seller each agree to execute and deliver any further instruments or documents and perform any additional acts that are or may become necessary (as reasonably determined by the other party) to effectuate the Transfer.

8. **Public Statements.** Buyer and Seller each agree to collaborate on public relations strategy relating to the Transfer and to consult with one another before making any public statement, release any press release, or give any interview regarding the Transfer, the Outstanding Student Account Balances, the cancellation, or any related matter. In all such public statements the parties will use the language of “debt cancellation” rather than “debt forgiveness” to describe Buyer’s cancellation of the Obligors’ debt and liability as contemplated by this Agreement.

9. **Payment Received After the Closing Date.** In the event that Seller receives any amounts in connection with the Outstanding Student Account Balances on or after the Closing Date, Seller shall notify Buyer and shall (for and on behalf of Buyer) remit such amounts to the applicable Obligor.

10. **Mutual Release.** Effective upon the Transfer, Buyer and Seller each shall, and do hereby, fully release and forever discharge the other, its corporate parents, subsidiaries, divisions, and related or affiliated entities, and its and their past, present, and/or future owners, shareholders, predecessors, successors, administrators, members, managers, officers, trustees, directors, employees, agents, attorneys, insurers, reinsurers, representatives, and assigns from and against any and all charges, complaints, claims, liens, contracts, covenants, liabilities, obligations, promises, agreements, controversies, damages, actions, causes of action, suits, rights, demands, attorneys’ fees, costs, expenses, losses, and/or debts of any kind or nature arising from or relating to the Outstanding Student Account Balances.

11. **Expenses.** Except as set forth in Section 4, whether or not the Transfer is consummated, Buyer and Seller each shall be responsible for the payment of their own expenses, including the conducting of any due diligence investigation, legal fees and costs, and expenses in negotiating and carrying out their respective obligations under this Agreement.

12. **Third Parties.** This Agreement is entered into for the sole benefit of Buyer, Seller and their respective permitted successors and assigns. No party other than Buyer and Seller and such permitted successors and assigns shall have any right of action under or rights or remedies by reason of this Agreement.

13. **Notices.** All notices, requests, instructions, claims, demands, consents and other communications required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given on the date delivered by hand or by internationally recognized courier service or by other messenger (or, if delivery is refused, upon presentment), or upon receipt by facsimile transmission (with confirmation) or electronic mail (to the extent that no “bounce back” or similar message indicating non-delivery is received with respect thereto), or upon delivery by registered or certified mail (return receipt requested), postage prepaid, to the parties at the address set forth for a party on the signature pages hereto.

14. **General.** In the event that any provision of this Agreement is deemed illegal, invalid or unenforceable for any reason, such illegality invalidity or unenforceability shall not affect the validity or enforceability of any other provision of this Agreement. The terms of this Agreement shall be binding upon, and shall inure to the benefit of, the parties and their respective heirs, successors, and assigns. Any definitions of words in the singular in this Agreement shall apply to such words when used in the plural where the context so permits and vice versa. This Agreement may not be amended, changed, modified, terminated, or discharged except in a written agreements signed by both Buyer and Seller. This Agreement contains the entire understanding of the parties in connection with the Transfer and the Outstanding Student Account Balances, and the representations and warranties of Seller and Buyer contained in Sections 5 and 6, respectively, are the sole representations thereof with respect to the Transfer, the Outstanding Student Accounts or the Outstanding Student Account Balances. This Agreement shall be deemed to have been drafted jointly by the parties hereto. Every term and provision of this Agreement shall be construed simply according to its fair meaning and not strictly for or against any party. The governing law of this Agreement is the law of the State of Delaware. This Agreement may not be modified except in a writing signed by both parties. This Agreement may be executed in counterparts, and any photocopied, faxed, or scanned signatures shall be deemed as valid as if they were original signatures.

*[This space intentionally left blank. Signatures appear on following page.]*

**IN WITNESS WHEREOF**, the parties hereto have duly executed this Purchase Agreement as of the date first set forth above.

**SELLER:**

**MOREHOUSE COLLEGE**

DocuSigned by:  
*Dr. David A. Thomas*  
By: 9C938A3755714CB...  
Name: David A. Thomas, Ph.D.  
Title: President

**BUYER:**

**THE ROLLING JUBILEE FUND**

DocuSigned by:  
*Laura Hanna*  
By: 643E02E8809D436...  
Name: Laura Hanna  
Title: President

**Address:**

830 Westview Drive SW  
Atlanta, Georgia 30314  
Telephone: (470) 639-0999  
E-mail: david.athomas@morehouse.edu

**Address:**

The Rolling Jubilee Fund  
P.O. Box 793  
Canton, New York 13617  
Telephone: (718) 395-5463  
E-mail: rollingjubilee@debtcollective.org

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

Proskauer Rose LLP  
Eleven Times Square  
New York, New York 10036  
Attn: David Miller, Esq.  
Telephone: (212) 969-3006  
E-mail: dmiller@proskauer.com

– and –

Holland & Knight LLP  
Regions Plaza, Suite 1800  
1180 West Peachtree Street  
Atlanta, Georgia 30309  
Attn: Joshua I. Bosin, Esq.  
Telephone: (404) 817-8558  
E-mail: joshua.bosin@hklaw.com

**SCHEDULE A**  
**OUTSTANDING STUDENT ACCOUNTS**  
(Attached)

**EXHIBIT A**

**ROLLING JUBILEE BOARD RESOLUTION**  
(Attached)



**EXHIBIT B**  
**LETTER TO OBLIGORS**  
(Attached)

## **EXHIBIT C**

### **FAQ (Attached)**