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30 UNITED STATES SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C.
20549 FORM 10-K (Mark One) ~ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 For the fiscal year ended September 30, 2024 A ~ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 A For the transition period from ___ to ___ Commission File Number 1-31923A UNIVERSAL TECHNICAL INSTITUTE, INC. (Exact name of registrant as specified in its charter) Delaware 86-0226984 (State or other jurisdiction of incorporation or organization) (IRS Employer Identification No.) 4225 East Windrose Drive, Suite 200 Phoenix, Arizona 85032 (Address of principal executive offices) (623) 445-9500 (Registrant's telephone number, including area code) Securities registered pursuant to Section 12(b) of the Act: Title of each class Trading Symbol A Name of each exchange on which registered Common Stock, \$0.0001 par value UTI New York Stock Exchange Securities registered pursuant to section 12(g) of the Act: None. Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes A ~ A ~ Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes A ~ A ~ Indicate by check mark whether the registrant (1) A has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) A has been subject to such filing requirements for the past 90 days. A A ~ A Yes A ~ A ~ A No A ~ Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). A A ~ A Yes A ~ A ~ A No A ~ A Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act. Large accelerated filer A ~ A A ~ A ~ A Non-accelerated filer A ~ A ~ A Smaller reporting company A ~ A Emerging growth company A ~ A 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. A ~ Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. A ~ If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. A ~ Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). A ~ Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). A A ~ A Yes A ~ A ~ A No A ~ A At December 3, 2024, 54,026,995 shares of common stock were outstanding. The aggregate market value of the shares of common stock held by non-affiliates of the registrant on the last business day of the registrant's most recently completed second fiscal quarter (March 31, 2024) was approximately \$690,000,000 (based upon the closing price of the common stock on such date as reported by the New York Stock Exchange). For purposes of this calculation, the registrant has excluded the market value of all common stock beneficially owned by all executive officers and directors of the registrant. Documents Incorporated by Reference Portions of the registrant's definitive proxy statement for the 2025 Annual Meeting of Stockholders are incorporated by reference into Part III of this Annual Report on Form 10-K. UNIVERSAL TECHNICAL INSTITUTE, INC. AND SUBSIDIARIES INDEX TO FORM 10-K FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024 Page CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS Part I ITEM 1. BUSINESS 2 ITEM 1A. RISK FACTORS 24 ITEM 1B. UNRESOLVED STAFF COMMENTS 37 ITEM 1C. CYBERSECURITY 37 ITEM 2. PROPERTIES 38 ITEM 3. LEGAL PROCEEDINGS 39 ITEM 4. MINE SAFETY DISCLOSURES 39 PART III ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES 40 ITEM 6. [RESERVED] 41 ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS 41 ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK 56 ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA 56 ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE 56 ITEM 9A. CONTROLS AND PROCEDURES 57 ITEM 9B. OTHER INFORMATION 58 ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS 58 PART III ITEM 10. 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FORM 10-K SUMMARY 61 Table of Contents CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS This Annual Report on Form 10-K and the documents incorporated by reference herein contain forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), Section 27A of the Securities Act of 1933, as amended (the "Securities Act") and the Private Securities Litigation Reform Act of 1995, which include information relating to future events, future financial performance, strategies, expectations, competitive environment, regulation and availability of resources and involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements to be materially different from any future results, performances or achievements expressed or implied by the forward-looking statements. From time to time, we also provide forward-looking statements in other materials we release to the public as well as verbal forward-looking statements. In some cases, you can identify forward-looking statements by terms such as "may," "may not," "will," "should," "could," "would," "expects," "anticipates," "estimates," "projects," "predicts," "potential" and similar expressions (including the negative form of such expressions) intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. Forward-looking statements are based on our current expectations and assumptions, do not strictly relate to historical or current facts, any of which may not prove to be accurate. Many factors could cause actual results to differ materially and adversely from these forward-looking statements. Important factors that could cause actual results to differ from those in our forward-looking statements include, without limitation: the failure of our schools to comply with the extensive regulatory requirements for school operations; our failure to maintain eligibility for or our ability to process federal student financial assistance funds; the effect of current and future Title IV Program regulations arising out of negotiated rulemakings, including any potential reductions in funding or restrictions on the use of funds received through Title IV Programs; the effect of future legislative or regulatory initiatives related to veterans' benefit programs; continued Congressional examination of the for-profit education sector; regulatory investigations of, or actions commenced against, us or other companies in our industry; changes in the state regulatory environment or budgetary constraints; our failure to execute our growth and diversification strategy, including effectively identifying, establishing and operating additional schools, programs or campuses; our failure to realize the expected benefits of our acquisitions, or our failure to successfully integrate our acquisitions; our failure to improve underutilized capacity at certain of our campuses; enrollment declines or challenges in our students' ability to find employment as a result of macroeconomic conditions; our failure to maintain and expand existing industry relationships and develop new industry relationships; our ability to update and expand the content of existing programs and develop and integrate new programs in a timely and cost-effective manner while maintaining positive student outcomes; a loss of our senior management or other key employees; our failure to comply with the restrictive covenants and our ability to pay the amounts when due under our credit agreements; the effect of our principal stockholder owning a significant percentage of our capital stock, and thus being able to influence certain corporate matters and the potential in the future to gain substantial control over our company; the effect of public health pandemics, epidemics or

outbreak, including COVID-19; and risks related to other factors discussed in this Annual Report on Form 10-K, including those described in Item 1A. **Risk Factors.** The factors above are not exhaustive, and new factors may emerge or changes to the foregoing factors may occur that could impact our business. We cannot guarantee that any forward-looking statement will be realized. Achievement of future results is subject to risks, uncertainties and potentially inaccurate assumptions. Many events beyond our control may determine whether results we anticipate will be achieved. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could differ materially from past results and those anticipated, estimated or projected. Among the factors that could cause actual results to differ materially are the factors discussed under Part 1, Item 1. **Business** and Item 1A. **Risk Factors.** **Management's Discussion and Analysis of Financial Condition and Results of Operations.** You should bear this in mind as you consider forward-looking statements. Also, these forward-looking statements represent our estimates and assumptions only as of the date of the document containing the applicable statement. Except as required by law, we undertake no obligation to update or revise forward-looking statements, whether as a result of new information, future events or otherwise. Thus, you should not assume that our silence over time means that actual events are bearing out as expressed or implied in such forward-looking statements. We qualify all of the forward-looking statements in this Annual Report on Form 10-K, including the documents that we incorporate by reference herein, by these cautionary statements. You are advised, however, to consult any further disclosures we make on related subjects in our reports and filings with the Securities and Exchange Commission (SEC). **Table of Contents PART I ITEM 1. BUSINESS** **Overview** **Universal Technical Institute, Inc.**, which together with its subsidiaries is referred to as the **Company**. **Overview** was founded in 1965 and is a leading workforce solutions provider of transportation, skilled trades and healthcare education programs, whose mission is to serve students, partners, and communities by providing quality education and support services for in-demand careers across a number of highly-skilled fields. We offer the majority of our programs in a blended learning model that combines instructor-facilitated online teaching and demonstrations with hands-on labs. Our reporting structure has two reportable segments (also referred to as **editions**) as follows: **Universal Technical Institute (UTI)**: UTI operates 16 campuses located in nine states and offers a wide range of degree and non-degree transportation and skilled trades technical training programs under brands such as **Universal Technical Institute**, **Motorcycle Mechanics Institute** and **Marine Mechanics Institute** (collectively, **MMI**), **NASCAR Technical Institute** (**NASCAR Tech**), and **MIAT College of Technology** (**MIAT**). UTI also offers manufacturer specific advanced training programs, which include student-paid electives at our campuses and manufacturer or dealer sponsored training at certain campuses and dedicated training centers. Lastly, UTI provides dealer technician training or instructor staffing services to manufacturers. **Concorde Career Colleges** (**Concorde**): Concorde operates 17 campuses located in eight states and online, offering degree, non-degree, certificate and continuing education programs in the allied health, dental, nursing, patient care and diagnostic fields. The Company has designated campuses that offer degree granting programs **Concorde Career College**, where allowed by State regulation. The remaining campuses are designated as **Concorde Career Institute**. Concorde believes in preparing students for their healthcare careers with practical, hands-on experiences including opportunities to learn while providing care to real patients. Prior to graduation, students will complete a number of hours in a clinical setting or externship, depending upon their program of study. We acquired Concorde on December 1, 2022. **Corporate** includes corporate related expenses that are not allocated to the UTI or Concorde reportable segments. All of our campuses are institutionally accredited and are eligible for federal student financial assistance funds under the Higher Education Act of 1965, as amended (HEA), commonly referred to as Title IV Programs, which are administered by the U.S. Department of Education (ED). Many of our programs also are eligible for financial aid from federal sources other than Title IV Programs, such as the programs administered by the U.S. Department of Veterans Affairs (VA) and under the Workforce Innovation and Opportunity Act. **Business Model and Industry Partnerships** We serve students, partners and communities by providing quality education and training for in-demand careers. We continue to evolve our business model to provide our students with accessible, affordable training with a focus on bringing education to the students at convenient locations. Market served by UTI The market for qualified transportation or skilled trades technicians across the programs that UTI offers is large and growing. The United States Department of Labor Bureau of Labor Statistics (U.S. DOL BLS) estimates that an average of approximately 107,300 new job openings, due to growth and net replacements, will exist annually for newly trained technicians in the automotive, diesel, and collision fields through 2033. Additionally, for skilled trades and other transportation programs, the U.S. DOL BLS estimates that an average of 45,800 new job openings for welders, 43,500 new job openings for industrial machinery mechanics, 42,500 new job openings in the HVAC industry, 15,200 new job openings for computer-controlled machine tool operators, 13,400 new job openings for avionic technicians, 6,300 new job openings for robotics, 4,600 new job openings for marine and motorcycle technicians and 2,100 new job openings for wind turbine service technicians will exist annually for new entrants through 2033 in these fields. Market served by Concorde The market for qualified healthcare support occupations across the programs that Concorde offers is growing even faster, with the U.S. DOL BLS estimating an annual average of 1,261,100 new jobs annually through 2033. Specifically, the U.S. DOL BLS estimates that an average of 194,500 new job openings for registered nurses, 119,800 new job openings for medical assistants, 54,900 new job openings for dental assistants, 54,000 new job openings for practical and licensed vocational nurses, 47,400 new job openings for pharmacy technicians, 35,300 new job openings for occupational therapy and physical therapist assistants and aides, 26,500 new job openings for diagnostic related technologists and technicians, 24,200 new job openings for clinical laboratory technologists and technicians, 22,800 new job openings for massage therapists, 19,600 new job openings for phlebotomists and 16,400 new job openings for dental hygienists will exist annually for new entrants through 2033 in these fields. **Recruitment** Our student recruitment efforts begin with our commitment to positive outcomes, both for our students and our industry relationships. We use a multi-touch media approach across our admissions channels. For UTI, there are three primary admissions channels (high school, adult, and military) to enroll and start students, which involves national and local outreach to generate a high quality and quantity of prospective students. For Concorde, adults are the primary admissions channel, with an emphasis on those prospective adult students within the local proximity to a Concorde campus. To maximize the likelihood of student retention and graduation, our admissions process is intended to identify students who have the desire and ability to succeed in their chosen program. Prior to enrolling, many potential Concorde students complete a test which helps determine their expected success rate in a given program. In addition, we have established processes to identify students who may be in need of assistance to succeed in and complete their chosen program. To assist these students in graduating, we employ student service professionals that provide tutoring, and academic, financial, personal, and employment advisement. Additionally, as our campus locations do not offer housing for students, we have service professionals who leverage third-party relationships and assist our students in finding affordable housing near our campuses. **Industry Partnerships** To ensure the UTI programs provide students with the necessary hard and soft skills needed upon graduation, UTI has relationships with multiple original equipment manufacturers (OEMs) and industry brand partners across the country to understand their needs for qualified service professionals. Through these industry relationships, UTI is able to continuously refine and expand its programs and curricula. We believe the UTI industry-focused educational model and national presence has enabled the UTI division to develop valuable industry relationships, which provide it with significant competitive advantages and supports its market leadership, along with enabling the division to provide highly specialized education to its students, resulting in enhanced employment opportunities and the potential for higher wages for its graduates. The industry relationships for the UTI division also extend to thousands of local employers, after-market retailers, fleet service providers and enthusiast organizations. Other target groups for relationship-building, such as parts and tools suppliers, provide UTI with a variety of strategic and financial benefits that include equipment sponsorship, new product support, licensing and branding opportunities and financial sponsorship for the UTI campuses and students. Concorde partners with dental and medical offices, clinics, and hospitals to provide technical and professional skills through quality clinical experiences. These clinical externship experiences are embedded in the program coursework to provide hands-on, real-world healthcare experiences and connect students with potential employers. Concorde has relationships with thousands of clinical affiliate partners nationwide that provide robust and varied exposure to patient populations and healthcare models. Many of these clinical affiliate partners participate in program advisory councils and contribute to Concorde's efforts to continuously improve its program curriculum and resources. These partnerships provide early employment and graduate employment opportunities and have resulted in customized curricula to assist in upskilling partners' employees. **Business Strategy** Our business strategy, internally known as our **North Star** strategy, has three core tenets: to grow the business by more deeply penetrating existing target markets and adding new markets; to diversify the business by adding new locations, programs, and offerings that maximize the lifetime value of our students; and to continually optimize the business by constantly enhancing operational efficiency. **Growth, Diversification and Optimization** Our organization has a number of key levers to grow, diversify, and optimize the business. Organically, we have been successful by adding new locations and new programs. In the last two years, UTI has launched fourteen new programs throughout existing campuses and opened two new transportation and skilled trades campuses, further expanding its geographical footprint and opening access to highly populated locations in growing economies. Inorganically, in November 3Table of Contents 2021, we acquired MIAT College of Technology which has served both as a growth strategy by expanding into the Canton, Michigan market and a diversification strategy by adding additional program areas in rapidly expanding skilled trades professions. This acquisition also has allowed us to expand and diversify our existing UTI campus offerings to include aviation, energy, HVACR and other skilled trade options. In December 2022, we continued to diversify by expanding into healthcare education through the acquisition of Concorde. This acquisition enabled us to expand our program offerings into the high-growth and high-demand healthcare education market. Throughout 2024, we have expanded partnerships in the healthcare market and completed five program expansions within Concorde's existing campuses. Continually optimizing program offerings and operations serves to further enhance overall operating margins and is a foundational element of our strategy. Since acquiring Concorde, we have built a multi-division and corporate operating model that provides transparency, accountability, the ability to be nimble and adapt as we continue to evolve, while also serving as a platform for expansion into new areas. As we look towards the second phase of our North Star strategy, we are continuing to focus on these core tenets. Pending regulatory approval, we expect to launch a minimum of six programs annually at our existing campuses beginning in fiscal year 2025 and open at least two new campuses each year between fiscal years 2026 and 2029, which includes expanding both UTI's and Concorde's campus offerings and footprint. We believe this strategy will allow us to reach even more students with industry-aligned workforce and professional programs that demonstrate strong student outcomes, while also increasing the financial strength of the company. **Return on Education Investment** We provide an excellent return on our students' education investment by working with corporate partners and local communities to offer educational programs that are tailored to professional and industry standards. With a high focus on offering programs for in-demand careers, our graduates are well prepared to enter or re-enter the workforce in high demand areas that offer well-paying jobs. We actively engage corporate partners in defining our program outcomes, program offerings, and ongoing educational requirements to ensure students have the requisite skills to succeed in the workplace of today and have a foundation for tomorrow. We regularly evaluate program offerings, schedules and locations that are most appealing to students and aligned with employer expectations. For our Concorde offerings, where appropriate, we ensure that our courses are aligned with licensure requirements to ensure our students are provided the greatest opportunity for success. Where appropriate, these professionally aligned programs enable our students to gain licensure, certification, and credentials in high-demand healthcare professions. As a result, we believe we are well positioned to better meet the market's demand for skilled technicians and healthcare workers. In addition, we provide relevant services to assist students with possible tuition financing options, educational and career counseling, opportunities for part-time work while attending school, and ultimately graduate employment. Our career services teams identify job opportunities and outreach, advise active students on employment search and interviewing skills, facilitate employer visits to campuses, provide access to reference materials, assist with the composition of resumes, and help students prepare for applicable certification or licensure exams. **Shared Success Model** Overall, our strategy and business model are built around the key principle of, **if you succeed, we succeed**. While operationally the Company has developed core competencies in marketing and enrollment management, the success of the business is not based solely on recruiting students, but rather retaining students through the program to graduation and facilitating their transition to employment in their field of study. Providing high-quality instruction in engaging curriculum aligned to industry and professional standards and delivering exemplary student support services to ensure students have everything they need to be successful serves as the foundation of our model. Retaining our students through to graduation and supporting them through to employment is the key principle of our business. UTI Schools and Programs UTI offers certificate, diploma or degree programs at campuses across the United States under the banner of several well-known brands. The majority of the UTI programs are designed to be completed in 30 to 100 weeks. The UTI advanced training programs range from 8 to 26 weeks in duration and are completed subsequent to satisfying the core UTI program requirements. These programs culminate in a certificate, diploma, associate of occupational studies degree, or associate of 4Table of Contents applied science degree depending on the program and campus. Tuition rates vary by type and length of our programs and the program level, such as core or advanced training. The table below sets forth the current locations that operate under the UTI division, the year the campus opened, and the principal programs taught at each location. **UTI Location** **Brand** **Year** **Campus** **Opened** **Current Principal Programs** **Arizona** (Avondale) UTI1965 Airframe & Powerplant; Automotive; Diesel; HVACR; Welding **Arizona** (Avondale) MM11973 Motorcycle **California** (Long Beach) UTI2015 Airframe & Powerplant; Automotive; Diesel; Collision Repair and Refinishing; HVACR; Welding **California** (Rancho Cucamonga) UTI1998 Automotive; Diesel; Industrial Maintenance; Robotics & Automation; Welding; Wind Power **California** (Sacramento) UTI2005 Automotive; Diesel; HVACR; Welding **Florida** (Miramar) UTI2022 Airframe & Powerplant; Automotive; Diesel; Welding **Florida** (Orlando) UTI/MMI1986 Automotive; Diesel; Motorcycle; Marinellino (Lisle) UTI1988 Automotive; Diesel; Industrial Maintenance; Robotics & Automation; Welding; Wind Power **Michigan** (Canton) MIAT1969 Airframe and Powerplant; Aviation Maintenance; Energy; HVACR; Industrial Maintenance; Robotics & Automation; Wind Power; Welding **New Jersey** (Bloomfield) UTI2018 Automotive; Diesel; HVACR; Welding **North Carolina** (Mooresville) NASCAR Tech 2002 Automotive; CNC Machining; HVACR; NASCAR; Robotics & Automation; Welding **Pennsylvania** (Exton) UTI2004 Automotive; Diesel; Robotics & Automation; Welding **Texas** (Austin) UTI2022 Automotive; Diesel; HVACR; Welding **Texas** (Dallas/Ft. Worth) UTI2010 Automotive; Diesel; Welding **Texas** (Houston) UTI1983 Automotive; Collision Repair and Refinishing; Diesel; Energy; Welding **Texas** (Houston) 1MIAT2010 Airframe and Powerplant; Aviation Maintenance; Energy; HVACR; Industrial Maintenance; Non-Destructive Testing; Robotics & Automation; Welding; Wind Power(1) **During 2024**, we began efforts to consolidate the MIAT Houston campus into the previously existing UTI Houston campus. This consolidation is expected to be complete in fiscal 2025. **Description of Current UTI Programs Offered** Many of the UTI students receive their training in a blended learning model that combines instructor-facilitated online teaching and demonstrations with hands-on labs. The blended learning model not only increases access for students, but better prepares them to be life-long learners as technicians today perform many day-to-day tasks and continuing education courses online or on a digital device. The table below provides an overview of the programs taught by UTI owned and operated institutions, including the year a program was first offered at one of the campuses, the focus of the program, and the type of employment the program is designed to prepare graduates to obtain. **UTI Program Year** **Established Program Focus** **Target Job Placement** **(1) Automotive** **1965 Diagnose**, service and repair automobiles **Entry-level service technicians** in automotive dealer service departments or automotive repair facilities **5Table of Contents** **UTI Program Year** **Established Program Focus** **Target Job Placement** **(1) Diesel** **1968 Diagnose**, service and repair diesel systems and industrial equipment **Entry-level service technicians** in medium and heavy truck facilities, truck dealerships, or in service and repair facilities **Airframe and Powerplant** **1969 Aircraft** **troubleshooting, hydraulics and pneumatics, powerplant lubrication systems and turbine engine operation** **Entry-level opportunities** in various areas of the aviation industry **Automotive** **Diesel** **1970 Diagnose**, service and repair automobiles and diesel systems **Entry-level service technicians** in automotive repair facilities, automotive dealer service departments, diesel engine repair facilities, medium and heavy truck facilities, truck dealerships, or in service and repair facilities **Motorcycle** **1973 Diagnose**, service and repair motorcycles and all-terrain vehicles **Entry-level service technicians** in motorcycle dealerships and independent repair facilities **Marine** **1991 Diagnose**, service and repair boats **Entry-level service technicians** for marine dealerships and independent repair shops, as well as for marinas, boat yards and yacht clubs **Collision Repair and Refinishing** **1999** **How to repair non-structural and structural automobile damage as well as how to prepare cost estimates on all phases of repair and refinishing** **Entry-level technicians** at OEM dealerships and independent repair facilities **NASCAR** **2002 Automotive** **training along with additional NASCAR-specific elective courses** **Entry-level service technicians** in automotive dealer service departments or automotive repair facilities, or opportunities in racing-related industries **Energy Technology** **2007 Associate of Applied Science** **degree** which focuses on power generation, wind power, compression technology and powerplant operations **Entry-level positions** in the wind, nuclear, gas, coal, power distribution, or solar industries **Industrial Maintenance** **2007 Diagnose**, service, test and repair various types of machinery **Entry-level industrial maintenance technician** in a wide range of industries including gas, coal, nuclear and solar industries **Wind Power** **2007 Diagnose**, service and repair wind turbine towers **Entry-level service technicians** for the wind power industry **Aviation Maintenance**

Technology2012Perform inspections, routine maintenance and repairs to keep aircraft in operating conditionEntry-level service technicians in aviation repair stations and hangers, and on airfieldsHeating, ventilation, air conditioning and refrigeration (HVACR)2012An awareness of safety procedures, knowledge of heating and cooling, familiarity with tools used in the industry, and the ability to perform a variety of manual skillsEntry-level service technicians in the heating and cooling industryWelding2017How to weld various materials using a wide range of welding processesEntry-level welders in the construction, structural, pipe, mechanical contracting and fabrication industries.CNC Machining2017How to produce precision parts used in high-performance engines and a wide variety of trucks, motorcycles, cars and boats, and also in industrial applications, aerospace components and medical and surgical equipmentEntry-level CNC operators in the manufacturing and mechanical fabrication industries6Table of Contents UTI ProgramYear EstablishedProgram FocusTarget Job Placement(1)Robotics & Automation2018Robotics is the process of creating and using robots to complete certain tasks. Automation refers to the process of using technology to perform tasks typically completed by humans.Entry-level technician in a variety of industriesNon-Destructive Testing2019Training in the discipline focused on the quality and serviceability of materials and structuresEntry-level technicians in a variety of industries, from oil and gas and manufacturing to power generation and aviation(1) A A A Target job placement describes the type of employment the program is designed to prepare graduates to obtain. UTI graduates may also secure positions outside of the target job placement, including, for example, parts associate, service technician, fabricator, painter and preparation, and shop owner or operator, among others.UTI Manufacturer Specific Advanced Training (â€œMSATâ€) ProgramsIn addition to the program offerings noted above, UTI also offers advanced training programs in the form of manufacturer-paid post-graduate MSAT programs and in the form of student-paid MSAT courses, which may be added as electives to a studentâ€™s core automotive, diesel or motorcycle program. UTI Manufacturer-Paid MSATsA select number of UTI students are offered manufacturer-paid MSATs, which are paid for by the manufacturer and/or its dealers in return for a commitment by the student to work for a dealer of that manufacturer for a certain period of time upon completion of the program. UTI students who are high performing graduates of an automotive or diesel program may apply to be selected for these programs. The programs range from 8 to 26 weeks in duration. UTIâ€™s manufacturer-paid MSATs are intended to offer in-depth instruction on specific manufacturersâ€™ products, qualifying a graduate for employment with a dealer seeking highly specialized, entry-level technicians with brand-specific skills. UTI currently offers the following manufacturer-paid MSAT programs using vehicles, equipment, specialty tools and curricula provided by its manufacturer brand partners:UTI Manufacturer-Paid MSAT Programs OfferedLocationMercedes-Benz DRIVEMercedes-Benz facilities in Long Beach, California; Jacksonville, Florida; Carol Stream, Illinois; Robbinsville, New Jersey; and Grapevine, TexasPeterbilt Technician Institute (PTI)Lisle, Illinois; Dallas/Ft. Worth, TexasPorsche Technician Apprenticeship Program (PTAP)Porsche facilities in Eastvale, California; Atlanta, Georgia; and Easton, PennsylvaniaVolvo Tekniker Apprenticeship ProgramAvondale, Arizona and Volvo facility in Ridgeville, South CarolinaUTI Student-Paid MSATsUTI students may participate in student-paid MSAT programs upon successfully completing the necessary core curriculum prerequisites. UTI currently offers the following student-paid MSAT programs using vehicles, equipment, specialty tools and curricula provided by and/or developed in collaboration with its manufacturer brand partners:UTI Student-Paid MSAT Programs OfferedLocationAdvanced TrainingBMW FastTrackAvondale, Exton, Houston, Long Beach, Orlando, Lisle, MiramarCummins EnginesAvondale, Exton, HoustonCummins Power GenerationAvondaleDaimler Trucks Finish First ProgramAvondale, Lisle, OrlandoFord Accelerated Credential Training (FACT)Avondale, Rancho Cucamonga, Sacramento, Orlando, Lisle, Mooresville, Bloomfield, Exton, Houston7Table of Contents UTI Student-Paid MSAT Programs OfferedLocationGeneral Motors Technician Career TrainingAvondaleMopar TEC by Fiat Chrysler Automobiles US LLCMooresvilleToyota Professional Automotive Technician (TPAT)Lisle, Rancho CucamongaManufacturer Specific TrainingAmerican Honda Motor Company, Inc.Avondale, OrlandoBMW Motorrad of North America, LLCAvondale, OrlandoHarley-Davidson Motor CompanyAvondale, OrlandoKawasaki Motors Corporation, USAAvondale, OrlandoMercury MarineOrlandoSuzuki Motor of America, Inc.Avondale, OrlandoVolvo Penta of the AmericasOrlandoYamaha Motor Corporation, USAAvondale, OrlandoUTI Military Base ProgramsIn addition to the MSATs noted above, in partnership with the military and select industry partners, UTI has been developing and implementing advanced training programs for transitioning veterans at select military base locations. Military base programs differ from UTIâ€™s traditional MSATs in that the students do not complete the traditional core programs at a UTI campus before entering these advanced training programs. These programs range from 12 to 16 weeks and are available to all men and women transitioning out of the military. Candidates are interviewed and selected for these programs. Additionally, to be considered, candidates must be within six months of their separation dates from the military. There is no tuition cost to the participating service members. UTI currently offers the following military base programs using vehicles, equipment, specialty tools and curricula provided by and/or developed in collaboration with certain manufacturer brand partners: UTI Military Base Programs OfferedLocationBMW Military Service Technician Education ProgramMarine Corps Base Camp Pendleton in CaliforniaU.S. Army Base Fort Liberty in North CarolinaPenske Premier Truck Group Technician Skills ProgramFort Bliss in El Paso, TexasUTI Affordability and AccessibilityDuring the year ended September 30, 2024, tuition for UTI programs ranged from approximately \$20,000 for the Industrial Maintenance Technician or Wind Turbine Technician programs (lasting 30 weeks) to \$67,000 for the Automotive and Diesel program (lasting 90 weeks). During the year ended September 30, 2024, the average annual revenue per UTI student was approximately \$34,000, net of scholarships or grants funded by the institution. We are focused on making our training more affordable and accessible for the UTI students through financing options, proprietary loans, institutional and relocation grants, scholarships based on need and merit, and employer sponsored training and tuition reimbursement. During the year ended September 30, 2024, approximately 35% of active UTI students received a UTI-funded scholarship or grant, approximately 39% of active UTI students participated in an â€œin schoolâ€ cash payment plan, and approximately 19% of active UTI students received funding from UTIâ€™s proprietary loan program. In response to growing demand for trained technicians, UTI industry partners and employers are increasingly willing to participate in the UTI studentsâ€™ cost of education by providing them with scholarship money and relocation assistance to attend school and by offering UTI graduates tuition reimbursement plans and competitive compensation and benefit packages, including signing bonuses, relocation grants and tool incentives. There are nearly 7,100 employer location incentive opportunities for UTI students, which when made available make the UTI training programs more affordable for students and may provide them with valuable relationships or employment opportunities following graduation.Concorde Schools and Programs Concorde offers certificate, diploma or degree programs in the healthcare field at campuses across the United States under the Concorde Career Colleges or Concorde Career Institute brands. The majority of Concordeâ€™s short and core programs are 8 to 8Table of Contents 36 weeks in duration. Clinical programs are 60 to 90 week programs. The programs offered culminate in a diploma, associate of applied science degree or associate of science degree depending on the program and campus. Tuition rates vary by type and length of our programs and the program level, such as core or advanced training. The table below sets forth the current locations that operate under the Concorde brand, the year the campus opened, and the principal programs taught at each location.Concorde LocationYear Campus OpenedCurrent Principal ProgramsCalifornia (Garden Grove)1968Dental Assistant; Medical Assistant; Pharmacy Technician; Vocational Nursing; Dental Hygiene; Physical Therapist Assistant; Respiratory Therapy; Sterile Processing TechnicianCalifornia (North Hollywood)1968Dental Assistant; Medical Assistant; Vocational Nursing; Physical Therapist Assistant; Respiratory Therapy; Sterile Processing Technician; Surgical TechnologyCalifornia (San Bernardino)1968Dental Assistant; Medical Assistant; Vocational Nursing; Polysomnographic Technology; Dental Hygiene; Respiratory Therapy; Surgical Technology; Neurodiagnostic Technology; Diagnostic Medical SonographyCalifornia (San Diego)1968Dental Assistant; Medical Assistant; Vocational Nursing; Cardiovascular Sonography; Dental Hygiene; Diagnostic Medical Sonography; Physical Therapist Assistant; Surgical TechnologyColorado (Aurora)1969Dental Assistant; Medical Assistant; Practical Nursing; Cardiovascular Sonography; Dental Hygiene; Diagnostic Medical Sonography; Physical Therapist Assistant; Radiologic Technology; Respiratory Therapy; Surgical Technology; Bachelor of Science in NursingFlorida (Jacksonville)1978Dental Assistant; Medical Assistant; Phlebotomy Technician; Practical Nursing; Sterile Processing Technician; Cardiovascular Sonography; Dental Hygiene; Diagnostic Medical Sonography; Physical Therapist Assistant; Respiratory Therapy; Surgical TechnologyFlorida (Miramar)1987Dental Assistant; Dental Hygiene; Medical Assistant; Pharmacy Technician; Phlebotomy Technician; Sterile Processing Technician; Occupational Therapist Assistant; Physical Therapist Assistant; Respiratory Therapy; Surgical TechnologyFlorida (Orlando)2010Dental Assistant; Medical Assistant; Pharmacy Technician; Phlebotomy Technician; Sterile Processing Technician; Dental Hygiene; Surgical Technology; Diagnostic Medical SonographyFlorida (Tampa)1987Dental Assistant; Medical Assistant; Pharmacy Technician; Phlebotomy Technician; Sterile Processing Technician; Cardiovascular Sonography; Dental Hygiene; Diagnostic Medical Sonography; Respiratory Therapy; Surgical TechnologyMississippi (Southaven)2013Dental Assistant; Massage Therapy; Medical Assistant; Medical Office Professional; Medical Assisting; Medical Office Professional; Phlebotomy Technician; Sterile Processing TechnicianMissouri (Kansas City)1986Dental Assistant; Medical Assistant; Medical Office Administration; Phlebotomy Technician; Practical Nursing; Sterile Processing Technician; Cardiovascular Sonography; Dental Hygiene; Diagnostic Medical Sonography; Physical Therapist Assistant; Respiratory Therapy; Surgical Technology; Bachelor of Science in NursingOregon (Portland)1969Dental Assistant; Dental Hygiene; Medical Assistant; Practical Nursing; Pharmacy Technician; Phlebotomy Technician; Sterile Processing Technician; Occupational Therapist Assistant; Physical Therapist Assistant; Respiratory Therapy; Surgical TechnologyOregon (Portland)2010Dental Assistant; Medical Assistant; Cardiovascular Sonography; Dental Hygiene; Diagnostic Medical Sonography; Phlebotomy Technician; Physical Therapist Assistant; Respiratory Therapy; Sterile Processing Technician; Surgical TechnologyOnline 2013Dental Assistant; Medical Office Administration; Nursing Practice; Surgical Technology; Bachelor of Science in Nursing Description of Current Concorde Programs Offered Many of Concordeâ€™s students receive their training in a blended training model that combines instructor-facilitated online teaching and demonstrations with hands-on labs. The blended learning model not only increases access for students, but better prepares them to be life-long learners as students today perform many day-to-day tasks and continuing education courses online or on a digital device. The table below provides an overview of the programs taught by Concorde institutions, including the year a program was first offered at one of the campuses, the focus of the program, and the type of employment the program is designed to prepare graduates to obtain. Concorde ProgramYear EstablishedProgram FocusTarget Job Placement(1)Short ProgramsPhlebotomy Technician2021Phlebotomists prepare patients, collect blood samples, and transport specimens for analysis.Entry-level phlebotomist in clinical laboratories, physician offices, blood donation centers, and hospitals.Sterile Processing Technician2021Sterile Processing Technicians clean and sterilize medical instruments and durable equipment to ensure the safety of patients and medical staff. Entry-level sterile processing technicians in dental offices, physician offices, outpatient health centers, and hospitals.Core ProgramsDental Assistant1995Overall operations of a dental officeEntry-level dental assistantMassage Therapy2002Massage techniques and manipulations designed to enhance the physical health of patientsEntry-level massage therapist in massage clinics, hospital rehabilitation departments, public practice, wellness centers, and chiropractic officesMedical Assistant, Medical Assisting or Medical Office Professional1995Basic knowledge of a medical practice and the operations of a medical officeEntry-level medical assistant in a clinic or physicianâ€™s office, long-term care facility, hospital or medical insurance companyPharmacy Technician1999Pharmacy Technician acts as an intermediary between the doctor and the pharmacist and between the pharmacist and the patientEntry-level pharmacy technician in hospital, home healthcare, and retail environmentsClinical ProgramsCardiovascular Sonography2021Use special imaging equipment that directs sound waves into a patientâ€™s body to assess and diagnose various medical conditionsEntry-level cardiovascular sonographersDental Hygiene2011Qualifications for licensure as a Registered Dental HygienistEntry-level dental hygienist10Table of Contents Concorde ProgramYear EstablishedProgram FocusTarget Job Placement(1)Diagnostic Medical Sonography2021Use special imaging equipment that directs sound waves into a patientâ€™s body to assess and diagnose various medical conditionsEntry-level obstetrics and gynecology sonographer or entry-level abdominal sonographerNeurodiagnostic Technology2012Advanced diagnostic procedures including EEGs, PSGs and others. Upon completion of the program, professional certifications may be requiredEntry-level neurodiagnostic technician in neurology-related departments of hospitals, clinics and the private offices of neurologists and neurosurgeonsNursing Practice2016Qualifications for licensure as a registered nurseEntry-level registered nurse positions after passing the state board licensure examOccupational Therapy Assistant2012To provide quality occupational therapy services to assigned individuals under the supervision of a registered Occupational TherapistEntry-level occupational therapy assistants in hospitals, clinics, schools, client homes, and community settingsPharmacy Technician1999Pharmacy Technician acts as an intermediary between the doctor and the pharmacist and between the pharmacist and the patientEntry-level pharmacy technician in hospital, home healthcare, and retail environmentsPhysical Therapist Assistant2011Physical Therapist Assistants provide physical therapy services under the direction and supervision of a licensed Physical TherapistEntry-level physical therapist assistant in a variety of settings, including hospitals, inpatient rehabilitation facilities, private practices, outpatient clinics, home health, skilled nursing facilities, schools, sports facilities, and morePolysomnographic Technology2012Perform sleep tests and work with physicians to provide information needed for the diagnosis of sleep disordersEntry-level positions as Polysomnographic TechnologistsPractical/Vocational Nursing1996Perform as entry-level nursing staff in an acute-care hospital, extended-care facility, physicianâ€™s office, or other healthcare agencyEntry-level positions as a licensed practical/vocational nurseRadiologic Technology2012Perform diagnostic imaging examinations on patientsEntry-level diagnostic radiographer positionsRespiratory Therapy2011Assess, treat, and care for patients with breathing disorders. Prepare students for licensure as a registered respiratory therapistRespiratory therapists may serve as asthma educators, patient educators, case managers, hyperbaric oxygen specialists, extra corporeal membrane oxygenation specialists and sleep specialists. Respiratory therapists work in hospitals, clinics, skilled nursing facilities, home care, and diagnostic labsSurgical Technology2012Surgical technologist is a highly skilled and knowledgeable allied health professional who, as an essential member of the surgical team, works with surgeons, anesthesia providers, operating room nurses, and other professionals in providing safe care to the surgical patientEntry-level surgical technologist in acute-care hospitals, outpatient surgery centers, surgical clinics, central sterile processing departments, birthing centers, and other healthcare settings(1)A A A Target job placement describes the type of employment the program is designed to prepare graduates to obtain. Concorde graduates may also secure positions outside of the target job placement, including various other healthcare related positions. Concorde Affordability and AccessibilityDuring the year ended September 30, 2024, tuition for Concorde programs ranged from approximately \$1,000 for the Phlebotomy program (lasting approximately 8 weeks) to \$96,000 for the Dental Hygiene program in California (lasting approximately 90 weeks). During the year ended September 30, 2024, the average annual revenue per Concorde student was 11Table of Contents approximately \$29,000, net of scholarships or grants funded by the institution. We are focused on making the Concorde training more affordable and accessible through financing options, institutional and relocation grants, and scholarships based on need and merit. Concorde currently and historically offers certain students retail installment contracts for payment of their tuition that is not covered by federal student financial aid or other funding sources. During the year ended September 30, 2024, approximately 17% of Concordeâ€™s active students received a Concorde-funded scholarship or grant and approximately 68% of Concorde active students received funding through Concorde sponsored retail installment contracts. Student Enrollment UTI enrolls students throughout the year with courses typically starting every three to eleven weeks. Concorde enrolls students throughout the year with core terms starting every month and clinical terms starting every ten weeks. The table below outlines our new student starts, average full-time students, and end of period full-time students for both UTI and Concorde. Year Ended September 30, 20242023ChangeUTITotal new student starts15,138A 14,181A 6.7A %Average full-time active students13,810A 12,614A 9.5A %End of period full-time active students15,873A 14,8337.0A %Concorde(1)Total new student starts11,747A 8,432A 39.3A %Average full-time active students8,475A 7,654A 10.7A %End of period full-time active students9,747A 8,369A 16.5A %ConsolidatedTotal new student starts26,858A 22,61318.9A %Average full-time active students22,285A 20,26810.0A %End of period full-time active students25,620A 23,20210.4A % (1) Student data for Concorde presented in the year ended September 30, 2023 column represents the period of UTIâ€™s ownership, or December 1, 2022 through September 30, 2023. Due to the seasonality of our business and normal fluctuations in student populations, we expect variability in our quarterly results. See 'Seasonality' within Part II, Item 7 of this Annual Report on Form 10-K for further discussion of seasonal fluctuations in our revenues and operating results.Graduate EmploymentIdentifying employment opportunities and preparing our graduates for their future careers is critical to our ability to deliver value to our graduates from their education.A Additionally, we are required to meet certain graduate placement standards by location and program by both our national and

programmatic accreditors. Accordingly, we dedicate significant resources to maintaining an effective career services team. Our campus-based staff facilitate several career development processes, including instruction and coaching for interview skills, interview etiquette and professionalism. Additionally, the career services team provides students with reference materials and assistance with the composition of resumes. Finally, we place emphasis on and devote significant time to assisting students with part-time and graduate job searches. We also have centralized departments for each segment whose focus is to build and maintain relationships with potential and existing national employers and develop graduate job opportunities and, where possible, relocation assistance, sign-on bonuses, tool packages and tuition reimbursement plans with our manufacturer brand partners and other industry employers. Together, the campuses and centralized departments coordinate and host career fairs, industry awareness presentations, interview days and employer visits to our campus locations. We believe that our graduate career services provide our students with a compelling value proposition and enhance the employment opportunities for our graduates and are a competitive differentiator from other education institutions.

12Table of Contents Competition The for-profit, postsecondary education industry is highly competitive and highly fragmented, with no one provider controlling significant market share. We compete with other institutions that are eligible to receive Title IV funding, including not-for-profit public and private schools, community colleges and for-profit institutions which offer programs similar to ours. Our competition differs in each market depending on the curriculum we offer and the availability of other choices, including job prospects. Other competitive factors that influence our ability to attract new students include the employment market, community colleges, other career-oriented and technical schools, and the military. Prospective students may choose to forego additional education and enter the workforce directly, especially during periods when the unemployment rate declines or remains stable as it has in recent years. This may include employment with our industry partners or with other manufacturers and employers of our graduates. We compete with local community colleges for students seeking programs that are similar to ours, mainly due to local accessibility, low tuition rates and in certain cases free tuition. Public institutions are generally able to charge lower tuition than our schools, due in part to government subsidies and other financial sources not available to for-profit schools. No single community college is a significant competitor; rather, the sector as a whole provides competition. Within the for-profit education sector, some of our public company competitors are Adtalem Global Education, Inc., American Public Education, Inc., Lincoln Educational Services Corporation, Perdoceo Education Corporation, and Strategic Education, Inc. We also consider other regional or single location institutions with a larger local presence near one of our campuses to be competitors. Competition is generally based on location, tuition rates, the type of programs offered, the quality of instruction and instructional facilities, graduate employment rates, reputation and recruiting. Additionally, the military often recruits or retains potential students when branches of the military offer enlistment or re-enlistment bonuses. Human Capital Management As of September 30, 2024, we had approximately 3,700 full-time employees, including approximately 1,400 instructors, 550 admissions representatives, and 1,200 student support employees. Each of our employees plays a key role in our mission to serve students, partners and communities by providing quality education and training for in-demand careers. We believe that diversity, equity, and inclusion (â€œDE&Iâ€) among our employees is essential in this process, as a truly innovative educational institution relies on a wealth of backgrounds and experiences to enhance student outcomes. We have a Director of Diversity, Equity, and Inclusion who is responsible for setting the DE&I strategy and roadmap to ensure that we meet our objectives both internally, of creating a company where everyone feels they belong, and externally, by working closely with our marketing and talent acquisition functions to attract diverse talent. To attract a truly diverse workforce, we strive to instill a culture where employees are encouraged to draw upon their own unique skills and perspectives when engaging with our growing and diverse student population. Faculty members are hired nationally in accordance with established criteria, applicable accreditation standards and applicable state regulations. Members of our faculty are primarily industry professionals and are hired based on their prior work and educational experience. We require a specific level of industry experience in order to enhance the quality of the programs we offer and to address current and industry-specific issues in our course content. We provide intensive instructional training and continuing education to our faculty members to maintain the quality of instruction in all fields of study. A majority of our existing instructors have a minimum of five yearsâ€™ experience in the industry and an average of six years of experience teaching at UTI and four years of experience teaching at Concorde. We employ field, military and campus-based admissions representatives who work directly with prospective students to facilitate the enrollment process. Additionally, each campus has a support team that typically includes a campus president, an education director, a financial aid director, a student services director, and a career services director. We believe our corporate and divisional management teams have the experience necessary to effectively implement our growth and diversification strategy and continue to drive positive educational and employment outcomes for our students. For discussion of the risks relating to the attraction and retention of management and executive management employees, see Item 1A. â€œRisk Factors.â€ Environmental Matters UTI uses hazardous materials at its training facilities and campuses and generates small quantities of regulated waste, including, but not limited to, used oil, antifreeze, transmission fluid, paint, solvents, car batteries and aircraft batteries. As a 13Table of Contents result, the UTI facilities and operations are subject to a variety of environmental laws and regulations governing, among other things, the use, storage and disposal of solid and hazardous substances and waste, and the clean-up of contamination at UTI facilities or off-site locations to which UTI sends or has sent waste for disposal. Certain of the UTI campuses are required to obtain permits for air emissions. In the event UTI does not maintain compliance with any of these laws and regulations, or if UTI is responsible for a spill or release of hazardous materials, UTI could incur significant costs for clean-up, damages, and fines or penalties. Concorde monitors and follows all regulatory guidelines for any bloodborne pathogens, chemicals, or gases that the school purchases and uses. Concorde has biohazardous waste that is produced in many of its programs including, but not limited to, disposables contaminated with blood and body fluids and contaminated sharps such as needles. Where applicable, the programs use appropriate decontamination, cleaning, and sterilizing methods and processes on all required reusable products or equipment. Concorde programs also purchase and use many different chemicals and substances for skills practice and cleaning. These chemicals and substances are handled per the manufacturer guidelines, and the MSDS lists are maintained at the campus per regulations in the event of any adverse reaction. Concorde contracts with several vendors for approved and appropriate disposal of any chemical products or contaminated bloodborne pathogen items. Some of Concordeâ€™s programs utilize gases including, but not limited to, Oxygen and Nitrous Oxide. These gases are purchased from commercial vendors and are stored, maintained, and disposed of per the manufacturer and regulatory guidelines. Regulatory Environment Our institutions are subject to extensive regulatory requirements imposed by a wide range of federal and state agencies, as well as by institutional and programmatic accreditors. These regulatory requirements cover the vast majority of our operations, including our educational programs, facilities, instructional and administrative staff, administrative procedures, marketing, recruiting, financial operations and financial condition. These regulatory requirements also affect our ability to acquire, expand or open additional institutions or campuses, to revise or expand our educational programs, and to change our corporate structure and ownership. The approvals granted by these entities permit our schools to operate and to participate in a variety of government-sponsored financial aid programs that assist students in paying for their education. The most significant of these is the federal student aid programs administered by ED pursuant to HEA Title IV Programs. Generally, to participate in Title IV Programs, an institution must be licensed or otherwise legally authorized to operate in the state where it is physically located, be accredited by an accreditor recognized by ED, be certified as an eligible institution by ED, offer at least one eligible program of education, and comply with other statutory and regulatory requirements. We also are subject to oversight by other federal agencies, including the Consumer Financial Protection Bureau (â€œCFPBâ€), the Securities and Exchange Commission (â€œSECâ€), the Federal Trade Commission (â€œFTCâ€), the Internal Revenue Service and the Departments of Veterans Affairs (â€œVAâ€), Defense (â€œDODâ€), Treasury, Labor, and Justice. Below, we discuss certain elements of this regulatory environment. State and Accreditor Approvals State Authorization To operate and offer postsecondary programs, and to be certified to participate in Title IV Programs, each of our institutions must obtain and maintain authorization from the state in which it is physically located (â€œHome Stateâ€). To engage in educational or recruiting activities outside of its Home State, each institution also may be required to obtain and maintain authorization from the states in which it is educating or recruiting students. The level of regulatory oversight varies substantially from state to state and is extensive in some states. State laws may establish standards for instruction, qualifications of faculty, location and nature of facilities and equipment, administrative procedures, marketing, recruiting, student outcomes reporting, disclosure obligations to students, limitations on mandatory arbitration clauses in enrollment agreements, financial operations, and other operational matters. Some states prescribe standards of financial responsibility and mandate that institutions post surety bonds. Many states have requirements for institutions to disclose institutional data to current and prospective students, as well as to the public, and some states require that our schools meet prescribed performance standards as a condition of continued approval. States can and often do revisit, revise, and expand their regulations governing postsecondary education and recruiting. Institutions that offer distance education instruction outside of their Home State must comply with federal regulations governing state authorization for distance education in order to participate in the Title IV student financial aid programs. All UTI institutions and the Concorde Jacksonville, Florida, Kansas City, Missouri, and Memphis, Tennessee institutions are 14Table of Contents authorized to participate in the State Authorization Reciprocity Agreement (â€œSARAâ€). SARA is an agreement among member states, districts and territories of the United States of America that establishes comparable national standards for interstate offering of post-secondary distance education courses and programs. SARA is overseen by a national council (â€œNC-SARAâ€) and administered by four regional education compacts. Forty-nine states (all but California), the District of Columbia, Puerto Rico and the U.S. Virgin Islands have joined SARA. Each of our institutions holds the state or SARA authorizations required to operate and offer postsecondary education programs, and to recruit in the states in which it engages in recruiting activities. We also have received approval from the Accrediting Commission of Career Schools and Colleges (â€œACCSCâ€) and the Council on Occupational Education (â€œCOEâ€) to offer blended format programs that utilize both distance and on-ground education. Additionally, we have received approvals from all required state education authorizing agencies to offer blended format programs. We continue to work to ensure that we comply with applicable distance education rules and standards. We also will closely monitor any new rulemakings that concern state authorization or distance education. State Licensing Boards Many educational programs leading to professional licensure in a regulated profession require approval from, and are subject to, ongoing oversight by state agencies or boards. For example, certain Concorde healthcare programs, such as the Vocational Nursing, Practical Nursing, Dental Assistant, Massage Therapy, and Nursing Practice (RN) programs, require and have obtained state licensure. Such programs are required to meet the standards of the state licensure agency or board and Concorde must periodically renew these licenses by completing a comprehensive license renewal process. Institutional Accreditation Institutional accreditation is a non-governmental process through which an institution voluntarily submits to ongoing qualitative reviews by an organization of peer institutions. Institutional accreditation by an ED-recognized accreditor is required for an institution to be certified to participate in Title IV Programs. All of the UTI institutions and 14 of the Concorde institutions are accredited by the ACCSC. The remaining two Concorde institutions are accredited by the COE. Both ACCSC and COE are accrediting agencies recognized by ED. ACCSC and COE review the academic quality of each institutionâ€™s instructional programs, as well as the administrative and financial operations of the institution to ensure that it has the resources necessary to perform its educational mission, implement continuous improvement processes, and support student success. Our institutions are subject to periodic review to confirm accreditation standards are met, and must submit annual reports, and at times, supplemental reports, to demonstrate ongoing compliance and improvement. ACCSC and COE require institutions to disclose certain institutional information to current and prospective students, as well as to the public, and require that our schools and programs meet various performance standards as a condition of continued accreditation. ACCSC and COE often revisit, revise, and expand their standards and policies. Institutions must periodically renew their accreditation by completing a comprehensive renewal of accreditation process. Due to scheduling and resource limitations, an institutionâ€™s grant of accreditation at times may expire on its face prior to the completion of a renewal cycle. In such cases, the institutionâ€™s accreditation remains in place until the renewal cycle is complete, and a new grant of accreditation is issued. We strive to maintain the highest standards. Currently 16 of our campuses are classified as ACCSC Schools of Excellence or ACCSC Schools of Distinction. Five of our campuses have achieved this award twice in their history, and two campuses have received this award three times in their history. 15Table of Contents The tables below set out the renewal of accreditation cycle for each of our schools: UTI Campus Accreditation Expiration Renewal Status Miramar, Florida (3) September 2024 In Process Houston, Texas (MIAT) (1) October 2024 Renewed Avondale, Arizona (2) February 2025 Renewed Orlando, Florida (2) February 2025 Renewed Houston, Texas (2) February 2025 Renewed Lisle, Illinois (2) February 2025 Renewed Rancho Cucamonga, California (2) February 2025 Renewed Avondale, Arizona; Motorcycle Mechanics Institute (MMI) (2) May 2025 Renewed Bloomfield, New Jersey (1) May 2025 Renewed Canton, Michigan (MIAT) (1) July 2026 Renewed Long Beach, California (1) September 2027 Renewed Exton, Pennsylvania (2) October 2028 Renewed Dallas/Ft. Worth, Texas (2) March 2029 Renewed Austin, Texas May 2029 Renewed Sacramento, California (2) December 2029 Renewed Mooresville, North Carolina; NASCAR Technical Institute (NASCAR Tech) (2) December 2029 Renewed (1) A A A Indicates a school that has achieved School of Distinction status during its most recent renewal of accreditation, which recognizes accredited member schools that demonstrated a commitment to the expectations and rigors of ACCSC accreditation, as well as a commitment to delivering quality educational programs to students. (2) A A A Indicates a school that has achieved School of Excellence status during its most recent renewal of accreditation, which recognizes ACCSC-accredited institutions for their commitment to the expectations and rigors of ACCSC accreditation, as well as the efforts made by the institution in maintaining high levels of achievement among their students. (3) A A A Due to scheduling and resource limitations, an institutionâ€™s grant of accreditation at times may expire on its face prior to the completion of a renewal cycle. In such cases, the institutionâ€™s accreditation remains in place until the renewal cycle is complete, and a new grant of accreditation is issued. Concorde Campus Accreditor Accreditation Expiration Renewal Status Tampa, Florida (5) ACCSC May 2024 In Process Jacksonville, Florida (5) ACCSC August 2024 In Process Garden Grove, California ACCSC May 2025 In Process Miramar, Florida ACCSC May 2025 In Process San Bernardino, California ACCSC November 2025 In Process Grand Prairie, Texas ACCSC December 2025 In Process Aurora, Colorado ACCSC February 2026 Renewed Kansas City, Missouri (including Online) ACCSC November 2026 Renewed Orlando, Florida (4) ACCSC December 2026 Renewed Portland, Oregon ACCSC February 2027 Renewed Dallas, Texas ACCSC April 2027 Renewed San Antonio, Texas (4) ACCSC April 2027 Renewed San Diego, California ACCSC May 2027 Renewed Memphis, Tennessee COE September 2027 Renewed (16) Table of Contents Concorde Campus Accreditor Accreditation Expiration Renewal Status South Haven, Mississippi COE September 2027 Renewed North Hollywood, California ACCSC June 2028 Renewed (4) A A A Indicates a school that has achieved School of Excellence status during its most recent renewal of accreditation, which recognizes ACCSC-accredited institutions for their commitment to the expectations and rigors of ACCSC accreditation, as well as the efforts made by the institution in maintaining high levels of achievement among their students. (5) A A A Due to scheduling and resource limitations, an institutionâ€™s grant of accreditation at times may expire on its face prior to the completion of a renewal cycle. In such cases, the institutionâ€™s accreditation remains in place until the renewal cycle is complete, and a new grant of accreditation is issued. Programmatic Accreditation In addition to institutional accreditation, programmatic accreditation may be required for particular educational programs. Programmatic accreditors review specialized and professional programs in a range of fields and disciplines within an institution to ensure the public that an academic program has undergone a rigorous review process and been found to meet high standards for educational quality. Certain Concorde healthcare programs, including the Physical Therapist Assistant, Dental Hygiene, Neurodiagnostic Technology, Polysomnographic Technology, Respiratory Therapy, Surgical Technology, Radiologic Technology, Diagnostic Medical Sonography, Cardiovascular Sonography, Practical Nursing, Pharmacy Technician, and Occupational Therapy Assistant programs, have obtained programmatic accreditation. Such programs are required to meet the standards of their programmatic accreditor and Concorde must periodically renew these accreditations by completing a comprehensive programmatic accreditation renewal process. Title IV Programs The federal government provides a substantial part of its support for postsecondary education through Title IV Programs in the form of grants and loans to students who can use those funds at any institution that has been certified as eligible to participate by ED. Title IV grants include Federal Pell Grants (the â€œPell Grantsâ€) and Federal Supplemental Education Opportunity Grants (â€œFSEOGâ€). Pell Grants are available to eligible undergraduate students who demonstrate financial need and who have not already received a baccalaureate degree. FSEOG grants are designed to supplement Pell Grants for students with the greatest financial need. Institutions must provide matching funding equal to 25% of all awards made under the FSEOG program. Pell Grants generally do not need to be repaid. Title IV loans include Direct Subsidized loans, Direct Unsubsidized loans, and Direct Parent PLUS loans. Direct Subsidized loans and Direct Unsubsidized loans are federal student loans offered to help eligible students cover the cost of higher education at a four-year college or university, community college, or trade, career, or technical school. Direct Subsidized loans are available to undergraduate students with financial need. Direct Unsubsidized loans are available to undergraduate and graduate students, and there is no requirement to demonstrate financial need. Direct Parent PLUS loans are federal loans that parents of dependent undergraduate students can use to help pay for schools that participate in the Direct Loan program. All of our institutions are certified to participate in Title IV Programs. The HEA, which authorizes Title IV Programs, has not been comprehensively reauthorized since 2008. Despite repeated attempts, Congress has not completed a

full reauthorization since then. In addition to HEA reauthorization, policies directly related to Title IV Programs and funding for those programs may be impacted by the annual budget and appropriations process as well as by other legislation. At this time, we cannot predict all or any of the changes that Congress may ultimately make, and any of those changes could potentially have a material adverse effect on our business and operations. Overall, in fiscal year 2024, across our institutions, we derived approximately 78% of our revenues, on a cash basis, from Title IV Programs and various veterans' programs. We derived approximately 45% of our revenues, on a cash basis, from the Direct Loan program, pursuant to which ED makes loans to students or their parents. We derived approximately 21% of our revenues, on a cash basis, from the Pell Program. We derived approximately 11% of our revenues, on a cash basis, from veterans' programs. And we derived less than 1% of our revenues, on a cash basis, from FSEOG. 17Table of Contents The Title IV Program statutes and regulations are applied primarily on an institutional basis. The HEA defines an 'institution' as a main campus and its additional locations. Pursuant to this definition, ED recognizes the Company as owning and operating sixteen institutions (the OPE IDs), organized as follows: Institution Main Campus, Additional Campuses (if any) Universal Technical Institute of Arizona, Universal Technical Institute, Avondale, Arizona; Universal Technical Institute, Lisle, Illinois; Universal Technical Institute, Long Beach, California; Universal Technical Institute, Miramar, Florida; Universal Technical Institute, Rancho Cucamonga, California; NASCAR Technical Institute, Mooresville, North Carolina; Universal Technical Institute of Phoenix; Universal Technical Institute DBA Motorcycle Mechanics Institute, Motorcycle & Marine Mechanics Institute, Avondale, Arizona; Universal Technical Institute, Sacramento, California; Universal Technical Institute, Orlando, Florida; for the following divisions: Motorcycle Mechanics Institute, Orlando, Florida; Marine Mechanics Institute, Orlando, Florida; Automotive, Orlando, Florida; Universal Technical Institute of Texas; Universal Technical Institute, Houston, Texas; Universal Technical Institute, Exton, Pennsylvania; Universal Technical Institute, Dallas/Ft. Worth, Texas; Universal Technical Institute, Bloomfield, New Jersey; Universal Technical Institute, Austin, Texas; Michigan Institute of Aeronautics; MIAT College of Technology, Canton, Michigan; MIAT College of Technology, Houston, Texas; Concorde Career College, North Hollywood, California; Concorde Career College, North Hollywood, California; Concorde Career College, San Diego, California; Concorde Career College, San Diego, California; Concorde Career College, Garden Grove, California; Concorde Career College, Garden Grove, California; Concorde Career College, San Bernardino, California; Concorde Career College, San Bernardino, California; Concorde Career College, Aurora, Colorado; Concorde Career College, Dallas, Texas; Concorde Career College, Portland, Oregon; Concorde Career College, Portland, Oregon; Concorde Career Institute, Jacksonville, Florida; Concorde Career Institute, Jacksonville, Florida; Concorde Career Institute, Orlando, Florida; Concorde Career College, Memphis, Tennessee; and Southaven, Mississippi; Concorde Career College, Memphis, Tennessee; Concorde Career College, Southaven, Mississippi; Concorde Career Institute, Tampa, Florida; Concorde Career Institute, Tampa, Florida; Concorde Career Institute, Miramar, Florida; Concorde Career Institute, Miramar, Florida; Concorde Career College, Kansas City, Missouri; and San Antonio, Texas; Concorde Career College, Kansas City, Missouri; Concorde Career College, San Antonio, Texas; Concorde Career College, Grand Prairie, Texas; Concorde Career College, Grand Prairie, Texas. To obtain and maintain certification as eligible to participate in Title IV Programs, institutions must demonstrate ongoing compliance with the HEA and its extensive and complex implementing regulations, which ED frequently revisits, revises, and expands. Because all of our institutions are certified to participate in Title IV Programs, they must comply with this complex framework of statutes, regulations, and guidance, and undergo detailed oversight and review. Below, we discuss the core components of the Title IV Programs' regulatory framework. 18Table of Contents Eligibility and Recertification All institutions seeking to participate in the Title IV Programs must first establish their eligibility to do so. The Program Participation Agreement (the 'PPA') document serves as ED's formal recognition that an institution and its associated additional locations have satisfied this requirement and are authorized to participate in Title IV Programs for a specified period of time. An institution seeking to expand its activities in certain ways, such as opening an additional location or raising the highest academic credential it offers, must obtain approval from ED. Every participating institution is also required to periodically renew its certification by applying for continued certification before its current term of certification expires. Terms of certification are typically six years but can be three years or shorter. Each of our institutions participates in the Title IV Programs through a PPA. Those institutions that recently have been acquired (MIAT and Concorde) participate pursuant to a provisional PPA, which is standard for institutions that have recently undergone a change in ownership or control. ED may, in certain circumstances, also place an institution on a provisional PPA if it finds that the institution does not fully satisfy all of the eligibility and certification standards. A provisional PPA attaches additional requirements and limitations to participation for the duration of the provisional period, which typically is three years. If ED determines that a provisionally certified institution is unable to meet its responsibilities under its PPA, it may impose additional limitations and restrictions, up to and including revoking the institution's certification to participate in Title IV Programs. The 90/10 Rule As a condition of participation in Title IV Programs, proprietary institutions must agree when they sign their PPA to comply with the 90/10 rule. Under the 90/10 rule, to remain eligible to participate in the federal student aid programs, a proprietary institution must derive at least 10% of its revenue from sources other than federal education assistance funds. The 'federal education assistance funds' are defined as federal funds that are disbursed or delivered to or on behalf of a student to be used to attend such institution. We regularly monitor compliance with the 90/10 requirement to minimize the risk that any of our institutions would derive more than the allowable maximum percentage of its revenue from Federal education assistance funds for any fiscal year. As of September 30, 2024, our institutions' annual percentages of Federal education assistance funds, as calculated under the current 90/10 rule, ranged from approximately 65% to approximately 88%. Administrative Capability To continue its participation in Title IV Programs, an institution must demonstrate that it remains administratively capable of providing the education it promises and of properly managing its Title IV Programs. ED assesses the administrative capability of each institution that participates in Title IV Programs under a series of standards listed in the regulations, which cover a wide range of operational and administrative topics, including the designation of capable and qualified individuals, the quality and scope of written procedures, the adequacy of institutional communication and processes, the timely resolution of issues, the sufficiency of recordkeeping, the provision of adequate career services, and the frequency of findings of noncompliance. ED's administrative capability standards also include thresholds and expectations for federal student loan cohort default rates (discussed below), satisfactory academic progress, clinical and externship opportunities, gainful employment programs (discussed below) and loan counseling. Failure to satisfy any of the standards may lead ED to find the institution ineligible to participate in Title IV Programs, require the institution to repay Title IV Program funds, change the method of payment of Title IV Program funds, place the institution on provisional certification as a condition of its continued participation in Title IV Programs, or take other actions against the institution. Three-Year Student Loan Default Rates To remain eligible to participate in Title IV Programs, institutions also must maintain federal student loan cohort default rates below specified levels. ED calculates an institution's cohort default rate on an annual basis. Under the current calculation, the cohort default rate is derived from student borrowers who first enter loan repayment during a federal fiscal year (the 'FFY') ending September 30 and subsequently default on those loans within the two following years; parent borrowers are excluded from the calculation. This represents a three-year measuring period. Due to the COVID-19 pandemic, ED paused all loan payments from March 13, 2020 through October 1, 2023. This has significantly decreased the default rates starting with the 2019 Cohort, and resulted in a 0% default rate for the 2020 and 2021 Cohort Rate for all UTI institutions. An institution whose cohort default rate exceeds 30% in consecutive fiscal years may be subject to conditions and restrictions and will lose eligibility if the rate remains above 30% three years in a row. An institution also will lose eligibility if its rate exceeds 40% for any fiscal year. An institution whose three-year cohort default rate is 15% or greater for any one of the three preceding years is subject to a 30-day delay in receiving the first disbursement on federal student loans for first-time borrowers. None of our institutions had a three-year cohort default rate of 7% or greater for 2021, 2020, or 2019, which are the three most recent FFYs with published rates. Financial Responsibility All institutions participating in Title IV Programs also must satisfy specific ED standards of financial responsibility. Among other things, an institution must meet all of its financial obligations, including required refunds to students and any Title IV Program liabilities and debts, be current in its debt payments, comply with certain past performance requirements, and not receive an adverse, qualified, or disclaimed opinion by its accountants in its audited financial statements. Each year, ED also evaluates institutions' financial responsibility by calculating a composite score, which measures an institution's overall financial health. The composite score utilizes information provided in the institutions' annual audited financial statements and is based on three ratios: (1) the equity ratio which measures the institution's capital resources, ability to borrow and financial viability; (2) the primary reserve ratio which measures the institution's ability to support current operations from expendable resources; and (3) the net income ratio which measures the institution's ability to operate at a profit. ED assigns a strength factor to the results of each of these ratios on a scale from negative 1.0 to positive 3.0, with negative 1.0 reflecting financial weakness and positive 3.0 reflecting financial strength. ED then assigns a weighting percentage to each ratio and adds the weighted scores for the three ratios together to produce a composite score for the institution. If an institution's composite score is above 1.5, and it meets all other requirements, it is deemed financially responsible. If its composite score is below 1.5, but at least 1.0, the institution is still considered to be financially responsible, but must agree to additional oversight by ED in the form of cash monitoring and other participation requirements. If an institution's composite score is below 1.0, the institution is considered by ED to lack financial responsibility. ED may permit the institution to continue to participate in the Title IV Programs if it agrees to, among other things: (1) post a letter of credit in an amount equal to at least 50% of the total Title IV Program funds received by the institution during its most recently completed fiscal year; or (2) post a letter of credit in an amount equal to at least 10% of such prior year's Title IV Program funds, accept provisional certification for a period of no more than three years, comply with additional ED notification and operating requirements and conditions, and agree to receive Title IV Program funds under an arrangement other than ED's standard advance funding arrangement. If an institution is unable to establish financial responsibility on an alternative basis, the institution may be subject to financial penalties, restrictions on operations and loss of external financial aid funding. ED has historically evaluated the financial condition of our institutions on a consolidated basis based on the financial statements of Universal Technical Institute, Inc. as the parent company. ED's regulations permit ED to examine the financial statements of Universal Technical Institute, Inc., the financial statements of each institution and the financial statements of any related party. For our year ended September 30, 2024, we calculated our composite score to be 2.3. However, the composite score calculations and resulting requirements imposed on our institutions are subject to determination by ED once it receives and reviews our audited financial statements. On October 31, 2023, ED published new regulations on financial responsibility that became effective July 1, 2024. Among other things, the new financial responsibility regulations significantly modify and expand the mandatory and discretionary triggering events that require an institution to post a letter of credit or other form of financial protection with ED. The rules provide that a separate letter of credit of not less than 10% of the institution's prior year Title IV receipts is required for each mandatory or discretionary triggering event, such that multiple triggering events could subject an institution to substantial cumulative financial protection obligations. Examples of mandatory triggering events in the new regulations include an action by ED to recoup adjudicated borrower defense to repayment claims where the potential amount of recovery would cause the institution's recalculated composite score to drop below 1.0. Specified discretionary triggers, which provide ED flexibility on whether to require a letter of credit based on the financial impact the triggering event would have on the institution, include the existence of pending group-process borrower defense to repayment claims. We did not have any triggering events for our year ended September 30, 2024. Borrower Defense to Repayment Under the HEA and its implementing regulations, students may file a claim with ED to discharge their federal Direct Loans (or Direct Consolidated Loans) if, generally, they believe their institution misled them or engaged in other misconduct related to the making of their federal loans or the provision of their educational services. This is referred to as a 'borrower defense to repayment' or 'BDR' claim. The regulations governing the standards and processes pursuant to which BDR claims are adjudicated have been revised multiple times since their introduction in 1994, with the result that the current regulatory framework is extraordinarily complex. It is generally the case that an individual BDR claim would be adjudicated by an ED staff member and any subsequent recoupment process initiated by ED would be overseen by a hearing official. But the specific standards and processes that apply vary depending on when the underlying loan was made, and certain versions of the law permit the formation of a group claims process by ED. On November 1, 2022, the Biden administration promulgated a revised version of the BDR rule, which took effect on July 1, 2023. On August 7, 2023, the U.S. Court of Appeals for the Fifth Circuit issued a nationwide preliminary injunction, enjoining the implementation of the borrower defense and closed school provisions of that rule. While this case is decided, the previous versions of the borrower defense and closed school provisions are in effect. According to data released by ED in response to Freedom of Information Act requests, over 600,000 BDR claims had been filed against 4,900 institutions of higher education (or about 83% of Title IV-eligible institutions of higher education) by December 31, 2022. Frustrated with ED's inability to process BDR claims, a group of former borrowers sued ED in federal district court in California. On June 22, 2022, the parties in Sweet, et al. v. Miguel Cardona and the United States Department of Education reached a settlement agreement which generally provided that all BDR claims filed prior to June 22, 2022 would be discharged with no or minimal adjudication by July 28, 2025. Also, because these discharges would be managed without input from the schools alleged to have engaged in misconduct, such claims could not serve as the basis of a recoupment action against a school. For any borrower who attended Concorde, as well as 152 other named schools, and had a BDR claim pending as of June 22, 2022, the borrower will receive full settlement relief. Full Settlement Relief means that the federal student loan(s) associated with the borrower's attendance at the school will be discharged, ED will refund any amounts paid to ED on those loans, and the credit tradeline for those loans will be deleted from the borrower's credit report. The Sweet settlement also provided that BDR claims filed between June 22, 2022 and November 15, 2022 would be adjudicated no later than January 28, 2026, or would be automatically discharged. Schools would have the opportunity to review and respond to this group of claims, and also could be subject to recoupment actions for any loan amounts discharged. In fall 2023, ED began providing institutions with BDR claims filed in the June to November 2022 period. In doing so, ED acknowledged that it was not conducting any substantive review of the applications (e.g., determining whether an application asserts a valid basis for a BDR claim) before sending them to institutions. In late 2023, ED provided us with a de minimis number of BDR claims that had been filed by former UTI and MIAT students. Then, in late February 2024, ED began providing us with approximately 2,500 BDR claims from former students of our Concorde institutions. While these BDR claims were filed with ED during the June 22, 2022 to November 15, 2022 time period noted above, the borrowers filing the claims may have been in attendance many years prior to that date, including, in some instances, more than 20 years ago. With regard to Concorde, all the claims were made by students who attended Concorde prior to the Company's acquisition of the Concorde schools in December 2022. We have reviewed and responded to every BDR complaint received. All BDR claims made against MIAT have been denied by ED. Claims made against UTI or Concorde have yet to be adjudicated. If ED were to discharge some amount of loans, ED will, at a later date, determine whether to engage in a separate proceeding to recoup such amount from the applicable school. This process would take place before a hearing official, and the school would have an opportunity to contest the recoupment. Substantial Misrepresentation The regulatory definitions of 'misrepresentation' and 'substantial misrepresentation' enforced by ED are exceptionally broad and do not require intent by the institution to misrepresent, or actual reliance by the person to whom the alleged misrepresentation was made. Therefore, it is possible that a statement made by the institution or one of its service providers or representatives could be construed by ED to constitute a substantial misrepresentation, even if the statement was made in error, without intent to misrepresent, and the person to whom it was made did not actually rely upon it. Incentive Compensation The 'incentive compensation' prohibition forbids institutions from providing any commission, bonus, or other incentive payment based in any part, directly or indirectly, on success in securing enrollments or the award of financial aid to any person or entity engaged in any student recruiting or admission activities or in making decisions regarding the awarding of Title IV Program funds. We believe our compensation practices for our admissions representatives comply with the current 21Table of Contents regulations and ED's guidance. We will continue to evaluate other compensation options under these regulations and guidance. Gainful Employment/Financial Value Transparency The HEA requires all programs offered by proprietary institutions, and all non-degree programs offered by public and private non-profit institutions, to prepare students for gainful employment in a recognized occupation. On October 10, 2023, ED published its Financial Value Transparency and Gainful Employment Rule (the 'GE Rule'), effective July 1, 2024. This rule covers all Title IV-participating programs at all Title IV-participating institutions of higher education. Under the GE Rule, all institutions will be required to report to ED an extraordinary array of data for their Title IV-participating programs and students. Utilizing the reported data, ED will calculate and disclose debt-to-earnings (the 'D/E') rates and an 'Earnings Premium' for every Title IV-participating program on a new program information website. Upon finalizing the D/E rates and Earnings Premium, ED will issue a notice of determination to the institution informing it of the D/E rates and Earnings Premium measure for each program, as well as whether each program is passing or failing, and the consequences of that determination. Failing programs will be subject to a range of sanctions. Most significantly, a GE Program, meaning Title IV non-degree programs offered by public and private non-profit institutions and all Title IV programs offered by proprietary institutions, becomes ineligible for federal

financial aid if the program (1) fails the D/E rates test in two out of any three consecutive award years for which the program's D/E rates are calculated, or (2) fails the Earnings Premium test in two out of any three consecutive award years for which the program's Earnings Premium is calculated. D/E rates and an Earnings Premium for each program also will be calculated and disclosed to prospective and current students and will be labeled "low-earning" or "high-debt-burden" per ED determination. As of September 30, 2024, ED has pushed back twice the reporting by schools of this information: first from July 31, 2024 to October 1, 2024, and then from October 1, 2024 to January 15, 2025. Title IV Program RulemakingsED is almost continuously engaged in one or more negotiated rulemakings, which is the process pursuant to which the agency revisits, revises, and expands the complex and voluminous Title IV Program regulations. We devote significant effort to understanding the effects of ED regulations and rulemakings on our business and to developing compliant solutions that also are congruent with our business, culture, and mission to serve our students and industry relationships. ED has recently undertaken, or proposed to undertake, rulemakings on the following topics:
On October 28, 2022, ED published a final rule amending regulations governing Pell Grants for prison education programs, the 90/10 rule, and changes in ownership and control, effective July 1, 2023. On November 1, 2022, ED published a final rule governing borrower defense to repayment claims, closed school loan discharges, pre-dispute arbitration and class action waiver clauses, interest capitalization on Federal student loans, Public Student Loan Forgiveness, total and permanent disability discharges, and false certification discharges, also effective July 1, 2023. On October 10, 2023, ED published a final rule related to financial value transparency and gainful employment, effective July 1, 2024. On October 31, 2023, ED published final rules relating to (1) financial responsibility, (2) administrative capability, (3) certification procedures, and (4) ability to benefit, effective July 1, 2024. ED established a Student Loan Relief Committee to consider revisions to sections of 34 C.F.R. Parts 30, 682 and 685 addressing provisions related to the modification, waiver, release or compromise of Federal student loans. The Student Loan Relief Committee completed four negotiating sessions in October, November and December 2023 and February 2024. On April 17, 2024, ED issued a Notice of Proposed Rulemaking announcing proposed regulatory changes addressing the Secretary's discretionary authority to waive loan repayment obligations. ED has collected comments on the proposed regulatory changes but has not yet issued final regulatory updates. ED established a Program Integrity and Institutional Quality Committee to consider proposed changes to regulations addressing (1) the Secretary's recognition of accrediting agencies; (2) institutional eligibility, including State authorization; (3) distance education; (4) return of Title IV funds; (5) cash management; and (6) the Federal TRIO Programs. ED also announced a Federal TRIO Programs Subcommittee to include additional expertise and to make recommendations to the full committee on the subject. The full Committee met for three negotiating sessions in January, February and March 2024, and the Subcommittee met twice in January and February 2024. On July 24, 2024, ED issued a Notice of Proposed Rulemaking announcing proposed regulatory changes addressing (1) distance education; (2) return of Title IV funds; and (3) the Federal TRIO Programs. ED has collected comments on the proposed regulatory changes but has not yet issued final regulatory updates. ED also has not yet announced any 22Table of Contents proposed regulatory changes addressing (1) the Secretary's recognition of accrediting agencies; (2) institutional eligibility, including State authorization; and (3) cash management. ED Non-Discrimination RulemakingsAs a condition of receiving federal financial assistance, we are responsible for complying with applicable laws and regulations promulgated by ED regarding non-discrimination. On April 29, 2024, ED published a final rule (the "Title IX Rule") amending the regulations implementing Title IX of the Education Amendments of 1972, effective August 1, 2024 (the "Title IX Rules"). This rule represents a significant revision of the Title IX Rules. As of September 30, 2024, pursuant to various Federal court orders, ED enjoined from enforcing the 2024 Title IX Rule in 26 states, including Florida, Missouri, Mississippi, Tennessee, and Texas, and at schools of a list of institutions identified by a federal district court in Kansas, including Universal Technical Institute of Arizona Inc. As of September 30, 2024, ED also has indicated that it will be proposing a rule to amend regulations related to nondiscrimination on the basis of disability. Other Benefit or Aid ProgramsSome of our students receive financial aid from federal sources other than Title IV or VA Programs, such as from the DOD or under the Workforce Innovation and Opportunity Act. All of our institutions must comply with the eligibility and participation requirements applicable to each of these funding programs, which vary by funding agency and program. Department of Veterans Affairs Benefit ProgramsSome of our students receive financial aid from VA benefit programs. In 2024, we derived approximately 11% of our revenues, on a cash basis, from veterans' benefits programs, which include the Post-9/11 GI Bill, the Montgomery GI Bill, the Reserve Education Assistance Program ("REAP") and VA Vocational Rehabilitation. To continue participation in veterans' benefits programs, an institution must comply with certain requirements established by the VA, including that the institution report on the enrollment status of eligible students; maintain student records and make such records available for inspection; follow rules applicable to the individual benefits programs; and comply with applicable limits on the percentage of students receiving certain veterans' benefits on a program and campus basis. The VA shares responsibility for VA benefit approval and oversight with designated State Approving Agencies ("SAAs"). SAAs play a critical role in evaluating institutions and their programs to determine if they meet VA benefit eligibility requirements. Processes and approval criteria, as well as interpretation of applicable requirements, can vary from state to state. Therefore, approval in one state does not necessarily result in approval in all states. The VA imposes limitations on the percentage of students per program receiving benefits under certain veterans' benefits programs, unless the program qualifies for certain exemptions. This rule, the 85/15 Rule, prohibits paying VA benefits to students enrolling in a program when more than 85% of the students enrolled in that program are having any portion of their tuition, fees, or other charges paid for them by the school or VA. If the ratio of supported students to non-supported students exceeds 85% at the time a new VA student enters or reenters (such as after a break in enrollment), the student cannot be certified to receive benefits in the program. If the VA determines that a program is out of compliance with these limitations, the VA will continue to provide benefits to current students, but new students will not be eligible to use their veterans' benefits for an affected program until we demonstrate compliance. Additionally, the VA requires a campus be in operation for two years before it can apply to participate in VA benefit programs. With the exception of our two newest campuses in Austin, Texas and Miramar, Florida which opened between May and August 2022, all of our campuses are eligible to participate in VA education benefit programs. In 2012, President Obama signed an Executive Order directing the DOD, VA and ED to establish "Principles of Excellence" ("Principles"), based on certain guidelines set forth in the Executive Order, to apply to educational institutions receiving federal funding for service members, veterans and family members. As requested, we provided written confirmation of our intent to comply with the Principles to the VA in June 2012. We are required to comply with the Principles to continue recruitment activities on military installations. Additionally, there is a requirement to possess a memorandum of understanding ("MOU") with the DOD as well as with certain individual installations. Our access to bases for student recruitment has become more limited due to recent changes in the Transition Assistance Program (Transition Goals, Plans, Success) and increased enforcement of the MOU requirement. Each of our institutions has an MOU with the DOD. We have MOUs with certain key individual installations and are pursuing MOUs at additional locations; however, some installations will not provide MOUs to institutions that do not teach at the installation. We continue to strengthen and 23Table of Contents develop relationships with our existing contacts and with new contacts in order to maintain and rebuild our access to military installations. State Financial Aid ProgramsSome states provide financial aid to our students in the form of grants, loans or scholarships. The UTI campuses in Long Beach, Rancho Cucamonga and Sacramento, California, as well as the Concorde campuses in Garden Grove, North Hollywood, and San Diego, California for example, are currently eligible to participate in the Cal Grant program. All of our institutions must comply with the eligibility and participation requirements applicable to each of these state financial aid programs. Regulatory Approval of AcquisitionsWhen we acquire an institution, the acquired school typically experiences a change of control under the standards of applicable federal and state agencies, including its institutional accreditor and ED. These agencies have varying processes and criteria for evaluating a change of control and may elect to attach conditions to the continued approval of the acquired school following the closing of the transaction. The approvals granted by ED after completing the acquisitions of both MIAT and Concorde, for example, include increased reporting and notification obligations, as well as requirements that neither school group may add new programs or locations, or change existing programs. Existing program content at each school group may be changed so long as the credit and contact hours reported to ED do not change. Existing campuses may be moved to new locations in the area, which allows schools to keep program content current and to relocate to improved facilities. Such restrictions on new campuses and programs typically remain in place for the time required for ED to review two years of audited financials for the acquired school under the new ownership. Consumer Protections Laws and RegulationsAs a postsecondary educational institution, we are subject to a broad range of consumer protection and other laws, such as those that relate to recruiting, marketing, the protection of personal information, student financing and payment servicing. Such laws and regulations are enforced by federal agencies including the Federal Trade Commission ("FTC") and the Consumer Financial Protection Bureau ("CFPB") and by various state agencies and state attorneys general. We received a January 18, 2022 letter from the CFPB explaining that it was assessing whether UTI is subject to the CFPB's supervisory authority based on its activities related to student lending. The CFPB's letter then requested certain information about extensions of credit to our students; generally explained the source and scope of the CFPB's regulatory authority; and advised that, after it reviewed the requested materials, the CFPB anticipates providing guidance regarding whether UTI is subject to CFPB's supervisory authority. We have provided the requested information and are awaiting further guidance, if any, from the CFPB. Both UTI and Concorde, along with 68 other proprietary institutions, received an October 6, 2021 letter from the FTC providing notice that engaging in deceptive or unfair conduct in the education marketplace violates consumer protection laws and could lead to significant civil penalties. The notice stated that an institution's receipt of the letter does not reflect any assessment as to whether they have engaged in deceptive or unfair conduct, and the FTC did not request any information. We devote significant effort to complying with state and federal consumer protection laws. Available InformationOur Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act are available free of charge on our website at www.uti.edu under the "Investor Relations - Financial Information - SEC Filings" captions, as soon as reasonably practicable after we electronically file such material with, or furnish it to, the SEC. Reports of our executive officers, directors and any other persons required to file securities ownership reports under Section 16(a) of the Exchange Act are also available through our website. Information contained on our website is not a part of this Annual Report on Form 10-K and is not incorporated herein by reference. 24ITEM 1A. RISK FACTORS We provide the following cautionary discussion of risks and uncertainties relevant to our business. These are factors that, individually or in the aggregate, could cause our actual results to differ materially from expected and historical results. We note these factors for investors within the meaning of Section 21E of the Exchange Act and Section 27A of the Securities Act. You should understand that it is not possible to predict or identify all such factors. Consequently, you should not consider the following to be a complete discussion of all potential risks or uncertainties. You should consider carefully the risks and uncertainties described below in addition to other information contained in this Annual Report on Form 10-K, including our consolidated financial statements and related notes. Risks Related to the Extensive Regulation of Our BusinessOur failure to comply with the extensive regulatory requirements for school operations could result in financial requirements or penalties, restrictions on our operations and loss of external financial aid funding. As detailed in "Business - Regulatory Environment," our institutions are subject to extensive regulatory requirements imposed by a wide range of federal and state agencies, as well as by our institutional accreditors. These requirements, which are subject to frequent change, cover virtually every aspect of our schools' operations. The approvals granted by these entities permit our schools to operate and to participate in a variety of government-sponsored financial aid programs, including Title IV Programs and veterans' programs, from which we derived approximately 78% of our revenues, on a cash basis, in fiscal year 2024. If our institutions fail to comply with any of these regulatory requirements, our regulators could take an array of actions, including, without limitation, issuing fines or penalties, requiring reimbursement for discharged loan obligations, requiring letter(s) of credit, halting certain business practices, or suspending or terminating our eligibility to participate in the Title IV Programs. Any such action could adversely affect our cash flows, results of operations and financial condition, and could include the imposition of significant operating restrictions upon us. It could also result in negative publicity that could negatively affect student enrollment. We cannot predict with certainty how each regulatory body will apply its requirements or whether each of our schools will be able to comply with all of the requirements in the future. Failure to maintain eligibility to participate in Title IV Programs could materially and adversely affect our business. Title IV Program requirements, as described in "Business - Regulatory Environment - Title IV Programs," are complex, at times imprecise, and subject to changing interpretations. In the event an institution violates these requirements, ED could impose sanctions or limitations, or terminate an institution's Title IV Program eligibility. Forms of noncompliance that could result in sanctions or limitations, or cause the institution to lose its eligibility to participate in some or all Title IV Programs, include, without limitation, failures to: maintain state authorizations; maintain institutional accreditations; satisfy ED's administrative capability standards; satisfy ED's loan default rate thresholds; correctly calculate and timely return unearned Title IV Program funds received for students who withdraw before completing their educational programs; correctly determine whether students are making satisfactory academic progress in their programs and, as such, remain eligible to receive Title IV Program funds; satisfy ED's financial responsibility standards; and comply with the 90/10 rule, the substantial misrepresentation rules or the incentive compensation rule. Certain actions or reviews may also be triggered automatically based on ED's standards. Types of sanctions or limitations ED might impose upon an institution include, without limitation: requiring the repayment of Title IV Program funds; imposing a less favorable payment system for the institution's receipt of Title IV Program funds; placing an institution on provisional certification status; commencing a proceeding to impose a fine or to limit, suspend, or terminate the institution's participation in Title IV Programs; or declining to renew the institution's program participation agreement. Such sanctions or limitations, including the loss of Title IV Program eligibility by any of our current or future institutions, could have a material adverse effect on our academic or operational initiatives, cash flows, results of operations, or financial condition. Failure to maintain state authorizations or institutional accreditation could also preclude participation in Title IV Programs. For more information, see "Business - Regulatory Environment - Title IV Programs." Current and future Title IV Program regulations arising out of negotiated rulemakings could materially and adversely affect our business. ED is almost continuously engaged in negotiated rulemakings, which is the process by which it revisits, revises, and expands the complex and voluminous Title IV Program regulations. These regulations also are frequently challenged through litigation, creating significant uncertainty as to when and what part of the regulations have taken effect, how they should be implemented, and how they will be interpreted and enforced. New Borrower Defense to Repayment, Financial Responsibility, or Gainful Employment regulations, in particular, may increase risks of financial liability or reputational harm. We devote significant effort to understanding the effects of these regulations on our business and to developing compliant solutions that also are congruent with our business, culture, and mission to serve our students and industry relationships. However, we cannot predict with certainty how these new and developing regulatory requirements will be applied or whether each of our schools will be able to comply with all of the requirements in the future. Significant negotiated rulemakings that could materially and adversely affect our business are discussed in "Business - Regulatory Environment - Title IV Program Rulemakings." The loss of funds from Veterans' benefits programs could materially and adversely affect our business. As discussed in "Business - Regulatory Environment - Department of Veterans Affairs Benefit Programs," to participate in veterans' benefits programs, including the Post-9/11 GI Bill, the Montgomery GI Bill, the REAP, and VA Vocational Rehabilitation, our institutions must comply with certain requirements applicable to these programs. If we fail to comply with these requirements, we could lose our eligibility to participate in veterans' benefits programs, which could have a material adverse effect on our operations, cash flows, results of operations, or financial condition. Future legislative or regulatory initiatives that could negatively impact the funding we receive from veterans' benefits programs include, without limitation: (i) proposals to restrict access to military installations for student recruitment; (ii) a reduction in appropriations for veterans' benefits programs, or an extended government shutdown; (iii) an inability to secure approvals in one or more states, delays in the process for obtaining approvals, or the revocation of an approval; (iv) changes in the interpretation and application of the 85/15 rule, which prohibits paying VA benefits to students enrolling in a program where more than 85% of the students enrolled in that program have any portion of their tuition, fees, or other charges paid for them by the institution or the VA; and (v) changes in the interpretation and application of the VA rules governing the classification and treatment of blended coursework, and the eligibility of such coursework for veterans' benefits programs. Congress may change the law or reduce funding for or place restrictions on the use of funds received through Title IV Programs, which could reduce our student population, revenues and/or profit margin. Congress periodically revises the HEA and other laws, and enacts new laws, governing Title IV Programs and determining the funding level for each Title IV Program. Congress most recently reauthorized the HEA in 2008. Despite repeated attempts, Congress has not completed a full reauthorization since then. In addition to HEA reauthorization, policies directly related to Title IV Programs and funding for those programs may be impacted by the annual budget and appropriations process as well as by other legislation. Additionally, a shutdown of government agencies, such as ED, responsible for administering student financial aid programs under Title IV could lead to delays in student eligibility determinations and delays in origination and disbursement of government-funded student

loans to our students. Any action by Congress that significantly affects Title IV Programs or the ability of our schools or students to receive funding through these programs or places restrictions on the use of funds received by an institution through these programs could have a material adverse effect on our operations, cash flows, results of operations, or financial condition. Such action may occur during HEA reauthorization as part of separate technical amendments to the HEA or during Congress's annual budget and appropriations cycle. These uncertainties could reduce our student population, revenues and/or profit margin. Continued or increased examination of the for-profit education sector could result in further legislation, appropriations, regulations, and enforcement actions that could materially and adversely affect our business. Over the last decade, Congress and state legislatures have focused significantly on for-profit education institutions, specifically regarding participation in Title IV Programs and DOD or VA oversight of tuition assistance for military service members attending for-profit colleges. Continued or increased Congressional activity could result in the enactment of more stringent legislation, further rulemakings affecting participation in Title IV Programs and other governmental actions, increasing regulation of the for-profit sector. In addition, concerns generated by this activity may adversely affect enrollment in for-profit educational institutions such as ours. Any laws that are adopted that limit our or our students' participation in Title IV Programs or in programs to provide funds for active duty service members and veterans or the amount of student financial aid for which our students are eligible, or any decreases in enrollment related to the Congressional activity concerning this sector, could have a material adverse effect on our operations, cash flows, results of operations, or financial condition. Our business could be harmed if we experience a disruption in our ability to process student loans under the Federal Direct Loan Program. Because all Title IV Program student loans (other than Perkins loans) are now processed under the Direct Loan (â€œDLâ€) program, any disruption in our ability to process student loans through the DL program, either because of administrative challenges on our part or the inability of ED to process the increased volume of loans through the DL program on a timely basis, could impact our students' ability to timely obtain their student loans and have a material adverse effect on our operations, cash flows, results of operations, or financial condition. Government and regulatory agencies and third parties may conduct compliance reviews, bring claims or initiate litigation against us. Because we operate in a highly regulated industry, we are subject to compliance reviews and claims of noncompliance by governmental regulatory agencies, accrediting agencies, and third parties alleging noncompliance with applicable standards. Each of our institutions' administration of Title IV Program funds must be audited annually by independent accountants and the resulting audit report must be submitted to ED for review. Moreover, we may be subject to program reviews from ED, audits by the ED Office of Inspector General, or a compliance audit as a condition of participation in the Higher Education Emergency Relief Fund (â€œHEERFâ€). We are also subject to various lawsuits, investigations and claims, covering a wide range of matters, including, but not limited to, alleged violations of federal and state laws, including consumer protection laws applicable to activities of postsecondary educational institutions, false claims made to the federal government and routine employment matters. We may also face borrower defense to repayment claims or complaints from students or prospective students. While we are committed to strict compliance with all applicable laws, regulations, and accrediting standards, if the results of government, regulatory or third party reviews or proceedings are unfavorable to us, or if we are unable to successfully defend against lawsuits or claims, we may be required to pay monetary damages, be held liable for a student's discharged debt, or be subject to fines, limitations, loss of regulatory approvals or Title IV Program funding or other federal and state funding, injunctions or other penalties. We could also incur substantial legal costs that are not covered or are in excess of our insurance coverage. Even if we adequately address issues raised by an agency review or successfully defend a lawsuit or claim, we may have to divert significant financial and management resources from our ongoing business operations to address issues raised by those reviews or defend those lawsuits or claims. Additionally, given the significant public scrutiny being placed on the sector we operate in, numerous state attorneys general have initiated investigations of for-profit schools operating in their state. Changes occurring at the federal or state level, as well as our financial performance in recent years, may spur further action or additional reporting requirements by state attorneys general, Congressional leadership or state licensing bodies. We cannot predict the outcome of unsettled matters, and we may incur significant defense costs and other expenses in connection with them in excess of our insurance coverage related to these matters. We may be required to pay substantial damages, settlement costs or fines or penalties. Such costs and expenses could have a material adverse effect on our business, cash flows, results of operations and financial condition and could also result in negative publicity that could negatively affect student enrollment. An adverse outcome in any of these matters could also materially and adversely affect our licenses, accreditation and eligibility to participate in Title IV Programs. Our business and stock price could be adversely affected as a result of regulatory investigations of, or actions commenced against, us or other companies in our industry. The operations of companies in the education and training services industry, including us, are subject to intense regulatory scrutiny. In some cases, allegations of wrongdoing on the part of such companies have resulted in formal or informal investigations by the U.S. Department of Justice, the SEC, the FTC, state governmental agencies and attorneys general, ED and other federal agencies. These allegations have attracted adverse media coverage and have been the subject of legislative hearings and regulatory actions at both the federal and state levels, focusing not only on the individual schools but in some cases on the for-profit postsecondary education sector as a whole. These investigations of, or regulatory actions against, specific companies in the education and training services industry could have a negative impact on our industry as a whole and on our stock price. Furthermore, the outcome of such investigations and any accompanying adverse publicity could negatively affect student enrollment and heighten the risk of class action lawsuits against us, which could have a material adverse effect on our academic or operational initiatives, cash flows, results of operations, or financial condition. Changes in the state regulatory environment, state and agency budget constraints and increased regulatory requirements, may affect our ability to obtain and maintain necessary authorizations or approvals from those states to conduct or change our operations. Due to state budget constraints and changes in the regulatory environment in some of the states in which we operate, it is possible that some states may reduce the number of employees in, or curtail the operations of, the state education agencies that authorize our schools. A delay or refusal by any state education agency in approving any changes in our operations that require state approval, such as the opening of a new campus, the introduction of new programs or the revision of existing 27 programs, a change of control or the hiring of new admissions representatives, could prevent us from making such changes or delay our ability to make such changes, or could require substantial additional costs to accommodate such delay. State education agencies that authorize our schools continue to revise or issue new regulations requiring significant additional reporting and monitoring of student outcomes. Additionally, state education agencies may request additional information or supplemental reporting as a result of our recent financial performance. The regulations and reporting requirements may lengthen the time to obtain necessary state approvals and require us to modify our operations in order to comply with the requirements. This could impose substantial additional costs on our institutions, which could have a material adverse effect on our cash flows, results of operations and financial condition. State legislatures also continue to contemplate creating new performance metrics that would have to be satisfied to maintain eligibility. The enactment of one or more of these proposed laws or similar laws could create compliance challenges and impose substantial additional costs on our institutions, which could have a material adverse effect on our academic or operational initiatives, cash flows, results of operations, or financial condition. Budget constraints in states that provide state financial aid to our students could reduce the amount of such financial aid that is available to our students, which could reduce our student population and negatively affect our 90/10 Rule calculation and other compliance metrics. Some states are facing budget constraints that are causing them to reduce state appropriations in a number of areas including financial aid provided to students that may attend one of our programs. We cannot predict how significant any of these reductions will be or how long they will last. If the level of state funding available to our students decreases and our students are not able to secure alternative sources of funding, it could have a material adverse effect on our operations, cash flows, results of operations, or financial condition, negatively impact our cohort default rates, or impact our performance under the federal 90/10 Rule calculation. If we acquire an institution that participates in Title IV Programs or open an additional location, one or more of our regulators could decline to approve the acquired institution or additional location, or could impose material conditions or restrictions, which could impair our ability to operate the acquired institution and/or the additional location as planned or to realize the anticipated benefits from the acquisition of that institution and/or opening of the additional location. If we acquire an institution that participates in Title IV Program funding or open an additional location, we must obtain approval from ED and applicable state education agencies and accrediting agencies in order for the institution or additional location to be able to operate and participate in Title IV Programs. An acquisition can result in the temporary suspension of the acquired institution's participation in Title IV Programs and opening an additional location can result in a delay of the campus's participation in Title IV Programs unless we submit a timely and materially complete application for approval of the acquisition or the opening of the new location. If we were unable to timely establish or re-establish the state authorization, accreditation or ED certification of the acquired institution or obtain approval for the new location, our ability to operate the acquired institution or open the additional location as planned or to realize the anticipated benefits from the acquisition of that institution or the opening of the additional location could be significantly impaired. Further, ED and applicable state education agencies and accrediting agencies could impose material conditions or restrictions on us and the acquired institution or the additional location, including, but not limited to, a material letter of credit, limitations or prohibitions on the ability to add new campuses or add or change educational programs, placement of the institution on the heightened cash monitoring or reimbursement method of payment and reporting and notification requirements. Additionally, an acquired institution may have known or unknown instances of noncompliance with federal, state or accrediting agency requirements, including, but not limited to, noncompliance with requirements included in the borrower defense to repayment regulations that could result in liabilities, sanctions, or material conditions or restrictions that we may inherit by acquiring the institution. Further, our due diligence efforts relating to institutions that we intend to acquire may fail to identify noncompliance or other facts that could result in liabilities, sanctions, or material conditions or restrictions. The imposition of liabilities, sanctions, or material conditions or restrictions by one or more regulators could impair our ability to operate the acquired institution or open the additional location as planned or to realize the anticipated benefits from the acquisition of that institution or the opening of the additional location. If regulators do not approve additional or revised programs, it could have an adverse effect on our academic or operational initiatives. A student may only use Title IV Program funds to pay the costs associated with enrollment in an eligible educational program offered by an institution participating in Title IV Programs. Our expansion plans are based, in part, on our ability to add new 28 educational programs at our existing institutions. Generally, an institution that is eligible to participate in Title IV Programs, and is not provisionally certified, may obtain ED approval if the new program is licensed by the applicable state agency and accredited by an agency recognized by ED. However, ED, state education agencies, or our creditors could decline to approve a new program or impose material conditions or restrictions on us. Any such denial or material limitation could have a material adverse effect on our operations, cash flows, results of operations, or financial condition. If regulators do not approve or delay their approval of transactions involving a change of control of our company or any of our schools, our ability to participate in Title IV Programs may be impaired. If we or any of our schools experience a change of control under the standards of applicable federal and state agencies, our accrediting agencies or ED, we or the affected schools must seek the approval of the relevant regulatory agencies. These agencies do not have uniform criteria for what constitutes a change of control. Transactions or events that constitute a change of control include significant acquisitions or dispositions of our common stock or significant changes in the composition of our board of directors. Some of these transactions or events may be beyond our control. Our failure to obtain, or a delay in receiving, approval of any change of control from ED, our accrediting agencies or any state in which our schools are located would impair our ability to participate in Title IV Programs, which would have a material adverse effect on our academic or operational initiatives, cash flows, results of operations, or financial condition. Our failure to obtain, or a delay in obtaining, approval of any change of control from any state in which we do not have a school but in which we recruit students could require us to suspend our recruitment of students in that state until we receive the required approval. The potential adverse effects of a change of control with respect to participation in Title IV Programs could influence future decisions by us and our stockholders regarding the sale, purchase, transfer, issuance or redemption of our stock. If our vendors do not comply with Title IV Program regulations, our business could be harmed and our ability to participate in Title IV Programs may be impaired. The failure of any of our vendors charged with administering any aspect of our participation in the Title IV Programs could lead to fines or penalties and the loss of eligibility to participate in Title IV Programs. Such outcomes could have a material adverse effect on our academic or operational initiatives, cash flows, results of operations, or financial condition. Failure to comply with private education loan requirements may impair our business. Concorde offers students the opportunity to finance all or part of their education using institutional credit, including retail installment contracts. If such arrangements qualify as a â€œprivate education loanâ€ under federal law, a multitude of regulations must be followed, including from ED and the CFPB. State attorneys general and other regulators also scrutinize such arrangements. Failure to comply with regulatory requirements could have a material adverse effect on our business, cash flows, results of operations and financial condition, and could also result in negative publicity that could negatively affect student enrollment. â€œBorrower defense to repaymentâ€ regulations may subject us to significant repayment liability to ED for discharged federal student loans. Under the HEA and its implementing regulations, students may file a claim with ED to discharge their federal Direct Loans (or Direct Consolidated Loans) on the basis that their institution misled them or engaged in other misconduct related to the making of their federal loans or the provision of their educational services. Such claims are known as â€œborrower defense to repaymentâ€ or â€œBDRâ€ claims. If ED grants a BDR claim, it may seek to recoup the amount discharged from the school that engaged in the alleged misconduct. We cannot predict how many claims will be submitted, which applications ED may grant in the future, whether ED will seek recoupment of any discharged amounts, or whether our defenses to any recoupment action will succeed. If ED were to discharge a significant number of loans and thereafter successfully assert recoupment against the Company, we could be subject to significant repayment liability to ED, which may limit our ability to make investments in our business and negatively impact our financial condition and future growth. A failure to demonstrate â€œFinancial Responsibilityâ€ as a result of loan discharge applications under the BDR Rule would have negative impacts on our operations. For additional information regarding the Company's BDR claims (and responses thereto), please see â€œBusiness - Regulatory Environment - Borrower Defense to Repayment.â€ The postsecondary education regulatory environment has changed and may change in the future as a result of U.S. federal elections. Changes in Presidential administrations and control of Congress as a result of the outcome of elections or other events could result in changes in or new legislation, appropriations, regulations, standards, policies and enforcement actions that could materially affect our business, including material consequences for our institutions' accreditation, authorization to operate in various states, permissible activities, receipt of funds under student financial assistance programs, and cost of doing business. We cannot predict the extent to which the current administration and Congress, or any future administration or Congress, will act to change or eliminate or to implement new laws, regulations, standards, policies, and practices, nor can we predict the form that new laws, regulations, standards, policies, or practices may take or the extent to which those regulations, practices or policies may impact us or our institutions. Risks Related to Our Business Failure to execute on our growth and diversification strategy. As part of our business strategy, we anticipate opening and operating new schools or campuses. Establishing new schools or campuses poses unique challenges and requires us to make investments in management and capital expenditures, incur marketing expenses and devote other resources that are different, and in some cases greater, than those required with respect to the operation of acquired schools. Accordingly, when we open new schools, initial investments could reduce our profitability. To open a new school or campus, we would be required to obtain appropriate state and accrediting agency approvals, which may be conditioned or delayed in a manner that could significantly affect our growth plans. Additionally, to be eligible for Title IV Program funding, a new school or campus would have to be certified by ED. We cannot be sure that we will be able to identify suitable expansion opportunities to maintain or accelerate our current growth rate or that we will be able to successfully integrate or profitably operate any new schools or campuses. Our failure to effectively identify, establish, obtain necessary regulatory approvals and manage the operations of newly established schools or campuses could slow our growth and make any newly established schools or campuses more costly to operate than we have historically experienced. We may be unable to successfully complete or integrate future acquisitions. We may consider selective acquisitions in the future. We may not be able to complete any acquisitions on favorable terms or, even if we do, we may not be able to successfully integrate the acquired businesses into our business. Integration challenges include, among others, regulatory approvals, significant capital expenditures, assumption of known and unknown liabilities, our ability to control costs and our ability to integrate new personnel. The successful integration of future acquisitions may also require substantial attention from our senior management and the senior management of the acquired schools, which could decrease the time that they devote to the day-to-day management of our business. If we do not successfully address risks and challenges associated with acquisitions, including integration, future acquisitions could harm, rather than enhance, our operating performance. Additionally, if we consummate an acquisition, our capitalization and results of operations may change significantly. A future acquisition could result in the incurrence of debt and contingent liabilities, an increase in interest expenses, amortization expenses, goodwill and other intangible assets, charges relating to integration costs or an increase in the number of shares outstanding. In addition, our acquisition of a school is a change of ownership of that school, which may result

in the temporary suspension of that school's participation in federal student financial aid programs until it obtains ED's approval. These results could have a material adverse effect on our cash flows, results of operations and financial condition or result in dilution to current stockholders. If we fail to reduce our underutilized capacity, we may experience a deterioration of our profitability and operating margins. We have underutilized capacity at a number of our campuses. Our ongoing efforts to increase utilization may strain our management, operations, employees or other resources. We may not be able to maintain our current capacity utilization rates, effectively manage our operations or achieve planned capacity utilization on a timely or profitable basis. If we are unable to improve our underutilized capacity, we may experience operating inefficiencies at a level that would result in higher than anticipated costs, which would adversely affect our profitability and operating margins. Macroeconomic conditions and aversion to debt could adversely affect our business. We believe that our enrollment, which tends to be counter cyclical, is affected by changes in economic conditions. During periods when the unemployment rate declines or remains stable, prospective students have more employment options and recruiting new students has traditionally been more challenging. In addition, affordability concerns associated with increased living expenses, relocation expenses and the availability of full- and part-time jobs for students attending classes have made it more challenging for us to attract and retain students. Conversely, an increase in the unemployment rate and weaker macroeconomic conditions could reduce the willingness of employers to sponsor educational opportunities for their employees and affect the ability of our students to find employment in the industries that we serve. Any of which could have a material adverse effect on our cash flows, results of operations and financial condition. Adverse market conditions for consumer and federally guaranteed student loans could negatively impact the ability of borrowers with little or poor credit history, such as many of our students, to borrow the necessary funds at an acceptable interest rate. These events could adversely affect the ability or willingness of our former students to repay student loans, which could increase our student loan cohort default rate and require increased time, attention and resources to manage these defaults. Failure on our part to maintain and expand existing industry relationships and develop new industry relationships with our industry customers could impair our ability to attract and retain students. We have extensive industry relationships that we believe afford us significant competitive strength and support our market leadership. These relationships enable us to support enrollment in our core programs by attracting students through brand name recognition and the associated prospect of high-quality employment opportunities. Additionally, these relationships allow us to diversify funding sources, expand the scope and increase the number of programs we offer and reduce our costs and capital expenditures due to the fact that, pursuant to the terms of the underlying contracts with manufacturer brand partners, we provide a variety of specialized training programs and typically do so using tools, equipment and vehicles provided by the manufacturer brand partners. These relationships also provide additional incremental revenue opportunities from training the employees of our industry customers. Our success depends in part on our ability to maintain and expand our existing industry relationships and to enter into new industry relationships. Certain of our UTI segment's existing industry relationships, including those with American Honda Motor Company, Inc.; Mercury Marine, a division of Brunswick Corporation; Volvo Penta of the Americas, Inc. and Yamaha Motor Corporation, USA, are not memorialized in writing and are based on verbal understandings. As a result, the rights of the parties under these arrangements are less clearly defined than they would be if they were in writing. Additionally, certain of our written agreements may be terminated without cause by the OEM. Finally, certain of our existing industry relationship agreements expire within the next six months. We are currently negotiating to renew these agreements and intend to renew them to the extent we can do so on satisfactory terms. The reduction or elimination of, or failure to renew any of our existing industry relationships, or our failure to enter into new industry relationships, could impair our ability to attract and retain students, require additional capital expenditures or increase expenses and have a material adverse effect on our cash flows, results of operations and financial condition. Our success depends in part on our ability to update and expand the content of existing programs and develop and integrate new programs in a cost-effective manner and on a timely basis. Prospective employers of our graduates demand that their entry-level employees possess appropriate technological skills. These skills are becoming more sophisticated in line with technological advancements in the transportation, skilled trades, energy and healthcare industries. Accordingly, educational programs at our schools must keep pace with those technological advancements. Additionally, the method used to deliver curriculum has evolved to include online delivery. The updates to our existing programs and the development of new programs, and changes in the method in which we deliver them, may not be accepted by our students, prospective employers or the technical education market. Even if we are able to develop acceptable new programs, we may not be able to introduce these new programs as quickly as the industries we serve require or as quickly as our competitors. If we are unable to adequately respond to changes in market requirements due to unusually rapid technological changes or other factors, our ability to attract and retain students could be impaired and our graduate employment rates could suffer. Additionally, if we are unable to address and respond to requirements for new or updated curricula such as training instructors to teach the curricula, obtaining the appropriate equipment to teach the curricula to our students, or obtaining the appropriate regulatory approvals, we may not be able to successfully roll out the curricula to our campuses in a timely and cost-effective manner. If we are not able to effectively and efficiently integrate curricula, this could have a material adverse effect on our cash flows, results of operations and financial condition. ³¹We may not be able to retain our key personnel or hire and retain the personnel we need to sustain and grow our business. Our success to date has depended, and will continue to depend, largely on the experience, skills, efforts and motivation of our executive officers. Our success also depends in large part upon our ability to attract and retain highly qualified faculty, campus presidents, administrators and corporate management. Due to the nature of our business, we face significant competition in the attraction and retention of personnel who possess the skill sets that we seek. The for-profit education sector can experience periods of significant regulatory and government scrutiny, which may make it more difficult to attract and retain talent. If we are unable to, or are perceived to be unable to, attract and retain experienced and qualified personnel, our business, financial condition and results of operations may be materially adversely affected. Additionally, key personnel may leave us and subsequently compete against us. Because we do not currently carry key man life insurance, the loss of the services of any of our key personnel, or our failure to attract and retain other qualified and experienced personnel on acceptable terms, could impair our ability to successfully manage our business. We are party to debt arrangements that contain restrictive covenants, and if we are unable to comply with these covenants then the lenders could declare an event of default wherein we may need to immediately repay the amounts due under the respective debt arrangements. Our term loans and revolving credit facility impose various restrictions and contain customary affirmative and restrictive covenants, including, without limitation, certain reporting obligations and certain limitations on restricted payments and limitations on liens, encumbrances and indebtedness. If we fail to comply with the covenants or payments specified in the agreements, the lenders could declare an event of default, which would give them the right to declare all borrowings outstanding, together with accrued and unpaid interest and fees, to be immediately due and payable. The amount of our outstanding indebtedness could have an adverse effect on our operations and liquidity, including by, among other things: (i) making it more difficult for us to pay or refinance our debts as they become due during adverse economic and industry conditions, because we may not have sufficient cash flows to make our scheduled debt payments; (ii) causing us to use a larger portion of our cash flows to fund interest and principal payments, thereby reducing the availability of cash to fund working capital, capital expenditures and other business activities; (iii) making it more difficult for us to take advantage of significant business opportunities, such as acquisition opportunities or other strategic transactions, and to react to changes in market or industry conditions; and (iv) limiting our ability to borrow additional monies in the future to fund the activities and expenditures described above and for other general corporate purposes as and when needed, which could force us to suspend, delay or curtail business prospects, strategies or operations. Competition could decrease our market share and create tuition pricing concerns. The postsecondary education market is highly competitive. We continue to experience a high level of competition for higher quality students not only from similar programs, but also from the overall employment market and the military. Some traditional public and private colleges, universities and community colleges, as well as other private career-oriented schools, offer programs that may be perceived by students to be similar to ours. We compete with local community colleges for students seeking programs that are similar to ours, mainly due to local accessibility, low tuition rates and in certain cases free tuition. Most public institutions are able to charge lower tuition than our schools, due in part to government subsidies and other financial sources not available to for-profit schools. Prospective students may choose to forego additional education and enter the workforce directly, especially during periods when the unemployment rate declines or remains stable as it has in recent years. This may include employment with our industry partners or with other manufacturers and employers of our graduates. Additionally, the military often recruits or retains potential students when branches of the military offer enlistment or re-enlistment bonuses. We may limit tuition increases or increase spending in response to competition in order to retain or attract students or pursue new market opportunities; however, if we cannot effectively respond to competitor changes, it could reduce our enrollments and our student populations. We cannot be sure that we will be able to compete successfully against current or future competitors or that competitive pressures faced by us will not adversely affect our market share, revenues and operating margin. Our financial performance depends in part on our ability to continue to develop awareness and acceptance of our programs among high school graduates, military personnel and adults seeking advanced training. The awareness of our programs among high school graduates, military personnel and working adults seeking advanced training is critical to the continued acceptance and growth of our programs. Factors that could impact our ability to increase such awareness include: continued school district limitations on access to students by for-profit institutions; actions that would limit our access to military bases and installations; and our failure to maintain relationships with automotive, diesel, collision repair, motorcycle and marine manufacturers and suppliers, as well as hospitals, long-term care facilities and medical and dental offices. Our inability to continue to develop awareness of our programs could reduce our enrollments, which could have a material adverse effect on our cash flows, results of operations and financial condition. Expanding our blended learning format could be difficult for us. The expansion of existing and creation of new blended programs may not be accepted by students or employers. Our efforts may be materially adversely affected by increased competition in the online or blended education market, or because of performance or reliability issues with our blended program infrastructure. We are heavily dependent on the reliability and performance of an internally developed student management and reporting system, and any difficulties in maintaining this system may result in service interruptions, decreased customer service or increased expenditures. The software that underlies our student management and reporting for our UTI schools has been developed primarily by our own employees. The reliability and continuous availability of this internal system and related integrations are critical to our business. Any interruptions that hinder our ability to timely deliver our services, or that materially impact the efficiency or cost with which we provide these services, or our ability to attract and retain computer programmers with knowledge of the appropriate computer programming language, would adversely affect our reputation and profitability and our ability to conduct business and prepare financial reports. System disruptions and security threats to our computer networks, including breach of the personal information we collect, could have a material adverse effect on our business and our reputation. Our computer systems as well as those of our service providers are vulnerable to interruption, malfunction or damage due to events beyond our control, including malicious human acts committed by foreign or domestic persons, natural disasters, and network and communications failures. We have established a written data breach incident response policy, which we test informally and formally at least annually. Additionally, we periodically perform vulnerability self-assessments and engage service providers to perform independent vulnerability assessments and penetration tests. However, despite network security measures, our servers and the servers at our service providers are potentially vulnerable to physical or electronic unauthorized access, computer hackers, computer viruses, malicious code, organized cyber attacks and other security problems and system disruptions. Increasing socioeconomic and political instability in some countries has heightened these risks. Despite the precautions we and our service providers have taken, our systems may still be vulnerable to these threats. A user who circumvents security measures could misappropriate proprietary information or cause interruptions or malfunctions in operations. Additionally, the personal information that we collect subjects us to additional risks and costs that could harm our business and our reputation. We collect, retain and use personal information regarding our students and their families and our employees, including personally identifiable information, tax return information, financial data, bank account information and other data. Although we employ various network and business security measures to limit access to and use of such personal information, we cannot guarantee that a third party will not circumvent such security measures, resulting in the breach, loss or theft of the personal information of our students and their families and our employees. Possession and use of personal information in our operations also subjects us to legislative and regulatory burdens that could restrict our use of personal information and require notification of data breaches. A violation of any laws or regulations relating to the collection, retention or use of personal information could also result in the imposition of fines or lawsuits against us. Sustained or repeated system failures or security breaches that interrupt our ability to process information in a timely manner or that result in a breach of proprietary or personal information could have a material adverse effect on our operations and our reputation. Although we maintain insurance in respect of these types of events, available insurance proceeds may not be adequate to compensate us for damages sustained due to these events. Our success depends, in part, on the effectiveness of our marketing and advertising programs in recruiting new students. In order to maintain and increase our revenues and margins, we must continue to develop our admissions programs and attract new students in a cost-effective manner. The level of marketing and advertising and types of strategies used are affected by the specific geographic markets, regulatory compliance requirements and the specific individual nature of each institution and its students. The complexity of these marketing efforts contributes to their cost. If we are unable to advertise our market our institutions and programs successfully, our ability to attract and enroll new students could be materially adversely affected and, consequently, our financial performance could suffer. We use marketing tools such as the Internet, radio, television and print media advertising to promote our institutions and programs. Our representatives also make presentations at high schools and career fairs. Additionally, we rely on the general reputation of our institutions and referrals from current students, alumni and employers as a source of new enrollment. As part of our marketing and advertising, we also subscribe to lead-generating databases in certain markets, the cost of which may increase. Among the factors that could prevent us from marketing and advertising our institutions and programs successfully are the failure of our marketing tools and strategies to appeal to prospective students, regulatory constraints on marketing, current student and/or employer dissatisfaction with our program offerings or results and diminished access to high school campuses and military bases. In order to maintain our growth, we will need to attract a larger percentage of students in existing markets and increase our addressable market by adding locations in new markets and rolling out new academic programs. Any failure to accomplish this may have a material adverse effect on our future growth. If we are unable to hire, retain and continue to develop and train our admissions representatives, the effectiveness of our student recruiting efforts would be adversely affected. In order to support revenue growth and student enrollment, we need to hire and train new admissions representatives, as well as retain and continue to develop our existing admissions representatives, who are our employees dedicated to student recruitment. Our ability to develop a strong admissions representative team may be affected by a number of factors, including: competition in hiring qualified persons; limitations on compensation payable to admissions representatives arising from the incentive compensation rule; and our ability to adequately train and motivate our admissions representatives. If we are unable to hire, develop or retain quality admissions representatives, the effectiveness of our student recruiting efforts would be adversely affected. An increase in interest rates would increase the cost of servicing our debt and could reduce our profitability. Our revolving credit facility and a portion of our term loans bear interest at variable rates. For our term loans, we entered into interest rate swap agreements with the lenders at the time of inception that effectively fix the interest rates on 50% of the principal amount of the loan. However, increases in interest rates with respect to any amount of our debt not covered by the interest rate swaps could increase the cost of servicing our debt and could reduce our profitability and cash flows. Such increases may occur from changes in regulatory standards or industry practices. Restrictions on, the inability to offer, or degraded collection performance for our proprietary loan program could have a negative effect on our results of operations. The proprietary loan program offered by the UTI schools enables students who have utilized all available government-sponsored or other financial aid and have not been successful in obtaining private loans from other financial institutions, for independent students, or PLUS loans, for dependent students, to borrow a portion of their tuition if they meet certain criteria. Under the proprietary loan program, the bank originates loans for our students who meet specific credit criteria with the related proceeds to be used exclusively to fund a portion of their tuition. We then purchase all such loans from the bank at least monthly and assume all the related credit and collection risk. See Note 2 of the notes to our Consolidated Financial Statements within Part II. Item 8 of this Annual Report on Form 10-K for further discussion of activity under the proprietary loan program. Factors that may impact our ability to collect these loans include the following, without limitation: current economic conditions; compliance with laws applicable to the origination, servicing and collection of loans; the quality of our loan servicers' performance; and a decline in graduate employment opportunities and the priority that the borrowers under this loan program attach to repaying these loans as compared to other obligations, particularly borrowers who did not complete or were dissatisfied with their programs of study. The portion of a student's tuition revenue related to the proprietary loan program is treated as a form of variable consideration. We estimate the amount we ultimately expect to collect from the portion of tuition that is funded by the proprietary loan program, resulting in a note receivable. The

estimated amount is determined at the inception of the contract, and we recognize the related revenue as the student progresses through school. Each reporting period, we update our assessment of the variable consideration associated with the proprietary loan program. Estimating the collection rate requires significant management judgment. If we are unable to accurately assess the variable consideration, our revenues and profitability may be adversely impacted.³⁴Federal, state and local laws and general legal and equitable principles relating to the protection of consumers can apply to the origination, servicing and collection of the loans under the proprietary loan program. Any violation of various federal, state or local laws, including, in some instances, violations of these laws by parties not under our control, may result in losses on the loans or may limit our ability to collect all or part of the principal or interest on the loans. This may be the case even if we are not directly responsible for the violations by such parties. The proprietary loan program may also be subject to oversight by the CFPB, which could result in additional reporting requirements or increased scrutiny. Other proprietary postsecondary institutions have been subject to information requests from the CFPB with regard to their private student loan programs. The possibility of litigation, and the associated cost, are risks associated with the proprietary loan program. At least two other proprietary education institutions have been subject to lawsuits under the Consumer Financial Protection Act of 2010; the institutions are accused of having unfair private student loan programs and of allegedly engaging in certain abusive practices, including interfering with students' ability to understand their debt obligations and failing to provide certain material information. Changes in laws or public policy could negatively impact the viability of the proprietary loan program and cause us to delay or suspend the program. Additionally, depending on the terms of the loans, state consumer credit regulators may assert that our activities in connection with the proprietary loan program require us to obtain one or more licenses, registrations or other forms of regulatory approvals, any of which may not be able to be obtained in a timely manner, if at all. All of these factors could result in the proprietary loan program having a material adverse effect on our cash flows, results of operations and financial condition. We rely on third parties to originate, process and service loans under our proprietary loan program. If these companies fail or discontinue providing such services, our business could be harmed. A state chartered bank with a small market capitalization originates loans under the proprietary loan program for the UTI schools. If the bank no longer provides service under the contract, we do not currently have an alternative bank to fulfill the demand. There are a limited number of banks that are willing to participate in a program such as the proprietary loan program. The time it could take us to replace the bank could result in an interruption in the loan origination process, which could result in a decrease in our student populations. Furthermore, a single company processes loan applications and services the loans under the proprietary loan program. There is a 90-day termination clause in the contract under which it provides these services. If this company were to terminate the contract, we could experience an interruption in loan application processing or loan servicing, which could result in a decrease in our student populations. We have goodwill, which may become impaired and subject to a write-down. Goodwill represents the excess of the cost of an acquired business over the estimated fair values of the assets acquired and liabilities assumed. Goodwill is reviewed at least annually for impairment, which might result from the deterioration in the operating performance of acquired businesses, adverse market conditions, adverse changes in applicable laws or regulations and a variety of other circumstances. Any resulting impairment charge is recognized as an expense in the period in which impairment is identified. Our total recorded goodwill of \$28.5 million as of September 30, 2024 resulted from our MMI, MIAT and Concorde acquisitions. We perform our annual goodwill impairment assessment as of August 1 of each fiscal year. Future assessments of goodwill could result in reductions. Any reduction in net income and operating income resulting from the write-down or impairment of goodwill could adversely affect our financial results. If economic or industry conditions deteriorate or if market valuations decline, including with respect to our common stock, we may be required to impair goodwill in future periods. The occurrence of natural or man-made catastrophes, including those caused by climate change and other climate-related causes, could materially and adversely affect our business, financial condition, results of operations and prospects. Our business and operations could be materially adversely affected in the event of earthquakes, hurricanes, severe storms, blackouts or other power losses, floods, fires, telecommunications failures, break-ins, acts of terrorism, public health crises, other inclement weather or similar events. We teach our UTI and Concorde programs at campus locations in Jacksonville, Orlando, Miramar, and Tampa, Florida, all areas that can experience tropical storms and hurricanes, severe storms, floods, coastal storms, tornadoes and power outages. We also have seven campus locations in California and seven campus locations in Texas, all in areas that have historically been susceptible to severe weather events or other natural disasters.³⁵Floods, fire, inclement weather, including extreme rain, wind, heat, or cold, or accidents due to human error were to occur and cause damage to our campus facilities, or limit the ability of our students or faculty to participate in or contribute to our academic programs or our ability to comply with federal and state educational requirements or our agreements with our vendors, our business may be adversely effected, especially if such events were to occur in the midst of ongoing academic programs during an academic cycle. Such disruptions may also result in increases in student attrition, voluntary or mandatory closure of some or all of our facilities, or our inability to procure essential supplies or travel during the pendency of mandated travel restrictions. We may not be able to effectively shift our operations due to disruptions arising from the occurrence of such events, and our business and results of operations could be affected adversely as a result. Moreover, damage to or total destruction of our campus facilities from various weather events may not be covered in whole or in part by any insurance we may have. Increased scrutiny and changing expectations from regulators, investors, industry customers, employees, and others regarding our environmental, social and governance (ESG) practices and reporting may cause us to incur additional costs, devote additional resources, expose us to new or additional risks, or harm our reputation. Companies across all industries are facing increasing scrutiny related to their ESG practices and reporting. Regulators, investors, industry customers, employees and other stakeholders have focused increasingly on ESG practices and placed increasing importance on the implications and social cost of their investments, purchases and other interactions with companies. If our ESG practices and reporting do not meet investor, industry customer, employee or stakeholder expectations and standards, which continue to evolve, our brand, reputation, and student and employee retention may be negatively impacted. We also expect to incur additional costs and devote additional resources to monitor, report and implement various ESG practices, including as a result of regulatory developments. Public health pandemics, epidemics or outbreaks, such as the COVID-19 pandemic, could have a material adverse effect on our business and operations. The COVID-19 pandemic and the resulting containment measures caused economic and financial disruptions globally. The extent to which a similar pandemic may impact our business and operations will depend on a variety of factors beyond our control, including the actions of governments, businesses and other enterprises in response to the pandemic, the effectiveness of those actions, and vaccine availability, distribution and adoption, all of which cannot be predicted with any level of certainty. Risks Related to Investing in Our Common StockThe price of our common stock has fluctuated significantly in the past and may continue to do so in the future. As a result, you could lose all or part of your investment. Volatility in the market price of our common stock may prevent you from being able to sell your shares at or above the price you paid for your shares. The market price of our common stock has fluctuated significantly in the past, and may continue to fluctuate significantly for a variety of different reasons, including, without limitation, developments in our industry; our quarterly or annual earnings or those of other companies in our industry; changes in earnings estimates or recommendations by research analysts who track our common stock or the stocks of other companies in our industry; negative publicity, including government hearings and other public lawmaker or regulator criticism, regarding our industry or business; changes in enrollment; and changes in general conditions in the United States and global economies or financial markets, including those resulting from health epidemics, war, incidents of terrorism or responses to such events. In addition, in recent years, the stock market has experienced extreme price and volume fluctuations. This volatility has had a significant impact on the market price of securities issued by many companies, including companies in our industry. Changes may occur without regard to the operating performance of these companies. The price of our common stock could fluctuate based upon factors that have little or nothing to do with our company. Seasonal and other fluctuations in our results of operations could adversely affect the trading price of our common stock. In reviewing our results of operations, you should not focus on quarter-to-quarter comparisons. Our results in any quarter may not indicate the results we may achieve in any subsequent quarter or for the full year. Our revenues normally fluctuate as a result of seasonal variations in our business, principally due to changes in total student population. Student population varies as a result of new student enrollments, graduations and student attrition. Historically, our schools have had lower student populations in our third fiscal quarter than in the remainder of our fiscal year because fewer students are enrolled during the summer months. Our expenses, however, do not generally vary at the same rate as changes in our student population and revenues and, as a result, such expenses do not fluctuate significantly on a quarterly basis. We expect 36quarterly fluctuations in results of operations to continue as a result of seasonal enrollment patterns. Such patterns may change, however, as a result of acquisitions, new school openings, new program introductions and increased enrollments of adult students. Additionally, our revenues for our first fiscal quarter are adversely affected by the fact that we do not recognize revenue during the calendar year-end holiday break, which falls primarily in that quarter. These fluctuations may result in volatility or have an adverse effect on the market price of our common stock. ITEM 1B. UNRESOLVED STAFF COMMENTSNone. ITEM 1C. CYBERSECURITYOur board of directors recognizes the importance of maintaining the trust and confidence of our customers, clients, business partners and employees. Our board of directors, through the Audit Committee, oversees our cybersecurity program as part of our enterprise-wide approach to risk management. Our cybersecurity policies, standards, processes and practices are fully integrated into our risk management approach and are based on recognized frameworks established by the National Institute of Standards and Technology. In general, we seek to address cybersecurity risks through a comprehensive, cross-functional approach that is focused on preserving the confidentiality, security and availability of the information that we collect and store by identifying, preventing and mitigating cybersecurity threats and effectively responding to cybersecurity incidents when they occur. Risk Management and StrategyAs one of the critical elements of enterprise-wide approach to risk management, our cybersecurity program is focused on the following key areas: Governance: As discussed in more detail under the heading "Governance" below, our cybersecurity program is overseen by our Chief Information Officer (CIO), who reports to our Chief Executive Officer (CEO), and is responsible for publishing cybersecurity policies and standards, conducting annual risk assessments and maintaining our compliance. Our CIO regularly reports to our Audit Committee on the status of the cybersecurity program. Collaboration: We have implemented a comprehensive, cross-functional approach to identifying, preventing and mitigating cybersecurity threats and incidents, while also implementing controls and procedures that provide for the prompt escalation of certain cybersecurity incidents so that decisions regarding the public disclosure and reporting of such incidents can be made by management in a timely manner. Technical Safeguards: We deploy technical safeguards that are designed to protect our information systems from cybersecurity threats, including firewalls, intrusion prevention and detection systems, anti-malware functionality and access controls, which are evaluated and improved through vulnerability assessments, certifications, audits and cybersecurity threat intelligence. Incident Response and Recovery Planning: We have established and maintained comprehensive incident response and recovery plans that fully address our response to a cybersecurity incident, and such plans are tested and evaluated on a regular basis. Third-Party Risk Management: We maintain a comprehensive, risk-based approach to identifying and overseeing cybersecurity risks presented by third parties, including vendors, service providers and other external users of our systems, as well as the systems of third parties that could adversely impact our business in the event of a cybersecurity incident affecting those third-party systems. Education and Awareness: We provide regular, mandatory training for personnel regarding cybersecurity threats as a means to equip our personnel with effective tools to address cybersecurity threats, and to communicate our evolving information security policies, standards, processes and practices. We engage in the periodic assessment and testing of our policies, standards, processes and practices that are designed to address cybersecurity threats and incidents. These efforts include a wide range of activities, including audits, assessments, tabletop exercises, threat modeling, vulnerability testing and other exercises focused on evaluating the effectiveness of our cybersecurity measures and planning. We regularly engage third parties to perform assessments on our cybersecurity measures, including information security maturity assessments, audits and independent reviews of our information security 37control environment and operating effectiveness. The results of such assessments, audits and reviews are reported to our board of directors and Audit Committee by CIO, and we adjust our cybersecurity policies, standards, processes and practices as necessary based on the information provided by these assessments, audits and reviews. GovernanceOur board of directors, through the Audit Committee, oversees our enterprise-wide approach to risk management, including the risks arising from cybersecurity threats. Our Audit Committee regularly receives presentations and reports on cybersecurity risks, which address a wide range of topics, including recent developments, evolving standards, vulnerability assessments, third-party and independent reviews, technological trends and information security considerations arising with respect to our third party partners. Our Audit Committee also receives prompt and timely information regarding any cybersecurity incident that meets established reporting thresholds, as well as ongoing updates regarding any such incident until it has been addressed. On an annual basis, our Audit Committee discusses our approach to cybersecurity risk management with management. Our Audit Committee, in connection with management led by CIO, works collaboratively across our Company to implement a program designed to protect our information systems from cybersecurity threats and to promptly respond to any cybersecurity incidents in accordance with our incident response and recovery plans. To facilitate the success of our cybersecurity risk management program, multidisciplinary teams are deployed to address cybersecurity threats and respond to cybersecurity incidents. Through ongoing communications with these teams, our Information Security Team monitors the prevention, detection, mitigation, and remediation of cybersecurity threats and incidents in real-time and report such threats and incidents to management when appropriate. Our CIO holds an undergraduate degree in Business Administration and has served in various roles in Information Technology for over 15 years and has been overseeing the cybersecurity program for 5 years. Our VP Information Security hold an undergraduate degree in Information Systems Security and has served in various roles in cybersecurity for over 15 years. Our Chief Executive Officer, interim Chief Financial Officer, and Chief Legal Officer each hold undergraduate and/or graduate degrees in their respective fields, and each has experience managing risks at our Company and at similar companies, including risks arising from cybersecurity threats. Cybersecurity ThreatsTo date, we are not aware of any cybersecurity threats, including as a result of previous cybersecurity incidents, that are reasonably likely to have a material effect on us, our business strategy, results of operations, or financial condition. Despite our security measures, however, there can be no assurance that we, or third parties with which we interact, will not experience a cybersecurity incident in the future that will materially affect us. ITEM 2. PROPERTIESThe following sets forth certain information relating to our campuses and corporate headquarters as of September 30, 2024. Many of the leases are renewable for additional terms at our option. Our facilities are utilized consistent with management's expectations, and we believe such facilities are suitable and adequate for currently identifiable requirements and that additional space, if needed, can be obtained on commercially reasonable terms to meet any future requirements. LocationBrand Approximate Square FootageLeased or OwnedLease Expiration DateCampus locations: Arizona (Avondale) UTI/MMI283.000Owned/NC/California (Garden Grove) Concorde45,000Leased March 2023 California (Long Beach) UTI137,000Leased August 2030 California (North Hollywood) Concorde35,000Leased May 2027 California (Rancho Cucamonga) UTI148,000Leased September 2031 California (Sacramento) UTI117,000Leased February 2033 California (San Bernardino) Concorde48,000Leased March 2028 California (San Diego) Concorde34,000Leased January 2027 Colorado (Aurora) Concorde55,000Leased December 202538 LocationBrand Approximate Square FootageLeased or OwnedLease Expiration DateFlorida (Jacksonville) Concorde46,000Leased December 2027 Florida (Miramar) UTI103,000Leased March 2032 Florida (Miramar) Concorde33,000Leased April 2028 Florida (Orlando) UTI/MMI154,000Owned/N/AF/Florida (Orlando) UTI/MMI34,000Leased March 2031 Florida (Orlando) Concorde41,000Leased April 2030 Florida (Tampa) Concorde30,000Leased January 2027 Illinois (Lisle) UTI187,000Owned/N/AMichigan (Canton) MIAT125,000Leased April 2036 Mississippi (Southaven) Concorde23,000Leased March 2027 Missouri (Kansas City) Concorde40,000Leased June 2032 Missouri (St. Joseph) Concorde50,000Leased June 2036 New Jersey (Bloomfield) UTI102,000Leased December 2030 North Carolina (Mooresville) NASCAR Tech146,000Leased October 2030 Oregon (Portland) Concorde33,000Leased July 2034 Pennsylvania (Exton) UTI129,000Leased October 2029 Tennessee (Memphis) Concorde72,000Leased August 2031 Texas (Austin) UTI107,000Leased October 2032 Texas (Dallas) Concorde47,000Leased March 2031 Texas (Dallas/Ft. Worth) UTI195,000Owned/N/ATexas (Houston) MIAT54,000Leased June 2029 Texas (Grand Prairie) Concorde50,000Leased January 2029 Texas (San Antonio) Concorde48,000Leased February 2030 Other locations: Arizona (Phoenix) UTI and Corporate21,000Leased February 2027 Missouri (Overland Park) Concorde8,000Leased November 2030 (1A) A A A In December 2023, we renewed our lease on the Concorde San Antonio, Texas campus for an additional eight year term. (2) In July 2024, we came to an early lease termination agreement on the Concorde Kansas City, Missouri corporate office, which had been vacated for a smaller space in July 2023. ITEM 3. LEGAL PROCEEDINGSIn the ordinary conduct of our business, we are periodically subject to lawsuits, demands in arbitrations, investigations, regulatory proceedings or other claims, including, but not limited to, claims involving current and former students, routine employment matters, business disputes and regulatory demands. When we are aware of a claim or potential claim, we assess the likelihood of any loss or exposure. If it is probable that a loss will result and the amount of the loss can be reasonably estimated, we would accrue a liability for the loss. When a loss is not both probable and estimable, we do not accrue a liability. Where a loss is not probable but is reasonably possible,

including if a loss in excess of an accrued liability is reasonably possible, we determine whether it is possible to provide an estimate of the amount of the loss or range of possible losses for the claim. Because we cannot predict with certainty the ultimate resolution of the legal proceedings (including lawsuits, investigations, regulatory proceedings or claims) asserted against us, it is not currently possible to provide such an estimate. The ultimate outcome of pending legal proceedings to which we are a party may have a material adverse effect on our business, cash flows, results of operations or financial condition. ITEM 4. MINE SAFETY DISCLOSURE None.39 PART II ITEM 5. MARKET FOR REGISTRANTâ€™S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES Market Information Our common stock is listed on the NYSE under the symbol â€œUTI.â€ The closing price of our common stock as reported by the NYSE on December 3, 2024 was \$24.17 per share. As of December 3, 2024, there were 18 holders of record of our common stock. Dividends On June 9, 2016, our board of directors voted to eliminate the quarterly cash dividend on our common stock. Any future common stock dividends require the approval from our board of directors. Pursuant to the Certificate of Designations of the Series A Preferred Stock, we paid preferred stock cash dividends of \$1.1 million during the year ended September 30, 2024. As of September 30, 2024, no shares of the Series A Preferred Stock remained outstanding and all rights of the holders to receive future dividends have been terminated due to the combination of the repurchase and conversion of all outstanding preferred shares as of December 18, 2023. See Note 18 of the notes to our Consolidated Financial Statements within Part II, Item 8 of this Annual Report on Form 10-K for further information on the preferred share conversion. We continuously evaluate our cash position in light of growth opportunities, operating results and general market conditions. Repurchase of Securities On December 10, 2020, our board of directors authorized a new share repurchase plan that would allow for the repurchase of up to \$35.0 million of our common stock in the open market or through privately negotiated transactions. Any repurchases under this new stock repurchase program require the approval of our board of directors. We did not repurchase any shares during the quarter ended September 30, 2024. Stock Performance Graph The following Stock Performance Graph and related information shall not be deemed â€œsoliciting materialâ€ or â€œfiledâ€ with the SEC, nor should such information be incorporated by reference into any future filings under the Securities Act or the Exchange Act except to the extent that we specifically incorporate it by reference in such filing. The graph below compares our annual percentage change in cumulative total return on common shares over the past five years with the cumulative total return of companies comprising the Russell 2000 Index and our peer group index. The peer group consists of the companies identified below, which were selected on the basis of similar nature of their business. This presentation assumes that \$100 was invested in shares of the relevant issuers on September 30, 2019, and that dividends received were immediately invested in additional shares. The graph plots the value of the initial \$100 investment at one-year intervals for the fiscal years shown. 40CRSP Total Returns Index for:09/201909/202009/202109/202209/202309/2024Universal Technical Institute, Inc.\$100.00 \$93.38A \$124.26A \$100.00A \$154.03A \$298.83A Russell 2000\$100.00A 100.39A 148.25A 113.42A 123.55A 156.61A Peer Group\$100.00A 73.31A 74.91A 66.08A 84.31A 125.25A Companies in the Self-Determined Peer Group: Adtalem Global Education, Inc. Perdooce Education Corporation American Public Education, Inc. Strategic Education, Inc. Lincoln Educational Services Corporation Notes:â€¢ The lines represent monthly index levels derived from compounded daily returns that include all dividends.â€¢ The indexes are reweighted daily, using the market capitalization on the previous trading day.â€¢ If the monthly interval, based on the fiscal year-end, is not a trading day, the preceding trading day is used.â€¢ The index level for all series was set to \$100.00 on 9/30/2019. Prepared by Zacks Investment Research, Inc. Used with permission. All rights reserved. ITEM 6. [RESERVED] ITEM 7. MANAGEMENTâ€™S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS You should read the following discussion together with the "Selected Financial Data" and the consolidated financial statements and the related notes included elsewhere in this Annual Report on Form 10-K. This discussion contains forward-looking statements that are based on our current expectations, estimates and projections about our business and operations. Our actual results may differ materially from those currently anticipated and expressed in such forward-looking statements as a result of a number of factors, including those we discuss under â€œRisk Factorsâ€ â€œCautionary Note Regarding Forward-Looking Statementsâ€ and elsewhere in this Annual Report on Form 10-K.41 Company Overview Universal Technical Institute, Inc., which together with its subsidiaries is referred to as the â€œCompany,â€ â€œwe,â€ â€œusâ€ or â€œour,â€ was founded in 1965 and is a leading workforce solutions provider of transportation, skilled trades and healthcare education programs, whose mission is to serve students, partners, and communities by providing quality education and support services for in-demand careers across a number of highly-skilled fields. We offer the majority of our programs in a blended learning model that combines instructor-facilitated online teaching and demonstrations with hands-on labs. Our reporting structure includes two reportable segments as follows: Universal Technical Institute (â€œUTIâ€): UTI operates 16 campuses located in nine states and offers a wide range of degree and non-degree transportation and skilled trades technical training programs under brands such as Universal Technical Institute, Motorcycle Mechanics Institute, Marine Mechanics Institute (collectively, â€œMMIâ€), NASCAR Technical Institute, and MIAT College of Technology (â€œMIATâ€). UTI also offers manufacturer specific advanced training programs (â€œMSATâ€), which include student paid electives, at our campuses and manufacturer or dealer sponsored training at certain campuses and dedicated training centers. Lastly, UTI provides dealer technician training or instructor staffing services to manufacturers. UTI works closely with multiple original equipment manufacturers and industry brand partners to understand their needs for qualified service professionals. Concorde Career Colleges (â€œConcordeâ€): On December 1, 2022, we acquired Concorde which operates 17 campuses located in eight states and online, offering degree, non-degree, and continuing education programs in the allied health, dental, nursing, patient care and diagnostic fields. The Company has designated campuses that offer degree granting programs â€œConcorde Career College,â€ where allowed by State regulation. The remaining campuses are designated as â€œConcorde Career Institute.â€ Concorde believes in preparing students for their healthcare careers with practical, hands-on experiences including opportunities to learn while providing care to real patients. Prior to graduation, students will complete a number of hours in a clinical setting or externship, depending upon their program of study. â€œCorporateâ€ includes corporate related expenses that are not allocated to the UTI or Concorde reportable segments. See Note 22 of the notes to our Consolidated Financial Statements within Part II, Item 8 of this Annual Report on Form 10-K for additional details on our segments. All of our campuses are accredited and are eligible for federal student financial assistance funds under the Higher Education Act of 1965, as amended, commonly referred to as Title IV Programs, which are administered by the U.S. Department of Education. Our programs are also eligible for financial aid from federal sources other than Title IV Programs, such as the programs administered by the U.S. Department of Veterans Affairs and under the Workforce Innovation and Opportunity Act. We believe that our industry-focused educational model and national presence has enabled us to develop valuable industry relationships, which provide us with significant competitive advantages and supports our market leadership, and enables us to provide highly specialized education to our students, resulting in enhanced employment opportunities and the potential for higher wages for our graduates. Revenues Our revenues consist primarily of student tuition and fees derived from the programs we provide after reductions are made for discounts and scholarships that we sponsor and for refunds to students who withdraw from our programs prior to specified dates. Tuition and fee revenue is recognized ratably over the term of the course or program offered. Approximately 99% of our revenues for each of the years ended September 30, 2024, 2023 and 2022, respectively, consisted of gross tuition. We supplement our tuition and fee revenues with additional revenues from sales of textbooks and program supplies and other revenues, which are recognized as the transfer of goods or services occurs. Tuition revenue and fees generally vary based on the average number of students enrolled and average tuition charged per program. For students at our UTI schools, we offer a proprietary loan program, where we provide the students who participate in this program with extended payment terms for a portion of their tuition for up to ten years. UTI also provides dealer technician training or instructor staffing services to manufacturers where revenue is recognized as the transfer of services occurs. 42 Student Enrollment and Tuition Average full-time enrollments vary depending on, among other factors, the number of continuing students at the beginning of a period, new student enrollments during the period, students who have previously withdrawn but decide to re-enroll during the period, and graduations and withdrawals during the period. Our average full-time enrollments are influenced by the: â€¢ Attractiveness of our program offerings to high school graduates and potential adult students; â€¢ Effectiveness of our marketing efforts; â€¢ Depth of our industry relationships; â€¢ Strength of employment markets and long-term career prospects; â€¢ Quality of our instructors and student services professionals; â€¢ Persistence of our students; â€¢ Length of our education programs; â€¢ Availability of federal and alternative funding for our programs; and â€¢ Number of graduates of our programs who elect to attend the advanced training programs we offer and general economic conditions. The introduction of additional program offerings at existing campuses and the opening of additional campuses is expected to influence our average full-time enrollment. UTI currently offers start dates at its campuses that range from every three to eleven weeks throughout the year in the core programs. The number of start dates of UTI advanced training programs varies by the duration of those programs and the needs of the manufacturers that sponsor them. Concorde enrolls students throughout the year with core terms starting every month and clinical terms starting every ten weeks. Concordeâ€™s new short courses are starting three to five times a year, depending on the campus. Although Concorde operates year-round with lower seasonality than UTI, Concorde experiences population fluctuations dictated by its clinical programmatic accreditors and how many student starts are allowed and the time required between those starts. Our tuition charges vary by type, length and level of the programs, such as core or advanced training. The UTI segment implemented average tuition rate increases of up to 3.0%, 6.0% and 2.5% for each of the years ended September 30, 2024, 2023 and 2022, respectively, and the Concorde segment implemented average tuition rate increases of approximately 2.5% and 3.0% for the years ended September 30, 2024 and 2023, respectively. We regularly evaluate our tuition pricing based on individual campus markets, the competitive environment and ED regulations. Financial Aid Most students at our campuses rely on funds received under various government-sponsored student financial aid programs, predominantly Title IV Programs and various veterans' benefits programs, to pay a substantial portion of their tuition and other education-related expenses. Approximately 78% of our revenues, on a cash basis, were collected from funds distributed under Title IV Programs and various veterans' benefits programs for the year ended September 30, 2024 as calculated under the 90/10 rule. The Company extends credit for tuition and fees, for a limited period of time, to the majority of our students. Our credit risk is mitigated through the students' participation in federally funded financial aid and veterans' benefit programs unless students withdraw prior to the receipt by us of Title IV or veterans' benefit funds for those students. The financial aid and veterans' benefits programs are subject to political and budgetary considerations. There is no assurance that such funding will be maintained at current levels. Extensive and complex regulations govern the financial assistance programs in which our students participate. Our administration of these programs is periodically reviewed by various regulatory agencies. Any regulatory violation could be the basis for the initiation of potential adverse actions, including a suspension, limitation, placement on reimbursement status or termination proceeding, which could have a material adverse effect on our business. If any of our institutions were to lose its eligibility to participate in federal student financial aid or veterans' benefit programs, the students at that institution, and other locations of that institution, would lose access to funds derived from those programs and would have to seek alternative sources of funds to pay their tuition and fees. The receipt of financial aid and veterans' benefit funds reduces the students' amounts due to us and has no impact on revenue recognition, as the transfer relates to the source of funding for the costs of education which may occur through Title IV, veterans' benefit or other funds and resources available to the student. Additionally, we bear all credit and collection risk for the portion of our student tuition that is funded through the proprietary loan program. 43 Operating Expenses We categorize our operating expenses as (i) educational services and facilities and (ii) selling, general and administrative. Major components of educational services and facilities expenses include: faculty and other campus administration employees' compensation and benefits; facility rent; maintenance; utilities; depreciation and amortization of property and equipment used in the provision of educational services; tools; training aids; royalties under our licensing arrangements; and other costs directly associated with teaching our programs and providing educational services to our students. Selling, general and administrative expenses include: compensation and benefits, including stock-based compensation, of employees who are not directly associated with the provision of educational services, such as executive management, finance and central accounting, information technology, legal, human resources, marketing and student admissions; marketing and student enrollment expenses; professional services; provision for credit losses; costs associated with the implementation and operation of our student management and reporting system; rent for our corporate office headquarters; depreciation and amortization of property and equipment that is not used in the provision of educational services; and other costs that are incidental to our operations. All marketing and student enrollment expenses are recognized in the period incurred. Costs related to the opening of new facilities, excluding related capital expenditures, are expensed in the period incurred or when services are provided. 2024 Overview Student Metrics September 30, 2024 September 30, 2023 (1)% Change UTI Total new student starts 15,138A 14,181A 6.7% Average full-time active students 13,810A 12,614A 9.5% End of period full-time active students 15,873A 14,833A 7.0% Concorde Total new student starts 11,747A 8,432A 39.3% Average full-time active students 8,475A 7,654A 10.7% End of period full-time active students 9,747A 8,369A 16.5% Consolidated Total new student starts 26,885A 22,613A 18.9% Average full-time active students 22,285A 20,268A 10.0% End of period full-time active students 25,620A 23,202A 10.4% (1) New student starts and average student data for Concorde presented in the year ended September 30, 2023 column represents the period of UTIâ€™s ownership, or December 1, 2022 through September 30, 2023. The increase in consolidated total and segment new student starts, average full-time active students and end of period full-time active students was primarily due to new program rollouts and increased student demand for existing programs across both segments. In the UTI segment, our student population was positively impacted during the current year by the successful launch of 14 new programs across nine campuses during fiscal 2023, and three new HVAC and refrigeration programs launched in the back half of 2024. The Concorde segment benefited from the roll out seven new programs at three campuses during the current and prior year, and also introduced new cash pay apprenticeship programs at a number of campuses. Concordeâ€™s short programs offer an affordable, fast-track pathway into the workforce and provide essential foundational skills that prepare students for entry-level roles in healthcare. Additionally, Concorde benefited from two additional months during fiscal 2024 due to the December 1, 2022 close of the acquisition. Our ability to start new students can be influenced by various factors including: the state of the general macro-economic environment and its impact on price sensitivity and the ability and willingness of students and their families to incur debt to fund their education; unemployment rates; competition; adverse media coverage; legislative, or regulatory actions and investigations by attorneys general and various agencies related to allegations of wrongdoing on the part of other companies 44 within the education and training services industry, which can cast the aggregate â€œfor-profitâ€ education industry in a negative light; and pandemics and/or other national, state or local emergencies as declared by various government authorities. For more information, see Item 1A. â€œRisk Factors.â€ Operations Our revenues for the year ended September 30, 2024 were \$732.7 million, an increase of \$125.3 million, or 20.6%, from the prior year. UTI revenues increased by \$57.1 million, or 13.3%, driven primarily by the higher average full-time active students compared to the prior year. Concorde revenues increased by \$68.2 million, or 38.3%, primarily due to the inclusion of two extra months of revenue compared to the prior year period, along with higher average full-time active students. Our operating expenses for fiscal 2024 were \$673.8 million, a 15.0% increase over the prior year. In fiscal 2024, we had operating income of \$58.9 million, a 175.2% increase when compared to \$21.4 million in the prior year. This increase in operating income was primarily driven by productivity improvements and proactive cost reductions, which have been a key part of our operating model for the past several years. Net income for the year ended September 30, 2024 was \$42.0 million compared to \$12.3 million in the prior year. Business Strategy Our business strategy has three key tenets: to grow the business by more deeply penetrating existing target markets and adding new markets; to diversify the business by adding new locations, programs, and offerings that maximize the lifetime value of our students; and to continually optimize the business by constantly enhancing operational efficiency. During the year ended September 30, 2024, we executed the following as part of our growth, diversification and optimization strategy: â€¢ Concorde announced the launch of additional dental hygiene program offerings in Jacksonville, Florida, Miramar, Florida, and Portland, Oregon and sonography program offerings in Orlando, Florida and San Bernardino, California. â€¢ UTI announced additional HVAC and refrigeration program expansions in Avondale, Arizona, Bloomfield, New Jersey, Long Beach, California and Sacramento, California. Avondale, Bloomfield and Long Beach first launched in the third quarter of 2024, with Sacramento expected to launch in the first half of fiscal 2025. â€¢ UTI announced plans to consolidate the two Houston, Texas campuses to align the curriculum, student facing systems, and support services to better serve students. As part of the transition, the MIAT Houston campus, acquired in November 2021, began operating under the UTI brand and implemented a phased teach-out agreement starting in May 2024. Both facilities will remain in use post-consolidation. See Note 16 of the notes to our Consolidated Financial Statements within Part II, Item 8 of this Annual Report on Form 10-K for further details on the restructuring. â€¢ UTI obtained Federal Aviation Administration approval for the Airframe and Powerplant Technician program at the Miramar, Florida campus and started the first cohort of students during the first quarter of 2024, which completed the rollout of the 14 new programs announced in fiscal 2023. â€¢ UTI Wind Turbine Technician programs were the first in the United States to earn Certified Training Center status from the Global Wind Organisation. â€¢ UTI announced new partnerships with United Service Organization, Hawaiian Airlines, iRacing, Crown Equipment, The Associated company and several

other companies for early employment programs. These partnerships will provide additional career transition and placement opportunities for UTI students. UTI announced the integration of Electric Vehicle curriculum into BMW's manufacturer specific advanced training program in the fourth quarter of fiscal 2024. In addition, we continue to pursue other opportunities that align with our growth, diversification and optimization strategy. 45Results of OperationsThe following table sets forth selected statements of operations data as a percentage of revenues for each of the periods indicated. Å Year Ended September 30, Å 202420232022Revenues100.0 Å %100.0 Å %100.0 Å %Operating expenses:Educational services and facilities52.5 Å %54.3 Å %49.5 Å %Selling, general and administrative39.5 Å %42.2 Å %45.2 Å %Total operating expenses92.0 Å %96.5 Å %94.7 Å %Income from operations8.0 Å %3.5 Å %5.3 Å %Interest (expense) income, net(0.4)(0.6)(0.4)Other income (expense)0.1 Å %0.1 Å %0.1 Å %Total other (expense) income, net(0.3)(0.5)(0.5)Income before income taxes7.7 Å %3.0 Å %4.8 Å %Income tax (expense) benefit(1.9)(0.9)1.3 Å %Net income5.8 Å %2.1 Å %6.1 Å %Preferred stock dividends(0.1)(0.8)(1.2)Income available for distribution5.7 Å %1.3 Å %4.9 Å %Income allocated to participating securities(0.4)(0.4)(1.9)Net income available to common shareholders5.3 Å %0.9 Å %3.0 Å %Year Ended September 30, 2024 Compared to Year Ended September 30, 2023RevenuesThe following table presents revenue by segment (in thousands): Year ended September 30, 2024Year ended September 30, 2023Year over Year % ChangeUTI\$486,376 Å \$429,317 Å 13.3 Å %Concorde246,311 Å 178,091 Å 38.3 Å %Consolidated732,687 Å 607,408 Å 20.6 Å %Our revenues for the year ended September 30, 2024 were \$732.7 million, an increase of \$125.3 million, or 20.6%, as compared to revenues of \$607.4 million for the year ended September 30, 2023. UTIRevenues for UTI for the year ended September 30, 2024 were \$486.4 million, an increase of \$57.1 million, or 13.3%, versus the prior year. Revenue increased primarily due to a 9.5% increase in overall average full-time active students and an overall increase in average revenue per student. We recognized \$12.0A million on an accrual basis related to revenues and interest under the proprietary loan program for the year ended September 30, 2024, as compared to \$8.8 million recognized for the year ended September 30, 2023. ConcordeRevenues for Concorde for the year ended September 30, 2024 were \$246.3 million, an increase of \$68.2 million, or 38.3%, versus the prior period. The primary drivers of the increase for Concorde were the inclusion of two additional months of revenue during the current year and a 10.7% increase in overall average full-time active students. 46Educational services and facilities expensesOur educational services and facilities expenses for the year ended September Å 30, 2024 were \$384.5 million, representing an increase of \$54.6 million, or 16.6%, as compared to \$329.9 million for the year ended September Å 30, 2023. This increase was primarily due to the increase in student volumes during the current period and the inclusion of Concorde results for two additional months in the current year. The following table sets forth the significant components of our educational services and facilities expenses (in thousands):Year ended September 30, 2024UTIConcordeConsolidatedSalaries, employee benefits and tax expense\$118,638 Å \$93,671 Å \$212,309 Å Bonus expense1,954 Å 1,155 Å 3,109 Å Stock-based compensation481 Å 481 Å Compensation and related costs121,073 Å 94,826 Å 215,899 Å Occupancy costs30,519 Å 21,847 Å 52,366 Å Supplies, maintenance and student expense33,204 Å 17,479 Å 50,683 Å Depreciation and amortization expense22,456 Å 4,346 Å 26,802 Å Contract services expense3,611 Å 2,126 Å 5,737 Å Other educational services and facilities expenses23,159 Å 9,883 Å 33,042 Å Total educational services and facilities expense\$234,022 Å \$150,507 Å \$384,529 Å Year ended September 30, 2023UTIConcordeConsolidatedSalaries, employee benefits and tax expense\$111,030 Å \$68,238 Å \$179,268 Å Bonus expense2,027 Å 2,027 Å Stock-based compensation192 Å 192 Å Compensation and related costs113,249 Å 68,238 Å 181,487 Å Occupancy costs30,798 Å 18,612 Å 49,410 Å Supplies, maintenance and student expense27,357 Å 14,114 Å 41,471 Å Depreciation and amortization expense19,738 Å 3,618 Å 23,356 Å Contract services expense3,763 Å 431 Å 4,194 Å Other educational services and facilities expenses21,666 Å 8,286 Å 29,952 Å Total educational services and facilities expense\$216,571 Å \$113,299 Å \$329,870 Å UTICompensation and related costs increased \$7.8 Å million for the year ended September 30, 2024 primarily due to additional instructors and other personnel hired to support the new programs added in fiscal 2023 and 2024. Supplies, maintenance and student expense increased by \$5.8 Å million primarily due to approximately \$6.5 million in additional grants for student housing during the current year. This increase was offset by a decrease of approximately \$0.6 Å million in expenses for student laptops. Depreciation and amortization expense increased \$2.7 Å million during the year ended September 30, 2024 primarily due to the purchase of the three primary buildings at our UTI Orlando, Florida campus in March 2023 and increased capital expenditures related to the new program launches during fiscal 2023 and 2024. Other educational services and facilities expense increased by \$1.5 Å million. The increase is primarily due to a higher Snap-on tool voucher expense of \$1.8 million. 47Selling, general and administrative expensesOur selling, general and administrative expenses for the year ended September Å 30, 2024 were \$289.3 million, representing an increase of \$33.2 million, or 12.9%, as compared to \$256.1 million for the year ended September Å 30, 2023. This increase was primarily due to the increase in student volumes during the current period and the inclusion of Concorde results for two additional months in the current year. During fiscal 2023, in coordination with the integration of Concorde, we began to reassess our operating model to determine the organizational structure that would best help the Company achieve future growth goals and optimally support the business. Beginning in fiscal 2024, we have executed an internal reorganization to fully transition our operating and reporting model to support a multi-divisional business. As part of the internal reorganization, each of the reportable segments now have dedicated accounting, finance, information technology, and human resources teams. Additionally, human resources and information technology costs that benefit the entire organization are now allocated across UTI, Concorde and Corporate each period based upon relative headcount. As a result, additional costs have moved from Corporate into the UTI segment and to a lesser extent the Concorde segment as resources were redirected to support the segment's objectives. Due to these changes in allocation methodology, the prior year amounts for selling, general and administrative expenses (in thousands): Å Year ended September 30, 2024UTIConcordeCorporateConsolidatedSalaries, employee benefits and tax expense\$78,900 Å \$27,688 Å \$15,857 Å \$122,445 Å Bonus expense9,849 Å 2,352 Å 4,977 Å 17,178 Å Stock-based compensation1,599 Å 213 Å 6,264 Å 8,079 Å Compensation and related costs90,348 Å 30,253 Å 27,101 Å 147,702 Å Advertising and marketing expense51,940 Å 25,744 Å 577 Å 78,261 Å Professional and contract services expense6,810 Å 7,557 Å 11,861 Å 26,228 Å Other selling, general and administrative expenses25,500 Å 11,446 Å 130 Å 37,076 Å Total selling, general and administrative expenses\$174,598 Å \$75,000 Å \$39,669 Å \$289,267 Å Å Year ended September 30, 2023UTIConcordeCorporateConsolidatedSalaries, employee benefits and tax expenses72,577 Å \$21,401 Å 13,777 Å \$107,755 Å Bonus expense11,257 Å 2,594 Å 5,141 Å 18,992 Å Stock-based compensation877 Å 877 Å 2,779 Å 3,656 Å Compensation and related costs84,711 Å 23,995 Å 21,697 Å 130,403 Å Advertising and marketing expense52,809 Å 19,358 Å 877 Å 72,167 Å Professional and contract services expense8,093 Å 4,537 Å 9,110 Å 21,740 Å Other selling, general and administrative expenses24,371 Å 6,369 Å 1,089 Å 31,829 Å Total selling, general and administrative expenses\$169,984 Å \$54,259 Å \$31,896 Å \$256,139 Å UTICompensation and related costs increased by \$5.6 million for the year ended September 30, 2024 as compared to the prior year, primarily due to an increase in headcount to support our growth, diversification and optimization initiatives. Advertising and marketing expense decreased by \$0.9 million for the year ended September 30, 2024, as compared to the prior year. We continue to fine tune our marketing strategy by selecting cost-effective marketing options. Advertising expense as a percentage of revenues decreased to 10.7% for the year ended September 30, 2024 as compared to 12.3% in the prior year. 48Professional and contract services decreased by \$1.3 million for the year ended September 30, 2024. The decreases were primarily due to one-time costs incurred in the prior year related to our business strategies. Other selling, general and administrative expenses increased by \$1.1 million for the year ended September 30, 2024, as compared to the prior year. This increase is in line with the growth in headcount to support the UTI segment and our business strategies. ConcordeCompensation and related costs increased by \$6.3 million for the year ended September 30, 2024 as compared to the prior year, primarily due to the inclusion of two additional months of expense in the current year and an increase in headcount to support our growth, diversification and optimization initiatives. Advertising and marketing expense increased by \$6.4 million for the year ended September 30, 2024, as compared to the prior year primarily due to the inclusion of two additional months of expense in the current year and to support overall growth in the student population. Advertising expense as a percentage of revenues decreased to 10.5% for the year ended September 30, 2024 as compared to 10.9% in the prior year. Other selling, general and administrative expenses for Concorde for the year ended September 30, 2024 increased across all categories as the current year period includes two additional months of expenses compared to the prior year. This increase was also partially due to the continued integration of Concorde during 2024. CorporateCorporate compensation and related costs increased by \$5.4 million for the year ended September Å 30, 2024 as compared to the prior year, primarily due to additional headcount hired to support our business strategies and higher expected achievement on our performance stock-based compensation awards. Professional and contract services expense increased by \$2.8 million for the year ended September Å 30, 2024 as compared to the prior year, due to an increase of \$2.3 million in contract services primarily related to optimization and integration projects and an increase of \$0.4 million in accounting and legal fees. Other selling, general and administrative expenses decreased by \$1.0 million for the year ended September Å 30, 2024 as compared to the prior year, primarily due to the completion of integration projects. Other (expense) income, netOther expense for the year ended September 30, 2024 was \$2.7 million, compared to \$3.3 million for the year ended September 30, 2023. The \$2.7 million of other expense in fiscal 2024 is primarily comprised of \$9.5 million of interest expense from our revolving credit facility and term loans, partially offset by interest income of \$6.3 million. Income taxesOur income tax expense for the year ended September 30, 2024 was \$14.2 million, or 25.3% of pre-tax income, compared to \$5.8 million, or 31.9% of pre-tax income, for the year ended September 30, 2023. The effective income tax rate for the year ended September 30, 2024 differed from the federal statutory tax rate of 21% primarily due to non-deductible executive compensation, stock compensation, change in valuation allowance, federal research and development tax credits and state and local income and franchise taxes. The effective income tax rate for the year ended September 30, 2023 differed from the federal statutory rate of 21% primarily due to non-deductible executive compensation, transaction costs, federal research and development tax credits and state and local income and franchise taxes. See Note 15 of the notes to our Consolidated Financial Statements within Part II, Item 8 of this Annual Report on Form 10-K for further discussion.Preferred stock dividendsAs of September 30, 2024, no shares of the Series A Preferred Stock remained outstanding and all rights of the holders to receive future dividends have been terminated due to the combination of the repurchase and conversion of all outstanding preferred shares as of December 18, 2023. As of September 30, 2023, 675,885 shares of Series A Convertible Preferred Stock were issued and outstanding. Pursuant to the Certificate of Designations of the Series A Preferred Stock, we paid preferred stock cash dividends of \$1.1 million and \$5.1 million during the years ended September Å 30, 2024 and 2023, respectively. See 49Note 18 of the notes to our Consolidated Financial Statements within Part II, Item 8 of this Annual Report on Form 10-K for further discussion of the preferred stock. Income available for distributionIncome available for distribution refers to net income reduced by dividends on our Series A Preferred Stock. As a result of the foregoing, we reported income available for distribution for the years ended September 30, 2024 and 2023 of \$40.9 million and \$7.3 million, respectively. Income allocated to participating securitiesOur Series A Preferred Stock is considered a participating security because, in the event that we pay a dividend or make a distribution on the outstanding common stock, we must also pay each holder of the Series A Preferred Stock a dividend on an as-converted basis. The two-class method is an earnings allocation formula that determines earnings per share for common stock and participating securities according to dividend and participation rights in undistributed earnings. Under this method, all earnings, distributed and undistributed, are allocated to common shares and participating securities based on their respective rights to receive dividends. As noted above, no shares of the Series A Preferred Stock remain outstanding and all rights of the holders to receive future dividends have been terminated as of the December 18, 2023 conversion date. The amount of income allocated to the participating securities for the years ended September 30, 2024 and 2023 was \$2.9 million and \$2.7 million, respectively. Net income available to common shareholdersAfter allocating the income to the participating securities, we had \$38.0 million and \$4.5 million of net income available to common shareholders for the years ended September 30, 2024 and 2023, respectively. For a discussion of the financial results of operations for the year ended September 30, 2023 compared to the year ended September 30, 2022, refer to Part II, Item 7, Å 46Management's Discussion and Analysis of Financial Position and Results of Operations, Å of our 2023 Form 10-K filed with the SEC on December 1, 2023 which discussion is incorporated herein by reference and which is available free of charge on the SEC's website at www.sec.gov.Non-GAAP Financial MeasuresOur earnings before interest, tax, depreciation and amortization (Å EBITDA) for the years ended September 30, 2024, 2023 and 2022 were \$88.7 million, \$47.1 million and \$38.8 million, respectively. We define EBITDA as net income (loss) for the year, before interest (income) expense, income tax expense (benefit), and depreciation and amortization. EBITDA is a non-GAAP financial measure which is provided to supplement, but not substitute for, the most directly comparable GAAP measure. We choose to disclose this non-GAAP financial measure because it provides an additional analytical tool to clarify our results from operations and helps to identify underlying trends. Additionally, this measure helps compare our performance on a consistent basis across time periods. Management also utilizes EBITDA as an internal performance measure. To obtain a complete understanding of our performance, this measure should be examined in connection with net income (loss) determined in accordance with GAAP. Since the items excluded from this measure are significant components in understanding and assessing financial performance under GAAP, this measure should not be considered to be an alternative to net income (loss) or any other measures derived in accordance with GAAP as a measure of our operating performance or profitability. Exclusion of items in our non-GAAP presentation should not be construed as an inference that these items are unusual, infrequent or non-recurring. Other companies, including other companies in the education industry, may calculate EBITDA differently than we do, limiting its usefulness as a comparative measure across companies. Investors are encouraged to use GAAP measures when evaluating our financial performance. 50EBITDA reconciles to net income as follows (in thousands): Å Year Ended September 30, Å 202420232022Net income\$42,001 Å \$12,322 Å \$25,848 Å Interest expense (income), net3,157 Å 3,795 Å 1,495 Å Income tax expense (benefit)14,229 Å 5,765 Å (5,407) Å Depreciation and amortization29,324 Å 25,215 Å 16,883 Å EBITDA\$88,711 Å \$47,097 Å \$38,819 Å Liquidity and Capital Resources Overview of LiquidityBased on past performance and current expectations, we believe that our cash flows from operations, cash on hand and investments will satisfy our working capital needs, capital expenditures, commitments and other liquidity requirements associated with our existing operations, as well as announced growth, diversification and optimization initiatives through the next fiscal year and beyond. Our cash position is available to fund strategic long-term growth initiatives, including opening additional campuses in new markets and the creation and expansion of new programs in existing markets where we continue to optimize utilization of our campus facilities. Our aggregate liquidity as of September Å 30, 2024 totaled \$230.9 million and was comprised of cash and cash equivalents of \$161.9 million and undrawn revolving credit facility capacity of \$69.0 million. This represents an increase of \$71.2 million from our total liquidity as of September Å 30, 2023. Strategic Uses of CashWe believe that uses of our cash resources may include consideration of strategic acquisitions and organic growth initiatives, purchase of real estate assets, subsidizing funding alternatives for our students, and the repurchase of common stock, among others. To the extent that potential acquisitions are large enough to require financing beyond cash from operations, cash and cash equivalents, short-term investments, or available revolving credit facility capacity, or we need capital to fund operations, new campus openings or expansion of programs at existing campuses, we may enter into additional credit facilities, issue debt or issue additional equity. Long-term DebtAs of September Å 30, 2024, we had \$126.1 million of long-term debt outstanding, which is comprised of two term loans, a finance lease and our revolving credit facility. Of the \$126.1 million outstanding, \$28.4 million relates to a term loan that bears interest at the rate of Term SOFR plus 2.0% and a tranche rate adjustment of 0.046% over the seven-year term secured in connection with the UTI Avondale, Arizona campus property purchased in December 2020. Approximately \$36.9 million relates to a term loan that bears interest at the rate of Term SOFR plus 2.0% over the seven-year term, secured in connection with the purchase of the UTI Lisle, Illinois campus property in February 2022. Approximately \$4.8 million relates to a finance lease for a campus within our Concorde segment. The remaining \$56.0 million relates to funds drawn from the revolving credit facility that was secured in connection with the Concorde acquisition. During the fourth quarter of 2024, we increased the capacity of our revolving credit facility by \$25.0 million to \$125.0 million, adding an additional accordion feature. See Note 13 of the notes to our Consolidated Financial Statements within Part II, Item 8 of this Annual Report on Form 10-K for additional details on the term loans and the revolving credit facility. DividendsWe currently do not pay a cash dividend on our common stock. For our outstanding Series A preferred shares, we paid preferred stock cash dividends of \$1.1 million and \$5.1 million during the years ended September 30, 2024 and 2023, respectively. With the Series A Preferred Stock repurchase and subsequent conversion of remaining shares to common stock in December 2023, there will be no further dividend payments related to the Series A Preferred Stock going forward. See Note 18 of the notes to our Consolidated Financial Statements within Part II, Item 8 of this Annual Report on Form 10-K for additional details on the conversion of our preferred stock. 51Principal Sources of LiquidityOur principal source of liquidity is operating cash flows and existing cash and cash equivalents. A majority of our revenues are derived from Title IV Programs and various veterans' benefits programs. Federal regulations dictate the timing of disbursements of funds under Title IV Programs. Students must apply for new funding for each academic year consisting of 30-week periods. Loan funds are generally provided in two disbursements for each

the beginning of the 16th week from the start of the student's academic year. Under our UTI proprietary loan program, we bear all credit and collection risk and students are not required to begin repayment until six months after the student completes or withdraws from his or her program. Similarly, we bear all credit and collection risk for students paying through cash payment plans and those under retail installment contracts. These factors, together with the timing of when our students begin their programs, affect the timing and seasonality of our operating cash flow. Surety Bonds Each of our campuses must be authorized by the applicable state education agency in which the campus is located to operate and to grant certificates, diplomas or degrees to its students. Our campuses are subject to extensive, ongoing regulation by each of these states. Additionally, our campuses are required to be authorized by the applicable state education agencies of certain other states in which our campuses recruit students. Our insurers issue surety bonds for us on behalf of our campuses and admissions representatives with multiple states to maintain authorization to conduct our business. We are obligated to reimburse our insurers for any surety bonds that are paid by the insurers. As of September 30, 2024, the total face amount of these surety bonds was approximately \$22.9 million. Operating Activities Our net cash provided by operating activities was \$85.9 million and \$49.1 million for the years ended September 30, 2024 and 2023, respectively. Net income, after adjustments for non-cash items, provided cash of \$114.2 million for the year ended September 30, 2024. The non-cash items included \$29.3 million for depreciation and amortization expense, \$21.9 million for amortization of right-of-use assets for operating leases, \$8.6 million for stock-based compensation expense, \$7.5 million for provision for credit losses and \$4.4 million of deferred taxes. Changes in operating assets and liabilities for the year ended September 30, 2024 used cash of \$28.3 million primarily due to the following: *Changes in our operating lease liability as a result of rent payments used cash of \$22.4 million.* The increase in receivables used cash of \$12.1 million and was primarily due to the timing of Title IV disbursements and other cash receipts on behalf of our students. *Changes in our accounts payable and accrued expenses due to the timing of payments provided cash of \$13.2 million.* The change in deferred revenue provided cash of \$6.8 million and was primarily attributable to the timing of student starts, the number of students in school and where they were at period end in relation to completion of their program at September 30, 2024 as compared to September 30, 2023. *The increase in notes receivable used cash of \$5.8 million and was primarily due to higher utilization of UTI's proprietary loan program.* Net income, after adjustments for non-cash items, for the year ended September 30, 2023 provided cash of \$71.8 million. The non-cash items included \$25.2 million for depreciation and amortization expense, \$20.6 million for amortization of right-of-use assets for operating leases, \$4.6 million of deferred taxes, \$3.8 million for stock-based compensation expense and \$3.3 million for provision for credit losses. Changes in operating assets and liabilities for the year ended September 30, 2023 used cash of \$22.7 million primarily due to the following: *Changes in our operating lease liability as a result of rent payments used cash of \$20.5 million.* The change in deferred revenue provided cash of \$11.4 million and was primarily attributable to the timing of student starts, the number of students in school and where they were at period end in relation to completion of their program at September 30, 2023 as compared to September 30, 2022. *Changes in our accounts payable and accrued expenses due to the timing of payments used cash of \$5.9 million.* The increase in receivables used cash of \$4.9 million and was primarily due to the timing of Title IV disbursements and other cash receipts on behalf of our students. Investing Activities For the year ended September 30, 2024, net cash used in investing activities was \$24.0 million. The cash outflow was primarily related to the purchase of property and equipment of \$24.3 million to support new program expansions at both UTI and Concorde. For the year ended September 30, 2023, net cash used in investing activities was \$44.1 million. The cash outflow was primarily related to the purchase of property and equipment of \$56.7 million. During the year ended September 30, 2023, we purchased three buildings and the associated land at our UTI Orlando, Florida campus for \$26.2 million. Additionally, we had continued capital expenditures for further construction at the UTI Austin, Texas and Miramar, Florida campuses, and program expansion costs for both UTI and Concorde. Further, on December 1, 2022, we completed the acquisition of Concorde which resulted in \$16.4 million of cash paid for acquisitions, net of cash acquired. Partially offsetting the cash outflows, is the \$29.0 million in proceeds from maturities of held-to-maturity securities. Financing Activities For the year ended September 30, 2024, net cash used by financing activities was \$51.3 million which was primarily related to \$34.0 million in net payments on the revolving credit facility, or \$75.0 million in payments offset by \$41.0 million in proceeds. Additionally, \$11.5 million was used to repurchase Series A Preferred Stock. See Note 18 of the notes to our Consolidated Financial Statements within Part II, Item 8 of this Annual Report on Form 10-K for additional details on the repurchase. Other uses of cash included payroll taxes paid for stock-based compensation through shares withheld of \$2.2 million, the payment of long-term debt of \$2.5 million, and the payment of preferred stock dividends of \$1.1 million. For the year ended September 30, 2023, net cash provided by financing activities was \$81.8 million, which was primarily related to proceeds from our revolving credit facility of \$90.0 million, offset by payment of preferred stock dividends of \$5.1 million, and the repayment of long-term debt of \$1.8 million. For a discussion of our liquidity for the year ended September 30, 2022, refer to Part II, Item 7, *Management's Discussion and Analysis of Financial Position and Results of Operations*, of our 2023 Form 10-K filed with the SEC on December 1, 2023 which discussion is incorporated herein by reference and which is available free of charge on the SEC's website at www.sec.gov. Share Repurchase Program On December 10, 2020, our board of directors authorized a share repurchase plan that would allow for the repurchase of up to \$35.0 million of our common stock in the open market or through privately negotiated transactions. We did not repurchase any shares under this plan during the years ended September 30, 2024, 2023, and 2022. Seasonality Our operating results normally fluctuate as a result of seasonal variations in our business, principally due to changes in total student population and costs associated with opening or expanding our campuses. Our student population varies as a result of new student enrollments, graduations and student attrition. Historically, we have had lower student populations in our third quarter than in the remainder of our year because fewer students are enrolled during the summer months. Additionally, we have had higher student populations in our fourth quarter than in the remainder of the year because more students enroll during this period. Our expenses, however, do not vary significantly with changes in student population and revenues and, as a result, such expenses do not fluctuate significantly on a quarterly basis. We expect quarterly fluctuations in operating results to continue as a result of seasonal enrollment patterns. Such patterns may change, however, as a result of new school openings, new program introductions, increased enrollments of adult students or acquisitions. Furthermore, our revenues for the first quarter ending December 31 are impacted by the closure of our campuses for a week in December for a holiday break and during which we do not earn revenue. *53 Revenues (Dollars shown in thousands)* *Year Ended September 30, 2024/2023/2022* *Three Month Period Ending: Amount Percent Amount Percent Amount Percent December* *31/174,695A 23.8A %\$120,004A 19.8A %\$105,075A 25.1A %March 31/184,176A 25.1A %163,820A 27.0A %102,086A 24.4A %June 30/177,458A 24.2A %153,286A 25.2A %100,966A 24.1A %30196,358A 26.9A %170,298A 28.0A %101,638A 26.4A %Total fiscal year/732,687A 100.0A %\$607,408A 100.0A %\$418,765A 100.0A %* The increase in revenues for each of the three months ended December 31, 2023, March 31, 2024, June 30, 2024 and September 30, 2024, as compared to the same periods in fiscal 2023, was due to an increase in student population during fiscal 2024. The increase in revenues for each of the three months ended December 31, 2022, March 31, 2023, June 30, 2023 and September 30, 2023, as compared to the same periods in fiscal 2022, was due to an increase in student population during fiscal 2023 primarily related to the acquisition of Concorde. *Income from Operations (Dollars shown in thousands)* *Year Ended September 30, 2024/2023/2022* *Three Month Period Ending: Amount Percent Amount Percent Amount Percent December* *31/14,231A 24.2A %\$4,448A 20.8A %\$13,578A 60.7A %March 31/11,192A 19.0A %5,949A 27.8A %3,377A 15.1A %June 30/7,446A 12.6A %663A 3.1A %1,954A 8.7A %September 30/26,022A 44.2A %10,339A 48.3A %3,465A 15.5A %Total fiscal year/58,891A 100.0A %\$21,399A 100.0A %\$22,374A 100.0A %* The increase in income from operations for fiscal year 2024 was primarily due to increased revenues as a result of higher student population as well as continued execution of cost control measures. The decrease in income from operations for fiscal year 2023 was primarily due to increased compensation related costs primarily due to an increase in headcount to support our growth, diversification and optimization initiatives. Effect of Inflation To date, inflation has not had a significant effect on our operations. Critical Accounting Estimates Our discussion of our financial condition and results of operations is based upon our financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States, or GAAP. During the preparation of these financial statements, we are required to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and related disclosures of contingent assets and liabilities. On an ongoing basis, we evaluate our estimates and assumptions, including those related to revenue recognition, the proprietary loan program, and allowance for credit losses. We base our estimates on historical experience and on various other assumptions that we believe are reasonable under the circumstances. The results of our analysis form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions, and the impact of such differences may be material to our consolidated financial statements. Our significant accounting policies are discussed in Note 2 of the notes to our Consolidated Financial Statements within Part II, Item 8 of this Annual Report on Form 10-K. We believe that the following accounting estimates are the most critical to aid 54 in fully understanding and evaluating our reported financial results, and they require management's most subjective and complex judgments in estimating the effect of inherent uncertainties. Revenue recognition Revenues consist primarily of student tuition and fees derived from the programs we provide after reductions are made for discounts and scholarships that we sponsor and for refunds for students who withdraw from our programs prior to specified dates. We apply the five-step model outlined in Accounting Standards Codification Topic 606. *A Revenue from Contracts with Customers (at ASC 606)*. Tuition and fee revenue is recognized ratably over the term of the course or program offered. Approximately 99% of our revenues for each of the years ended September 30, 2024, 2023 and 2022, respectively, consisted of gross tuition. The majority of the UTI programs are designed to be completed in 30 to 100 weeks. The UTI advanced training programs range from 8 to 26 weeks in duration. UTI also provides dealer technician training or instructor staffing services to manufacturers. Revenues are recognized as transfer of the services occurs. The majority of Concorde's short and core programs are 8 to 36 weeks in duration. Concorde's clinical programs are completed in 60 to 90 weeks. In addition to revenue from tuition and fees, UTI and Concorde derive supplemental revenues from sales of textbooks and program supplies and other revenues, which are recognized as the transfer of goods or services occurs. Deferred revenue represents the excess of tuition and fee payments received as compared to tuition and fees earned and is reflected as a current liability on our consolidated balance sheets because it is expected to be earned within the next 12 months. All of our revenues are generated within the United States. The impact of economic factors on the nature, amount, timing and uncertainty of revenue and cash flows is consistent across our various programs for both the UTI and Concorde segments. Proprietary Loan Program In order to provide funding for students who are not able to fully finance the cost of their education under traditional governmental financial aid programs, commercial loan programs or other alternative sources, we established a private loan program with a bank. This program is currently offered to students at our UTI schools. Through the proprietary loan program, the bank originates the loans to the students who participate in this program for a portion of their tuition. Based on historical collection rates, we can demonstrate that a portion of these loans are collectible. Accordingly, we recognize tuition and loan origination fees financed by the loan and any related interest revenue under the effective interest method required under the loan based on this collection rate. Under the terms of the proprietary loan program, the bank originates loans for our students who meet specific criteria with the related proceeds used exclusively to fund a portion of their tuition. We then purchase all such loans from the bank at least monthly and assume all of the related credit risk. The loans bear interest at market rates ranging from approximately 6% to 10%; however, principal and interest payments are not required until six months after the student completes or withdraws from his or her program. After the deferral period, monthly principal and interest payments are required over the related term of the loan. The repayment term is generally up to 10 years. Under ASC 606, the portion of tuition revenue related to the proprietary loan program is considered a form of variable consideration. We estimate the amount we ultimately expect to collect from the portion of tuition that is funded by the proprietary loan program, resulting in a note receivable. Estimating the collection rate requires significant management judgment. Our estimated collection rate includes historical collections from the past ten years as we determined that such population better represents our current expected collections and aligns with the typical term of the loan. The estimated amount is determined at the inception of the contract and we recognize the related revenue as the student progresses through school. Each reporting period, we update our assessment of the variable consideration associated with the proprietary loan program. Allowance for credit losses We maintain an allowance for expected credit losses resulting from the inability, failure or refusal of our students to make required payments. We offer a variety of payment plans, including retail installment contracts, to help students pay that portion of their education expenses not covered by financial aid programs or alternate fund sources, which are unsecured and not guaranteed. We use estimates that are subjective and require judgment in determining the allowance for credit losses, which represent an estimate of the lifetime expected credit losses inherent in our receivables as of each balance sheet date. We principally utilize 55 historical percentages of uncollectible accounts, customer credit worthiness, and changes in payment history when evaluating the adequacy of the allowance for credit losses. We also monitor and consider external factors such as changes in the economic and regulatory environment. We use an internal group of collectors, augmented by third party collectors as deemed appropriate, in our collection efforts. When a student with Title IV loans withdraws, Title IV rules determine if we are required to return a portion of Title IV funds to the lender. We are then entitled to collect these funds from the students, but collection rates for these types of receivables is significantly lower than our collection rates for receivables for students who remain in our programs. Although we believe that our allowance is adequate, if we underestimate the allowances required, additional allowances may be necessary, which would result in increased selling, general and administrative expenses in the period such determination is made. Recent Accounting Pronouncements Information concerning recently issued accounting pronouncements which are not yet effective is included in Note 3 of the notes to our Consolidated Financial Statements within Part II, Item 8 of this Annual Report on Form 10-K. As indicated in Note 3, we are still evaluating the impact of the recently issued accounting pronouncements on our financial statements. ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK Our principal exposure to market risk relates to changes in interest rates. We invest our cash and cash equivalents in money market funds. As of September 30, 2024, we held \$161.9 million in cash and cash equivalents. During the fiscal year ended September 30, 2024, we earned interest income of \$6.3 million. As we have a conservative investment policy, our financial exposure to fluctuations in interest rates related to our interest income is expected to remain low. We do not believe that the value or liquidity of our cash and cash equivalents and investments have been significantly impacted by current market events. Details regarding our outstanding debt agreements are discussed in Note 13 of the notes to our Consolidated Financial Statements within Part II, Item 8 of this Annual Report on Form 10-K. During the fiscal year ended September 30, 2024, we recorded interest expense of \$9.5 million on our outstanding debt. Assuming all terms of our outstanding long-term debt remained the same, a hypothetical 10.0% change (up or down) in the variable rates would result in a \$8.9 million change to our annual interest expense for the portion of the long-term debt not hedged by the interest rate swap agreements. For a discussion of our hedging strategy related to interest rate risk, please refer to Note 14 of the notes to our Consolidated Financial Statements within Part II, Item 8 of this Annual Report on Form 10-K. ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA The following financial statements of the Company and its subsidiaries are included below on pages F-2 to F-46 of this report: *A Page Number Management's Report on Internal Control Over Financial Reporting* F-2 Reports of Independent Registered Public Accounting Firm (PCAOB ID No. 34) F-3 Consolidated Balance Sheets as of September 30, 2024 and 2023 F-6 Consolidated Statements of Operations for the years ended September 30, 2024, 2023 and 2022 F-7 Consolidated Statements of Other Comprehensive Income for the years ended September 30, 2024, 2023 and 2022 F-8 Consolidated Statements of Shareholders' Equity for the years ended September 30, 2024, 2023 and 2022 F-9 Consolidated Statements of Cash Flows for the years ended September 30, 2024, 2023 and 2022 F-10 Notes to Consolidated Financial Statements F-12 ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE None. ITEM 9A. CONTROLS AND PROCEDURES Disclosure Controls and Procedures Under the supervision and with the participation of our management, including our Principal Executive Officer and our Principal Financial Officer, we have evaluated the effectiveness of the design and operation of our disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of September 30, 2024. Based upon that evaluation, our Principal Executive Officer and our Principal Financial Officer concluded that, as of September 30, 2024, the Company's disclosure controls and procedures were effective in ensuring that (i) information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms and (ii) information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the Company's management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. Changes in Internal Control Over Financial Reporting There were no changes in our internal control over financial reporting identified in connection with the evaluation required by Exchange Act Rules 13a-15(d) or 15d-15(d) that occurred during the quarter ended September 30, 2024 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Report of Management on Internal Control Over Financial Reporting and Attestation Report of Independent Registered Public Accounting FirmManagement's Report on Internal Control Over Financial Reporting and the attestation report of our Independent Registered Public Accounting Firm with respect to the effectiveness of our internal control over financial reporting are included on pages F-2 and F-3, respectively, of this Annual Report on Form 10-K, and are hereby incorporated by reference. Limitations on Effectiveness of Controls and Procedures Our management, including our Principal Executive Officer and our Principal Financial Officer, does not expect that our disclosure controls and procedures or our internal controls over financial reporting will prevent all errors and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues, misstatements, errors and instances of fraud, if any, within our company have been or will be prevented or detected. These inherent limitations include the realities that judgments in decision-making can be faulty and that breakdowns can occur because of simple error or mistake. Controls also can be circumvented by the individual acts of some persons, by collusion of two or more people or by management override of the controls. The design of any system of controls is based in part on certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Projections of any evaluation of controls effectiveness to future periods are subject to risks that internal controls may become inadequate as a result of changes in conditions, or through the deterioration of the degree of compliance with policies or procedures. Management's Certifications The Company has filed as exhibits to its Annual Report on Form 10-K for the year ended September 30, 2024, filed with the SEC, the certifications of the Principal Executive Officer and the Principal Financial Officer of the Company required by Section 302 of the Sarbanes-Oxley Act of 2002. The Company has submitted to the NYSE the most recent Annual Chief Executive Officer Certification as required by Section 303A.12(a) of the NYSE Listed Company Manual. 57ITEM 9B. OTHER INFORMATION During the quarter ended September 30, 2024, no director or officer (as defined in Rule 16a-1(f) of the Exchange Act) of the Company adopted or terminated a 10b-5-1 trading arrangement or a non-rule 10b-5-1 trading arrangement, as each term is defined in Item 408 of Regulation S-K. ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS Not Applicable. 58PART IIIITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE Below is a list of our Executive Officers and Board of Directors as of the filing of this report: Name Position Jerome A. Grant Chief Executive Officer Christine C.S. Kline Interim Chief Financial Officer and Chief Accounting Officer Sherrell E. Smith Executive Vice President, Chief Academic Officer Christopher E. Kevane Executive Vice President, Chief Legal Officer Todd A. Hitchcock Executive Vice President, Chief Strategy and Transformation Officer Carolyn Frank Senior Vice President, Chief Human Resources Officer Lori B. Smith Senior Vice President, Chief Information Officer Tracy K. Lorenz Senior Vice President, UTI Division President Kevin Prehn Senior Vice President, Concorde Division President Name Position Robert T. DeVincenzi Chairman of the Board George W. Brochick Director Jerome A. Grant Chief Executive Officer LTG (R) William J. Lennox Director Shannon L. Okinaka Director Loretta L. Sanchez Director Christopher S. Shackelton Director Michael A. Slubowski Director Linda J. Srere Director Kenneth R. Trammell Director The remaining information required by this Item is incorporated by reference from our Proxy Statement to be filed in connection with our 2025 Annual Meeting of Stockholders within 120 days after the end of fiscal year ended September 30, 2024. ITEM 11. EXECUTIVE COMPENSATION The information required by this Item is incorporated by reference from our Proxy Statement to be filed in connection with our 2025 Annual Meeting of Stockholders within 120 days after the end of fiscal year ended September 30, 2024. ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS The information required by this Item is incorporated by reference from our Proxy Statement to be filed in connection with our 2025 Annual Meeting of Stockholders within 120 days after the end of fiscal year ended September 30, 2024. ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE The information required by this Item is incorporated by reference from our Proxy Statement to be filed in connection with our 2025 Annual Meeting of Stockholders within 120 days after the end of fiscal year ended September 30, 2024. ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES The information required by this Item is incorporated by reference from our Proxy Statement to be filed in connection with our 2025 Annual Meeting of Stockholders within 120 days after the end of fiscal year ended September 30, 2024. 59PART IVITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES (a) Documents filed as part of this Annual Report on Form 10-K: (1) The financial statements required to be included in this Annual Report on Form 10-K are included in Item 8 of this Report. (2) All other schedules have been omitted because they are not required, are not applicable, or the required information is shown on the financial statements or the notes thereto. (3) Exhibits: Exhibit Number Description 2.1 Stock Purchase Agreement, dated May 3, 2022, by and among Universal Technical Institute, Inc., Concorde Career Colleges, Inc., Liberty Partners Holdings 28, L.L.C., Liberty Investment IIC, LLC, and Liberty Partners L.P. (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K dated May 3, 2022). 3.1 Fifth Amended and Restated Certificate of Incorporation of Universal Technical Institute, Inc. dated February 26, 2021. (Incorporated by reference to Exhibit 3.1 to the Registrant's Quarterly Report on Form 10-Q dated May 7, 2021). 3.2 Fourth Amended and Restated Bylaws of Universal Technical Institute, Inc., a Delaware Corporation (as amended on February 26, 2021). (Incorporated by reference to Exhibit 3.2 to the Quarterly Report on Form 10-Q dated May 7, 2021). 3.3 Certificate of Designation, Preferences and Rights of Series A Convertible Preferred Stock. (Incorporated by reference to Exhibit 3.1 to the Form 8-K filed by the Registrant on June 24, 2016). 3.4 Certificate of Designation, Preferences and Rights of Series E Junior Participating Preferred Stock. (Incorporated by reference to Exhibit 3.1 to the Form 8-K filed by the Registrant on June 30, 2016). 4.1 Specimen Certificate evidencing shares of common stock. (Incorporated by reference to Exhibit 4.1 to the Registrant's Registration Statement on Form S-1 dated October 3, 2003, or an amendment thereto (No. 333-109430)). 4.2 Registration Rights Agreement dated June 24, 2016 by and between the Registrant and Coliseum Holdings I, LLC. (Incorporated by reference to Exhibit 4.1 to the Form 8-K filed by the Registrant on June 24, 2016). 4.3 Rights Agreement, dated as of June 29, 2016, by and between the Registrant and Computershare Inc., as Rights Agent. (Incorporated by reference to Exhibit 4.1 to the Form 8-K filed by the Registrant on June 30, 2016). 4.4 Amendment to Rights Agreement, dated as of February 21, 2017, by and between the Registrant and Computershare Inc., as Rights Agent. (Incorporated by reference to Exhibit 4.1 to the Form 8-K filed by the Registrant on February 21, 2017). 4.5+ Description of Securities. 10.1*Universal Technical Institute Executive Benefit Plan, effective March 1, 1997. (Incorporated by reference to Exhibit 10.2 to the Registrant's Registration Statement on Form S-1 dated October 3, 2003, or an amendment thereto (No. 333-109430)). 10.2*Management 2002 Option Program. (Incorporated by reference to Exhibit 10.5 to the Registrant's Registration Statement on Form S-1 dated October 3, 2003, or an amendment thereto (No. 333-109430)). 10.3*Form of Severance Agreement between Registrant and certain executive officers. (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed on January 16, 2008). 10.4*Universal Technical Institute, Inc. 2003 Incentive Compensation Plan (as amended March 1, 2017). (Formerly known as the 2003 Stock Incentive Plan). (Incorporated by reference to Exhibit 10.1 to the Form 8-K filed by the Registrant on March 3, 2017). 10.5.1*Form of Restricted Stock Unit Agreement. (Incorporated by reference to Exhibit 10.1 to the Form 8-K filed by the Registrant on September 11, 2013). 60 Exhibit Number Description 10.5.2*Form of Restricted Stock Unit Agreement. (Incorporated by reference to Exhibit 10.1 to the Form 8-K filed by the Registrant on September 10, 2014). 10.5.3*Form of Performance Unit Award Agreement. (Incorporated by reference to Exhibit 10.4.3 to the Annual Report on Form 10-K filed by the Registrant on December 1, 2017). 10.5.4*Form of Performance Unit Award Agreement. (Incorporated by reference to Exhibit 10.4.4 to the Annual Report on Form 10-K filed by the Registrant on December 1, 2017). 10.5.5*Form of Performance Cash Award Agreement. (Incorporated by reference to Exhibit 10.4.5 to the Annual Report on Form 10-K filed by the Registrant on December 1, 2017). 10.5.6*Form of Performance Cash Award Agreement. (Incorporated by reference to Exhibit 10.4.6 to the Annual Report on Form 10-K filed by the Registrant on December 1, 2017). 10.6*Form of Indemnification Agreement by and between the Registrant and its directors and officers. (Incorporated by reference to Exhibit 10.7 to the Form 8-K filed by the Registrant on August 6, 2014). 10.7*Deferred Compensation Plan. (Incorporated by reference to Exhibit 10.1 to the Form 8-K filed by the Registrant on April 6, 2010). 10.8.1*Offer Letter, dated as of August 2, 2012, between the Registrant and Sherrell E. Smith. (Incorporated by reference to Exhibit 10.1 to the Form 8-K filed by the Registrant on August 21, 2012). 10.8.2*Addendum Letter, dated as of August 7, 2012, between the Registrant and Sherrell E. Smith. (Incorporated by reference to Exhibit 10.2 to the Form 8-K filed by the Registrant on August 21, 2012). 10.9*Form of Retention/Recognition Bonus Agreement. (Incorporated by reference to Exhibit 10.1 to the Form 8-K filed by the Registrant on June 13, 2011). 10.10*Universal Technical Institute, Inc. Severance Plan, as amended October 1, 2019, (Incorporated by reference to Exhibit 10.1 to the Form 8-K filed by the Registrant on September 24, 2019). 10.11 Securities Purchase Agreement dated June 24, 2016, between the Registrant and Coliseum Holdings I, LLC. (Incorporated by reference to Exhibit 10.1 to the Form 8-K filed by the Registrant on June 24, 2016). 10.12*Employment Agreement, dated November 1, 2019, by and between the Registrant and Jerome A. Grant. (Incorporated by reference to Exhibit 10.2 to the Form 8-K filed by the Registrant on October 21, 2019). 10.13 Credit Agreement, dated May 12, 2021, by and among the Company, Universal Technical Institute of Arizona, LLC and Fifth Third Bank, National Association (incorporated herein by reference to Exhibit 10.1 to the Form 8-K filed with the SEC on May 12, 2021). 10.14 First Amendment to Credit Agreement, dated April 3, 2023, by and among the Company, Universal Technical Institute of Arizona, LLC and Fifth Third Bank, National Association (incorporated by reference to Exhibit 10.2 to the Form 10-Q dated August 8, 2023). 10.15 Term Promissory Note, issued by the Company, dated May 12, 2021 (incorporated herein by reference to Exhibit 10.2 to the Form 8-K filed with the SEC on May 12, 2021). 10.16 Deed of Trust, Security Agreement and Fixture Filing dated May 12, 2021 (incorporated herein by reference to Exhibit 10.3 to the Form 8-K filed with the SEC on May 12, 2021). 10.17 Loan Agreement dated April 14, 2022, by and among 2611 Corporate West Drive Venture LLC and Valley National Bank (incorporated by reference to Exhibit 10.3 to the Form 10-Q dated May 5, 2022). 10.18 Guaranty dated April 14, 2022, by and among Universal Technical Institute, Inc., 2611 Corporate West Drive Venture LLC and Valley National Bank (incorporated by reference to Exhibit 10.4 to the Form 10-Q dated May 5, 2022). 10.19 Credit Agreement, dated as of November 18, 2022, by and among Universal Technical Institute, Inc., Fifth Third Bank, National Association, and the other loan parties thereto (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K dated November 21, 2022). 10.20 Guaranty and Security Agreement, dated as of November 18, 2022, by and among Universal Technical Institute, Inc., Fifth Third Bank, National Association, and the other loan parties thereto (incorporated by reference to Exhibit 10.2 to the Registrant's Current Report on Form 8-K dated November 21, 2022). 10.21 Consent Letter, dated June 26, 2023, by and among Universal Technical Institute, Inc., Fifth Third Bank, National Association, and the other loan parties thereto (incorporated by reference to Exhibit 10.1 to the Form 10-Q dated August 8, 2023). 61 Exhibit Number Description 10.22 First Amendment to Credit Agreement, dated August 16, 2023, by and among Universal Technical Institute, Inc., and the other loan parties thereto (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K dated August 29, 2023). 10.23 Universal Technical Institute, Inc., Amended and Restated 2021 Equity Incentive Plan (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed with the SEC on March 12, 2024). 10.24 Form of Restricted Stock Unit Agreement under Amended and Restated 2021 Equity Incentive Plan effective as of March 7, 2024 (incorporated by reference to Exhibit 10.2 to the Registrant's Current Report on Form 8-K filed with the SEC on March 12, 2024). 10.25 Form of Performance Unit Award Agreement under Amended and Restated 2021 Equity Incentive Plan effective as of March 7, 2024 (incorporated by reference to Exhibit 10.3 to the Registrant's Current Report on Form 8-K filed with the SEC on March 12, 2024). 10.26 Second Amendment to Credit Agreement, dated June 28, 2024, by and among Universal Technical Institute, Inc., Fifth Third Bank, National Association and the other loan parties thereto. (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 10-Q filed with the SEC on August 7, 2024). 10.27 Third Amendment to Credit Agreement, dated September 26, 2024, by and among Universal Technical Institute, Inc., Fifth Third Bank, National Association and the other loan parties thereto. 19.1+Insider Trading Policy 21.1+Subsidiaries of the Registrant. 23.1+Consent of Deloitte & Touche LLP. 24.1 Power of Attorney. (Included on signature page). 31.1+Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. 32.1+Certification of Chief Executive Officer pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. 32.2+Certification of Chief Financial Officer pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. 97.1+Universal Technical Institute, Inc. Recovery of Erroneously-Awarded Incentive Compensation Policy, adopted September 20, 2023 (incorporated by reference to Exhibit 10.1 to the Registrant's Prior Report on Form 10-K dated December 1, 2023). 101.INS Inline XBRL Instance Document. 101.SCH Inline XBRL Taxonomy Extension Schema Document. 101.CAL Inline XBRL Taxonomy Extension Calculation Linkbase Document. 101.DEF Inline XBRL Taxonomy Extension Definition Linkbase Document. 101.LAB Inline XBRL Taxonomy Extension Label Linkbase Document. 101.PRE Inline XBRL Taxonomy Extension Presentation Linkbase Document. 104.Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101). *Indicates a contract with management or compensatory plan or arrangement. + Filed herewith. # Certain schedules and exhibits to this agreement have been omitted pursuant to Item 601(a)(5) of Regulation S-K. A copy of any omitted schedule and/or exhibit will be furnished to the SEC upon request. ITEM 16. FORM 10-K SUMMARY Not applicable. 62 SIGNATURES Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized. Date: December 5, 2024 UNIVERSAL TECHNICAL INSTITUTE, INC. By: /s/ Jerome A. Grant Jerome A. Grant, Chief Executive Officer POWER OF ATTORNEY KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Jerome A. Grant and Christine C.S. Kline, or either of them, as his true and lawful attorneys-in-fact and agents, with full power of substitution and re-substitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments to this Annual Report on Form 10-K and any documents related to this report and filed pursuant to the Securities Exchange Act of 1934, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, full power and authority to do and perform each and every act and thing requisite and necessary to be done in connection therewith as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or their substitute or substitutes may lawfully do or cause to be done by virtue hereof. Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant in the capacities and on the dates indicated. SIGNATURE TITLEDATE/s/ Jerome A. Grant Chief Executive Officer (Principal Executive Officer) December 5, 2024 Jerome A. Grant/s/ Christine C.S. Kline Interim Chief Financial Officer and Chief Accounting Officer (Principal Financial Officer & Principal Accounting Officer) December 5, 2024 Christine C.S. Kline/s/ Robert T. DeVincenzi Chairman of the Board December 5, 2024 Robert T. DeVincenzi/s/ George W. Brochick Director December 5, 2024 George W. Brochick/s/ William J. Lennox, Jr. Director December 5, 2024 William J. Lennox, Jr. /s/ Shannon L. Okinaka Director December 5, 2024 Shannon L. Okinaka/s/ Loretta L. Sanchez Director December 5, 2024 Loretta L. Sanchez/s/ Christopher S. Shackelton Director December 5, 2024 Christopher S. Shackelton/s/ Michael A. Slubowski Director December 5, 2024 Michael A. Slubowski/s/ Linda J. Srere Director December 5, 2024 Linda J. Srere/s/ Kenneth R. Trammell Director December 5, 2024 Kenneth R. Trammell/s/ UNIVERSAL TECHNICAL INSTITUTE, INC. AND SUBSIDIARIES INDEX TO CONSOLIDATED FINANCIAL STATEMENTS Page Number Management's Report on Internal Control Over Financial Reporting F-2 Reports of Independent Registered Public Accounting Firm (PCAOB ID No. 34) F-3 Consolidated Balance Sheets as of September 30, 2024 and 2023 F-6 Consolidated Statements of Operations for the years ended September 30, 2024, 2023 and 2022 F-7 Consolidated Statements of Other Comprehensive Income for the years ended September 30, 2024, 2023 and 2022 F-8 Consolidated Statements of Shareholders' Equity for the years ended September 30, 2024, 2023 and 2022 F-12F-1 MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING Our management is responsible for establishing and maintaining adequate internal control over financial reporting for the company and for assessing the effectiveness of internal control over financial reporting as such term is defined in Rule 13a-15(f) under the Securities Exchange Act of 1934, as amended. Internal control over financial reporting is a process to provide reasonable assurance regarding the reliability of our financial reporting and the preparation of financial statements for external purposes in accordance with accounting principles generally accepted in the United States. Internal control over financial reporting includes policies and procedures that pertain to maintaining records that, in reasonable detail, accurately and fairly reflect our transactions and dispositions of the company's assets; providing reasonable assurance that transactions are recorded as necessary to permit preparation of our financial statements in accordance with accounting principles generally accepted in the United States; providing reasonable assurance that receipts and expenditures of company assets are made in accordance with management and director authorization; and providing reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of company assets that could have a material effect on our financial statements. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to risks that controls may become

services625Å 692Å 918Å Change in accrued capital expenditures during the period(2,479)3,621Å (2,592)Conversion of Series A Preferred Stock63,206Å â"Å â"Å CARES Act funds received for student emergency grants (See Note 24)â"Å â"Å 6,689Å CARES Act funds disbursed for student emergency grants (See Note 24)â"Å â"Å (6,919)The accompanying notes are an integral part of these consolidated financial statements.F-11Table of ContentsUNIVERSAL TECHNICAL INSTITUTE, INC. AND SUBSIDIARIESNOTES TO CONSOLIDATED FINANCIAL STATEMENTS (In thousands, except per share amounts)Note 1 - Business DescriptionUniversal Technical Institute, Inc., which together with its subsidiaries is referred to as the â"oeCompany,â"œewe,â"œœusâ"œ or â"œour,â"œ was founded in 1965 and is a leading workforce solutions provider of transportation, skilled trades and healthcare education programs, whose mission is to serve students, partners, and communities by providing quality education and support services for in-demand careers across a number of highly-skilled fields. We offer the majority of our programs in a blended learning model that combines instructor-facilitated online teaching and demonstrations with hands-on labs. Our reporting structure has two reportable segments (also referred to as â"œdivisionsâ"œ) as follows:Universal Technical Institute (â"œUTIâ"œ): UTI operates 16 campuses located in nine states and offers a wide range of degree and non-degree transportation and skilled trades technical training programs under brands such as Universal Technical Institute, Motorcycle Mechanics Institute and Marine Mechanics Institute (â"œMMIâ"œ), NASCAR Technical Institute, and MIAT College of Technology (â"œMIATâ"œ). UTI also offers manufacturer specific advanced training programs, which include student-paid electives, at our campuses and manufacturer or dealer sponsored training at certain campuses and dedicated training centers. Lastly, UTI provides dealer technician training or instructor staffing services to manufacturers. UTI works closely with multiple original equipment manufacturers and industry brand partners to understand their needs for qualified service professionals.Concorde Career Colleges (â"œConcordeâ"œ): Concorde operates 17 campuses located in eight states and online, offering degree, non-degree, certificate and continuing education programs in the allied health, dental, nursing, patient care and diagnostic fields. The Company has designated campuses that offer degree granting programs â"œConcorde Career College,â"œ where allowed by State regulation. The remaining campuses are designated as â"œConcorde Career Institute.â"œ Concorde believes in preparing students for their healthcare careers with practical, hands-on experiences including opportunities to learn while providing care to real patients. Prior to graduation, students will complete a number of hours in a clinical setting or externship, depending upon their program of study. We acquired Concorde on December 1, 2022. See Note 4 on â"œAcquisitionsâ"œ for additional information.â"œCorporateâ"œ includes corporate related expenses that are not allocated to the UTI or Concorde reportable segments. Additional information about our reportable segments is presented in Note 22. Our primary source of revenues is currently tuition and fees paid by students. To pay for a substantial portion of their tuition, the majority of students rely on funds received from federal financial aid programs under Title IV Programs of the Higher Education Act of 1965, as amended (â"œHEAâ"œ), as well as from various veteransâ"œ benefits programs. For further discussion, see Note 2 on â"œSummary of Significant Accounting Policies - Concentration of Riskâ"œ and Note 23 on â"œGovernment Regulation and Financial Aid.â"œ Note 2 - Summary of Significant Accounting PoliciesPrinciples of ConsolidationThe accompanying consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries. All intercompany accounts and transactions have been eliminated. Use of EstimatesThe preparation of financial statements in accordance with accounting principles generally accepted in the United States requires management to make certain estimates and assumptions. Such estimates and assumptions affect the reported amounts of assets, liabilities, revenues and expenses and related disclosures of contingent assets and liabilities. On an ongoing basis, we evaluate our estimates and assumptions, including those related to revenue recognition, the proprietary loan program, allowance for credit losses, investments, property and equipment, goodwill recoverability, self-insurance claim liabilities, income taxes, contingencies and stock-based compensation. We base our estimates on historical experience and on various other assumptions that we believe are reasonable under the circumstances. The results of our analysis form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions, and the impact of such differences may be material to our consolidated financial statements.F-12Table of ContentsUNIVERSAL TECHNICAL INSTITUTE, INC. AND SUBSIDIARIESNOTES TO CONSOLIDATED FINANCIAL STATEMENTS (In thousands, except per share amounts)Fair Value of Financial InstrumentsThe carrying value of cash equivalents, restricted cash, accounts receivable, accounts payable, accrued liabilities, deferred tuition, and debt approximates their respective fair value as of September 30, 2024 and 2023 due to the short-term nature of these instruments or variable interest rates which approximate market rates. Restricted CashRestricted cash includes funds held as collateral for certain of the surety bonds that our insurers issue on behalf of our campuses and admissions representatives with multiple states which are required to maintain authorization to conduct our business, funds transferred in advance of loan purchases under the proprietary loan program and funds held for students from Title IV financial aid program funds that result in credit balances on a studentâ"œs account. Additionally, we have letters of credit with some of our landlords in connection with leased campuses. Proprietary Loan ProgramIn order to provide funding for students who are not able to fully finance the cost of their education under traditional governmental financial aid programs, commercial loan programs or other alternative sources, we established a private loan program with a bank. This program is currently offered to students at our UTI schools. Through the proprietary loan program, the bank originates the loans to the students who participate in this program for a portion of their tuition. Based on historical collection rates, we can demonstrate that a portion of these loans are collectible. Accordingly, we recognize tuition and loan origination fees financed by the loan and any related interest revenue under the effective interest method required under the loan based on this collection rate.Under the terms of the proprietary loan program, the bank originates loans for our selected UTI students who meet specific criteria with the related proceeds used exclusively to fund a portion of their tuition. We then purchase all such loans from the bank at least monthly and assume all of the related credit risk. The loans bear interest at market rates ranging from approximately 6% to 10%; however, principal and interest payments are not required until six months after the student completes or withdraws from his or her program. After the deferral period, monthly principal and interest payments are required over the related term of the loan. Current repayment terms are generally up to 10 years. The bank provides these services in exchange for a fee at a percentage of the principal balance of each loan and related fees. Under the terms of the related agreement, we transfer funds for loan purchases to a deposit account with the bank in advance of the bank funding the loan, which secures our related loan purchase obligation. Such funds are classified as restricted cash on our consolidated balance sheets.All related expenses incurred with the bank or other service providers are expensed as incurred within educational services and facilities expense in the consolidated statements of operations and were approximately \$1.2Å million, \$1.0Å million, and \$1.1Å million for the years ended September 30, 2024, 2023, and 2022, respectively.The portion of tuition revenue related to the proprietary loan program is considered a form of variable consideration. We estimate the amount we ultimately expect to collect from the portion of tuition that is funded by the proprietary loan program, resulting in a note receivable. These amounts are presented as â"œNotes receivable, current portionâ"œ and â"œNotes receivable, less current portionâ"œ on our consolidated balance sheets. Estimating the collection rate requires significant management judgment. Our estimated collection rate includes historical collections from the past ten years as we determined that such population best represents our current expected collections and aligns with the typical term of the loan. The estimated amount is determined at the inception of the contract, and we recognize the related revenue as the student progresses through school. As the loan is repaid, after graduation typically, the amount reserved based on the collection rate is reduced and additional revenue could be recognized. Each reporting period, we update our assessment of the variable collection rate associated with the proprietary loan program.Retail Installment Contract ReceivablesBoth Concorde and UTI offer certain students retail installment contracts as a payment vehicle for the portion of the tuition that is not covered by federal student financial aid or other funding sources. The retail installment contracts are due from current and former students, are generally due over a period of up to five years, and bear interest at market rates ranging from F-13Table of ContentsUNIVERSAL TECHNICAL INSTITUTE, INC. AND SUBSIDIARIESNOTES TO CONSOLIDATED FINANCIAL STATEMENTS (In thousands, except per share amounts)0 percent to 15 percent. Starting in fiscal year 2023, retail installment contracts are being issued at interest rates between 0 percent to 9 percent. Due to the fact that there is no interest imposed on certain of the retail installment contracts, primarily while students are actively completing their selected programs, we calculate the imputed interest expense on the retail installment contracts. However, the imputed interest expense is not considered material for such retail installment contracts. Retail installment contract receivables are recorded at amortized cost less an allowance for credit losses that are not expected to be recovered. The allowance for credit losses is recognized at inception and is reassessed each reporting period. The short-term portion of the retail installment contract receivable and related allowance for credit losses are included in â"œReceivables, netâ"œ while the long-term portion of the retail installment contract receivable and related allowance for credit losses is presented in â"œOther assetsâ"œ on our consolidated balance sheets.Allowance for Credit LossesWe maintain an allowance for credit losses for expected credit losses resulting from the inability, failure or refusal of our students to make required payments. As previously noted, we offer a variety of payment plans to help students pay the portion of their education expenses not covered by financial aid programs or alternate fund sources, which are unsecured and not guaranteed. Management analyzes accounts receivable, historical percentages of uncollectible accounts, customer credit worthiness and changes in payment history when evaluating the adequacy of the allowance for credit losses. We use an internal group of collectors, augmented by third party collectors as deemed appropriate, in our collection efforts. Although we believe that our allowance is adequate, if the financial condition of our students deteriorates, resulting in their ability to make payments, or if we underestimate the allowances required, additional allowances may be necessary, which would result in increased selling, general and administrative expenses in the period such determination is made.Property and EquipmentProperty, equipment and leasehold improvements are recorded at cost less accumulated depreciation and amortization. Depreciation and amortization expense are calculated using the straight-line method over the estimated useful lives of the related assets. Amortization of leasehold improvements is calculated using the straight-line method over the remaining useful life of the asset or term of lease, whichever is shorter. Costs relating to software developed for internal use and curriculum development are capitalized and amortized using the straight-line method over the related estimated useful lives. Such costs include direct costs of materials and services, as well as payroll and related costs for employees who are directly associated with the projects. Maintenance and repairs are expensed as incurred. We review the carrying value of our property and equipment for possible impairment whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable. We evaluate our long-lived assets for impairment by examining estimated future cash flows. These cash flows are evaluated by using probability weighting techniques as well as comparisons of past performance against projections. Assets may also be evaluated by identifying independent market values. If we determine that an assetâ"œs carrying value is impaired, we will write-down the carrying value of the asset to its estimated fair value and record the impairment as an operating expense in the period in which the determination is made. There were no impairment charges recorded for property and equipment for the years ended September 30, 2024, 2023 and 2022.Goodwill and Intangible AssetsOur goodwill balance of \$28.5 million as of September 30, 2024 resulted from our MMI, MIAT and Concorde acquisitions. Goodwill represents the excess of the cost of an acquired business over the estimated fair values of the assets acquired and liabilities assumed. We also have both indefinite and definite-lived intangible assets, which primarily consist of purchased intangibles such as accreditations and regulatory approvals, trademarks and trade names, and curriculum. The definite-lived intangible assets are recognized at cost less accumulated amortization. Amortization is computed using the straight-line method based on estimated useful lives of the related assets. We test goodwill and indefinite-lived intangible assets for impairment annually as of August 1, or more frequently if events and circumstances warrant. Under ASC Topic 350, Intangibles - Goodwill and Other, to evaluate the impairment of goodwill, we first assess qualitative factors, such as deterioration in the operating performance of the acquired business, adverse market conditions, adverse changes in the applicable laws or regulations and a variety of other circumstances, to determine whether it is more-likely-than-not that the fair value of a reporting unit is less than its carrying amount. If we conclude that it is more F-14Table of ContentsUNIVERSAL TECHNICAL INSTITUTE, INC. AND SUBSIDIARIESNOTES TO CONSOLIDATED FINANCIAL STATEMENTS (In thousands, except per share amounts)likely than not that the fair value is less than the carrying amount based on our qualitative assessment, or that a qualitative assessment should not be performed, we proceed with the quantitative impairment tests for goodwill to compare the estimated fair value of the reporting unit to the carrying value of its net assets. An impairment charge is recorded in an amount equal to the excess of the carrying amount over its estimated fair value, limited to the total amount of goodwill allocated to the reporting unit. To evaluate the impairment of the indefinite-lived intangible assets, we assess the fair value of the assets to determine whether they were greater or less than the carrying values. Determining the fair value of a reporting unit or indefinite-lived intangible assets is judgmental in nature and involves the use of significant estimates and assumptions. We believe the most critical assumptions and estimates in determining the estimated fair value include, but are not limited to, future tuition revenues, operating costs, working capital changes, capital expenditures and a discount rate. The assumptions used in determining our expected future cash flows consider various factors such as historical operating trends particularly in student enrollment and pricing and long-term operating strategies and initiatives. Based on our qualitative assessment, there were no indicators of impairment for our goodwill or indefinite-lived intangible assets as of September 30, 2024. See Note 9 and Note 10 for additional details on our goodwill and intangible assets.Self-Insurance PlansWe are self-insured for claims related to employee health and dental care and claims related to workersâ"œ compensation. Liabilities associated with these plans are estimated by management with consideration of our historical loss experience, severity factors and independent actuarial analysis. Our claim liabilities are based on estimates, and while we believe the amounts accrued are adequate, the ultimate losses may differ from the amounts provided. Our recorded liability related to self-insurance plans was \$4.8Å million as of September 30, 2024 and are included in accrued compensation and benefits within â"œAccounts payable and accrued expensesâ"œ. LeasesWe lease the majority of our administrative and educational facilities under operating lease agreements. ASC Topic 842, Leases (â"œASC 842â"œ) requires lessees to recognize a right-of-use (â"œROUâ"œ) asset and a lease liability on the balance sheet for substantially all leases, with the exception of short-term leases which are defined as those less than 12 months. Leases are classified as either finance or operating, with classification affecting the pattern of expense recognition in the statements of operations. To determine if a contract is or contains a lease, we consider whether (1) explicitly or implicitly identified assets have been deployed in the contract and (2) we obtain substantially all of the economic benefits from the use of that underlying asset and direct how and for what purpose the asset is used during the term of the contract. If we determine a contract is, or contains, a lease, we assess whether the contract contains multiple lease components. We consider a lease component to be separate from other lease components in the contract if (a) we can benefit from the right of use either on its own or together with other resources that are readily available to us and (b) the right of use is neither highly dependent on nor highly interrelated with the other right(s) to use underlying assets in the contract. In contracts involving the use of real estate, we separate the right to use land from other underlying assets unless the effect of separating the land is insignificant to the resulting lease accounting. We have elected to account for the lease and non-lease components as a single lease component. Some of the facility leases are subject to annual changes in the Consumer Price Index (â"œCPIâ"œ). While lease liabilities are not remeasured as a result of changes to the CPI, changes to the CPI are treated as variable lease payments and recognized in the period in which the obligation for those payments was incurred. Many of our lease agreements include options to extend the lease, which we do not include in our minimum lease terms unless they are reasonably certain to be exercised. There are no early termination with penalties, residual value guarantees, restrictions or covenants imposed by our facility leases. The components of lease expense are included in â"œEducational services and facilitiesâ"œ and â"œSelling, general and administrativeâ"œ on the consolidated statements of operations, with the exception of interest on finance lease liabilities, which is included in â"œInterest expense.â"œ For all our leases the discount rate implicit in the lease is not readily determinable. Therefore, we use our incremental borrowing rate for each lease to determine the present value of the lease. We calculate the incremental borrowing rate F-15Table of ContentsUNIVERSAL TECHNICAL INSTITUTE, INC. AND SUBSIDIARIESNOTES TO CONSOLIDATED FINANCIAL STATEMENTS (In thousands, except per share amounts)applicable to each lease through a model that represents the rate of interest we would have to pay to borrow on a collateralized basis over a similar term an amount equal to the lease payments in a similar economic environment. The incremental borrowing rate applied to each lease is based on the remaining term of the lease. See Note 11 for additional disclosures on our leases. Derivative Financial Instruments On occasion, we may use interest rate swaps to manage interest rate risk and limit the impact of future interest rate changes on earnings and cash flows, primarily with variable-rate debt. We recognize all derivatives at fair value within the line items â"œOther current assets,â"œ â"œOther assets,â"œ â"œOther current liabilities,â"œ and â"œOther liabilitiesâ"œ on the consolidated balance sheets. Management reviews our derivative positions and overall risk management strategy on a regular basis. We only enter into transactions that we believe will be highly effective at offsetting the underlying risk, and we do not use derivatives for trading or speculative purposes. We may choose to designate our derivative financial instruments, which are generally interest rate swaps, to hedge future interest payments on variable debt. At inception of the transaction, we formally designate and document the derivative financial instrument as a hedge of a specific underlying exposure, the risk management objective, and strategy for undertaking the hedge transaction. We formally assess both at inception and at least quarterly thereafter, the effectiveness of our hedging transactions. Due to the high degree of effectiveness between the hedging instruments and the underlying exposures hedged, fluctuations in the

value of the derivative financial instruments will generally be offset by the changes in the cash flows or fair value of the underlying exposures being hedged. Changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recorded in "Accumulated other comprehensive income" on the consolidated balance sheets. For cash flow hedges, we report the effective portion of the gain or loss as a component of "Accumulated other comprehensive income" and reclassify it to "Interest expense" in the consolidated statements of operations over the corresponding period of the underlying hedged item. The ineffective portion of the change in fair value of a derivative financial instrument is recognized in "Interest expense" at the time the ineffectiveness occurs. To the extent the hedged forecasted interest payments on debt related to our interest rate swap is paid off, the remaining balance in "Accumulated other comprehensive income" is recognized in "Interest expense" in the consolidated statements of operations. See Note 14 for additional disclosures related to our derivative financial instruments. Revenue Recognition Revenues consist primarily of student tuition and fees derived from the programs we provide after reductions are made for discounts and scholarships that we sponsor and for refunds for students who withdraw from our programs prior to specified dates. We apply the five-step model outlined in Accounting Standards Codification (ASC) Topic 606, "Revenue from Contracts from Customers" (ASC 606). Tuition and fee revenue is recognized ratably over the term of the course or program offered. Approximately 99% of our revenues for each of the years ended September 30, 2024, 2023 and 2022, respectively, consisted of gross tuition. See Note 5 for further information on our revenues. Advertising and Marketing Costs Costs related to advertising and marketing are expensed as incurred and totaled approximately \$78.3 million, \$72.2 million, and \$54.5 million for the years ended September 30, 2024, 2023, and 2022, respectively. Stock-Based Compensation We issue stock-based compensation awards to certain members of management as well as our non-employee directors. We granted restricted stock units with service only conditions ("RSUs") and restricted stock units with both service and performance conditions ("Performance PSUs") during the year ended September 30, 2024. We granted RSUs and restricted stock units with service, performance, and market conditions ("Market PSUs") during the years ended September 30, 2023 and 2022. We did not grant any stock options during the years ended September 30, 2024, 2023 or 2022. Shares issued under our equity compensation plans are new shares. F-16 Table of Contents UNIVERSAL TECHNICAL INSTITUTE, INC. AND SUBSIDIARIES NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (In thousands, except per share amounts) Compensation expense associated with RSUs is measured based on the grant date fair value of our common stock and recognized on straight-line basis over the requisite service period, which is generally the vesting period. The fair value of Performance PSUs is measured based on the grant date fair value of our common stock. We estimate the fair value of Market PSUs using a Monte Carlo simulation which requires assumptions for expected volatility, risk-free rates of return, and dividend yields. Expected volatilities are derived using a method that calculates historical volatility over a period equal to the length of the measurement period. We use a risk-free rate of return that is equal to the yield of a zero-coupon U.S. Treasury bill that is commensurate with each measurement period, and we assume that any dividends paid were reinvested. For Performance PSUs and Market PSUs (collectively "PSUs"), actual results against the performance condition are measured at the end of the performance period, which typically coincides with the vesting period. The fair value of the PSUs is amortized on a straight-line basis over the requisite service period based upon the fair market value on the date of grant, adjusted on a quarterly basis for the anticipated or actual achievement against the established performance condition. Stock-based compensation expense of \$8.6 million, \$3.8 million and \$4.4 million was recorded for the years ended September 30, 2024, 2023 and 2022, respectively. The tax benefit related to stock-based compensation recognized was \$2.1 million, \$1.0 million, and \$1.1 million for the years ended September 30, 2024, 2023 and 2022, respectively. See Note 19 for further discussion. Income Taxes We recognize deferred tax assets and liabilities for the estimated future tax consequences of events attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. We also recognize deferred tax assets for net operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates in effect for the year in which the differences are expected to be recovered or settled. Deferred tax assets are reduced through a valuation allowance if it is more likely than not that the deferred tax assets will not be realized. See Note 15 for additional details. Concentration of Risk Financial instruments that potentially subject us to concentrations of credit risk consist principally of cash and cash equivalents, restricted cash, and receivables. We do also on occasion invest in short-term held-to-maturity investments. We place our cash and cash equivalents and restricted cash with high quality financial institutions and limit the amount of credit exposure with any one financial institution. As of September 30, 2024, we held cash and cash equivalents of \$161.9 million and restricted cash of \$5.6 million. There were no short-term held-to-maturity investments outstanding as of September 30, 2024. We extend credit for tuition and fees, for a limited period of time, to a majority of our students. A substantial portion is repaid through the student's participation in federally funded financial aid programs. Transfers of funds from the financial aid programs to us are made in accordance with the U.S. Department of Education ("ED") requirements. Approximately 78% of our revenues, on a cash basis, were collected from funds distributed under Title IV Programs and various veterans' benefits programs for the year ended September 30, 2024 as calculated under the 90/10 rule. The financial aid and veterans' benefits programs are subject to political and budgetary considerations. There is no assurance that such funding will be maintained at current levels. Extensive and complex regulations govern the financial assistance programs in which our students participate. Our administration of these programs is periodically reviewed by various regulatory agencies. Any regulatory violation could be the basis for the initiation of potential adverse actions, including a suspension, limitation, placement on reimbursement status or termination proceeding, which could have a material adverse effect on our business. ED and other regulators have increased the frequency and severity of their enforcement actions against postsecondary schools which have resulted in the imposition of material liabilities, sanctions, letter of credit requirements and other restrictions and, in some cases, resulted in the loss of schools' eligibility to receive Title IV funds or in closure of the schools. F-17 Table of Contents UNIVERSAL TECHNICAL INSTITUTE, INC. AND SUBSIDIARIES NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (In thousands, except per share amounts) If any of our institutions were to lose its eligibility to participate in federal student financial aid programs, the students at that institution would lose access to funds derived from those programs and would have to seek alternative sources of funds to pay their tuition and fees. Students obtain access to federal student financial aid through an ED prescribed application and eligibility certification process. Student financial aid funds are generally made available to students at prescribed intervals throughout their predetermined expected length of study. Students typically apply the funds received from the federal financial aid programs to pay their tuition and fees. The transfer of funds is from the financial aid program to the student, who then uses those funds to pay for a portion of the cost of their education. The receipt of financial aid funds reduces the student's amounts due to us and has no impact on revenue recognition, as the transfer relates to the source of funding for the costs of education, which may occur either through Title IV or other funds and resources available to the student. Reclassifications During fiscal 2023, in coordination with the integration of Concorde, we began to reassess our operating model to determine the optimal structure to achieve future growth goals and support the business. In furtherance of the foregoing, we executed an internal reorganization of our operations to fully transition our operating and reporting model to support a multi-divisional business. Each of the reportable segments now has dedicated accounting, finance, information technology, and human resources teams. Additionally, certain human resources and information technology costs that benefit the entire organization are now allocated across the UTI, Concorde and Corporate segments each period based upon relative headcount. As a result, additional costs have moved from the Corporate segment into the UTI segment and to a lesser extent the Concorde segment, as resources were redirected to support each segment's objectives. Due to these changes in allocation methodology, the segment disclosures in Note 22 for the and year ended September 30, 2023 and 2022 have been recast from the prior years presentation for comparability to the current year presentation. Note 3 - Recent Accounting Pronouncements The Financial Accounting Standards Board ("FASB") and the SEC periodically issue new accounting standards or disclosure requirements in a continuing effort to improve standards of financial accounting and reporting. We have reviewed the recently issued pronouncements and concluded the following new accounting standard updates ("ASU") or SEC rules apply to us. Effective in Fiscal 2025 In November 2023, the FASB issued ASU 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures, which provides updates to qualitative and quantitative reportable segment disclosure requirements, including enhanced disclosures about significant segment expenses and increased interim disclosure requirements, among others. The amendments in ASU 2023-07 are effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024. Early adoption is permitted, and the amendments should be applied retrospectively. This ASU will be effective for our Form 10-K for fiscal 2025 and our Form 10-Q for the first quarter of fiscal 2026. We are currently evaluating the impact this ASU may have on our financial statement disclosures. Effective in Fiscal 2026 In December 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures, which provides qualitative and quantitative updates to the rate reconciliation and income taxes paid disclosures, among others, in order to enhance the transparency of income tax disclosures, including consistent categories and greater disaggregation of information in the rate reconciliation and disaggregation by jurisdiction of income taxes paid. The amendments in ASU 2023-09 are effective for fiscal years beginning after December 15, 2024, with early adoption permitted. The amendments should be applied prospectively; however, retrospective application is also permitted. This ASU will be effective for our Form 10-K for fiscal 2026. We are currently evaluating the impact this ASU may have on our financial statement disclosures. Effective in Fiscal 2027 In March 2024, the SEC issued final rules to enhance public company disclosures related to the risks and impacts of climate-related matters. In April 2024, the SEC voluntarily stayed the new rules as a result of pending legal challenges. The new rules, if adopted, include requirements to disclose Scope 1 and Scope 2 greenhouse gas emissions and other climate-related topics in annual reports and registration statements, when material. Disclosure requirements will begin phasing in for our Form 10-K for fiscal 2027. We are currently evaluating the impact this rule may have on our financial statement disclosures. Effective in Fiscal 2028 In November 2024, the FASB issued ASU 2024-03, Income Statement ("Reporting Comprehensive Income") Expense Disaggregation Disclosures (Topic 220): Disaggregation of Income Statement Expenses, which requires additional disclosure of certain amounts included in the expense captions presented on the statement of operations, as well as disclosures about selling expenses. The ASU is effective on a prospective basis, with the option for retrospective application, for annual periods beginning after December 15, 2026 and interim reporting periods beginning after December 15, 2027. Early adoption is permitted for annual financial statements that have not yet been issued. We are currently evaluating the impact this ASU may have on our financial statement disclosures. Note 4 - Acquisitions Concorde Career Colleges On December 1, 2022, we completed the acquisition of Concorde. Concorde operates 17 campuses across eight states with approximately 7,600 students, and offers its programs via in-person, hybrid and online formats. Concorde offers more than 20 programs across the allied health, dental, nursing, patient care, and diagnostic fields. The acquisition expands our portfolio of offerings into the higher-growth healthcare arena and creates the opportunity to bring workforce educational solutions to a broader array of students and employers. Under the terms of the Stock Purchase Agreement (the "Purchase Agreement"), dated May 3, 2022, by and among the Company, Concorde, Liberty Partners Holdings, 28, L.L.C., a Delaware limited liability company, and Liberty Investment IIC, LLC, a Delaware limited liability company (each a "Seller," and collectively, the "Sellers"), and Liberty Partners L.P., a Delaware limited partnership, in its capacity as a representative of the Sellers, we acquired all of the issued and outstanding shares of capital stock of Concorde for a base purchase price of \$50.0 million, less \$1.9 million of net adjustments including the post-closing working capital adjustment, for total cash consideration paid of \$48.1 million. As a result of the transactions contemplated by the Purchase Agreement, Concorde is now a wholly-owned subsidiary of the Company. We funded the consideration paid for Concorde by the Revolving Credit Facility entered into on November 18, 2022. See Note 13 for further details on the Revolving Credit Facility. In connection with the acquisition, we incurred total transaction costs of \$5.3 million, of which \$3.0 million was incurred during the year ended September 30, 2022 and \$2.3 million was incurred during the year ended September 30, 2023. These costs are included in "Selling, general and administrative" expenses in the consolidated statements of operations for the applicable period. Allocation of the purchase price Under the acquisition method of accounting, the total purchase price was allocated to the identifiable assets acquired and the liabilities assumed based on our valuation estimates of the fair values as of the acquisition date. As of December 1, 2023, the fair value and the purchase price allocation are considered final. The final allocation of the purchase price at December 1, 2022 is summarized as follows: Assets acquired: Cash and cash equivalents \$30,064 Restricted cash 1,689 Accounts receivable, net 6,800 Prepaid expenses 2,957 Other current assets 827 Property and equipment 23,238 Right-of-use assets for operating leases 71,153 F-19 Table of Contents UNIVERSAL TECHNICAL INSTITUTE, INC. AND SUBSIDIARIES NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (In thousands, except per share amounts) Goodwill 11,600 Intangible assets 5,400 Deferred tax assets 5,112 Other assets 4,997 Total assets acquired \$163,837 Less: Liabilities assumed 2808 Accounts payable and accrued expenses 15,482 Deferred revenue 20,145 Operating lease liability, current portion 10,011 Long-term debt, current portion (1) 807 Other current liabilities 2088 Long-term debt (1) 5,468 Operating lease liability 63,582 Total liabilities assumed 115,703 Net assets acquired \$48,134 (1) Long-term debt consists of one lease classified as a finance lease under ASC 842. Since September 30, 2023, we further adjusted the purchase price allocation by approximately \$0.1 million for income taxes receivable and approximately \$0.6 million for deferred income taxes due to completing and filing the final stub period income tax return for Concorde, which results in a \$0.7 million adjustment to property and equipment. These adjustments did not have a material impact on the financial statements since the date of acquisition. The amount allocated to goodwill of \$11.6 million represents the acquired assembled workforce. None of the goodwill is expected to be deductible for tax purposes. Factors that contributed to a purchase price resulting in the recognition of goodwill include Concorde's strategic fit into our growth and diversification strategy, which is focused on offering a broader array of high-quality, in-demand workforce education solutions which both prepare students for a variety of careers in fast-growing fields and help close the country's skills gap by leveraging key industry partnerships. The purchase price allocation requires subjective estimates that, if incorrectly estimated, could be material to our consolidated financial statements including the amount of depreciation and amortization expense. The fair value of the property and equipment was estimated using the cost and market approaches as of the valuation date. The fair value of the leases were estimated using the income and market approaches to determine if there was any favorable or unfavorable terms in place. The intangible assets acquired, which primarily consist of the accreditations and regulatory approvals, trademarks and trade names, and curriculum, were valued using different valuation techniques depending upon the nature of the intangible asset acquired, all of which are considered level 3 as defined in Note 7. The accreditations and regulatory approvals were valued using the multi-period excess earnings method ("MPEEM") under the income approach. The MPEEM is a variation of discounted cash-flow analysis. Rather than focusing on the whole entity, the MPEEM isolates the cash flows that can be associated with a single intangible asset and measures fair value by discounting them to present value. The trademarks and trade names were valued using the relief from royalty method. The value of the trade name encompasses all items necessary to generate revenue utilizing the trade name. The curriculum was valued using the cost approach. F-20 Table of Contents UNIVERSAL TECHNICAL INSTITUTE, INC. AND SUBSIDIARIES NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (In thousands, except per share amounts) The table below presents the final summary of the intangible assets acquired and the useful lives of these assets: Intangible Asset Use life Amount Accreditations and regulatory approvals Indefinite \$3,500 Trademarks and trade names 10 years 500 Curriculum 5 years 1,400 Total 5,400 See Note 9 and Note 10 and for additional details on goodwill and intangible assets. Student receivables When financial assets are acquired in connection with a business combination, we evaluate whether those acquired financial assets have experienced a more-than-insignificant deterioration in credit quality since origination. Financial assets acquired with evidence of such credit deterioration are referred to as purchased credit deteriorated ("PCD") assets and reflect the acquirer's assessment at the acquisition date. The student receivables acquired in the Concorde acquisition were reviewed to determine if any had experienced a more-than-insignificant deterioration in credit quality since origination. Student receivables of approximately \$2.3 million met the established criteria to indicate a more-than-insignificant deterioration in credit quality and were identified as PCD assets. Using our best estimate of projected losses over the term of the contracts, we calculated an allowance for credit losses on these PCD assets of approximately \$1.0 million. Pro forma financial information The following unaudited pro forma financial information summarizes our results of operations as though the acquisition occurred on October 1, 2020: Twelve Months Ended September 30, 2023 Revenue \$643,429 Net income 12,749 28,173 The unaudited pro forma financial information includes adjustments to reflect the additional amortization that would have been charged assuming the fair value adjustments to intangible assets and the finance lease asset had been applied from October 1, 2020, with the related tax effects. The unaudited pro forma financial information also includes adjustments to reflect the additional interest expense on the Revolving Credit Facility issued to fund the acquisition (see Note 13). Lastly, the unaudited pro forma financial information includes adjustments to reflect the reduction in depreciation expense assuming the fair value adjustments to property and equipment assets had been applied from October 1, 2020. This unaudited pro forma financial information is for informational purposes only. It does not reflect the integration of the business or any synergies or incremental costs that may result from the acquisition. As such, it is not indicative of the

results of operations that would have been achieved had the acquisition been consummated on October 1, 2020. In addition, the unaudited pro forma financial information amounts are not indicative of future operating results. MIAT College of Technology On November 1, 2021, using available operating cash, we acquired all of the issued and outstanding shares of capital stock of MIAT for \$26.0 million base purchase price plus \$2.8 million working capital surplus for total cash consideration paid of \$28.8 million. MIAT is a post-secondary school that offers vocational and technical certificates and degrees across aviation maintenance, energy technology, wind energy technology, robotics and automation, non-destructive testing, heating ventilation air conditioning and refrigeration, and welding disciplines. F-21 Table of Contents UNIVERSAL TECHNICAL INSTITUTE, INC. AND SUBSIDIARIES NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (In thousands, except per share amounts) In connection with this acquisition, we incurred total transaction costs of \$1.7 million of which \$0.9 million were incurred during the year ended September 30, 2022 and \$0.8 million during the year ended September 30, 2021. These costs are included in *Operating, general and administrative* expenses in the consolidated statements of operations for the applicable period. The final allocation of the purchase price at November 1, 2021 is summarized as follows: Assets acquired: Cash and cash equivalents \$2,301; Accounts receivable, net 3,230; Prepaid expenses 268; Other current assets 507; Property and equipment 3,043; Goodwill 8,637; Intangible assets 16,200; Right-of-use assets for operating leases 14,979; Other assets 314. Total assets acquired \$49,479. Less: Liabilities assumed \$1,720. Deferred revenue 1,843; Operating lease liability, current portion 817; Deferred tax liabilities, net 1,975; Operating lease liability 14,216; Other liabilities 93. Total liabilities assumed 20,664. Net assets acquired \$28,815. The goodwill of \$8.6 million arising from the acquisition consists largely of the growth and operating synergies expected from integrating MIAT into UTI. The total amount of goodwill expected to be deductible for tax purposes is approximately \$0.6 million. See Note 9 for additional details on goodwill. The accreditations and regulatory approvals were valued using the MPEEM under the income approach. The trademarks and trade names were valued using the relief from royalty method. The curriculum was valued using the cost approach. The table below presents a summary of the intangible assets acquired and the useful lives of these assets: Intangible Asset Useful life Amount Accreditations and regulatory approvals Indefinite \$12,800. Trademarks and trade names (1) Indefinite 3,000; Curriculum 5 years 400; A Total \$16,200. (1) A A A During the fourth quarter of 2022, in conjunction with our growth and diversification initiatives, we completed a branding study and determined that the useful life of the MIAT trademarks and trade name was no longer indefinite, and a four-year finite useful life was more appropriate. We completed the required impairment testing when changing from an indefinite to a finite useful life for an intangible asset and determined that the carrying value of the MIAT trademarks F-22 Table of Contents UNIVERSAL TECHNICAL INSTITUTE, INC. AND SUBSIDIARIES NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (In thousands, except per share amounts) and trade name exceeded its fair value. We determined the fair value of intangible asset to be \$1.0 million as of September 30, 2022 using the relief from royalty method and recorded an intangible asset impairment charge of \$2.0 million during the year ended September 30, 2022. During the fourth quarter of 2024, we determined it would be appropriate to further shorten the remaining useful life by one year of this trade name given the Company's rebranding plans. Pro forma financial information is not presented as revenues and earnings of MIAT were not material to our consolidated statements of operations. MIAT is included in the *UTI* reportable segment disclosed in Note 22 on Segments. Note 5 - Revenue from Contracts with Customers Nature of Goods and Services As previously described in Note 2, revenues across the UTI and Concorde segments consist primarily of student tuition and fees derived from the programs we provide after reductions are made for discounts and scholarships that we sponsor and for refunds for students who withdraw from our programs prior to specified dates. We apply the five-step model outlined in ASC 606. Tuition and fee revenue is recognized ratably over the term of the course or program offered. The majority of the UTI programs are designed to be completed in 30 to 100 weeks. The UTI advanced training programs range from 8 to 26 weeks in duration and are completed subsequent to satisfying the core UTI program requirements. UTI also provides dealer technician training or instructor staffing services to manufacturers. The majority of Concorde's short and core programs are 8 to 36 weeks in duration and are billed in full at the start of the program. Clinical programs are 60 to 90 week programs that are billed by academic term. Revenues for both divisions are recognized as transfer of the services occurs. In addition to revenue from tuition and fees, UTI and Concorde derive supplemental revenues from sales of textbooks and program supplies and other revenues, which are recognized as the transfer of goods or services occurs. Deferred revenue represents the excess of tuition and fee payments received as compared to tuition and fees earned and is reflected as a current liability in our consolidated balance sheets because it is expected to be earned within the next 12 months. All of our revenues are generated within the United States. The impact of economic factors on the nature, amount, timing and uncertainty of revenue and cash flows is consistent across our various programs for both the UTI and Concorde segments. See Note 22 for disaggregated segment revenue information. Revenues from our Proprietary Loan Program As previously described in Note 2, certain UTI students participate in a proprietary loan program that extends repayment terms for their tuition beyond the time that they are in school. We purchase said loans from the lender. Based on historical collection rates, we believe at least a portion of these loans are collectible. Accordingly, we recognize tuition and loan origination fees financed by the loan and any related interest revenue as variable consideration under the effective interest method required by the loan based on the amount we expect to collect, and we recognize these revenues ratably over the term of the course or program offered. Contract Balances Contract assets primarily relate to our rights to consideration for a student's progress through our training program in relation to our services performed but not billed at the reporting date. The contract assets are transferred to the receivables when the rights become unconditional. We do not have any contract assets that have not transferred to a receivable for either of the reporting periods. Our deferred revenue is considered a contract liability and primarily relates to our enrollment agreements where we received payments for tuition, but we have not yet delivered the related training programs to satisfy the related performance obligations. The advance consideration received from students or Title IV funding is deferred revenue until the training program has been delivered to the students. F-23 Table of Contents UNIVERSAL TECHNICAL INSTITUTE, INC. AND SUBSIDIARIES NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (In thousands, except per share amounts) The following table provides information about receivables and deferred revenue resulting from our enrollment agreements with students: September 30, 2024 2023 Receivables (\$1) 72,080 A \$59,863. Deferred revenue 92,538 A 85,738 A (1) A A A Receivables, net of allowances, includes tuition receivables, retail installment contract receivables and notes receivable, both current and long term. During the year ended September 30, 2024, the deferred revenue balance included decreases for revenues recognized during the period, offset by increases related to new students who started their training programs during the period. Note 6 - Receivables, net Receivables, net consist of the following: A September 30, 2024 2023 Tuition and fees receivables \$35,290 A \$29,616 A Tax receivables 2,333 A 740 A Other receivables 3,849 A 3,858 A Total receivables 41,472 A 34,214 A Less: allowance for credit losses (10,376) (9,053) Receivables, net \$31,096 A \$25,161 A The allowance for credit losses is estimated using our expected uncollectible loss rate applied to the receivable balances for students who are no longer attending school due to graduation or withdrawal or who are in school and have receivable balances in excess of financial aid available to them. We write off receivable balances against the allowance for credit losses at the time we transfer the balance to a third-party collection agency. The following table summarizes the activity for our allowance for credit losses for the years ended September 30, 2024, 2023 and 2022: Year Ended September 30, 2024 2023 2022 Balance at beginning of period \$9,053 A \$5,634 A \$2,787 A Additions due to opening balance of Concorde acquisition A 6,740 A A Additions due to opening balance of MIAT acquisition A 1,682 A Provision for credit losses 7,547 A 3,319 A 2,510 A Write-offs of credit losses, net of recoveries (6,224) (6,640) (1,345) Balance at end of period \$10,376 A \$9,053 A \$5,634 A The long-term portion of the retail installment contract receivables and related allowance for credit losses is presented in *Other assets* on our consolidated balance sheets and consists of the following: A September 30, 2024 2023 Long-term receivables \$8,461 A \$5,927 A Less: allowance for credit losses (1,956) (1,445) Long-term receivables, net \$6,505 A \$4,482 A F-24 Table of Contents UNIVERSAL TECHNICAL INSTITUTE, INC. AND SUBSIDIARIES NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (In thousands, except per share amounts) Note 7 - Fair Value Measurements The accounting framework for determining fair value includes a hierarchy for ranking the quality and reliability of the information used to measure fair value, which enables the reader of the financial statements to assess the inputs used to develop those measurements. The fair value hierarchy consists of three tiers: Level 1: A A A Defined as quoted market prices in active markets for identical assets or liabilities. Level 2: A A A Defined as inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, model-based valuation techniques for which all significant assumptions are observable in the market or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities. Level 3: A A A Defined as unobservable inputs that are not corroborated by market data. Any transfers of investments between levels occurs at the end of the reporting period. Assets measured or disclosed at fair value on a recurring basis consisted of the following: A Fair Value Measurements Using A September 30, 2024 Quoted A Prices in Active Markets for Identical Assets (Level 1) Significant Other Observable Inputs (Level 2) Significant Unobservable Inputs (Level 3) Money market funds (\$1) 99,772 A \$94,772 A \$ A A Notes receivable (2) 42,467 A A A 42,467 A Total assets at fair value on a recurring basis \$137,239 A \$94,772 A \$ A A Notes receivable (\$2) 42,467 A Revolving credit facility and term loans (3) 121,319 A A A 121,319 A A A Total liabilities at fair value on a recurring basis \$121,319 A \$ A A \$ A A Fair Value Measurements Using A September 30, 2023 Quoted A Prices in Active Markets for Identical Assets (Level 1) Significant Other Observable Inputs (Level 2) Significant Unobservable Inputs (Level 3) Money market funds (\$1) 99,772 A \$94,772 A \$ A A Notes receivable (2) 42,467 A Revolving credit facility and term loans (3) 121,319 A A A 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A Total assets at fair value on a recurring basis \$121,319 A \$ A A \$ A A Fair Value Measurements Using A September 30, 1999 Quoted A Prices in Active Markets for Identical Assets (Level 1) Significant Other Observable Inputs (Level 2) Significant Unobservable Inputs (Level 3) Money market funds (\$1) 99,772 A \$94,772 A \$ A A Notes receivable (2) 42,467 A Revolving credit facility and term loans (3) 121,319 A A A 121,319 A A A Total assets at fair value on a recurring basis \$121,319 A \$ A A \$ A A Fair Value Measurements Using A September 30, 1998 Quoted A Prices in Active Markets for Identical Assets (Level 1) Significant Other Observable Inputs (Level 2) Significant Unobservable Inputs (Level 3) Money market funds (\$1) 99,772 A \$94,772 A \$ A A Notes receivable (2) 42,467 A Revolving credit facility and term loans (3) 121,319 A A A 121,319 A A A Total assets at fair value on a recurring basis \$121,319 A \$ A A \$ A A Fair Value Measurements Using A September 30, 1997 Quoted 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September 30, 1967 Quoted A Prices in Active Markets for Identical Assets (Level 1) Significant Other Observable Inputs (Level 2) Significant Unobservable Inputs (Level 3) Money market funds (\$1) 99,772 A \$94,772 A \$ A A Notes receivable (2) 42,467 A Revolving credit facility and term loans (3) 121,319 A A A 121,319 A A A Total assets at fair value on a recurring basis \$121,319 A \$ A A \$ A A Fair Value Measurements Using A September 30, 1966 Quoted A Prices in Active Markets for Identical Assets (Level 1) Significant Other Observable Inputs (Level 2) Significant Unobservable Inputs (Level 3) Money market funds (\$1) 99,772 A \$94,772 A \$ A A Notes receivable (2) 42,467 A Revolving credit facility and term loans (3) 121,319 A A A

(2,517) Long-term debt \$123,007 Å \$159,600 Å (1) Å Å Å Interest on the Revolving Credit Facility (as defined below) accrues at annual rate equal to Term SOFR plus a margin of 1.85%. (2) Å Å Å Interest on the Avondale Term Loan (as defined below) accrues at annual rate equal to Term SOFR plus 2.0% and a tranche adjustment of 0.046%. F-29Table of ContentsUNIVERSAL TECHNICAL INSTITUTE, INC. AND SUBSIDIARIESNOTES TO CONSOLIDATED FINANCIAL STATEMENTS (In thousands, except per share amounts)(3) Å Å Å Interest on the Lisle Term Loan (as defined below) accrues at annual rate equal to the Term SOFR plus 2.0%. (4) Å Å Å The finance lease balance as of September Å 30, 2024 is related to a facility lease with an annual interest rate of 6.02% that matures in 2029. See Note 11 for additional details on our finance leases.(5) Å Å Å The unamortized debt issuance costs as of September Å 30, 2024 relate to the Avondale Term Loan and the Lisle Term Loan.(6) Å Å Å The Revolving Credit Facility, Avondale Term Loan, Lisle Term Loan and finance leases bear interest at rates commensurate with market rates, and therefore, the respective carrying values approximate fair value (Level 2).Revolving Credit FacilityOn November 18, 2022, we entered into a \$100.0 Å million senior secured revolving credit facility with Fifth Third Bank (the åœCredit Facilityå or åœRevolving Credit Facilityå), which includes a \$20.0 Å million sub facility that is available for letters of credit, for term of three years.This agreement provides that borrowings under the Credit Facility will amortize on an interest-only basis during its term with principal able to be borrowed, re-paid and re-borrowed throughout the term of the Credit Facility and with the outstanding principal due and payable at maturity. Borrowings under the Credit Facility can bear interest at a variable rate of either (a) the greater of 3.50% or the lenderå™s Prime rate or (b) either one-month or three-month Term SOFR plus an adjustment of 0.10-0.15%. Any borrowings will also have an applicable margin that varies from 1.75% up to 2.25% based on our total leverage ratio at the time of the borrowing. In executing the Credit Facility, we incurred \$0.5 Å million in debt issuance costs which have been recorded in åœOther assetså on the consolidated balance sheets as of September Å 30, 2024. On November 28, 2022, we drew \$90.0 Å million from the Credit Facility in support of the closing of the Concorde Acquisition. In December 2022, a \$1.8 Å million letter of credit was issued on the Credit Facility, which expired in March 2024. On September 26, 2024, the Credit Facility was amended to increase the commitment amount to \$125.0 Å million and extend the maturity date to November 30, 2027. We also have the option to request an increase of up to an additional \$25.0 Å million, subject to the lenderå™s discretion to grant such increase. Under the amended agreement, advances made under the Credit Facility bear interest at per annum rate equal to (i) the Tranche Rate (Term SOFR), (ii) the Daily Simple SOFR rate, or (iii) the Base Rate. In each case a SOFR rate is selected, an applicable margin that varies from 1.85% up to 2.35%, based on our then-current total leverage ratio, is applied. In executing the amendment, we incurred \$0.3 Å million in debt issuance costs which have been recorded in åœOther assetså on the consolidated balance sheets as of September Å 30, 2024.During the year ended September Å 30, 2024, we made payments on the Credit Facility of \$75.0 million and we received proceeds of \$41.0 million at a base interest rate of 8.0%. The remaining availability under the Credit Facility as of September Å 30, 2024 was \$69.0 million. In October 2024, we used cash on hand to pay \$5.0 Å million on the Credit Facility, which increased the availability under the Credit Facility to \$74.0 Å million. It is likely that we will borrow from the Credit Facility in future periods based on future working capital or other needs.Avondale Term LoanIn connection with the Avondale, Arizona building purchase in December 2020, we entered into a credit agreement with Fifth Third Bank, national banking association (the åœAvondale Lenderå) on May 12, 2021 in the maximum principal amount of \$31.2 Å million with a maturity of seven years (the åœAvondale Term Loanå). Originally, the Avondale Term Loan bore interest at the rate of LIBOR plus 2.0%. On April 3, 2023 in connection with applying the guidance in ASU 2020-04, we executed an amendment for our Avondale Term Loan to convert the stated rate from LIBOR to Term SOFR. As of April 3, 2023, the Avondale Term Loan bears interest at the rate of Term SOFR plus 2.0% and a tranche rate adjustment of 0.046%. Principal and interest payments are due monthly. The Avondale Term Loan is secured by a first priority lien on our Avondale, Arizona property, including all land and improvements. Additionally, we entered into an interest rate swap agreement with the Avondale Lender. See Note 14 below for further discussion on the interest rate swap.F-30Table of ContentsUNIVERSAL TECHNICAL INSTITUTE, INC. AND SUBSIDIARIESNOTES TO CONSOLIDATED FINANCIAL STATEMENTS (In thousands, except per share amounts) Lisle Term LoanOn April 14, 2022, our consolidated subsidiary, 2611 Corporate West Drive Venture LLC (the åœBorrowerå), entered into a new Loan Agreement (åœLisle Loan Agreementå) with Valley National Bank (the åœLisle Lenderå), to fund the acquisition and retire the prior loan agreement with Western Alliance bank, via a term loan in the original principal amount of \$38.0 Å million with a maturity of seven years (the åœLisle Term Loanå). The Lisle Term Loan bears interest at a rate of one-month Term SOFR plus 2.0%. The Lisle Term Loan is secured by a mortgage on the Lisle, Illinois campus and is guaranteed by the Company. In connection with the Lisle Term Loan, we entered into an interest rate swap agreement. See Note 14 below for further discussion on the interest rate swap.Debt CovenantsWe are subject to certain customary affirmative and negative covenants under the Revolving Credit Facility, the Avondale Term Loan and the Lisle Term Loan. As of September Å 30, 2024, we were in compliance with all debt covenants.Debt MaturitiesScheduled principal payments due on our debt for each year through the period ended September 30, 2029, and thereafter were as follows at September Å 30, 2024:MaturityRevolving Credit Facility & Term LoansFinance LeasesTotal2025\$1,763 Å \$934 Å \$2,697 Å 20261,837 Å 1,029 Å 2,866 Å 202757,909 Å 1,131 Å 59,040 Å 202826,610 Å 1,239 Å 27,849 Å 202933,200 Å 435 Å 33,635 Å 2030 and thereafterå“ Å å“ Å å“ Å Subtotal121,319 Å 4,768 Å 126,087 Å Debt issuance costs presented with debt(383)å“ Å (383)Total\$120,936 Å \$4,768 Å \$125,704 Å Note 14 - Derivative Financial InstrumentsIn the normal course of business, our operations are exposed to market risks, including the effect of changes in interest rates. We may enter into derivative financial instruments to offset these underlying market risks. See Note 2 for our derivative financial instruments policy. On May 12, 2021, in connection with the Avondale Term Loan discussed in Note 13, we entered into an interest rate swap agreement with the Lender that effectively fixes the interest rate on 50% of the principal amount of the Avondale Term Loan, or approximately \$15.6 Å million, at 3.5% for the entire loan term, or seven years (the åœAvondale Swapå). On May 12, 2021, the Avondale Swap was designated as an effective cash flow hedge for accounting and tax purposes. On March 31, 2023 in connection with applying the guidance in ASU 2020-04, we terminated our existing interest rate swap and entered into a new interest rate swap agreement, effective April 3, 2023, with the Avondale Lender that effectively fixes the interest rate we pay on 50% of the principal amount of the Avondale Term Loan at 1.45% for the entire loan term. Further, the floating rate we receive under this new swap has been converted to one month Term SOFR, versus one month LIBOR under the previous swap. In executing the amendment, we adopted several of the practical expedients allowed under ASU 2020-04, including updating the designated hedged risk in our outstanding cash flow hedging relationship to match the risk presented in the modified interest payments and to continue our hedging relationship that falls within the scope of ASU 2020-04. The adoption of the new guidance in ASU 2020-04 did not have a material impact on our consolidated financial statements and the Avondale Swap is still designated as an effective cash flow hedge for accounting and tax purposes.F-31Table of ContentsUNIVERSAL TECHNICAL INSTITUTE, INC. AND SUBSIDIARIESNOTES TO CONSOLIDATED FINANCIAL STATEMENTS (In thousands, except per share amounts)On April 14, 2022, in connection with the Lisle Term loan described in Note 13, we entered into an interest rate swap agreement with the Lisle Lender that effectively fixes the interest rate on 50% of the principal amount of the Lisle Term Loan at 4.69% for the entire loan term, or seven years (the åœLisle Swapå). On April 14, 2022, the Lisle Swap was designated as an effective cash flow hedge for accounting and tax purposes.Of the net amount of the existing gains that are reported in åœAccumulated other comprehensive incomeå as of September Å 30, 2024, we estimate that \$0.5 million will be reclassified to åœInterest expenseå within the next twelve months. As of September Å 30, 2024, the notional amounts of the Avondale Swap and Lisle Swap were approximately \$14.2 million and \$18.5 million, respectively.Fair Value of Derivative InstrumentsThe following table presents the fair value of our Avondale Swap and Lisle Swap (Level 2), both of which are designated as cash flow hedges, and the related classification on the consolidated balance sheets as of September Å 30, 2024 and 2023:September 30,Interest Rate Swaps20242023Other current assets\$497 Å \$957 Å Other assets726 Å 2,075 Å Å Å Total fair value of assets designated as hedging instruments\$1,223 Å \$3,032 Å Effect of Cash Flow Hedge Accounting on the Consolidated Statement of Operations and Accumulated Other Comprehensive Income The table below presents the effect of cash flow hedge accounting for our Avondale Swap and Lisle Swap on the consolidated statements of operations and accumulated other comprehensive income for the years ended September Å 30, 2024, 2023 and 2022: Amount of Gain (Loss) Recognized in Other Comprehensive Income (Loss) on DerivativeAmount of Gain (Loss) Reclassified from Accumulated Other Comprehensive Income (Loss) into IncomeYear Ended September 30, 2024Avondale and Lisle Swaps\$(291)Å\$1,066 Å Year Ended September 30, 2023Avondale and Lisle Swaps\$(1,169)Å\$835 Å Year Ended September 30, 2022Avondale and Lisle Swaps\$2,787 Å \$(192)F-32Table of ContentsUNIVERSAL TECHNICAL INSTITUTE, INC. AND SUBSIDIARIESNOTES TO CONSOLIDATED FINANCIAL STATEMENTS (In thousands, except per share amounts)On April 14, 2022, in connection with the Lisle Term tax components of income tax (expense) benefit for the years ended September 30, 2024, 2023 and 2022 are as follows:A Year Ended September Å 30, 202420232022Current (expense) benefit:United States federal\$6,256 Å \$(97) Å \$(17)State(2,629)Å(1,032)Å(1,065)Total current (expense) benefit(8,885)Å(1,129)Å(1,082)Deferred (expense) benefit: United States federal(4,682)Å(4,190)Å2,380 Å State(662)Å(446)Å4,109 Å Total deferred (expense) benefit(5,344)Å(4,636)Å6,489 Å Total income tax (expense) benefit\$(14,229)Å\$(5,765)Å\$5,407 Å The income tax provision differs from the tax that would result from application of the statutory federal tax rate of 21% to pre-tax income for the years ended September 30, 2024, 2023 and 2022. The reasons for the differences are as follows:Å Year Ended September Å 30, 202420232022Income tax expense at statutory rate\$(11,808)Å\$(3,798)Å\$(4,293)State income taxes, net of federal tax benefit(2,611)Å(1,188)Å(1,356)Excess officers compensation(659)Å(387)Å(276)Transaction Costså“ Å(479)å“ Å Adjustment to deferred taxes(801)Å(322)Å(345)R&D Credits Generated500 Å 546 Å å“ Å Decrease in valuation allowance808 Å 236 Å 12,075 Å Other, net342 Å (373)Å(398)Total income tax (expense) benefit\$(14,229)Å\$(5,765)Å\$5,407 Å The components of the deferred tax assets (liabilities) recorded in the accompanying consolidated balance sheets were as follows:September Å 30, 20242023Gross deferred tax assets:Operating lease liability\$42,749 Å \$47,349 Å Deferred compensation596 Å 558 Å Accrued compensation2,497 Å 2,636 Å Accrued tool sets1,255 Å 1,069 Å Other reserves and accruals5,750 Å 4,464 Å Deferred revenue3,501 Å 4,733 Å Net operating losses5,044 Å 9,232 Å Tax credit carryforwards632 Å 929 Å Capitalized R&D costs3,085 Å 3,109 Å F-33Table of ContentsUNIVERSAL TECHNICAL INSTITUTE, INC. AND SUBSIDIARIESNOTES TO CONSOLIDATED FINANCIAL STATEMENTS (In thousands, except per share amounts)September Å 30, 20242023Charitable contribution carryovers628 Å 1,223 Å Deductions limited by Section 382å“ Å 5 Å Other86 Å 84 Å Valuation allowance(2,012)Å(3,192)ÅTotal gross deferred tax assets63,811 Å 72,199 Å Gross deferred tax liabilities:Right of use assets for operating leases(40,189)Å(44,726)ÅAmortization of goodwill and intangibles(5,513)Å(5,540)Depreciation and amortization of property and equipment(17,401)Å(16,829)ÅPrepaid and other expenses deductible for tax(1,535)Å(1,241)Å Å Other comprehensive income(306)Å(758)Total gross deferred tax liabilities(64,944)Å(69,094)Net deferred tax (liabilities) assets\$(1,133)Å\$3,105 Å The following table summarizes the activity for the valuation allowance for the years ended September 30, 2024, 2023 and 2022:Year Ended September Å 30, 202420232022Balance at beginning of period\$3,192 Å \$1,200 Å \$13,492 Å Reductions to income taxå“ Å(236)Å(12,075)Write-offs/Adjustments(1)Å(1,180)Å2,228 Å(217)Balance at end of period\$2,012 Å \$3,192 Å \$1,200 Å(1) The fiscal year 2024 balance primarily relates to finalizing the purchase accounting for the Concorde acquisition. We had a valuation allowance of \$2.0 Å million and \$3.2 Å million against the deferred tax assets as of September Å 30, 2024 and 2023, respectively, based on our assessment of the ability to utilize the deferred tax assets. The change in valuation allowance during the year is primarily a result of purchase accounting in conjunction with the Concorde acquisition. We continue to maintain a valuation allowance on certain federal and state attributes for which we determined that it was more likely than not that a benefit will not be realized prior to expiration. In assessing whether a valuation allowance was required, we considered the weight of all available positive and negative evidence.As of September Å 30, 2024, we had approximately \$13.5 million and \$70.8 million in net operating losses for federal and state tax purposes, respectively. The federal net operating losses can be carried forward indefinitely, while the state net operating losses will expire at various dates through 2044 if not utilized or carried forward indefinitely.We recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities. The determination is based on the technical merits of the position and presumes that each uncertain tax position will be examined by the relevant taxing authority that has full knowledge of all relevant information. Although we believe the estimates are reasonable, no assurance can be given that the final outcome of these matters will not be different than what is reflected in the historical income tax provisions and accruals. F-34Table of ContentsUNIVERSAL TECHNICAL INSTITUTE, INC. AND SUBSIDIARIESNOTES TO CONSOLIDATED FINANCIAL STATEMENTS (In thousands, except per share amounts)The following table summarizes the activity related to the gross unrecognized tax benefits for the fiscal years ended September Å 30, 2024, 2023 and 2022:Year Ended September Å 30, 202420232022Balance at beginning of period\$496 Å \$387 Å Increases relates to current year tax positions100 Å 109 Å Balance at end of period\$596 Å \$496 Å The total amount of gross unrecognized tax benefits was \$0.6 million as of September Å 30, 2024, of which \$0.5 million, if fully recognized, would decrease our effective tax rate. The current year increase relates to research and development tax credits generated in the current year. We recognize interest and penalties related to unrecognized tax benefits through income tax expense. No interest or penalties were accrued as of September Å 30, 2024. We do not expect a significant decrease in our liability for unrecognized tax benefits in the next 12 months.We file income tax returns for federal purposes and in many states. Our tax filings remain subject to examination by applicable tax authorities for certain length of time, generally three to four years, following the tax year to which these filings relate. Note 16 - RestructuringOn December 5, 2023, UTI announced plans to consolidate the two Houston, Texas campus locations to align the curriculum, student facing systems, and support services to better serve students seeking careers in in-demand fields. As part of the transition, the MIAT Houston campus, acquired in November 2021, began a phased teach-out in May 2024, and such campus began operating under the UTI brand. Both facilities will remain in use post-consolidation. The total costs of the restructuring plan are estimated to be approximately \$2.1 Å million and relate to the UTI segment. Approximately \$0.2 Å million of expenses, primarily related to employee termination costs and tools, were incurred during the twelve months ended September Å 30, 2024. Of the \$0.2 Å million recorded during the twelve months ended September Å 30, 2024, approximately \$0.1 Å million was reported in åœEducational services and facilitieså while approximately \$0.1 Å million was reported in åœSelling, general and administrativeå in the consolidated statements of operations. Additional estimated costs of \$1.9 Å million are expected to be recorded during fiscal 2025 and beyond as incurred. Note 17 - Commitments and ContingenciesLicensing AgreementsWe have entered into various licensing agreements with varying expiration dates that give us the right to use certain materials, trademarks, trade names, trade dress, and other intellectual property in connection with the operation of our campuses and the development of our courses. The expense for the license fees under these various agreements totaled \$2.4 Å million, \$2.3 Å million, and \$2.1 Å million for the years ended September 30, 2024, 2023 and 2022, respectively, and were recorded in åœEducational services and facilities expenseså on the consolidated statements of operations.Snap-on Tools Product Support AgreementWe have an agreement with Snap-on Industrial (åœSnap-on Toolså) that allows UTI to purchase promotional tool kits for its students at a discount from the list price. In addition, UTI earns credits that are redeemable for Snap-on Tools equipment that is utilized in UTI training programs. Credits are earned on UTIå™s purchases as well as purchases made by students enrolled in the UTI programs. As part of the agreement, UTI has agreed to grant Snap-on Tools exclusive access to its campuses, to display advertising and primarily use their tools to train UTI students. Additionally, per the agreement, UTI receives a quarterly product donation allowance towards the purchase of tools and equipment which are to be utilized in the UTI training programs at its campuses. The credits and allowances under this agreement may be redeemed in multiple ways. This agreement will expire in December 2027. A net prepaid expense with Snap-on Tools has resulted from an excess of credits F-35Table of ContentsUNIVERSAL TECHNICAL INSTITUTE, INC. AND SUBSIDIARIESNOTES TO CONSOLIDATED FINANCIAL STATEMENTS (In thousands, except per share amounts)earned over credits used of \$0.3 Å million and \$1.9 Å million as of September Å 30, 2024 and 2023, respectively, included in åœOther current assetså on our consolidated balance sheets.UTI students are provided a Career Starter Tool Set Voucher which can be redeemed for a tool set near graduation. The cost of the tool sets, net of the discount, is accrued during the time period in which the UTI students begin attending school until they have progressed to the point that the promotional tool set vouchers are provided. The consolidated balance sheets include a liability in åœAccounts payable and accrued expenseså for the tool sets that are expected to be redeemed of \$4.8 Å million and \$4.1 Å million as of September Å 30, 2024 and 2023, respectively. Additionally, UTIå™s liability to Snap-on Tools for vouchers redeemed by students was \$0.6 Å million and \$0.5 Å million as of September Å 30, 2024 and 2023, respectively, and is included in åœAccounts payable and accrued expenseså on our consolidated balance sheets.Surety BondsEach of our campuses must be authorized by the applicable state education agency in which the campus is located to operate and to grant certificates, diplomas or degrees to its students. Our campuses are subject to extensive, ongoing regulation by each of these states. Additionally, our campuses are required to be authorized by the applicable state education agencies of certain other states in which our campuses recruit students. Our insurers issue surety bonds for us on behalf of our campuses and admissions representatives with multiple states to maintain authorization to conduct our business. We are obligated to reimburse our insurers for any surety bonds that are paid by the insurers. As of September Å 30, 2024, the total face amount of these surety bonds was approximately \$22.9 Å million. LegalIn the ordinary conduct of our business, we are periodically subject to lawsuits, demands in arbitration, investigations, regulatory proceedings or other claims, including, but not limited to, claims involving current or former students, routine employment matters, business disputes and regulatory demands. When we are aware of a claim or potential claim, we assess the

likelihood of any loss or exposure. If it is probable that a loss will result and the amount of the loss can be reasonably estimated, we accrue a liability for the loss. When a loss is not both probable and estimable, we do not accrue a liability. Where a loss is not probable but is reasonably possible, including if a loss in excess of an accrued liability is reasonably possible, we determine whether it is possible to provide an estimate of the amount of the loss or range of possible losses for the claims. We are not currently a party to any material legal proceedings, but note that legal proceedings could, generally, have a material adverse effect on our business, cash flows, results of operations or financial condition. Note 18 - Shareholders' Equity Common Stockholders of our common stock are entitled to receive dividends when and as declared by our board of directors and have the right to one vote per share on all matters requiring shareholder approval. On June 9, 2016, our board of directors voted to eliminate the quarterly cash dividend on our common stock. Preferred Stock As of September 30, 2024, no shares of the Series A Convertible Preferred Stock with a \$0.0001 par value each (the "Series A Preferred Stock") remain outstanding and all right of the holders to receive future dividends have been terminated. Under the terms of the Certificate of Designations for the Series A Preferred Stock, we had the right to convert the outstanding shares of Series A Preferred Stock to common stock when our common stock achieved a stated volume weighted average price per share for a period of 20 consecutive trading days. On December 18, 2023, upon satisfying the stock price condition, we entered into a preferred stock repurchase agreement with Coliseum Capital Partners, L.P. and Blackwell Partners LLC (the "Series A Preferred Stockholders"), pursuant to which we repurchased, directly from the Selling Stockholders, 33,300 shares of Series A Preferred Stock for an aggregate purchase price of \$11.3 million. Additionally, we incurred approximately \$0.3 million in fees related to excise taxes and other professional services related to the repurchase, which are recorded in equity. Following the repurchase of those shares of Series A Preferred Stock, we issued a notice of conversion causing all remaining outstanding shares of Series A Preferred Stock to be converted into Common F-36 Table of Contents UNIVERSAL TECHNICAL INSTITUTE, INC. AND SUBSIDIARIES NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (In thousands, except per share amounts) Stock. In connection with the conversion, each share of Series A Preferred Stock was cancelled and converted into the right to receive 30,03003 shares of our Common Stock, no par value per share, and we made a final dividend payment of \$1.1 million to the Series A Preferred Stockholders of record as of December 18, 2023. As a result of the conversion, the aggregate 642,585 remaining shares of Series A Preferred Stock outstanding were converted into 19,296,843 shares of Common Stock. Following the repurchase and subsequent conversion, the Selling Stockholders held less than 25% of our outstanding shares of common stock (a threshold above which we would have been required to seek regulatory approval for the conversion). As of September 30, 2023, 675,885 shares of Series A Preferred Stock were issued and outstanding. The liquidation preference associated with the Series A Preferred Stock was \$100 per share at September 30, 2023. Dividends Dividends on the Series A Preferred Stock, accrue at a rate of 7.5% per year, and are to be paid semi-annually in arrears on September 30 and March 31 of each year. We paid cash dividends of \$1.1 million, \$5.1 million, and \$5.2 million during the years ended September 30, 2024, 2023, and 2022, respectively. With the Series A Preferred Stock repurchase and subsequent conversion of remaining shares to common stock, there will be no further dividend payments related to the Series A Preferred Stock going forward. Share Repurchase Program On December 10, 2020, our board of directors authorized a new share repurchase plan that would allow for the repurchase of up to \$35.0 million of our common stock in the open market or through privately negotiated transactions. This new share repurchase plan replaced the previously authorized plan from fiscal 2012. We have not repurchased any shares under this plan during the years ended September 30, 2024, 2023 and 2022. Note 19 - Stock-Based Compensation Our stock-based compensation is governed by the 2021 Equity Incentive Compensation Plan (the "2021 Plan"). The 2021 Plan was adopted by our board of directors in January 2021 and approved by our shareholders at the February 2021 annual meeting. The 2021 Plan replaced the Management 2002 Stock Option Program and the 2003 Incentive Compensation Plan, as amended (the "Former Plans"). The 2021 Plan was amended on March 7, 2024, increasing the maximum aggregate number of shares of stock that may be issued to 5.3 million shares of common stock. Additionally, subject to and in accordance with the 2021 Plan, any shares for outstanding awards that are subsequently expired, forfeited, or are otherwise terminated will also become available for new awards under the 2021 Plan. As of September 30, 2024, 4.0 million shares remained available for future grants under the 2021 Plan. Stock-Based Compensation Expenses As previously discussed in Note 2, compensation expense associated with RSUs, PSUs or stock options is measured based on the grant date fair value of our common stock. The fair value of the RSUs is amortized on a straight-line basis over the requisite service period. The fair value of the PSUs is amortized on a straight-line basis over the requisite service period based upon the fair market value on the date of grant, adjusted quarterly for the anticipated or actual achievement against the established performance condition. F-37 Table of Contents UNIVERSAL TECHNICAL INSTITUTE, INC. AND SUBSIDIARIES NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (In thousands, except per share amounts) For all stock-based compensation expense, we account for forfeitures as they occur. The following table summarizes the operating expense line in which stock-based compensation expense has been recorded and the impact on net income in the consolidated statements of operations for the years ended September 30, 2024, 2023 and 2022. Year Ended September 30, 2024 2023 2022 Educational services and facilities \$481.4 \$192.4 \$240.4 Selling, general and administrative 8,079.3 6,556.4 4,172.4 Total stock-based compensation expense \$8,560.4 \$3,848.4 \$4,412.4 Income tax benefits 2,140.4 \$962.4 \$1,103.4 Stock Options We have not issued stock options since fiscal 2019. Outstanding options under the Former Plans have an expiration date of seven years. Under the 2021 Plan, the maximum term of any option granted is ten years and, unless otherwise permitted by our Compensation Committee, an option generally will remain exercisable for three months following the participant's termination of service, provided that if service terminates as a result of the participant's death or disability, the option generally will remain exercisable for 12 months, but in any event the option must be exercised no later than its expiration date. The following table summarizes stock option activity under the Former Plans and the 2021 Plan for the years ended September 30, 2024, 2023 and 2022. Number of Shares Weighted Average Exercise Price Weighted Average Remaining Contractual Life Aggregate Intrinsic Value (In thousands) (per Share) (Years) Outstanding as of September 30, 2022 210.4 \$3.14 4.3 1,854,833 Outstanding as of September 30, 2023 210.4 \$3.14 4.2 1,881.1 1,000 Outstanding as of September 30, 2024 210.4 \$3.14 4.1 1,182.2 7,555 Stock options exercisable as of September 30, 2024 210.4 \$3.14 4.1 1,182.2 7,555 Restricted Stock Units and Performance Share Units Restricted Stock Units Our RSUs are issued at fair market value, which is based on the closing price of our common stock on the grant date. RSUs generally vest ratably over a three-year service period from the date of grant. As of September 30, 2024, unrecognized stock compensation expense related to RSUs was \$6.2 million which is expected to be recognized over a weighted average period of 2.0 years. Performance Share Units Our outstanding PSUs vest over a three-year service period from the date of the grant and are based upon a mix of certain pre-established targets for revenue and adjusted EBITDA. On the settlement date for each measurement period, participants will receive shares of our common stock equal to 0% to 187.5% of the Performance PSUs originally granted depending on the actual achievement against the performance metrics for that measurement period. Our outstanding Market PSUs vest over a three-year service period from the date of the grant and are based upon a mix of certain pre-established targets for revenue, compounded annual total shareholder return for the measurement period and net income. On the settlement date for each measurement period, participants will receive shares of our common stock equal to 0% to 187.5% of the Market PSUs originally granted depending on the actual achievement against the performance metrics F-38 Table of Contents UNIVERSAL TECHNICAL INSTITUTE, INC. AND SUBSIDIARIES NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (In thousands, except per share amounts) for that measurement period. The Market PSUs vest subject to a market condition and on the settlement date which is expected to be no later than two and a half months after the end of each measurement period. As of September 30, 2024, unrecognized stock compensation expense related to all PSUs was \$4.2 million, which is expected to be recognized over a weighted average period of 1.7 years. The following table summarizes the activity for RSUs and PSUs granted under the Former Plans and 2021 Plan for the years ended September 30, 2024, 2023 and 2022. RSUs PSUs Number of Shares (In thousands) Weighted Average Grant Date Fair Value per Share Number of Shares (In thousands) Weighted Average Grant Date Fair Value per Share Outstanding as of September 30, 2021 5,148.4 \$6.56 4,624.2 \$6.97 A Granted 3,777.4 8.34 4,377.4 8.75 A Adjustment to grant based on achieved attainment level A A (256.4) A Vested (209.6) 6,694 (247.7) 7,33 A Forfeited (21) 7.21 A (23) 7.14 A Outstanding as of September 30, 2022 6,269.5 \$7.47 4,716.4 \$7.60 A Granted 5,967.4 7.17 A 475.4 7.49 A Adjustment to grant based on achieved attainment level A A (304.4) A Vested (325) 7.31 A A A Forfeited (121) 7.37 A (144) 7.65 A Outstanding as of September 30, 2023 8,345.4 \$7.33 4,743.4 \$7.55 A Granted 5,414.2 12.19 A 231.4 11.99 A Adjustment to grant based on achieved attainment level A A (184.4) A Vested (386) 7.21 A (187) 6.35 A Forfeited (94) 9.60 A (54) 17 A Outstanding as of September 30, 2024 9,406.4 \$10.04 4,917.4 \$9.02 A Note 20 - Earnings per Share We calculate basic earnings per common share (the "EPS") pursuant to the two-class method as a result of the issuance of the Series A Preferred Stock on June 24, 2016. Our Series A Preferred Stock is considered a participating security because, in the event that we pay a dividend or make a distribution on the outstanding common stock, we shall also pay each holder of the Series A Preferred Stock a dividend on an as-converted basis. The two-class method is an earnings allocation formula that determines EPS for common stock and participating securities according to dividend and participation rights in undistributed earnings. Under this method, all earnings, distributed and undistributed, are allocated to common shares and participating securities based on their respective rights to receive dividends. Diluted earnings per common share is calculated using the more dilutive of the two-class method or as-converted method. The two-class method uses net income available to common shareholders and assumes conversion of all potential shares other than the participating securities. The as-converted method uses net income and assumes conversion of all potential shares including the participating securities. Dilutive potential common shares include outstanding stock options, unvested restricted share units and convertible preferred stock. As noted above in Note 18, no shares of the Series A Preferred Stock remain outstanding and all rights of the holders to receive future dividends have been terminated as of the December 18, 2023 conversion date. F-39 Table of Contents UNIVERSAL TECHNICAL INSTITUTE, INC. AND SUBSIDIARIES NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (In thousands, except per share amounts) The following table summarizes the computation of basic and diluted earnings per common share under the two-class or as-converted method, as well as the anti-dilutive shares excluded. Year Ended September 30, 2024 2023 2022 Basic earnings per common share: Net income \$42,001.4 \$12,322.4 \$25,848.4 Less: Preferred stock dividend declared (1,097.4) (5,069.4) (5,159.4) Income available for distribution 40,904.4 7,253.4 20,689.4 Income allocated to participating securities (2,855.4) (2,712.4) (7,847.4) Net income available to common shareholders \$38,049.4 \$4,541.4 \$12,842.4 Weighted average basic shares outstanding 49,429.4 33,985.4 33,218.4 Basic income per common share \$0.774 \$0.134 \$0.394 Diluted earnings per common share: Method used: Two-class Two-class Net income available to common shareholders \$38,049.4 \$4,541.4 \$12,842.4 Weighted average basic shares outstanding 49,429.4 33,985.4 33,218.4 Dilutive effect related to employee stock plans 1,422.4 494.4 525.4 Weighted average diluted shares outstanding 50,851.4 34,479.4 33,743.4 Diluted income per common share \$0.754 \$0.133 \$0.384 Anti-dilutive shares excluded: Outstanding stock-based grants 44,180.4 92,917.4 20,297.4 A 20,297.4 A A Total anti-dilutive shares excluded 44,180.4 27,733.4 20,306.4 Note 21 - Employee Benefit Plans We sponsor a defined contribution 401(k) plan, under which our employees elect to withhold specified amounts from their wages to contribute to the plan and we have a fiduciary responsibility with respect to the plan. The plan provides for matching a portion of employees' contributions at management's discretion. We made matching contributions of approximately \$2.4 million, \$1.7 million, and \$1.5 million to the 401(k) plan for the years ended September 30, 2024, 2023 and 2022, respectively. Additionally, we have a legacy deferred compensation plan into which certain members of management were eligible to defer a maximum of 75% of their regular compensation and a maximum of 100% of their incentive compensation. No new members have been added to the deferred compensation plan in the past three years. We are not obligated to fund the deferred compensation plan; however, we have purchased life insurance policies on the participants in order to fund the related benefits and such policies have been placed into a rabbi trust. Our obligations under the deferred compensation plan totaled \$2.4 million and \$2.2 million as of September 30, 2024 and 2023, respectively, and are included in "Other assets" while the cash surrender value of the life insurance policies totaled \$3.3 million and \$2.8 million as of September 30, 2024 and 2023, respectively, and are included in "Other assets" on our consolidated balance sheets. F-40 Table of Contents UNIVERSAL TECHNICAL INSTITUTE, INC. AND SUBSIDIARIES NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (In thousands, except per share amounts) Note 22 - Segment Information We operate our business in two reportable segments: (i) the UTI segment, and (ii) the Concorde segment. Our reportable segments reflect the manner in which Jerome Grant, our CEO and the chief operating decision-maker, evaluates performance and allocates resources. These segments are organized by key market segments to enhance operational alignment to more effectively execute our strategic plan. Each reportable segment represents a group of post-secondary education providers that offer a variety of degree and non-degree academic programs. The corporate includes corporate related expenses that are not allocated to the UTI or Concorde reportable segments and is included to reconcile segment results to the consolidated financial statements. As previously discussed in Note 2, the segment disclosures for the years ended September 30, 2023 and 2022 have been recast from prior years presentation for comparability to the current year presentation. Summary information by reportable segment is as follows: UTI Concorde Corporate Consolidated Year Ended September 30, 2024 Revenues \$486,376.4 \$246,311.4 \$47.4 \$732,687.4 Income (loss) from operations 77,756.4 20,804.4 (39,669.4) 58,891.4 Depreciation and amortization 22,917.4 5,158.4 1,249.4 29,324.4 Net income (loss) 71,646.4 21,048.4 (50,693.4) 42,001.4 Year Ended September 30, 2023 Revenues \$429,317.4 \$178,091.4 \$46.4 \$607,408.4 Income (loss) from operations 42,762.4 10,533.4 (31,896.4) 21,399.4 Depreciation and amortization 21,113.4 4,077.4 25.4 21,215.4 Net income (loss) 38,324.4 10,700.4 (36,702.4) 12,322.4 Year Ended September 30, 2022 Revenues \$418,765.4 \$47.4 \$418,765.4 Income (loss) from operations 55,493.4 A (31,119.4) 22,374.4 Depreciation and amortization 16,822.4 A 62.4 16,884.4 Net income (loss) 53,581.4 A (27,733.4) 25,848.4 As of September 30, 2024 Total assets \$440,764.4 \$125,212.4 \$178,599.4 \$744,575.4 As of September 30, 2023 Total assets \$442,507.4 \$130,813.4 \$167,356.4 \$740,685.4 Note 23 - Government Regulation and Financial Aid Our institutions are subject to extensive regulatory requirements imposed by a wide range of federal and state agencies, as well as by institutional and programmatic accreditors. These requirements, which are frequently being revisited, revised, and expanded, cover virtually every aspect of our schools' operations, and our institutions are subject to periodic audits and program compliance reviews by various external agencies for compliance with these requirements. Each of our institutions' administration of the federal programs of student financial assistance under Title IV of the HEA (the "Title IV Programs") also F-41 Table of Contents UNIVERSAL TECHNICAL INSTITUTE, INC. AND SUBSIDIARIES NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (In thousands, except per share amounts) must be audited annually by independent accountants and the resulting audit report submitted to ED for review. The approvals granted by these regulatory entities permit our schools to operate and to participate in a variety of government-sponsored financial aid programs, including Title IV Programs. If our institutions fail to comply with any of these regulatory requirements, our regulators could take an array of adverse actions, up to and including revocation of the approval granted by the agency. Such adverse actions could have a material adverse effect on our academic or operational initiatives, cash flows, results of operations, or financial condition. Below, we discuss certain, specific elements of this regulatory environment. State Authorization To operate and offer postsecondary programs, and to be certified to participate in Title IV Programs, each of our institutions must obtain and maintain authorization from the state in which it is physically located (the "Home State"). To engage in educational or recruiting activities outside of its Home State, each institution also may be required to obtain and maintain authorization from the states in which it is educating or recruiting students. The level of regulatory oversight varies substantially from state to state and is extensive in some states. State laws may establish standards for instruction, qualifications of faculty, location and nature of facilities and equipment, administrative procedures, marketing, recruiting, student outcomes reporting, disclosure obligations to students, limitations on mandatory arbitration clauses in enrollment agreements, financial operations, and other operational matters. Some states prescribe standards of financial responsibility and mandate that institutions post surety bonds. Many states have requirements for institutions to disclose institutional data to current and prospective students, as well as to the public, and some states require that our schools meet prescribed performance standards as a condition of continued approval. States can and often do revisit, revise, and expand their regulations governing postsecondary education and recruiting. Institutions that offer distance education instruction outside of their Home State must comply with federal regulations governing state authorization for distance education in order to participate in the Title IV student financial aid programs. All UTI institutions and the Concorde, Kansas City and Memphis institutions are authorized to participate in the State Authorization Reciprocity Agreement (the "SARA"). SARA is an agreement among member states, districts and territories of the United States of America that establishes comparable national standards for interstate offering of post-secondary distance education courses and programs. SARA is overseen by a national council (the "NC-SARA") and administered by four regional education compacts. Forty-nine states (all but California), the District of Columbia, Puerto Rico and the U.S. Virgin Islands have joined SARA. Each of our institutions holds the state or SARA authorizations required to operate and offer postsecondary education programs, and to recruit in the states in which it engages in recruiting activities. We

also have received approval from the Accrediting Commission of Career Schools and Colleges (â€œACCSCâ€) and the Council on Occupational Education (â€œCOEâ€) to offer blended format programs that utilize both distance and on-ground education. Additionally, we have received approvals from all required state education authorizing agencies to offer blended format programs. We continue to work to ensure that we comply with applicable distance education rules and standards. We also will closely monitor any new rulemakings that concern state authorization or distance education. State Licensing Boards Many educational programs leading to professional licensure in a regulated profession require approval from, and are subject to, ongoing oversight by state agencies or boards. For example, certain Concorde healthcare programs, such as the Vocational Nursing, Practical Nursing, Dental Assistant, Massage Therapy, Nursing Practice (RN) programs, require and have obtained state licensure. Such programs are required to meet the standards of the state licensure agency or board and must periodically renew their licenses by completing a comprehensive license renewal process. Institutional Accreditation Institutional accreditation is a non-governmental process through which an institution voluntarily submits to ongoing qualitative reviews by an organization of peer institutions. Institutional accreditation by an ED-recognized accreditor is required for an institution to be certified to participate in Title IV Programs. All of the UTI institutions and 14 of the Concorde institutions are accredited by the ACCSC. The remaining two Concorde institutions are accredited by the COE. Both ACCSC and COE are accrediting agencies recognized by ED. ACCSC and COE review the academic quality of each institutionâ€™s instructional programs, as well as the administrative and financial operations of the institution to ensure that it has the resources necessary to perform its educational mission, implement continuous improvement processes, and support F-42Table of Contents UNIVERSAL TECHNICAL INSTITUTE, INC. AND SUBSIDIARIESNOTES TO CONSOLIDATED FINANCIAL STATEMENTS (In thousands, except per share amounts)student success. Our institutions are subject to periodic review to confirm accreditation standards are met, and must submit annual reports, and at times, supplemental reports, to demonstrate ongoing compliance and improvement. ACCSC and COE require institutions to disclose certain institutional information to current and prospective students, as well as to the public, and require that our schools and programs meet various performance standards as a condition of continued accreditation. ACCSC and COE often revisit, revise, and expand their standards and policies. Institutions must periodically renew their accreditation by completing a comprehensive renewal of accreditation process. Programmatic Accreditation In addition to institutional accreditation, programmatic accreditation may be required for particular educational programs. Programmatic accreditors review specialized and professional programs in a range of fields and disciplines within an institution to ensure the public that an academic program has undergone a rigorous review process and been found to meet high standards for educational quality. Certain Concorde healthcare programs, including the Physical Therapist Assistant, Dental Hygiene, Neurodiagnostic Technology, Polysomnographic Technology, Respiratory Therapy, Surgical Technology, Radiologic Technology, Diagnostic Medical Sonography, Cardiovascular Sonography, Practical Nursing, Pharmacy Technician, and Occupational Therapy Assistant programs, have obtained programmatic accreditation. Such programs are required to meet the standards of their programmatic accreditor and must periodically renew their accreditation by completing a comprehensive programmatic accreditation renewal process. Title IV Programs The federal government provides a substantial part of its support for postsecondary education through Title IV Programs in the form of grants and loans to students who can use those funds at any institution that has been certified as eligible to participate by ED. All of our institutions are certified to participate in Title IV Programs. Significant factors relating to Title IV Programs that could adversely affect us include: the 90/10 Rule. As a condition of participation in Title IV Programs, proprietary institutions must agree when they sign their PPA to comply with the 90/10 rule. Under the 90/10 rule, to remain eligible to participate in the federal student aid programs, a proprietary institution must derive at least 10% of its revenue from sources other than â€œFederal education assistance funds.â€ â€œFederal education assistance fundsâ€ are defined as â€œfederal funds that are disbursed or delivered to or on behalf of a student to be used to attend such institution.â€ Administrative Capability. To continue its participation in Title IV Programs, an institution must demonstrate that it remains administratively capable of providing the education it promises and of properly managing its Title IV Programs. ED assesses the administrative capability of each institution that participates in Title IV Programs under a series of standards listed in the regulations, which cover a wide range of operational and administrative topics, including the designation of capable and qualified individuals, the quality and scope of written procedures, the adequacy of institutional communication and processes, the timely resolution of issues, the sufficiency of recordkeeping, the provision of adequate career services, and the frequency of findings of noncompliance. EDâ€™s administrative capability standards also include thresholds and expectations for federal student loan cohort default rates, satisfactory academic progress, clinical and externship opportunities, gainful employment programs, and loan counseling. Failure to satisfy any of the standards may lead ED to find the institution ineligible to participate in Title IV Programs, require the institution to repay Title IV Program funds, change the method of payment of Title IV Program funds, place the institution on provisional certification as a condition of its continued participation in Title IV Programs, or take other actions against the institution. Three-Year Student Loan Default Rates. An institution whose cohort default rate exceeds 30% in consecutive fiscal years may be subject to conditions and restrictions and will lose eligibility if the rate remains above 30% three years in a row. An institution also will lose eligibility if its rate exceeds 40% for any fiscal year. None of our institutions had a three-year cohort default rate of 30% or greater for 2021, 2020 and 2019, the three most recent FFYs with published rates. An institution whose three-year cohort default rate is 15% or greater for any one of the three preceding years is subject to a 30-day delay in receiving the first disbursement on federal student loans for first-time borrowers. None of our institutions had a three-year cohort default rate of 7% or greater for 2021, 2020, or 2019, which are the three most recent FFYs with published rates. F-43Table of Contents UNIVERSAL TECHNICAL INSTITUTE, INC. AND SUBSIDIARIESNOTES TO CONSOLIDATED FINANCIAL STATEMENTS (In thousands, except per share amounts) Financial Responsibility. All institutions participating in Title IV Programs also must satisfy specific ED standards of financial responsibility. Among other things, an institution must meet all of its financial obligations, including required refunds to students and any Title IV Program liabilities and debts, be current in its debt payments, comply with certain past performance requirements, and not receive an adverse, qualified, or disclaimed opinion by its accountants in its audited financial statements. Each year, ED also evaluates institutionsâ€™ financial responsibility by calculating a â€œcomposite score,â€ which measures an institutionâ€™s overall financial health. The composite score utilizes information provided in the institutionsâ€™ annual audited financial statements and is based on three ratios: (1) the equity ratio which measures the institutionâ€™s capital resources, ability to borrow and financial viability; (2) the primary reserve ratio which measures the institutionâ€™s ability to support current operations from expendable resources; and (3) the net income ratio which measures the institutionâ€™s ability to operate at a profit. Between composite score calculations, ED also will reevaluate the financial responsibility of an institution following the occurrence of certain â€œtriggering events,â€ which must be timely reported to the agency.â€ Borrower Defense to Repayment. Under the HEA and its implementing regulations, students may file a claim with ED to discharge their federal Direct Loans (or Direct Consolidated Loans) if, generally, their institution misled them or engaged in other misconduct related to the making of their federal loans or the provision of their educational services. This is referred to as a â€œborrower defense to repaymentâ€ or â€œBDRâ€ claim. On November 1, 2022, the Biden administration promulgated a revised version of the BDR rule, which took effect on July 1, 2023. On August 7, 2023, the U.S. Court of Appeals for the Fifth Circuit issued a nationwide preliminary injunction, enjoining the implementation of the borrower defense and closed school provisions of that rule. While this case is decided, the previous versions of the borrower defense and closed school provisions are in effect.â€ Substantial Misrepresentation. The regulatory definitions of â€œmisrepresentationâ€ and â€œsubstantial misrepresentationâ€ enforced by ED are exceptionally broad and do not require intent by the institution to misrepresent, or actual reliance by the person to whom the alleged misrepresentation was made. Therefore, it is possible that a statement made by an institution or one of its service providers or representatives could be construed by ED to constitute a substantial misrepresentation, even if the statement was made in error, without intent to misrepresent, and the person to whom it was made did not actually rely upon it.â€ Incentive Compensation. The â€œincentive compensationâ€ prohibition forbids institutions from providing any commission, bonus, or other incentive payment based in any part, directly or indirectly, on success in securing enrollments or the award of financial aid to any person or entity engaged in any student recruiting or admission activities or in making decisions regarding the awarding of Title IV Program funds. We believe our compensation practices for our admissions representatives comply with the current regulations and EDâ€™s guidance. We will continue to evaluate other compensation options under these regulations and guidance.â€ Title IV Program Rulemaking. ED is almost continuously engaged in one or more negotiated rulemakings, which is the process pursuant to which it revisits, revises, and expands the complex and voluminous Title IV Program regulations. We devote significant effort to understanding the effects of ED regulations and rulemakings on our business and to developing compliant solutions that also are congruent with our business, culture, and mission to serve our students and industry relationships. ED has recently undertaken, or proposed to undertake, rulemakings on the following topics: â— On October 28, 2022, ED published a final rule amending regulations governing Pell Grants for prison education programs, the 90/10 rule, and changes in ownership and control, effective July 1, 2023. On November 1, 2022, ED published a final rule governing borrower defense to repayment rule, closed school loan discharges, pre-dispute arbitration and class action waiver clauses, interest capitalization on Federal student loans, Public Student Loan Forgiveness, total and permanent disability discharges, and false certification discharges, also effective July 1, 2023. â— On October 10, 2023, ED published a final rule related to financial transparency and gainful employment, effective July 1, 2024. On October 31, 2023, ED published final rules relating to (1) financial responsibility, (2) administrative capability, (3) certification procedures; and (4) ability to benefit, effective July 1, 2024.â— ED established a Student Loan Relief Committee to consider revisions to sections of 34 C.F.R. Parts 30, 682 and 685 addressing provisions related to the modification, waiver, release or compromise of Federal student loans. The Student Loan Relief Committee completed four negotiating sessions in October, November and F-44Table of Contents UNIVERSAL TECHNICAL INSTITUTE, INC. AND SUBSIDIARIESNOTES TO CONSOLIDATED FINANCIAL STATEMENTS (In thousands, except per share amounts) December 2023 and February 2024. On April 17, 2024, ED issued a Notice of Proposed Rulemaking announcing proposed regulatory changes addressing the Secretaryâ€™s discretionary authority to waive loan repayment obligations. ED has collected comments on the proposed regulatory changes but has not yet issued final regulatory updates.â— ED established a Program Integrity and Institutional Quality Committee to consider proposed changes to regulations addressing (1) the Secretaryâ€™s recognition of accrediting agencies; (2) institutional eligibility, including State authorization; (3) distance education; (4) return of Title IV funds; (5) cash management; and (6) the Federal TRIO Programs. ED also announced a Federal TRIO Programs Subcommittee to include additional expertise and to make recommendations to the full committee on the subject. The full Committee met for three negotiating sessions in January, February and March 2024, and the Subcommittee met twice in January and February 2024. On July 24, 2024, ED issued a Notice of Proposed Rulemaking announcing proposed regulatory changes addressing (a) distance education; (b) return of Title IV funds; and (c) the Federal TRIO Programs. ED has collected comments on the proposed regulatory changes but has not yet issued final regulatory updates. ED also has not yet announced any proposed regulatory changes addressing (x) the Secretaryâ€™s recognition of accrediting agencies; (y) institutional eligibility, including State authorization; and (z) cash management.â€ Non-Discrimination Rulemakings. On April 29, 2024, ED published a final rule amending the regulations implementing Title IX of the Education Amendments of 1972, effective August 1, 2024. This rule represents a significant revision of the Title IX rules. As of September 30, 2024, pursuant to various Federal court orders, ED was enjoined from enforcing the 2024 Title IX rule in 26 states, including Florida, Missouri, Mississippi, Tennessee, and Texas, and at a list of institutions identified by a federal district court in Kansas, including Universal Technical Institute of Arizona Inc. ED also has indicated that it will be proposing a rule to amend regulations related to nondiscrimination on the basis of disability. Other Benefit or Aid Programs The Department of Veterans Affairs (â€œVAâ€), the Department of Defense, the Department of Labor, the Department of Education (through non-Title IV programs), and certain states provide support to postsecondary students through programs, grants, benefits, loans, or scholarships. All of our institutions that engage in such programs must comply with the eligibility and participation requirements applicable to each of these funding programs, which vary by funding agency and program. In 2024, we derived approximately 11% of our revenues, on a cash basis, from veteransâ€™ benefits programs, which include the Post-9/11 GI Bill, the Montgomery GI Bill, the Reserve Education Assistance Program (â€œREAPâ€) and VA Vocational Rehabilitation. To continue participation in veteransâ€™ benefits programs, an institution must comply with certain requirements established by the VA. Additionally, some states provide financial aid to our students in the form of grants, loans or scholarships. For example, the UTI campuses in Long Beach, Rancho Cucamonga and Sacramento, California, as well as the Concorde campuses in Garden Grove, North Hollywood, San Bernardino and San Diego, California, for example, are currently eligible to participate in the Cal Grant program. All of our institutions must comply with the eligibility and participation requirements applicable to each of these funding programs, which vary by funding agency and program. Consumer Protections Laws and Regulations As a postsecondary educational institution, we are subject to a broad range of consumer protection and other laws, such as those that relate to recruiting, marketing, the protection of personal information, student financing and payment servicing. Such laws and regulations are enforced by federal agencies, including the Federal Trade Commission (â€œFTCâ€) and the Consumer Financial Protection Bureau (â€œCFPBâ€) and by various state agencies and state attorneys general. We received a January 18, 2022 letter from the CFPB explaining that it was assessing whether UTI â€œis subject to the CFPBâ€™s supervisory authority based on its activities related to student lending.â€ The CFPBâ€™s letter then requested certain information about extensions of credit to UTI students; generally explained the source and scope of the CFPBâ€™s regulatory authority; and advised that, after it reviewed the requested materials, the CFPB â€œanticipates providing guidance regarding whether UTI is F-45Table of Contents UNIVERSAL TECHNICAL INSTITUTE, INC. AND SUBSIDIARIESNOTES TO CONSOLIDATED FINANCIAL STATEMENTS (In thousands, except per share amounts) subject to CFPBâ€™s supervisory authority.â€ We have provided the requested information and are awaiting further guidance, if any, from the CFPB. Both UTI and Concorde, along with 68 other proprietary institutions, received an October 6, 2021 letter from the FTC providing notice that engaging in deceptive or unfair conduct in the education marketplace violates consumer protection laws and could lead to significant civil penalties. The notice stated that an institutionâ€™s receipt of the letter â€œdoes not reflect any assessment as to whether they have engaged in deceptive or unfair conduct,â€ and the FTC did not request any information. We devote significant effort to complying with state and federal consumer protection laws and regulations. Note 24 - Higher Education Emergency Relief Fund During fiscal 2020 and 2021, various pieces of legislation were issued related to the COVID-19 pandemic, including the Coronavirus Aid, Relief, and Economic Security Act (â€œCARES Actâ€), the Coronavirus Response and Relief Supplemental Appropriations Act 2021 (â€œCRRSAAâ€) and the American Rescue Plan Act (â€œARPAâ€). In 2020, the CARES Act established the Higher Education Emergency Relief Fund (â€œHEERFâ€) I, and in 2021 the CRRSAA established HEERF II and the ARPA established HEERF III, all of which included relief funds to be distributed directly to institutions of higher education. The original HEERF I grants required that 50% be used to provide students with emergency financial aid grants to help cover expenses related to the disruption of campus operations due to COVID-19 with the remaining 50% to be used to cover any costs associated with significant changes to the delivery of instruction due to COVID-19 as institutional funds. HEERF II and HEERF III grants were only to be used to provide financial aid grants to students for proprietary institutions. During the year ended September 30, 2022, UTI awarded approximately \$7.0 million, in HEERF II and HEERF III grants to over 15,500 students. The HEERF II and HEERF III funds were drawn down as student grants were distributed. F-46DocumentExhibit 4.5UNIVERSAL TECHNICAL INSTITUTE, INC.DESCRIPTION OF THE REGISTRANTâ€™S SECURITIES REGISTERED PURSUANT TO SECTION 12 OF THE SECURITIES EXCHANGE ACT OF 1934 The following description of the registered securities of Universal Technical Institute, Inc. is intended as a summary only and therefore is not a complete description. It is subject to and qualified in its entirety by reference to our Fifth Amended and Restated Certificate of Incorporation (our â€œRestated Certificate of Incorporationâ€), Fourth Amended and Restated Bylaws (our â€œBylawsâ€), and Certificate of Designation, Preferences and Rights of Series E Junior Participating Preferred Stock (the â€œSeries E Certificate of Designationsâ€), each of which are incorporated by reference as an exhibit to the Annual Report on Form 10-K of which this Exhibit 4.5 is a part. We encourage you to read our Restated Certificate of Incorporation, Bylaws, Series E Certificate of Designations and the applicable provisions of the General Corporation Law of the State of Delaware (the â€œDGCLâ€), for additional information. As used in this Exhibit 4.5, the terms â€œCompany,â€ â€œâ€œwe,â€ â€œour,â€ and â€œusâ€ refer to Universal Technical Institute, Inc. General Our authorized capital stock consists of 100,000,000 shares of common stock, par value \$0.0001 per share, and 10,000,000 shares of preferred stock, par value \$0.0001 per share, of which 100,000 are designated as Series E Junior Participating Preferred Stock (the â€œSeries E Sharesâ€). Our common stock is registered under Section 12(b) of the Securities Exchange Act of 1934, as amended (the â€œExchange Actâ€). The Series E Shares are not registered under the Exchange Act. As of December 3, 2024, there were 54,026,995 shares of our common stock, no Series A Shares and no Series E Shares outstanding. Common Stock Voting Rights Each share of common stock entitles its holder to one vote. Shares of common stock vote as a single class on all matters on which stockholders are entitled to vote, except as otherwise provided in our Restated Certificate of Incorporation or as required by law. Generally, all matters to be voted on by stockholders, other than the election of directors, must be approved by a majority of the shares of our issued and outstanding capital stock on an as-converted basis present in person or represented by proxy and entitled to vote on the subject matter, voting as a single class. Subject to the rights of the holders of any series of preferred stock

to elect directors under certain circumstances, directors shall be elected if the votes cast for a nominee exceed the votes cast against such nominee, provided, however, that in a Contested Election (as defined in the Bylaws), directors shall be elected by a plurality of the voting power present in person or represented by proxy and entitled to vote generally in the election of directors. Dividends Each share of common stock entitles its holder to receive dividends and other distributions in cash, stock or property when, as and if declared by our board of directors (our "Board"), subject to any preferential rights of any outstanding shares of preferred stock and other provisions in our Restated Certificate of Incorporation. Other Rights Upon liquidation, dissolution or winding up, after payment in full of the amounts required to be paid to creditors and holders of preferred stock, if any, all holders of common stock are entitled to receive a pro rata amount of any distribution of the remaining assets. No shares of common stock are subject to redemption or conversion nor have preemptive rights to purchase additional shares of our common stock or other. There are no sinking fund provisions applicable to our common stock. Preferred Stock Our Board has the authority, without any action on the part of our stockholders, to designate and issue preferred stock in one or more series and to designate the rights, powers, preferences and privileges of each series and any qualifications, limitations or restrictions thereof, which may be greater or less than the rights applicable to our common stock. Undesignated Preferred Stock It is not possible to state the actual effect of the issuance of any shares of preferred stock upon the rights of holders of common stock until our Board determines the specific rights of the holders of preferred stock. However, the effects might include, among other things: (a) restricting dividends on common stock; (b) diluting the voting power of common stock; (c) impairing the liquidation rights of common stock; or (d) delaying or preventing our change of control without further action by our stockholders. Our Board is authorized to determine the terms with respect to the series of preferred stock being offered, which may include (without limitation) the following: (i) whether dividends on that series of preferred stock will be cumulative or noncumulative; (ii) the dividend rate or method for determining the rate; (iii) the liquidation preference per share of that series of preferred stock, if any; (iv) the conversion provisions applicable to that series of preferred stock, if any; (v) any redemption or sinking fund provisions applicable to that series of preferred stock; (vi) the voting rights of that series of preferred stock, if any; or (vii) the terms of any other powers, preferences or rights, if any, and the qualifications, limitations or restrictions thereof, applicable to that series of preferred stock. Series A Preferred Stock On June 29, 2016, our Board declared a dividend of one preferred stock purchase right (a "Right") for each outstanding share of our common stock. The dividend was payable to holders of record as of the close of business on July 11, 2016. The specific terms of the Rights are contained in the Rights Agreement, dated as of June 29, 2016 (as amended, the "Rights Agreement"), by and between the Company and Computershare Inc., as rights agent. Our Board authorized the adoption of the Rights Agreement to protect against any potential future use of coercive or abusive takeover techniques and to help ensure that our stockholders are not deprived of the opportunity to realize the full and fair value of their investment. In general terms, and subject to certain exceptions, the Rights Agreement restricted any person or group from acquiring beneficial ownership of 15% or more of our outstanding common stock, or, in the case of any person or group that owns 15% or more of our outstanding common stock on the date of announcement of our entry into the Rights Agreement, an additional 0.25% of the shares of common stock. The Rights Agreement expired on February 21, 2017, pursuant to the terms of that certain Amendment to Rights Agreement dated February 21, 2017, by and between the Company and Computershare Inc., as rights agent. In connection with our entry into the Rights Agreement, we filed the Series E Certificate of Designations with the office of the Secretary of State of the State of Delaware, which sets forth the rights and preferences of the Series E Shares. The Series E Certificate of Designations initially designated 100,000 Series E Shares. Our Board may authorize and issue additional Series E Shares, from time to time, without obtaining consent of the holders of Series E Shares. The description below provides a summary of certain material terms of the Series E Shares set forth in the Series E Certificate of Designations. Rank The Series E Shares, with respect to dividend rights and rights upon liquidation, winding up or dissolution, ranks senior to our common stock, subject to the prior and superior rights of any series of preferred stock. The Series E Shares rank junior to all other series of preferred stock as to the payment of dividends and the distribution of assets, unless the terms of any such series shall provide otherwise. Dividends We may pay quarterly dividends payable in cash on the last day of March, June, September and December in each year (each such date being referred to herein as a "Quarterly Dividend Payment Date"), commencing on the first Quarterly Dividend Payment Date after the first issuance of a share or fraction of a Series E Share, in an amount per share (rounded to the nearest cent) equal to the greater of (a) \$1.00 or (b) subject to the provision for adjustment as provided in the Series E Certificate of Designations, one thousand (1,000) times the aggregate per share amount of all cash dividends, and one thousand (1,000) times the aggregate per share amount (payable in-kind) of all non-cash dividends or other distributions other than a dividend payable in shares of common stock or a subdivision of the outstanding shares of common stock (by reclassification or otherwise), declared on the common stock since the immediately preceding Quarterly Dividend Payment Date, or, with respect to the first Quarterly Dividend Payment Date, since the first issuance of any share or fraction of a Series E Share. The Series E Certificate of Designations provides that, at any time after June 29, 2016 (the "Rights Dividend Declaration Date"), in the event we (i) declare any dividend on our common stock payable in shares of common stock, (ii) subdivide the outstanding common stock, or (iii) combine the outstanding common stock into a smaller number of shares, then in each such case the amount to which holders of Series E Shares were entitled immediately prior to such event under clause (ii) of the preceding sentence shall be adjusted by multiplying such amount by a fraction the numerator of which is the number of shares of common stock outstanding immediately after such event and the denominator of which is the number of shares of common stock that were outstanding immediately prior to such event. As long as dividends or distributions payable to the Series E Shares are in arrears, we are restricted from declaring or paying dividends on, making any other distributions on, or redeeming or purchasing or otherwise acquiring for consideration any shares of stock ranking junior (either as to dividends or upon liquidation, dissolution or winding up) to the Series E Shares. Voting The Series E Shares are not redeemable. Each Series E Share shall entitle the holder to 1,000 votes on all matters submitted to a vote of our stockholders. Except as otherwise provided in the Series E Certificate of Designations or by law, the holders of Series E Shares and the holders of shares of common stock are entitled to vote together as one class on all matters submitted to a vote of our stockholders. Anti-Takeover Effects of our Restated Certificate of Incorporation, Bylaws, Series E Certificate of Designations and the DGCL Some provisions of the DGCL, our Restated Certificate of Incorporation, Bylaws, and Series E Certificate of Designations could make the following more difficult: (a) acquisition of us by means of a tender offer or merger; (b) acquisition of us by means of a proxy contest or otherwise; or (c) removal of our incumbent officers and directors. These provisions, summarized below, are expected to discourage coercive takeover practices and inadequate takeover bids. These provisions also are designed to encourage persons seeking to acquire control of us to first negotiate with our Board. We believe that the benefits of the potential ability to negotiate with the proponent of an unfriendly or unsolicited proposal to acquire or restructure our company outweigh the disadvantages of discouraging those proposals because negotiation of them could result in an improvement of their terms. Classified Board Our Restated Certificate of Incorporation provides that our Board will be divided into three classes. The term of each class of directors expires at the end of the third annual meeting of stockholders following the annual meeting at which such director was elected. This system of electing and removing directors may initially discourage a third party from making a tender offer or otherwise attempting to obtain control of us because it generally makes it more difficult for stockholders to replace a majority of our directors. Size of Board and Vacancies Our Bylaws provide that the number of directors on our Board will be fixed or changed by resolution of a majority of our Board. Except as otherwise provided by a certificate of designations, newly created directorships resulting from any increase in our authorized number of directors or any vacancies in our Board resulting from death, resignation, removal from office or other cause will be filled solely by the majority vote of our remaining directors in office. No Stockholder Action by Written Consent Our Restated Certificate of Incorporation provides that subject to the rights of holders of preferred stock to act by written consent, any stockholder action may be effected only at a duly called annual or special meeting of stockholders and may not be effected by a written consent or consents by stockholders in lieu of such a meeting. Amendment of Our Restated Certificate of Incorporation Our Restated Certificate of Incorporation provides except as otherwise required by law and notwithstanding any other provision in the Restated Certificate of Incorporation, the affirmative vote of the holders of at least 66-2/3% of the total voting power of all outstanding shares of capital stock entitled to vote thereon, voting together as a single class, is required to amend, alter, change or repeal, or adopt any provision inconsistent with, Article V, Article VI, Article VII, Article VIII and Article X. Stockholder Meetings Our Restated Certificate of Incorporation and Bylaws provide that except as otherwise required by law and subject to the rights of holders of preferred stock, if any, a special meeting of our stockholders may be called only by the chairman of our Board, our Board pursuant to a resolution adopted by a majority of the total number of directors, whether or not there exist any vacancies or unfilled seats in previously authorized directorships, or a committee that is duly designated by our Board and shall be called by our Secretary by written request. No business other than that stated in the notice of a special meeting of stockholders may be transacted at such special meeting. Requirements for Advance Notification of Stockholder Nominations and Proposals Our Bylaws establish advance notice procedures with respect to stockholder proposals and nomination of candidates for election as directors other than nominations made by or at the direction of our Board or a committee of our Board. In general, and subject to the universal proxy rules, for nominations or other business to be properly brought before an annual meeting by a stockholder, the stockholder must give notice in writing to our Secretary 90 to 120 days before the first anniversary of the preceding year's annual meeting, or if no annual meeting was held in the preceding year, or if the date of the annual meeting is more than 30 days before or after the anniversary, such notice must be delivered, by the later of the 10th day after the annual meeting is announced or 90 days prior to the date of such meeting, and the business must be a proper matter for stockholder action. Among other things the stockholder's notice must include for each proposed nominee and business, as applicable, (i) all required information under the Exchange Act, (ii) the proposed nominee's written consent to serve as a director if elected, (iii) a brief description of the proposed business, (iv) the reasons for conducting the business at the meeting, (v) the stockholder's material interest in the business, (vi) the stockholder's name and address and (vii) the class and number of our shares which the stockholder owns. In general, only such business may be conducted at a special meeting of stockholders as brought before the meeting pursuant to our notice of meeting. At a special meeting of stockholders which directors are to be elected pursuant to our notice of meeting, a stockholder who is a stockholder of record at the time of giving notice and on the record date for the meeting, who is entitled to vote at the meeting and who complies with the notice procedures, may nominate proposed nominees. In the event we call a special meeting of stockholders to elect one or more directors, a stockholder may nominate a person or persons if the stockholder's notice is delivered to our Secretary not earlier than 120 days before the meeting nor later than the later of 90 days prior to the meeting and the 10th day after the meeting is announced. Only such persons who are nominated in accordance with the procedures set forth in our Bylaws may be eligible to serve as directors and only such business may be conducted at a meeting of stockholders as brought before the meeting in accordance with the procedures set forth in our Bylaws. Except as otherwise required by our governing documents, the chairman of the meeting has the power and duty to determine whether a nomination or any business proposed to be brought before the meeting was made or proposed in accordance with the procedures set forth in our Bylaws and, if any proposed nomination or business is not in compliance with our Bylaws, to declare that such defective proposal or nomination shall be disregarded. Delaware Anti-Takeover Law Our Restated Certificate of Incorporation subjects us to Section 203 of the DGCL. In general, Section 203 of the DGCL prohibits a publicly held Delaware corporation from engaging in a business combination with an interested stockholder for a period of three years following the date the person became an interested stockholder, unless the business combination or the transaction in which the person became an interested stockholder is approved in a prescribed manner. Generally, an "interested stockholder" includes a merger, asset or stock sale, or other transaction resulting in a financial benefit to the interested stockholder. Generally, an "interested stockholder" is a person that together with affiliates and associates, owns or within three years prior to the determination of interested stockholder status, did own, 15% or more of a corporation's voting stock. This may have an anti-takeover effect with respect to transactions not approved in advance by our Board, including discouraging attempts that might result in a premium over the market price for the shares of our capital stock. No Cumulative Voting Our Restated Certificate of Incorporation and Bylaws do not provide for cumulative voting in director elections. Issuance of Series E Preferred Stock Our Board may issue Series E Shares to protect against any potential future use of coercive or abusive takeover techniques. The Series E Shares, with respect to dividend rights and rights upon liquidation, winding up or dissolution, rank senior to our common stock, subject to the prior and superior rights of any series of preferred stock. Each Series E Share shall entitle the holder to 1,000 votes on all matters submitted to a vote of our stockholders. Except as otherwise provided in the Series E Certificate of Designations or by law, the holders of Series E Shares and the holders of shares of common stock are entitled to vote together as one class on all matters submitted to a vote of our stockholders. Our ability to issue Series E Shares may discourage hostile takeovers. **5. Third Amendment to Credit Agreement** This THIRD AMENDMENT TO CREDIT AGREEMENT (this "Amendment") is entered into as of September 26, 2024, by and among, **UNIVERSAL TECHNICAL INSTITUTE, INC.**, a Delaware corporation ("Borrower"), the undersigned Loan Parties, and **FIFTH THIRD BANK, NATIONAL ASSOCIATION**, a federally chartered institution ("Lender"). RECITALS The Borrower and the Lender entered into that certain Credit Agreement, dated as of November 18, 2022 (as amended or otherwise modified from time to time prior to the Third Amendment Effective Date, the "Credit Agreement"). The Borrower has requested, and the Lender has agreed, to amend the Credit Agreement as more fully set forth herein and subject to the terms and conditions set forth herein. AGREEMENTS To induce the Lender to enter into this Amendment, and in consideration of the premises and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto agree as follows: 1. Recitals. The above Recitals are acknowledged by the parties as true and correct and are incorporated in this paragraph by reference. 2. Defined Terms. All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Credit Agreement. 3. Amendment to Credit Agreement. Subject to the terms and conditions herein, the Credit Agreement is hereby amended in its entirety to read in the form attached hereto as Exhibit A (inclusive of any updated schedules and exhibits appended thereto). 4. Conditions. This Amendment shall become effective as of the date on which all of the conditions set forth in this Section 4 have been satisfied (the "Third Amendment Effective Date"): (a) Lender shall have received such documents, instruments, agreements, certificates and legal opinions as Lender shall require in connection with the transactions contemplated thereby, each in form and substance reasonably satisfactory to Lender. (b) Borrower shall have paid the Fees required to be paid on the Third Amendment Effective Date pursuant to that certain Fee Letter dated as of even date herewith between Lender and Borrower, and Borrower shall have reimbursed Lender for all Fees, costs and expenses of closing (including fees and expenses of counsel). (c) Lender shall have received, at least five (5) Business Days prior to the Third Amendment Effective Date, (i) documentation and other information reasonably requested by Lender in order to comply with applicable law, including the USA PATRIOT Act, and (ii) to the extent Borrower qualifies as a "legal entity customer" under the Beneficial Ownership Regulation, a Beneficial Ownership Certification with respect to Borrower. (d) Lender shall have received copies of insurance policies, declaration pages, certificates and endorsements as it requires evidencing liability, casualty, property and other insurance meeting the requirements set forth herein or in the Collateral Documents or as required by the Lender, including naming the Lender and its successors and assigns as additional insured (in the case of liability insurance) or lender's loss payable (in the case of property insurance). A **13724448v3** (e) The Lender shall have received counterparts of this Amendment duly executed by the Borrower, Loan Parties and the Lender. 5. Representations. The Loan Parties hereby represents and warrants to the Lender that as of the date of this Amendment: (a) Each of the Loan Parties has the power and authority to enter into this Amendment and to perform all of its obligations hereunder. (b) This Amendment has duly authorized by proper corporate and/or other organizational proceedings, executed, and delivered by each Loan Party, constitutes valid and binding obligations of the each Loan Party enforceable against it in accordance with the terms hereunder, except as enforceability may be limited by debtor relief laws and general principles of equity (regardless of whether the application of such principles is considered in a proceeding in equity or at law). (c) The execution, delivery and performance of this Amendment does not (i) contravene or violate any applicable provision of the bylaws of the any Loan Party, (ii) contravene or violate any applicable Law binding upon the Loan Parties in any material respect, (iii) violate or constitute a default under any covenant, indenture or agreement of or affecting any Loan Party or any of their respective property, in each case where such violation, contravention or default, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect or (iv) result in the creation or imposition of any Lien on any property of a Loan Party other than Liens permitted under the Credit Agreement or the Liens granted in favor of the Lender pursuant to the Loan Documents. (d) No authorization, consent, license or exemption from, or filing or registration with, any Governmental Authority, nor any approval or consent of any other Person, is or will be necessary to the valid execution, delivery or performance by any Loan Party of this Amendment, except for such approvals, authorizations, consents, licenses or exemptions from, or filings or registrations which have been obtained prior to the date of this Amendment and remain in full force and effect. (e) Each of the representations and warranties set forth in the Credit Agreement and in the other Loan Documents, are true and correct (or, in the case of any representation or warranty not qualified as to materiality, true and correct in all material respects) as of the First Amendment Effective Date, except to the extent the same expressly relate to an earlier date (and in such case were true and correct (or, in the case of any representation or warranty not qualified as to

materiality, true and correct in all material respects) as of such earlier date). (f) No Default or Event of Default has occurred and is continuing or would occur after giving effect to this Amendment and the transactions contemplated hereby. 6. Counterparts. This Amendment may be signed in counterparts, which together shall constitute the agreement of the parties when each party has signed a counterpart. This Amendment may be signed by facsimile signatures or other electronic delivery of an image file reflecting the execution hereof. 7. Successors and Assigns. This Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. 8. Severability. Any provision of this Amendment which is unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such unenforceability without invalidating the remaining provisions hereof or affecting the validity or enforceability of such provision in any other jurisdiction. 9. Governing Law; Submission to Jurisdiction and Waiver of Jury Trial. The terms of Sections 11.11, 11.12 and 11.18 of the Credit Agreement with respect to submission to jurisdiction, waiver of jury trial, and judicial reference procedures, are incorporated herein by reference, mutatis mutandis, and the parties hereto agree to such terms. A 13724448v3 10. Effect of Amendment. Except as expressly set forth herein, (a) this Amendment shall not by implication or otherwise limit, impair, constitute a waiver of or otherwise affect the rights and remedies of the Lender under the Credit Agreement or any other Loan Document, and (b) shall not alter, modify, amend or in any way affect any of the terms, conditions, obligations, covenants or agreements contained in the Credit Agreement or any other provision of either such agreement or any other Loan Document. Except as expressly set forth herein, each and every term, condition, obligation, covenant and agreement contained in the Credit Agreement or any other Loan Document is hereby ratified and re-affirmed in all respects and shall continue in full force and effect. The Loan Parties reaffirm their respective obligations under the Loan Documents to which they are a party and the validity of the Liens granted by it pursuant to the Guaranty and Security Agreement. The Loan Parties hereby consent to this Amendment and confirm that all obligations of the Loan Parties under the Loan Documents shall continue in full force and effect. [SIGNATURE PAGES FOLLOW] A A A A A A 13724448v3 EXHIBIT A Composite Credit Agreement A AS AMENDED BY THIRD AMENDMENT TO CREDIT AGREEMENT, DATED AS OF September 26, 2024 13724450v7 CREDIT AGREEMENT DATED AS OF NOVEMBER 18, 2022 AMONG UNIVERSAL TECHNICAL INSTITUTE, INC., as Borrower, THE OTHER LOAN PARTIES SIGNATORY HERETO, as Loan Parties AND FIFTH THIRD BANK, NATIONAL ASSOCIATION, as Lender A i 13724450v7 TABLE OF CONTENTS Page 1.

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RECITALS WHEREAS, Borrower desires that Lender extend a revolving credit facility to Borrower to provide funds necessary for the purpose of providing (a) working capital financing for Borrower, (b) funds for other general corporate purposes of Borrower, (c) funds for all or part of the Concorde Acquisition, and (d) funds for other purposes permitted hereunder; and WHEREAS, Borrower and each Loan Party desires to secure all of the Obligations by granting to Lender a first-priority perfected Lien upon substantially all of its personal property, including, without limitation, all outstanding Stock of each Subsidiary, pursuant to the terms of the Loan Documents; NOW, THEREFORE, in consideration of the premises and the mutual covenants hereinafter contained, and for other good and valuable consideration, the parties hereto agree as follows: 1. **DEFINITIONS** 1.1. Certain Defined Terms. For purposes of the Loan Documents, capitalized terms shall have the meanings as defined in this Agreement (including, as applicable, each Annex to this Agreement and Appendix I to this Agreement). 1.2. Accounting Terms and Determinations. Unless otherwise specified herein, all accounting terms used herein shall be interpreted, all accounting determinations hereunder (including determinations made pursuant to the exhibits hereto) shall be made, and all Financial Statements required to be delivered hereunder shall be prepared on a consolidated basis in accordance with GAAP applied on a basis consistent with the most recent audited consolidated Financial Statements of the Loan Parties and their Subsidiaries delivered to Lender on or prior to the Closing Date. If at any time any change in GAAP would, in either case, affect the computation of any financial ratio or financial requirement set forth in any Loan Document, and either Borrower or Lender shall so request, Lender and Borrower shall negotiate in good faith to amend such ratio or requirement to preserve the original intent thereof in light of such change in GAAP (subject to the final approval of Lender); provided, that until so amended, (a) such ratio or requirement shall continue to be computed in accordance with GAAP prior to such change therein and (b) the Loan Parties shall provide to Lender Financial Statements and other documents required under this Agreement which include a reconciliation between calculations of such ratio or requirement made before and after giving effect to such change in GAAP; provided, further, that (i) any election under Accounting Standards Codification 825-10-25 (previously referred to as Statement of Financial Accounting Standards 159) (or any other Accounting Standards Codification or Financial Accounting Standard having a similar result or effect) to value any Indebtedness or other liabilities of any Loan Party at fair value, as defined therein, shall be disregarded for the purposes A 2 13724450v7 of computing any financial ratios and requirements herein and (ii) the effect of any changes to GAAP that would require leases which are, or would have been, classified as operating leases under GAAP as it exists on the Closing Date to be classified and accounted for as capital leases under the revised GAAP (including by reason of adoption of FASB Accounting Standards Update 2016-02) shall be disregarded for the purposes of computing any financial ratios and requirements herein. Notwithstanding anything to the contrary in this Agreement or any other Loan Document, the Loan Parties shall not, without the prior written consent of Lender, cause or permit any change in application of GAAP, or any method of GAAP utilized, by the Loan Parties in their Financial Statements after the Closing Date. 1.3. Other Definitional Provisions and References. References in this Agreement to Sections, Annexes, Exhibits, Appendices or Schedules of or to this Agreement unless otherwise specifically provided. Any term defined herein may be used in the singular or plural. A includes, A includes and A including shall be deemed to be followed by A without limitation. A Except as otherwise specified or limited herein, references to any Person include the successors and assigns of such Person. The references A from A or A through A any date mean, unless otherwise specified, A from and including A or A through and including, A respectively. References in any Loan Document to the knowledge (or an analogous phrase) of any Loan Party are intended to signify that such Loan Party has actual knowledge or awareness of a particular fact or circumstance after due inquiry. Unless otherwise specified herein, the settlement of all payments and fundings hereunder between or among parties hereto shall be made in lawful money of the United States and in immediately available funds. Time is of the essence in Borrower's and each other Loan Party's performance under this Agreement and all other Loan Documents. All amounts used for purposes of financial calculations required to be made herein shall be without duplication. Except as otherwise specified or limited herein, references to any statute or act shall include all related regulations, rules and orders and all amendments and supplements and any successor or replacement statutes, acts and regulations. References to any statute or act, without additional reference, shall be deemed to refer to federal statutes and acts of the United States. References to any agreement, instrument or document (including the Loan Documents and any Organizational Document) shall include all schedules, exhibits, annexes, appendices and other attachments thereto and shall be construed as referring to such agreement, instrument or document as from time to time amended, amended and restated, modified, extended, restated, replaced or supplemented (subject to any restrictions on such amendments, amendments and restatements, modifications, extensions, restatements, replacements and supplements set forth herein or in any other Loan Document). 2. **ADVANCES AND LETTERS OF CREDIT** 2.1. Revolving Credit Advances and Borrowings. (a) Subject to the terms and conditions hereof, Lender agrees to make available to Borrower from time to time until the Commitment Termination Date advances pursuant to its Revolving Loan Commitment (each, a "Revolving Credit Advance"); provided, that the aggregate principal amount of such Revolving Credit Advances will not result in the Revolving Exposure exceeding the Revolving Loan Commitment. Until the Commitment Termination Date, Borrower may from time to time borrow, repay and reborrow under this Section 2.1(a). A 3 13724450v7 (i) Borrower shall deliver to Lender a Notice of Borrowing with respect to each proposed borrowing of a Revolving Credit Advance (other than Revolving Credit Advances made pursuant to clause (ii) of this Section 2.1(a)), such Notice of Borrowing to be delivered no later than: (A) 11:00 a.m. (Pacific Standard Time) (or such later time acceptable to Lender in its sole discretion) on the day of such proposed borrowing, in the case of Revolving Credit Advances in an

aggregate principal amount equal to or less than \$250,000, and (B) the day that is two Business Days prior to such proposed borrowing, in the case of Revolving Credit Advances in an aggregate principal amount greater than \$250,000. Once given, a Notice of Borrowing shall be irrevocable and Borrower shall be bound thereby. (ii) Borrower hereby authorizes Lender to make Revolving Credit Advances based on telephonic or electronic notices made by any Person which Lender, in good faith, believes to be acting on behalf of Borrower, in accordance with procedures established by or otherwise acceptable to Lender from time to time in its sole discretion (including Lender's confirmation of such notices). All Revolving Credit Advances will be advanced to the primary operating account of Borrower, unless Borrower otherwise instructs Lender in writing. (b) The making of each Advance by Lender will be deemed to be a representation by Borrower that the Advance will not violate the terms of Section 2.1(a). Lender shall have no duty to follow, or any liability for, the application by Borrower of any proceeds of any Advance. (c) Any Revolving Credit Advance constituting the Initial Draw shall be advanced to an account of Borrower's at Fifth Third or its Affiliates and held until satisfaction of all conditions precedent to the Concorde Acquisition having been met. 2.2. Prepayments/Commitment Termination. (a) Termination of Revolving Loan Commitment. (i) Borrower may at any time on at least 10 days' prior written notice to Lender terminate the Revolving Loan Commitment; provided that, upon such termination, all Advances and other Obligations shall be immediately due and payable in full and all Letter of Credit Obligations shall be cash collateralized or otherwise satisfied in accordance with Annex A. Any voluntary termination of the Revolving Loan Commitment must be accompanied by payment of any Tranche Rate funding breakage costs in accordance with Section 2.5(e). Upon any such termination of the Revolving Loan Commitment, Borrower's right to request Revolving Credit Advances, or request that Letter of Credit Obligations be incurred on its behalf, shall simultaneously be permanently terminated. (ii) All of the Obligations shall, if not sooner paid or required to be paid pursuant to this Agreement or any other Loan Document, be due and payable in full on the Commitment Termination Date. (b) Mandatory Prepayments. A 4 13724450v7 (i) Subject to Section 2.1(b), if at any time the outstanding balance of the aggregate Revolving Exposure exceeds the Revolving Loan Commitment (any and all such excess Revolving Exposure is herein referred to, collectively, as an "Overadvance"). Borrower shall promptly, and in any event within two (2) Business Days, repay the aggregate outstanding Revolving Credit Advances to the extent required to eliminate such Overadvance. If any such Overadvance remains after repayment in full of the aggregate outstanding Revolving Credit Advances, Borrower shall provide cash collateral for the Letter of Credit Obligations in the manner set forth in Annex A to the extent required to eliminate such Overadvance. Any such prepayment shall be applied in accordance with Section 2.2(c). (ii) Subject to Section 2.2(c), within 2 Business Days after receipt by any Loan Party or Subsidiary of cash proceeds (including insurance proceeds and proceeds from casualty losses or condemnations) of any voluntary or involuntary sale or disposition of, or any casualty or condemnation event with respect to, any property or assets of any Loan Party or Subsidiary (determined exclusive of any proceeds of sales and other dispositions permitted by Sections 5.1(a) and (c) solely for purposes of this Section 2.2(b)(ii)), Borrower shall notify Lender of such Loan Party's receipt of such cash proceeds and shall prepay the Advances (and cash collateralize Letter of Credit Obligations) in an amount equal to all such cash proceeds, net of (A) commissions and other reasonable and customary transaction costs, fees and expenses properly attributable to such transaction and payable by Borrower in connection therewith (in each case, paid to non-Affiliates), (B) transfer taxes, (C) amounts payable to holders of Liens that are senior to the Liens of Lender created under the Loan Documents on such assets (to the extent such Liens constitute Permitted Encumbrances hereunder), and (D) an appropriate reserve for income taxes in accordance with GAAP in connection therewith (it being understood that to the extent any such reserve is reversed or abandoned, the amount so reversed or abandoned shall constitute cash proceeds payable pursuant to this Section). Any such prepayment shall be applied in accordance with Section 2.2(c); provided, that so long as (1) no Default or Event of Default shall have occurred and is continuing or would result therefrom, (2) Borrower shall have given Lender prior written notice of Borrower's intention to apply such monies to the costs of replacement of the properties or assets that are the subject of such sale or disposition or the cost of purchase or construction of other assets useful in the business of such Loan Party or, in the case of proceeds from casualty losses or condemnation, to the cost of repair and restoration of the affected assets, (3) the monies are held in a Deposit Account in which Lender has a perfected first-priority security interest, and (4) such Loan Party completes such replacement, purchase, or construction within one (1) year after the initial receipt of such monies, then the Loan Party whose assets were the subject of such disposition shall have the option to apply such monies to the costs of replacement of such assets or the costs of purchase or construction of other assets useful in the business of such Loan Party or, in the case of proceeds from casualty losses or condemnation, to the cost of repair and restoration of the affected assets, unless and to the extent that such applicable period shall have expired without such replacement, purchase, or construction being made or completed, in which case, such net cash proceeds not so applied shall be paid to Lender and applied in accordance with Section 2.2(c). (iii) [Intentionally Omitted.] A 5 13724450v7 (iv) If any Loan Party incurs Indebtedness not permitted under the terms of this Agreement, no later than the Business Day following the date of receipt of the proceeds thereof, Borrower shall notify Lender of such Loan Party's receipt of such proceeds and shall prepay the Advances (and cash collateralize Letter of Credit Obligations) in an amount equal to the lesser of (A) all such proceeds, net of reasonable costs paid to non-Affiliates in connection therewith and (B) the amount of any outstanding Advances and Letter of Credit Obligations. Any such prepayment shall be applied in accordance with Section 2.2(c). (c) Application of Certain Mandatory Prepayments. So long as no Event of Default has occurred and is continuing, any prepayments made by Borrower pursuant to Section 2.2(b) shall be applied as follows: first to pay any Overadvances that may be outstanding, second to prepay the remaining Advances without a corresponding reduction in the Revolving Loan Commitment, and third to cash collateralize outstanding Letter of Credit Obligations in the manner set forth on Annex A. If any Event of Default has occurred and is continuing, such amounts shall be applied as provided in Section 9.3. All prepayments made pursuant to Section 2.2(b) must be accompanied by payment of any Tranche Rate funding breakage costs in accordance with Section 2.5(e). (d) Application of Prepayments to Tranche Rate Loans. Any prepayment of a Tranche Rate Loan on a day other than the last day of an Interest Period therefor shall include interest on the principal amount being repaid and shall be subject to Section 2.5(e). All prepayments of an Advance shall be applied first to that portion of such Advance comprised of Base Rate Loans and then to that portion of such Advance comprised of Tranche Rate Loans, in direct order of Interest Period maturities. (e) No Implied Consent. Nothing in this Section 2.2 shall be construed to constitute Lender's consent to any transaction that is not expressly permitted by other provisions of this Agreement or the other Loan Documents or a waiver of any Event of Default arising therefrom. 2.3. [Intentionally Omitted.] 2.4. Interest and Applicable Margins; Fees. (a) Subject to Sections 2.4(c) and 2.4(d), Borrower may elect that each Advance bear interest on the outstanding principal amount thereof from the date when made at a rate per annum equal to (i) the Tranche Rate, (ii) the Daily Simple SOFR Rate, or (iii) the Base Rate, in each case, plus the Applicable Margin. Each determination of an interest rate by Lender shall be conclusive and binding on Borrower in the absence of manifest error. All computations of Fees and interest payable under this Agreement shall be made on the basis of a 360-day year and actual days elapsed, which results in more interest charged than if interest were calculated based on a 365-day year. Interest and Fees shall accrue during each period during which interest or such Fees are computed from (and including) the first day thereof to (but excluding) the last day thereof. A 6 13724450v7 (b) All as determined by Lender in accordance with the Loan Documents and Lender's loan systems and procedures periodically in effect, interest shall be paid in arrears (i) on each Interest Payment Date and (ii) on the date of each payment or prepayment of Advances on and after the Commitment Termination Date. Lender may estimate the amount of interest that Borrower will owe on Borrower's periodic statements and Lender may adjust the amount of interest owed on each subsequent statement provided to Borrower to reflect any differential between the estimated amount of interest shown on Borrower's preceding statement and the actual amount of interest determined to have been due by Lender on the preceding Interest Payment Date. Borrower agrees to pay the amount shown due on the Interest Payment Date on each of Borrower's periodic statements on each Interest Payment Date. (c) At the election of Lender while any Event of Default exists (or automatically while any Event of Default under Section 9.1(a), 9.1(h) or 9.1(i) exists), interest (after as well as before entry of judgment thereon to the extent permitted by Law) on the Advances and the Letter of Credit Fees shall increase, from and after the date of occurrence of such Event of Default, to a rate per annum which is determined by adding 2.0% per annum to the Applicable Margin or Letter of Credit Fee, as applicable, then in effect for such Advances (plus the Tranche Rate, Daily Simple SOFR Rate or the Base Rate, as the case may be) or Letter of Credit Obligations, as applicable (the "Default Rate"). All such interest shall be payable on demand of Lender. (d) Anything herein to the contrary notwithstanding, the obligations of Borrower hereunder shall be subject to the limitation that payments of interest shall not be required, for any period for which interest is computed hereunder, to the extent (but only to the extent) that contracting for or receiving such payment by Lender would be contrary to the provisions of any Law applicable to Lender limiting the highest rate of interest that may be lawfully contracted for, charged or received by Lender, and in such event Borrower shall pay Lender interest at the highest rate permitted by applicable Law ("Maximum Lawful Rate") for such period; provided, that if at any time thereafter the rate of interest payable hereunder is less than the Maximum Lawful Rate, Borrower shall continue to pay interest hereunder at the Maximum Lawful Rate until such time as the total interest received by Lender is equal to the total interest that would have been received had the interest payable hereunder been (but for the operation of this paragraph) the interest rate payable since the Closing Date as otherwise provided in this Agreement. (e) Fees. (i) Closing Fee. Borrower shall pay to Lender on the Closing Date a closing Fee in the aggregate amount of \$250,000. (the "Closing Fee"). The Closing Fee is fully-earned and non-refundable as of the Closing Date. (ii) Unused Line Fees. Borrower agrees to pay to Lender a commitment Fee (the "Unused Line Fee"), which shall accrue, as of each day during the period from and including the Closing Date to but excluding the date on which the Revolving Loan Commitment terminates, at the rate set forth in the "Unused Line Fee" column of the table contained in the definition of Applicable Margin on the then daily amount of the difference of the Revolving Loan Commitment minus the sum of (A) the aggregate outstanding amount of all Revolving Credit Advances plus (B) the outstanding amount of Letter of A 7 13724450v7 Credit Obligations. The accrued Unused Line Fee shall be payable in arrears on each Interest Payment Date, all as determined by Lender in accordance with the Loan Documents and Lender's loan systems and procedures periodically in effect. Accruals of the Unused Line Fee shall be computed on the basis of a year of 360 days and shall be payable for the actual number of days elapsed during the applicable period (including the first day but excluding the last day of such period). (iii) Letter of Credit Fees. Borrower agrees to pay to Lender with respect to each standby Letter of Credit (the "Letter of Credit Fee") a Fee in an amount equal to the Applicable Margin for SOFR Rate Loans from time to time in effect multiplied by the maximum amount available from time to time to be drawn under such Letter of Credit, which Fee shall be payable (as more specifically determined pursuant to the applicable Loan Documents with respect to such Letter of Credit and otherwise as determined by Lender in accordance with the Loan Documents and Lender's loan systems and procedures periodically in effect) in arrears on each Interest Payment Date; and (A) on demand, all costs and expenses incurred by Lender on account of any Letter of Credit Obligations. All such Fees are fully earned by Lender when paid and non-refundable. The Letter of Credit Fee will be calculated on the basis of the actual number of days elapsed in a 360-day year. (iv) NSF Fees. In addition to, and without limiting, any other provision of this Agreement or the other Loan Documents, Lender may impose a non-sufficient funds fee for any check that is presented for payment that is returned for any reason. 2.5. SOFR Provisions. (a) Interest Rate Election. Subject to the provisions of Section 9.2, Borrower may request that Revolving Credit Advances permitted to be made hereunder be Tranche Rate Loans or Daily Simple SOFR Rate Loan and that outstanding portions of Advances made hereunder be converted to Tranche Rate Loans or Daily Simple SOFR Rate Loans. Any request with respect to a new Revolving Credit Advance will be made by submitting a Notice of Borrowing to Lender. Once given, and except as provided in clauses (b)-(f) below, a Notice of Borrowing shall be irrevocable, and Borrower shall be bound thereby. In the case of any conversion of a Base Rate Loan to a Tranche Rate Loan or Daily Simple SOFR Rate Loan, any conversion of an existing Tranche Rate Loan or Daily Simple SOFR Rate Loan to a new Tranche Rate Loan with a different Interest Period, or any conversion of a Tranche Rate Loan or Daily Simple SOFR Rate Loan to a Base Rate Loan, such election must be made pursuant to a Notice of Conversion. In addition to the other provisions of this Agreement, as a condition to any Tranche Rate or Daily Simple SOFR Rate election hereunder, on or before the date on which the applicable Tranche Rate Loan or Daily Simple SOFR Rate Loan is to be advanced or converted hereunder, in each case in accordance with Lender's loan policies and procedures periodically in effect, Borrower shall notify Lender of each of the following: (i) the requested amount of such Tranche Rate Loan or Daily Simple SOFR Rate Loan, (ii) the Interest Period that Borrower has elected to apply, if a Tranche Rate Loan, and (iii) the date of the requested advance or conversion. In the absence of a Notice of Conversion A 8 13724450v7 submitted to Lender not later than noon Pacific Standard Time (or such later time acceptable to Lender in its sole discretion) on the Business Day on which such Interest Period expires, Borrower will be deemed to have requested that a Tranche Rate Loan then maturing be continued as a Tranche Rate Loan for the same Interest Period commencing on the date on which such expiring Interest Period ends. If Borrower requests a new Advance but fails to submit a Notice of Borrowing as required by this paragraph, and if Borrower would otherwise be entitled to elect a Tranche Rate Loan or Daily Simple SOFR Rate Loan under the terms of this Agreement, Borrower will be deemed to have elected to have such principal amount bear interest as a Tranche Rate Loan with an Interest Period of one month, commencing on the date of the advance. Unless otherwise permitted by Lender in its sole discretion: (A) in no event may the last day of any Interest Period exceed the Commitment Termination Date, (B) in no event may any new Interest Period commence with respect to any Tranche Rate Loan requested to be converted hereunder prior to the expiration of the applicable Interest Period then in effect with respect to such Tranche Rate Loan, (C) there may be no more than five (5) Tranche Rate Loans outstanding at any one time, and (D) if required by Lender in its sole discretion at any time and from time to time, each request for a Tranche Rate Loan, whether by original issuance or conversion, shall be in a minimum amount of \$250,000 and, if in excess of such amount, in an integral multiple of \$100,000 in excess of such amount. (b) Temporary Replacement of the SOFR Rate and Tenor Replacement. In the event, prior to commencement of any Interest Period in the case of a Tranche Rate Loan, or prior to making any Daily Simple SOFR Rate Loan, Lender shall determine that: (i) SOFR is unavailable, unrepresentative, or unreliable, (ii) SOFR as determined by Lender will not adequately and fairly reflect the cost to Lender of funding the requested Advances, or (iii) the making or funding of Tranche Rate Loans or Daily Simple SOFR Rate Loans has become impracticable; then, in any such case, Lender shall promptly provide notice of such determination to Borrower (which shall be conclusive and binding on Borrower absent manifest error), and (A) any request for a Tranche Rate Loan or a Daily Simple SOFR Rate Loan, or for a conversion to or continuation of a Tranche Rate Loan or Daily Simple SOFR Rate Loan shall be automatically withdrawn and shall be deemed a request for a Base Rate Loan, (B) each Tranche Rate Loan or Daily Simple SOFR Rate Loan will automatically, on the last day of the then current Interest Period relating thereto (if applicable), become a Base Rate Loan, and (C) the obligations of Lender to make Tranche Rate Loans or Daily Simple SOFR Rate Loans shall be suspended until Lender determines that the circumstances giving rise to such suspension no longer exist, in which event Lender shall so notify Borrower. At any time (including in connection with the implementation of a Successor Rate), Lender may remove any tenor of a Tranche Rate that is unavailable, non-representative, or not in compliance with or aligned with the International Organization of Securities Commissions (IOSCO) Principles for Financial Benchmarks, in Lender's sole discretion, for Tranche Rate settings; provided however that Lender may reinstate such previously removed tenor for Tranche Rate settings, if Lender determines in its sole discretion that such tenor has become available and representative again. (c) SOFR Rate Replacement. A 9 13724450v7 (i) Notwithstanding anything to the contrary herein or in any other Loan Document (and any Rate Contract shall be deemed not to be a "Loan Document" for purposes of this Section 2.5(c)), but without limiting Section 2.5(b) above, if Lender determines (which determination shall be conclusive and binding on Borrower absent manifest error) that any of the circumstances described in Section 2.5(b)(i)-(iii) has occurred and is unlikely to be temporary or the administrator of the Tranche Rate or Daily Simple SOFR Rate or a Governmental Authority having or purporting to have jurisdiction over Lender has made a public statement identifying a specific date (the "Scheduled Unavailability Date") after which the Tranche Rate or Daily Simple SOFR Rate will no longer be representative or made available or used for determining the interest rate of loans or otherwise cease or no longer be in compliance or aligned with the International Organization of Securities Commissions (IOSCO) Principles for Benchmarks, and there is no successor administrator satisfactory to Lender, then on a date and time determined by Lender, but no later than the Scheduled Unavailability Date, the Tranche Rate and the Daily Simple SOFR Rate will be replaced hereunder and under any other Loan Document with the Successor Rate. (ii) Notwithstanding anything to the contrary herein, if Lender determines that the Successor Rate designated in Section 2.5(c)(i) above is not available or administratively feasible, or if any of the circumstances described in Section 2.5(c)(i) with regard to SOFR has occurred with respect to a Successor Rate then in effect, Lender may replace the Tranche Rate and the Daily Simple SOFR Rate, or any then current Successor Rate in accordance with this Section 2.5(c) with another alternative benchmark rate and a Spread Adjustment, giving due consideration to any evolving or then existing convention for similar U.S. dollar denominated credit facilities and any recommendations of a relevant Governmental Authority, and which Spread Adjustment or method for calculating such Spread Adjustment shall be published on an information service as selected by Lender from time to time in its reasonable discretion. (iii) [Intentionally Omitted] (iv) Any such alternative benchmark rate and Spread Adjustment shall constitute a Successor Rate hereunder. Any Successor Rate shall become effective on the date set forth in a written notice provided by Lender to Borrower (such date to be five or more Business Days after the date of such notice), and, for the avoidance of

doubt, from and after such date (i) all Tranche Rate Loans and Daily Simple SOFR Rate Loans shall bear interest at the Successor Rate plus the Applicable Margin; and (ii) all references herein and in any other Loan Documents to "Tranche Rate" or the "Daily Simple SOFR Rate" shall mean and refer to the Successor Rate. (v) Notwithstanding anything to the contrary herein, if the Successor Rate would be less than the Index Floor, the Successor Rate will be deemed to be the Index Floor for the purposes of this Agreement and the other Loan Documents. (vi) Lender does not warrant or accept any responsibility for, and shall not have any liability with respect to, the administration, submission, or any other matter related to the Tranche Rate, the Daily Simple SOFR Rate or any Successor Rate, including $\Delta 10.13724450v7$ the selection of such rate, any related Spread Adjustment, or any Conforming Changes, or whether the composition or characteristics of any Successor Rate and Spread Adjustment or Conforming Changes will be similar to, or produce the same value or economic equivalence of, the initial Tranche Rate. (vii) Notwithstanding anything to the contrary contained herein, if, after the Closing Date, Borrower enters into a Rate Contract with respect to all or part of a Tranche Rate Loan and the floating interest rate under the Rate Contract is the Daily Simple SOFR Rate, Lender may replace the Tranche Rate hereunder with the Daily Simple SOFR Rate and a Spread Adjustment without the consent of any other party hereto; provided further that, if subsequent thereto, Lender and Borrower amend such Rate Contract to include, or terminate such Rate Contract and enter into a new Rate Contract with, a floating interest rate thereunder of the original Tranche Rate, then Lender may further replace the Daily Simple SOFR Rate hereunder with the original Tranche Rate (and a Spread Adjustment, if applicable) hereunder without the consent of any other party hereto; and, in either such event, (A) such rate shall be a Successor Rate hereunder, and (B) Lender shall provide written notice thereof to Borrower. (d) Illegality. Notwithstanding any other provisions hereof, if any Law shall make it unlawful for Lender to make, fund or maintain Tranche Rate Loans or Daily Simple SOFR Rate Loans, Lender shall promptly give notice of such circumstances to Borrower. In such an event, (i) the commitment of Lender to make Tranche Rate Loans or Daily Simple SOFR Rate Loans, continue Tranche Rate Loans or Daily Simple SOFR Rate Loans as such, or convert Base Rate Loans to Tranche Rate Loans or Daily Simple SOFR Rate Loans shall be immediately suspended and (ii) all outstanding Tranche Rate Loans shall be converted automatically to Base Rate Loans on the last day of the Interest Period thereof, and all outstanding Daily Simple SOFR Rate Loans shall be converted automatically to Base Rate Loans, or in either case, at such earlier time as may be required by Law. (e) Tranche Rate Breakage Fee. Upon (i) any default by Borrower in making any borrowing of, conversion into or conversion of any Tranche Rate Loan following Borrower's delivery to Lender of any applicable Notice of Borrowing or Notice of Conversion or (ii) any payment of a Tranche Rate Loan on any day that is not the last day of the Interest Period applicable thereto (regardless of the source of such prepayment and whether voluntary, by acceleration or otherwise), Borrower shall promptly pay Lender an amount equal to the amount of any losses, expenses and liabilities (including any loss (including interest paid) in connection with the re-employment of such funds) that Lender sustains as a result of such default or such payment. (f) Increased Costs. If, after the Closing Date, any Change in Law: (i) shall impose, modify or deem applicable any reserve (including any reserve imposed by the Board of Governors of the Federal Reserve System, or any successor thereto, but excluding any reserve included in the determination of the Tranche Rate or Daily Simple SOFR Rate pursuant to the provisions of this Agreement), special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in by Lender, or (ii) shall impose on Lender any other condition affecting its Tranche Rate Loans or Daily Simple SOFR Rate Loans, any of its notes issued pursuant hereto (if any) or its obligation to make Tranche Rate Loans or Daily Simple SOFR Rate Loans; and the result of anything $\Delta 11.13724450v7$ described in these clauses (i) and (ii) above is to increase the cost to (or to impose a cost on) Lender of making or maintaining any Tranche Rate Loan or Daily Simple SOFR Rate Loan, or to reduce the amount of any sum received or receivable by Lender under this Agreement or under any of its notes issued pursuant hereto (if any) with respect thereto, then, upon demand by Lender, Borrower shall promptly pay directly to Lender such additional amount as will compensate Lender for such increased cost or such reduction, as long as such amounts have accrued on or after the day which is nine (9) months prior to the date on which Lender first made demand therefor (except that, if the occurrence giving rise to such increased cost or reduction is retroactive, then the nine (9) month period referred to above shall be extended to include the period of retroactive effect thereof). (g) Conforming Changes. In connection with the use, implementation, or administration of the Tranche Rate or the Daily Simple SOFR Rate, including any temporary or permanent replacement for the Tranche Rate or the Daily Simple SOFR Rate, Lender will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document. Lender will promptly notify Borrower of the effectiveness of any Conforming Changes in connection with the use, implementation, or administration of the Tranche Rate and Daily Simple SOFR Rate, or any temporary or permanent replacement of the Tranche Rate or the Daily Simple SOFR Rate. 2.6. Letters of Credit. Subject to and in accordance with the terms and conditions contained herein and in Annex A, Borrower shall have the right to request, and Lender agrees to incur, Letter of Credit Obligations in respect of Borrower and its Subsidiaries. 2.7. General Provisions Regarding Payment. Borrower shall make each payment under this Agreement not later than 12:00 p.m. (Pacific Standard Time) on the day when due in immediately available funds in Dollars to the account of Lender provided to Borrower from time to time. For purposes of computing interest and Fees and determining Availability as of any date, all payments shall be deemed received on the Business Day on which immediately available funds therefor are received by Lender prior to noon Pacific Standard Time. Payments received by Lender after noon Pacific Standard Time on any Business Day or on a day that is not a Business Day shall be deemed to have been received on the following Business Day so long as such funds are available funds. 2.8. Loan Account. Lender shall maintain a loan account (the "Loan Account") on its books to record all Advances, all payments made by Borrower, and all other debits and credits as provided in this Agreement with respect to the Advances or any other Obligations. All entries in the Loan Account shall be made in accordance with Lender's customary accounting practices as in effect from time to time. The balance in the Loan Account, as recorded on Lender's most recent printout or other written statement, shall, absent manifest error, be presumptive evidence of the amounts due and owing to Lender by Borrower; provided, that any failure to so record or any error in so recording shall not limit or otherwise affect Borrower's duty to pay the Obligations. Lender shall render to Borrower a monthly accounting of transactions with respect to the Advances setting forth the balance of the Loan Account for the immediately preceding month. Each and every such accounting shall be presumptive evidence of all matters reflected therein absent manifest error. $\Delta 12.13724450v7$ 2.9. Taxes. (a) Gross-up for Taxes. All payments of principal and interest on the Advances and all other amounts payable hereunder or any other Loan Document shall be made free and clear of and without deduction for any Taxes, except as required by applicable Law. If any withholding or deduction from any payment to be made by any Loan Party hereunder or under any other Loan Document is required in respect of any Taxes pursuant to any applicable Law, then the applicable Loan Party will (i) pay directly to the relevant authority the full amount required to be so withheld or deducted, (ii) promptly forward to Lender an official receipt or other documentation satisfactory to Lender evidencing such payment to such authority, and (iii) if the Tax is an Indemnified Tax, pay to Lender such additional amount or amounts as is necessary to ensure that the net amount actually received by Lender will equal the full amount Lender would have received had no such withholding or deduction been required. The Loan Parties shall timely pay to the relevant Governmental Authority in accordance with applicable Law, or at the option of Lender timely reimburse it for the payment of, any Other Taxes. If any Indemnified Taxes are directly asserted against Lender (or any of its Affiliates) with respect to a payment received hereunder or any other Loan Document or with respect to, or arising from, the obligations of the Loan Parties under any Loan Document, the Loan Parties shall jointly and severally indemnify Lender, within 10 days after demand therefor, for the full amount of any Indemnified Taxes (including Taxes imposed or asserted on or attributable to amounts payable under this Section) payable or paid by Lender and any reasonable, out-of-pocket expenses arising therefrom or with respect thereto (including reasonable, out-of-pocket attorneys' or tax advisor fees and expenses), whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to Borrower by Lender shall be conclusive and binding absent manifest error. (b) Interest and Penalties. If Borrower or any other applicable Loan Party fails to pay any Taxes when due to the appropriate taxing authority or fails to remit to Lender the required receipts or other required documentary evidence, Borrower and the other Loan Parties shall jointly and severally indemnify Lender for any incremental Taxes, interest or penalties and reasonable, out-of-pocket costs and expenses (including attorneys' or tax advisor fees and expenses) that may become payable by Lender (or any of its Affiliates) as a result of any such failure. (c) Withholding Documentation. At Borrower's request, Lender shall execute and deliver to Borrower a United States Internal Revenue Service Form W-9. (d) Treatment of Certain Refunds. If Lender determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified pursuant to this Section 2.9 (including by the payment in error of additional amounts pursuant to this Section 2.9(d)), it shall, so long as no Event of Default is occurring, pay to Borrower an amount equal to such refund (but only to the extent of indemnity payments made under this Section with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) of Lender or its Affiliates and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). The Loan Parties, upon the request of such indemnified party, shall repay to Lender the amount paid over pursuant to this Section 2.9(d) (plus any penalties, interest or other charges imposed by the relevant Governmental $\Delta 13.13724450v7$ Authority) in the event that Lender or its Affiliates is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this Section 2.9(d), in no event will Lender be required to pay any amount to a Loan Party pursuant to this Section 2.9(d) the payment of which would place such Person (or its Affiliates) in a less favorable net after-Tax position than such Person (or its Affiliates) would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This Section 2.9(d) shall not be construed to require Lender or its Affiliates to make available its respective Tax returns (or any other information relating to its Taxes that it deems confidential) to a Loan Party or any other Person. (e) Usage of Terms. For the purposes of this Section 2.9 and the definitions of Excluded Tax, Indemnified Tax, Taxes, and Other Taxes used therein, "Lender" means Lender and, subject to Section 11.6(b), any Participant. 2.10. Capital Adequacy. If Lender or any Person controlling Lender shall reasonably determine that any Change in Law has or would have the effect of reducing the rate of return on Lender's or such controlling Person's capital as a consequence of Lender's obligations hereunder or under any Letter of Credit to a level below that which Lender or such controlling Person could have achieved but for such Change in Law, then from time to time, upon demand by Lender, Borrower shall promptly pay to Lender such additional amount as will compensate Lender or such controlling Person for such reduction. 2.11. Mitigation Obligations. If Lender requests compensation under either Section 2.5(f) or Section 2.10, or requires Borrower to pay any additional amount to Lender or any Governmental Authority for the account of Lender pursuant to Section 2.9, then, upon the written request of Borrower, Lender shall use reasonable efforts to designate a different lending office for funding or booking its Advances hereunder or to assign its rights and obligations hereunder (subject to the provisions of Section 11.6) to another of its offices, branches or affiliates, if, in the judgment of Lender, such designation or assignment (a) would eliminate or materially reduce amounts payable pursuant to any such Section, as the case may be, in the future, (b) would not subject Lender to any unreimbursed cost or expense, and (c) would not otherwise be disadvantageous to Lender (as determined in its reasonable discretion). Without limitation of the provisions of Section 10.1, Borrower hereby agrees to pay all costs and expenses incurred by Lender in connection with any such designation or assignment. 2.12. Notes. Lender may request that Advances made by it be evidenced by a promissory note (a "Note"). In such event, Borrower shall prepare, execute and deliver to Lender a Note payable to the order of Lender (or, if requested by Lender, to Lender and its registered assigns) and in a form approved by Lender. Thereafter, subject to Section 2.8, the Advances evidenced by such Notes and interest thereon shall at all times be represented by one or more Notes in such form payable to the order of the payee named therein (or, if any such Note is a registered note, to such payee and its registered assigns) and this Agreement. 2.13. Incremental Increase. Upon notice to Lender, Borrower may request a one-time increase in the Revolving Loan Commitment by an amount not exceeding \$25,000,000; provided that any such request for such increase shall be in a minimum amount of $\Delta 14.13724450v7$ \$1,000,000. Lender, acting in its sole discretion, shall, notify Borrower within 15 days of its receipt of such request, whether it agrees to increase the Revolving Loan Commitment and, if so, whether by an amount equal to or less than such requested increase. If Lender does not respond within such time period, it shall be deemed to have declined to increase the Revolving Loan Commitment; provided that Lender's failure to respond to any individual request shall not restrict Borrower from requesting any increase in the Revolving Loan Commitment at any future date during the term of this Agreement in accordance with the provisions hereof. If the Revolving Loan Commitment is increased in accordance with this subsection, Lender and Borrower shall determine the effective date of such increase (the "Increase Effective Date"). As a condition precedent to such increase, (i) Borrower shall deliver to Lender a certificate of Borrower dated as of the Increase Effective Date signed by an responsible officer on behalf of Borrower (and not in such officer's individual capacity) (A) certifying and attaching the resolutions adopted by Borrower approving or consenting to such increase, (B) certifying that, before and after giving effect to such increase (x) the representations and warranties contained in Section 3 of this Agreement are true and correct on and as of the Increase Effective Date, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they shall be true and correct as of such earlier date, (y) no Default or Event of Default exists under this Agreement, and (z) after giving effect to the requested increase (but excluding the cash proceeds of such increase for cash netting purposes), (i) the Loan Parties are in compliance on a pro forma basis with the covenants set forth in Section 6.1, 6.2, and 6.4 recomputed for the most recent Fiscal Quarter for which financial statements have been delivered, assuming that any incremental Revolving Loan Commitment has been fully drawn, and (ii) Borrower and the Loan Parties shall deliver all other documents, opinions and certificates as Lender shall reasonably request. 3. REPRESENTATIONS AND WARRANTIES To induce Lender to make the Advances and to incur Letter of Credit Obligations, the Loan Parties, jointly and severally, hereby make the following representations and warranties to Lender as of the Closing Date, as of the date of the making of each Advance (or other extension of credit), and as of any other date such representations and warranties are deemed made pursuant to the terms of the other Loan Documents, each and all of which shall survive the execution and delivery of this Agreement. 3.1. Existence and Power; Affected Financial Institution. Each Loan Party and each Subsidiary is, as of the Closing Date, an entity as specified on Schedule 3.1, is duly organized, validly existing and in good standing under the Laws of its jurisdiction of organization or incorporation, has the same legal name as it appears in the Organizational Documents of such Loan Party or any Subsidiary and an organizational identification number (if any), in each case as specified (as of the Closing Date) on Schedule 3.1, and has all powers and all governmental licenses, authorizations, registrations, permits, consents and approvals required under all applicable Laws and required in order to carry on its business as now conducted (collectively, "Permits"), except where the failure to have such Permits could not reasonably be expected to have a Material Adverse Effect. Each Loan Party and each Subsidiary is qualified to do business as a foreign entity in each jurisdiction in which it is required to be so qualified, which jurisdictions as of the Closing Date are specified on Schedule 3.1, except where the failure to be so qualified could not reasonably be expected to have a Material Adverse Effect. Except as set forth on Schedule 3.1, as of the Closing Date, no Loan Party or any Subsidiary has in the five (5) year period $\Delta 15.13724450v7$ preceding the Closing Date, had any name other than its current name, or been incorporated or organized under the Laws of any jurisdiction other than its current jurisdiction of incorporation or organization, or been party to any merger, consolidation or other change in structure. No Loan Party nor any Subsidiary thereof is an Affected Financial Institution. 3.2. Organization and Authorization; No Contravention. The execution, delivery and performance by each Loan Party of the Loan Documents to which it is a party (a) are within its powers, (b) have been duly authorized by all necessary action pursuant to its Organizational Documents and applicable Law, (c) require no further action by or in respect of, or filing or registration with, or notice to or authorization or approval of, any Governmental Authority, and will not result in the creation or imposition of any Lien on any asset of any Loan Party or any of its Subsidiaries (except Liens created pursuant to the Loan Documents), and (d) do not violate, conflict with or cause a breach or a default under (i) any Law, (ii) any of the Organizational Documents of any Loan Party or any Subsidiary or (iii) any agreement or instrument binding upon it, except for such violations, conflicts, breaches or defaults as would not, with respect to each of clauses (i) and (iii), reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect. 3.3. Binding Effect. Each of the Loan Documents to which any Loan Party is a party constitutes a valid and binding agreement or instrument of such Loan Party, enforceable against such Loan Party in accordance with its respective terms, except as the enforceability thereof may be limited by bankruptcy, insolvency or other similar Laws relating to the enforcement of creditors' rights generally and by general equitable principles. 3.4. Capitalization. The issued and outstanding and authorized Stock of each Subsidiary as of the Closing Date is as set forth on Schedule 3.4. All issued and outstanding Stock of each Subsidiary is duly authorized and validly issued (and, in the case of a Subsidiary that is a corporation, fully paid and non-assessable), free and clear of all Liens other than those in favor of Lender, and such Stock was issued in compliance, in all material respects, with all applicable Laws. The identity of the holders of the Stock of each Subsidiary and the percentage of their actual and fully diluted ownership of the Stock of each Subsidiary, in each case as of the Closing Date, is set forth on Schedule 3.4. No shares of the Stock of any Subsidiary, other than those described above, are issued and outstanding as of the Closing Date. Except as set

forth on Schedule 3.4, as of the Closing Date there are no preemptive or other outstanding rights, options, warrants, conversion rights or similar agreements or understandings for the purchase or acquisition of any Stock of any Subsidiary. 3.5. Financial Information. (a) Annual Statements. The consolidated balance sheet of the Borrower and its Subsidiaries and the related consolidated statements of operations, shareholders' equity and cash flows for the most recent Fiscal Year then ended, in each case as reported in Borrower's annual report on Form 10-K, as filed with the SEC, copies of which have been delivered or made available to Lender from time to time pursuant to the terms of this Agreement, fairly present in all material respects, in conformity with GAAP, the consolidated financial position of the Borrower and its Subsidiaries as of such date and their consolidated results of operations, changes in shareholders' equity and cash flows for such Fiscal Year. A 16 13724450v7 (b) Quarterly Statements. The consolidated balance sheet of the Borrower and its Subsidiaries and the related consolidated statements of operations and cash flows for the most recent Fiscal Quarter then ended (other than the fourth Fiscal Quarter of each Fiscal Year), in each case as reported in Borrower's Quarterly Report on Form 10-Q, as filed with the SEC, copies of which have been delivered or made available to Lender from time to time pursuant to the terms of this Agreement, fairly present in all material respects, in conformity with GAAP, the consolidated financial position of the Borrower and its Subsidiaries as of such date and their consolidated results of operations and cash flows for the Fiscal Quarter then ended (subject to normal year-end adjustments and the absence of footnote disclosures). (c) Pro Forma Balance Sheet. The pro forma balance sheet of the Loan Parties and their Subsidiaries as of September 30, 2022 a copy of which has been delivered to Lender, fairly presents in all material respects, on a basis consistent with the Financial Statements referred to in Section 3.5(a), the consolidated financial position of the Borrower and its Subsidiaries as of such date, adjusted to give effect (as if such events had occurred on such date) to (i) the making of any Advances and the issuance of any Letters of Credit to be made on the Closing Date, (ii) the application of the proceeds therefrom as contemplated by the Loan Documents, and (iii) the payment of all legal, accounting and other fees related thereto to the extent known at the time of the preparation of such balance sheet. As of the date of such pro forma balance sheet and the date hereof, no Loan Party or any Subsidiary had or has any material liabilities, contingent or otherwise, including liabilities for Taxes, long term leases or forward or long term commitments, which are not properly reflected on such balance sheet. (d) Projections. The Projections delivered on the date hereof have been prepared by the Borrower in light of the past operations of its businesses, but including future payments of known contingent liabilities, including the Concorde Acquisition, and reflect projections for the period beginning on October 1, 2022 and ending on September 30, 2025, on a month-by-month basis for the first year and on a year-by-year basis thereafter. The Projections are based upon the same accounting principles as those used in the preparation of the Financial Statements described above and the estimates and assumptions stated therein, all of which the Borrower believes to be reasonable and fair in light of current conditions and current facts known to any Loan Party and, as of the Closing Date, reflect the Borrower's good faith and reasonable estimates of the future financial performance of Borrower and its Subsidiaries for the period set forth therein. The Projections are not a guaranty of future performance, and actual results may differ materially from the Projections. (e) No Material Adverse Effect. Since June 30, 2022, there has been no Material Adverse Effect. 3.6. Litigation. There are no actions, suits, proceedings, claims or disputes pending, or to the best knowledge of each Loan Party, threatened or contemplated, at law, in equity, in arbitration or before any Governmental Authority, against any Loan Party, any Subsidiary or any of their respective properties which individually or in the aggregate: (a) purport to affect or pertain to this Agreement, any other Loan Document, or any of the transactions contemplated hereby or thereby; A 17 13724450v7 (b) would reasonably be expected to have, either individually or in the aggregate as to all Loan Parties, a Material Adverse Effect; or (c) seek an injunction or other equitable relief which would reasonably be expected to have, either individually or in the aggregate as to all Loan Parties, a Material Adverse Effect. No injunction, writ, temporary restraining order or any order of any nature has been issued by any court or other Governmental Authority purporting to enjoin or restrain the execution, delivery or performance of this Agreement or any other Loan Document, or directing that the transactions provided for herein or therein not be consummated as herein or therein provided. As of the Closing Date, no Loan Party or any Subsidiary is the subject of an audit or, to each Loan Party's knowledge, any review or investigation by any Governmental Authority (excluding the IRS and other taxing authorities) concerning the violation or possible violation of any requirement of Law. Borrower shall immediately disclose to Lender any changed circumstance or event, which causes any of the representations herein to be inaccurate or untrue. 3.7. Ownership of Property. Each Loan Party and each Subsidiary is the lawful owner of, has good and marketable title to and is in lawful possession of, or has valid leasehold interests in, all properties and other assets (real or personal, tangible, intangible or mixed) purported or reported to be owned or leased (as the case may be) by such Person, except as may have been disposed of in the Ordinary Course of Business or otherwise in compliance with the terms hereof. 3.8. No Default. No Default or Event of Default has occurred and is continuing. No Loan Party or any Subsidiary is in breach or default, nor has any Loan Party received any notice stating a breach or default may exist, under or with respect to any contract, agreement, lease or other instrument to which it is a party or by which its property is bound or affected, except for any such breach or default as would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect. 3.9. Labor Matters. As of the Closing Date, there are no strikes or other labor disputes pending or, to any Loan Party's knowledge, threatened against any Loan Party or any Subsidiary. Hours worked and payments made to the employees of the Loan Parties and the Subsidiaries have not been in material violation of the Fair Labor Standards Act or any other applicable Law dealing with such matters. All payments due from the Loan Parties and the Subsidiaries, or for which any material claim may be made against any of them, on account of wages and employee and retiree health and welfare insurance and other benefits have been paid or accrued as a liability on their books, as the case may be. The consummation of the transactions contemplated by the Loan Documents will not give rise to a right of termination or right of renegotiation on the part of any union under any collective bargaining agreement to which it is a party or by which it is bound. 3.10. Regulated Entities. No Loan Party or any Subsidiary is an investment company or a company controlled by an investment company or a subsidiary of an investment company, all within the meaning of the Investment Company Act of 1940. A 18 13724450v7 3.11. Margin Regulations. None of the proceeds from the Advances have been or will be used, directly or indirectly, for the purpose of purchasing or carrying any Margin Stock, for the purpose of reducing or retiring any indebtedness which was originally incurred to purchase or carry any Margin Stock or for any other purpose which could reasonably be expected to cause any of the Advances to be considered a purpose credit within the meaning of Regulation T, U or X of the Federal Reserve Board. 3.12. Compliance With Laws; Anti-Terrorism Laws. (a) Laws Generally. Each Loan Party and each Subsidiary is in compliance in all material respects with the requirements of all applicable Laws, except where noncompliance would not reasonably be expected to have a Material Adverse Effect. (b) Foreign Assets Control Regulations and Anti-Money Laundering. Each Loan Party and each Subsidiary and their respective directors, officers and employees and, to the best knowledge of each of them, their agents, is in compliance in all material respects with all applicable sanctions administered or enforced by the U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC), the U.S. Department of State, or other relevant sanctions authority, and all applicable anti-money laundering and counter-terrorism financing provisions of the Bank Secrecy Act and all regulations issued pursuant to it (collectively, Sanctions). No Loan Party or Subsidiary thereof and, to their knowledge, no Affiliate of a Loan Party, including, to their knowledge, any director, officer, employee or agent, is an individual or an entity that is (i) a Person designated by the U.S. government on the list of Specially Designated Nationals and Blocked Persons (the SDN List) with which a U.S. Person cannot deal or otherwise engage in business transactions, (ii) a Person who is otherwise the target of Sanctions such that a Person cannot deal or otherwise engage in business transactions with such Person, or (iii) is controlled by (including by virtue of such person being a director (or manager) or owning voting shares or interests), or acts, directly or indirectly, for or on behalf of, any person or entity on the SDN List or a foreign government that is the target of Sanctions such that the entry into, or performance under, this Agreement or any other Loan Document would be prohibited under Law. (c) USA Patriot Act. The Loan Parties, each Subsidiary thereof and, to their knowledge, each of their Affiliates are in compliance with the Trading with the Enemy Act, and each of the foreign assets control regulations of the U.S. Treasury Department and any other enabling legislation or executive order relating thereto, the USA Patriot Act, and any other federal or state Laws relating to your customer and anti-money laundering rules and regulations. No part of the proceeds of any Advance will be used directly or indirectly for any payments to any government official or employee, political party, official of a political party, candidate for political office, or anyone else acting in an official capacity, in order to obtain, retain or direct business or obtain any improper advantage, in violation of the United States Foreign Corrupt Practices Act of 1977. (d) None of the funds of any Loan Party that are used to repay any obligation under this Agreement shall constitute property of, or shall be beneficially owned directly or indirectly by, any Person that is the subject of Sanctions. A 19 13724450v7 3.13. Taxes. All federal and state income Tax returns and all other material Tax returns, reports and statements required to be filed by or on behalf of each Loan Party and Subsidiary have been filed with the appropriate Governmental Authorities in all jurisdictions in which such returns, reports and statements are required to be filed and, except to the extent subject to a Permitted Contest, and all Taxes (including real property Taxes) and other charges shown to be due and payable in respect thereof owing by a Loan Party or a Subsidiary have been timely paid prior to the date on which any fine, penalty, interest, late charge or loss may be added thereto for nonpayment thereof. Each of the Loan Parties is solely a resident for tax purposes of the United States and has no office, branch or permanent establishment outside of the United States. 3.14. Compliance with ERISA. (a) ERISA Plans. Each ERISA Plan (and the related trusts and funding agreements) complies in form and in operation with, has been administered in compliance with, and the terms of each ERISA Plan satisfy the requirements of, applicable Law including ERISA and the IRC in all material respects. Each ERISA Plan which is intended to be qualified under Section 401(a) of the IRC is so qualified, and the IRS has issued a favorable determination or opinion letter with respect to each such ERISA Plan which may be relied on currently. No Loan Party or any Subsidiary has incurred liability for any material excise tax under any of Sections 4971 through 5000A of the IRC. (b) Pension Plans and Multiemployer Plans. During the thirty-six (36) month period prior to the Closing Date or the making of any Advance or the issuance of any Letter of Credit, (i) no steps have been taken to terminate any Pension Plan that could reasonably be expected to result in a material payment liability to any Loan Party or any Subsidiary and (ii) no contribution failure has occurred with respect to any Pension Plan sufficient to give rise to a Lien under ERISA or the IRC. No condition exists or event or transaction has occurred with respect to any ERISA Plan or Multiemployer Plan which could result in the incurrence by any Loan Party or any Subsidiary of any material liability, fine, Tax or penalty. No Loan Party or any Subsidiary has incurred liability to the PBGC (other than for current premiums) with respect to any Pension Plan or Multiemployer Plan. Except as could not reasonably be expected to result in a material payment liability to any Loan Party or any Subsidiary, all contributions (if any) have been made on a timely basis to any Multiemployer Plan that are required to be made by any Loan Party, any Subsidiary or any ERISA Affiliate under the terms of the plan or of any collective bargaining agreement or by applicable Law. No Loan Party, Subsidiary or any ERISA Affiliate has withdrawn or partially withdrawn from any Multiemployer Plan, incurred any withdrawal liability with respect to any such plan or received notice of any claim or demand for withdrawal liability or partial withdrawal liability from any such plan, and no condition has occurred which, if continued, could result in a withdrawal or partial withdrawal from any such plan. No Loan Party, Subsidiary or any ERISA Affiliate has received any notice with respect to any Multiemployer Plan, that increased contributions may be required to avoid a reduction in plan benefits or the imposition of any excise Tax, that any such plan is or has been funded at a rate less than that required under Section 412 of the IRC, that any such plan is or may be terminated, or that any such plan is or may become insolvent. (c) ERISA Compliance. No Loan Party is as of the Closing Date, or will become on or after the Closing Date, (a) an employee benefit plan subject to Part 4 of Subtitle B A 20 13724450v7 of Title I of ERISA, (b) a plan or account subject to Section 4975 of the IRC, (c) an entity deemed to hold assets within the meaning of such plans or accounts for purposes of ERISA or the IRC, as determined pursuant to Section 3(42) of ERISA, or (d) a governmental plan within the meaning of Section 3(32) of ERISA. 3.15. Brokers. Except for fees contractually incurred by a Loan Party or Affiliate of a Loan Party and payable in full on or prior to the Closing Date, no Loan Party or Affiliate of a Loan Party has any obligation to any broker, finder or other intermediary in respect of any finder's or brokerage fees in connection with any Loan Document. 3.16. Material Contracts. Except for the Organizational Documents and the other agreements set forth on Schedule 3.16 (collectively, the Material Contracts), as of the Closing Date there are no (a) employment agreements covering the management of any Loan Party or any Subsidiary, (b) collective bargaining agreements or other labor agreements covering any employees of any Loan Party or any Subsidiary, (c) agreements for managerial, consulting or similar services to which any Loan Party or any Subsidiary is a party or by which it is bound, (d) agreements regarding any Loan Party or any Subsidiary, its assets or operations or any investment therein, to which any of its equity holders is a party or by which it is bound, (e) real estate leases, Intellectual Property licenses or other lease or license agreements to which any Loan Party or any Subsidiary is a party, either as lessor or lessee, or as licensor or licensee, or (f) customer, distribution, marketing or supply agreements to which any Loan Party or any Subsidiary is a party, in each case with respect to the preceding clauses (a), (c), (d), (e) and (f) involving payment of more than \$5,000,000 in any year, or (g) partnership agreements to which any Loan Party is a general partner or joint venture agreements to which any Loan Party is a party. Schedule 3.16 sets forth, with respect to each real estate lease agreement to which any Loan Party or any Subsidiary is a party as of the Closing Date that is required to be listed pursuant to clause (e) above, the address of the subject property and the annual rental (or, where applicable, a general description of the method of computing the annual rental). The consummation of the transactions contemplated by the Loan Documents will not give rise to a right of termination in favor of any party (other than any Loan Party) to any Material Contract. 3.17. Environmental Compliance. Except as would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect: (a) Hazardous Materials. Except in each case as set forth on Schedule 3.17(a), (i) to Borrower's knowledge, no Hazardous Materials are located on any properties now or previously owned, leased or operated by any Loan Party or any Subsidiary or have been released into the environment, or deposited, discharged, placed or disposed of at, on, under or near any of such properties in a manner that would require the taking of any action under any Environmental Law and have given rise to, or could reasonably be expected to give rise to, remediation costs and expenses on the part of the Loan Parties in excess of \$2,500,000; (ii) no portion of any such property is being used, or to Borrower's knowledge, has been used at any previous time, for the disposal, storage, treatment, processing or other handling of Hazardous Materials nor is any such property affected by any Hazardous Materials Contamination; and (iii) all oral or written notifications of a release of Hazardous Materials required to be filed by or on behalf of any Loan Party or any Subsidiary under any applicable Environmental Law have been filed or are in the process of being timely filed by or on behalf of the applicable Loan Party or Subsidiary. A 21 13724450v7 (b) Notices Regarding Environmental Compliance. Except in each case as set forth on Schedule 3.17(b), no notice, notification, demand, request for information, citation, summons, complaint or order has been issued, no complaint has been filed, and no penalty has been assessed and no investigation or review is pending, or to any Loan Party's knowledge, threatened by any Governmental Authority or other Person with respect to, in any such case, any (i) alleged violation by any Loan Party or any Subsidiary of any Environmental Law, (ii) alleged failure by any Loan Party or any Subsidiary to have any Permits required in connection with the conduct of its business or to comply with the terms and conditions thereof, (iii) any generation, treatment, storage, recycling, transportation or disposal of any Hazardous Materials, or (iv) release of Hazardous Materials. (c) Properties Requiring Remediation. Except in each case as set forth on Schedule 3.17(c), no property now owned or leased by any Loan Party or any Subsidiary and, to the knowledge of each Loan Party, no such property previously owned or leased by any Loan Party, or any Subsidiary which any Loan Party or any Subsidiary has, directly or indirectly, transported or arranged for the transportation of any Hazardous Materials, is listed or, to any Loan Party's knowledge, proposed for listing, on the National Priorities List promulgated pursuant to CERCLA, or CERCLIS (as defined in CERCLA) or any similar state list or is the subject of federal, state or local enforcement actions or, to the knowledge of any Loan Party, other investigations which may lead to claims against any Loan Party or any Subsidiary for clean-up costs, remedial work, damage to natural resources or personal injury claims, including claims under CERCLA. (d) Underground Storage Tanks. Except in each case as set forth on Schedule 3.17(d), there are no underground storage tanks located on any property owned or leased by any Loan Party or any Subsidiary that are not properly registered or permitted under applicable Environmental Laws or, to Borrower's knowledge, that are leaking or disposing of Hazardous Materials. (e) Environmental Liens. Except in each case as set forth on Schedule 3.17(e), there are no Liens under or pursuant to any applicable Environmental Laws on any real property or other assets owned or leased by any Loan Party or any Subsidiary, and no actions by any Governmental Authority have been taken or, to the knowledge of any Loan Party, are in process which could subject any of such properties or assets to such Liens. For purposes of this Section 3.17, each Loan Party and each Subsidiary shall be deemed to include any business or business entity (including a corporation) which is, in whole or in part, a predecessor of such Loan Party. 3.18. Intellectual Property. Except as would not reasonably be expected to have a Material Adverse Effect, each Loan Party owns, is licensed to use or otherwise has the right to use, all Intellectual Property that is material to the condition (financial or other), business or operations of such Loan Party. Except as would not reasonably be expected to have a Material Adverse Effect, all Intellectual Property of each Loan Party is duly and properly registered, filed or issued in the appropriate office and jurisdictions for such registrations, filings or issuances. Each Loan Party and each Subsidiary, to its knowledge after due inquiry, conducts its business without infringement or claim of infringement of any material Intellectual Property.

rights of others. 22 13724450v7 and there is no infringement or claim of infringement by others of any material Intellectual Property rights of any Loan Party or any Subsidiary. 3.19. Real Property Interests. Except for leasehold interests and ownership or other interests set forth on Schedule 3.19, no Loan Party or Subsidiary has, as of the Closing Date, any ownership, leasehold or other interest in real property. 3.20. Full Disclosure. The information (financial or otherwise) furnished by or on behalf of any Loan Party or any Subsidiary to Lender pursuant to the Loan Documents or in connection with the consummation of the transactions contemplated by the Loan Documents, when taken as a whole, at the time of disclosure does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained herein or therein not misleading in light of the circumstances under which such statements were made. All Projections delivered to Lender have been prepared on the basis of the assumptions stated therein. Such Projections represent the Loan Parties' estimate of the future financial performance of the Loan Parties and their Subsidiaries and such assumptions were believed by the Loan Parties to be fair and reasonable in light of current business conditions at the time made; provided, that the Loan Parties can give no assurance that such Projections will be attained. As of the Closing Date, the information included in the Beneficial Ownership Certification, if applicable, is true and correct in all material respects. 3.21. [Reserved]. 3.22. Insurance. Schedule 3.22 lists all insurance policies of any nature maintained, as of the Closing Date, for current occurrences by each Loan Party and Subsidiary, as well as a summary of the terms of each such policy. Each Loan Party and each Subsidiary thereof currently maintains all insurance that is required to be maintained pursuant to Section 4.4 hereof. 3.23. Deposit and Disbursement Accounts. Schedule 3.23 lists all banks and other financial institutions at which any Loan Party maintains deposit or other accounts as of the Closing Date and Schedule 3.23 correctly identifies the name, address and email of each depository, the name in which the account is held, a description of the purpose of the account, and the complete account number therefor. 3.24. [Reserved]. 3.25. [Reserved]. 3.26. Solvency. Both before and after giving effect to, as applicable with respect to any date of determination pursuant to the terms of this Agreement: (a) the Advances and Letter of Credit Obligations to be made or incurred on the Closing Date or such other date as Advances and Letter of Credit Obligations requested hereunder are made or incurred, (b) the disbursement of the proceeds of such Advances pursuant to the instructions of Borrower, and (c) the payment and accrual of all transaction costs in connection with the foregoing, each Loan Party is and will be Solvent. 3.27. Affiliate Transactions. Except as set forth on Schedule 3.27, as of the date of this Agreement there are no existing or proposed agreements, arrangements, understandings, or 23 13724450v7 transactions between any Loan Party and any of the officers, members, managers, directors, stockholders, parents, other interest holders, employees, or Affiliates (other than Subsidiaries) of any Loan Party or any members of their respective immediate families, that are required to be disclosed in accordance with the rules and regulations of the SEC. 3.28. Representations and Warranties in Loan Documents. All representations and warranties made by each Loan Party in the Loan Documents are true and correct in all material respects as of the Closing Date, the date of making of each Advance (or other extension of credit) and as of any date that any Loan Party is expressly obligated to confirm the same under this Agreement or any other Loan Document. 4. AFFIRMATIVE COVENANTS Each Loan Party executing this Agreement jointly and severally hereby agrees as to all Loan Parties that, from and after the date hereof and until the Termination Date: 4.1. Maintenance of Existence and Conduct of Business. (a) Each Loan Party shall and shall cause its Subsidiaries to: (i) do or cause to be done all things necessary to preserve and keep in full force and effect its corporate and, as applicable, limited liability company or other organizational existence and its material rights and franchises; (ii) continue to conduct its business substantially as now conducted or as otherwise permitted hereunder; (iii) at all times maintain, preserve and protect all of its assets and properties used or useful in the conduct of its business, and keep the same in good repair, working order and condition in all material respects (taking into consideration ordinary wear and tear) and from time to time make, or cause to be made, all necessary or appropriate repairs, replacements and improvements thereto consistent with industry practices; and (iv) transact business only in such corporate (or, as applicable, limited liability company or other organizational) and trade names as are set forth in Schedule 4.1 (or otherwise set forth in any relevant joinder documentation or otherwise notified to Lender in writing), in each case of subsection (ii) through (iv) of this Section 4.1(a), except as would not reasonably be expected to have a Material Adverse Effect. (b) Without limiting the generality of the foregoing and notwithstanding any limitation contained therein, each Loan Party shall maintain in full force and effect, to the extent material to the conduct of its business, (i) its status as an eligible institution, as defined in 34 C.F.R. Sections 600.2 and 600.5 (to the extent applicable), (ii) its eligibility to participate in all Title IV Programs in which and to the extent that it currently participates, (iii) its Accreditations, and (iv) its licenses to provide postsecondary education in all jurisdictions where it is so licensed. 4.2. Payment of Charges. (a) Subject to Section 4.2(b), each Loan Party shall, and shall cause each of its Subsidiaries to, pay and discharge or cause to be paid and discharged promptly all Charges payable by it, including (i) Charges imposed upon it, its income and profits, or any of its property (real, personal or mixed) and all Charges with respect to Tax, social security and unemployment withholding with respect to its employees, (ii) lawful claims for labor, materials, supplies and services or otherwise, and (iii) all storage or rental charges payable to warehousemen, processors and bailees, in each case, before any thereof shall become past due, except in the case of clauses 24 13724450v7 (ii) and (iii) where the failure to pay or discharge such Charges would not result in liabilities in excess of \$5,000,000 as to all Loan Parties. (b) Each Loan Party may in good faith contest, by appropriate proceedings, the validity or amount of any Charges, Taxes or claims described in Section 4.2(a); provided, that (i) adequate reserves with respect to such contest are maintained on the books of such Loan Party, in accordance with GAAP; (ii) no Lien shall be imposed to secure payment of such Charges that is superior to any of the Liens securing payment of the Obligations and such contest is maintained and prosecuted continuously and with diligence and operates to suspend collection or enforcement of such Charges, (iii) none of the Collateral becomes subject to forfeiture or loss as a result of such contest, and (iv) such Loan Party shall promptly pay or discharge such contested Charges, Taxes or claims and all additional charges, interest, penalties and expenses, if any, and shall deliver to Lender evidence reasonably acceptable to Lender of such compliance, payment or discharge, if such contest is terminated or discontinued adversely to such Loan Party or the conditions set forth in this Section 4.2(b) are no longer met. 4.3. Books and Records. Each Loan Party shall, and shall cause each of its Subsidiaries to, keep adequate books and records with respect to its business activities from which the Borrower may prepare consolidated financial statements in accordance with GAAP and on a basis consistent with the Financial Statements delivered to Lender on or prior to the Closing Date. 4.4. Insurance; Damage to or Destruction of Collateral. (a) The Loan Parties shall, and shall cause each of their Subsidiaries to, at their sole cost and expense, maintain policies of insurance of the types and in amounts that are customary for businesses comparable in size to the Borrower and its Subsidiaries and operating in the same business as the Loan Parties. Such policies of insurance (or the lender's loss payable and additional insured endorsements delivered to Lender) shall contain provisions pursuant to which the insurer agrees to provide 30 days (or 10 days in the case of non-payment) prior written notice to Lender in the event of any non-renewal, cancellation or amendment of any such insurance policy. If any Loan Party or any such Subsidiary at any time or times hereafter shall fail to obtain or maintain any of the policies of insurance required above or to pay all premiums relating thereto, Lender may at any time or times thereafter obtain and maintain such policies of insurance and pay such premiums and take any other action with respect thereto that Lender deems advisable. Lender shall have no obligation to obtain insurance for any Loan Party or any such Subsidiary or pay any premiums therefor. By doing so, Lender shall not be deemed to have waived any Default or Event of Default arising from the failure of such Loan Party or Subsidiary to maintain such insurance or pay any premiums therefor. All sums so disbursed, including reasonable attorneys' fees, court costs and other charges related thereto, shall be payable on demand by Borrower to Lender and shall be additional Obligations hereunder secured by the Collateral. (b) Each Loan Party shall deliver to Lender, in form and substance reasonably satisfactory to Lender, endorsements to (i) all special form (actual risk) and business interruption insurance naming Lender as lender loss payee, and (ii) all general liability and other liability policies naming Lender as additional insured. Each Loan Party irrevocably makes, constitutes and appoints Lender (and all officers, employees or agents designated by Lender), so long as any Event of Default has occurred and is continuing, as each Loan Party's true and lawful attorney in fact for 25 13724450v7 the purpose of making, settling and adjusting claims under such special form policies of insurance, endorsing the name of each Loan Party on any check or other item of payment for the proceeds of such special form policies of insurance and for making all determinations and decisions with respect to such special form policies of insurance. Lender shall have no duty to exercise any rights or powers granted to it pursuant to the foregoing power-of-attorney. The Loan Parties shall promptly notify Lender of any loss, damage, or destruction to the Collateral in the amount of \$5,000,000 or more, whether or not covered by insurance. 4.5. Compliance with Laws. Each Loan Party shall, and shall cause each of its Subsidiaries to, comply with all federal, state, local and foreign Laws and regulations applicable to it, including ERISA, labor Laws, and Environmental Laws and Environmental Permits, except to the extent that the failure to comply, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect. Each Loan Party and each Subsidiary will maintain in effect policies and procedures reasonably designed to ensure compliance by them and their respective directors, officers, employees and agents with applicable Sanctions. Each Loan Party and each Subsidiary will comply with commercially reasonable requests by Lender for information or documentation regarding each Loan Party's and Subsidiary's compliance with any applicable Law. Without limiting the generality of the foregoing, Borrower will, and will cause each Subsidiary to, comply with (i) all applicable Laws, the violation of which would materially impair the eligibility of Borrower or any Subsidiary to participate, if applicable, in Title IV Programs, (ii) the federal Truth-in-Lending Act, 15 U.S.C. 1601 et seq., and all other consumer credit laws applicable to Borrower or any Subsidiary in connection with the advancing of student loans, except for such laws and regulations the violation of which, in the aggregate, will not have a Material Adverse Effect, (iii) all statutory and regulatory requirements for authorization to provide post-secondary education in the jurisdictions in which its educational facilities are located, except for such requirements the violation of which will not have a Material Adverse Effect, (iv) if applicable, all requirements for continuing its Accreditations, except for such requirements the violation of which will not have a Material Adverse Effect, and (v) all requirements concerning the limitation on the receipt of Title IV Program funding under the 90/10 Rule codified at 34 C.F.R. 600.5(d) and HEA except for such requirements, the violation of which would not have a Material Adverse Effect. In addition, except as would not have a Material Adverse Effect, the Borrower will, and will cause each Subsidiary to, maintain a cohort default rate for any School that shall not exceed as of the end of any Fiscal Year: (A) the maximum percentage permitted by the DOE for the applicable three consecutive cohort fiscal years in order for such School to participate in Title IV Programs or (B) the maximum percentage permitted by the DOE for the applicable cohort fiscal year in order for such School to participate in Title IV Programs. For purposes of this Section 4.5, a fiscal year is a twelve month period commencing on October 1 of a year and ending on September 30 of the following year. 4.6. Intellectual Property. Each Loan Party will, and will cause each of its Subsidiaries to, conduct its business and affairs without infringement or of interference with any Intellectual Property of any other Person and shall comply in with the terms of its Licenses, except in each case to the extent any failure to do the foregoing would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. 4.7. Environmental Matters. Each Loan Party shall and shall cause each of its Subsidiaries to: (a) conduct its operations and keep and maintain its Real Estate in compliance 26 13724450v7 with all Environmental Laws and Environmental Permits other than noncompliance that could not reasonably be expected to have a Material Adverse Effect; (b) implement any and all investigation, remediation, removal and response actions that are appropriate or necessary to maintain the value and marketability of the Real Estate or to otherwise comply with Environmental Laws and Environmental Permits pertaining to the presence, generation, treatment, storage, use, disposal, transportation or Release of any Hazardous Material on, at, in, under, above, to, from or about any of its Real Estate in all material respects; (c) notify Lender promptly after such Loan Party becomes aware of any violation of Environmental Laws or Environmental Permits or any Release on, at, in, under, above, to, from or about any Real Estate that is reasonably likely to result in Environmental Liabilities in excess of \$5,000,000 and (d) promptly forward to Lender a copy of any order, notice, request for information or any communication or report received by such Loan Party in connection with any such violation or Release or any other matter relating to any Environmental Laws or Environmental Permits that could reasonably be expected to result in Environmental Liabilities in excess of \$5,000,000 in each case whether or not the Environmental Protection Agency or any Governmental Authority has taken or threatened any action in connection with any such violation, Release or other matter. If Lender at any time has a reasonable basis to believe that there may be a violation of any Environmental Laws or Environmental Permits by any Loan Party or any Environmental Liability arising thereunder, or a Release of Hazardous Materials on, at, in, under, above, to, from or about any of its Real Estate, that, in each case, would reasonably be expected to have a Material Adverse Effect, then each Loan Party shall, upon Lender's written request (i) cause the performance of such environmental audits including subsurface sampling of soil and groundwater, and preparation of such environmental reports, at the Loan Parties' expense, as Lender may from time to time reasonably request, which shall be conducted by reputable environmental consulting firms reasonably acceptable to Lender and shall be in form and substance reasonably acceptable to Lender, and (ii) permit Lender or its representatives to have access to all Real Estate for the purpose of conducting such environmental audits and testing as Lender deems appropriate, including subsurface sampling of soil and groundwater. The Loan Parties shall reimburse Lender for the costs of such audits and tests and the same will constitute a part of the Obligations secured hereunder. 4.8. Bank Products. Each Loan Party shall undertake commercially reasonable efforts to utilize the Lender as its primary provider of Bank Products, including as holder of its primary depository and remittance accounts. 4.9. Maintenance of Property; Material Contracts. Each Loan Party shall maintain, and shall cause each of its Subsidiaries to maintain, and preserve all its property which is used or useful in its business in good working order and condition, ordinary wear and tear excepted and shall make all necessary repairs thereto and renewals and replacements thereof except where the failure to do so would not reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect. The Loan Parties will notify Lender in writing, within five (5) Business Days after the earlier of when a Loan Party learns, or is notified of the occurrence, of any breach by a Loan Party of, a notice of termination or acceleration of, or any demand for adequate assurances under, any Material Contract. 4.10. Inspection of Property and Books and Records; Appraisals. Each Loan Party shall, and shall cause each of its Subsidiaries to, with respect to each owned, leased, or controlled property, during normal business hours and upon reasonable advance notice (unless an 27 13724450v7 Event of Default shall have occurred and be continuing, in which event no notice shall be required and Lender shall have access at any and all times during the continuance thereof): (i) provide access to such property to Lender and any of its Related Persons, as frequently as Lender determines to be appropriate; and (ii) permit Lender and any of its Related Persons to conduct field examinations, audit, inspect and make extracts and copies from all of such Loan Party's books and records, in each instance, at the Loan Parties' expense; provided, the Loan Parties shall only be obligated to reimburse Lender for the expenses for two such field examinations, audits and inspections per year, unless an Event of Default has occurred and is continuing. 4.11. Use of Proceeds. Borrower shall use the proceeds of the Advances solely as follows: (a) to pay costs and expenses required to be paid pursuant to Section 10.1, (b) to fund all or part of the Concorde Acquisition, and (c) for working capital, capital expenditures, Permitted Acquisitions and other general corporate (and, as applicable, limited liability company or other organizational) purposes not in contravention of any requirement of Law and not in violation of this Agreement or the other Loan Documents. 4.12. Further Assurances. (a) Each Loan Party shall, and shall cause each of its Subsidiaries to, ensure that all written information, exhibits and reports furnished to Lender, when taken as a whole, at the time furnished do not and will not contain any untrue statement of a material fact and do not and will not omit to state any material fact or any fact necessary to make the statements contained therein not misleading in light of the circumstances in which made, and will promptly disclose to Lender and correct any material defect or error that may be discovered therein or in any Loan Document or in the execution, acknowledgement or recordation thereof. (b) Promptly upon request by Lender, the Loan Parties shall and, subject to the limitations set forth herein and in the Collateral Documents, shall cause each of their Subsidiaries to take such additional actions and execute such documents as Lender may reasonably require from time to time in order (i) to carry out more effectively the purposes of this Agreement or any other Loan Document, (ii) to subject to the Liens created by any of the Collateral Documents of any of the properties, rights or interests covered by any of the Collateral Documents, (iii) to perfect and maintain the validity, effectiveness and priority of any of the Collateral Documents and the Liens intended to be created thereby, and (iv) to better assure, convey, grant, assign, transfer, preserve and confirm to Lender the rights granted or now or hereafter intended to be granted to Lender under any Loan Document. Without limiting the generality of the foregoing and except as otherwise approved in writing by Lender, the Loan Parties shall cause each of their Domestic Subsidiaries, any Person acquired, formed or created as a result of a statutory division of a Loan Party, and any former Immature Subsidiary, within thirty (30) days (or such longer period to which Lender consents in its sole discretion) after formation, creation or acquisition thereof, or the cessation of such Domestic Subsidiary to be an Immature Subsidiary, as applicable, to guaranty the Obligations and grant to Lender a security interest in such Person's personal property, subject to the limitations set forth herein and in the applicable Collateral Documents, to secure such guaranty. (c) Furthermore and except as otherwise approved in writing by Lender, each Loan Party shall pledge all of the Stock of each of the Subsidiaries directly owned by it to Lender 28 13724450v7 to secure the Obligations, concurrently with such Loan Party becoming a Loan Party. In connection with each pledge of Stock, the Loan Parties shall deliver, or cause to be delivered, to Lender, irrevocable proxies and stock powers and/or assignments, as applicable, duly executed in blank. (d) The Loan Parties shall deliver, or cause to be delivered, to Lender appropriate resolutions,

secretary certificates, certified Organizational Documents and, if requested by Lender, legal opinions relating to the matters described in this Section 4.12 (which opinions shall be in form and substance reasonably acceptable to Lender and, to the extent applicable, substantially similar to the opinions delivered on the Closing Date), in each instance with respect to each Loan Party formed or acquired after the Closing Date. In addition to, and without limiting, any of the foregoing, promptly following any request therefor, the Loan Parties shall deliver, or cause to be delivered, to Lender: (i) such other information regarding the operations, material changes in ownership of Stock, business affairs and financial condition of any Loan Party or any Subsidiary, or compliance with the terms of this Agreement, as Lender may reasonably request and (ii) information and documentation reasonably requested by Lender for purposes of compliance with applicable \textcircumflex know your customer \textcircumflex and anti-money laundering rules and regulations, including the USA PATRIOT Act. 5. NEGATIVE COVENANTS Each Loan Party executing this Agreement jointly and severally hereby agrees as to all Loan Parties that, without the consent of Lender, from and after the date hereof and until the Termination Date: 5.1. Asset Dispositions, Etc. Except as expressly permitted under Section 5.8 or Section 5.13, no Loan Party shall, nor shall it permit any of its Subsidiaries to, directly or indirectly, sell, assign, lease, convey, transfer, undergo a statutory division or otherwise dispose of (whether in one or a series of transactions) any property (including the Stock of any Subsidiary, whether in a public or a private offering or otherwise, and accounts and notes receivable, with or without recourse) or enter into any agreement to do any of the foregoing, except: (a) dispositions in the Ordinary Course of Business to any Person other than an Affiliate of a Loan Party, of (i) Inventory (provided, however, that a sale in the Ordinary Course of Business will not include a transfer in total or partial satisfaction of any liabilities) or (ii) worn-out or surplus Equipment having a book value not exceeding \$10,000,000 in the aggregate in any Fiscal Year as to all Loan Parties and subject to the provisions of Section 2.2(b)(ii); (b) dispositions not otherwise permitted hereunder which are made for fair market value and the mandatory prepayment in the amount of net proceeds of such disposition is made if and to the extent required by Section 2.2(b); provided, that (i) at the time of any disposition, no Event of Default shall exist or shall result from such disposition, (ii) not less than 100% of the aggregate consideration for such disposition shall be paid in cash, and (iii) the aggregate fair market value of all assets so sold by the Loan Parties and their Subsidiaries, together, shall not exceed in any Fiscal Year \$10,000,000; \Delta 29 13724450v7 (c) (i) dispositions of Cash Equivalents in the Ordinary Course of Business made to a Person that is not an Affiliate of any Loan Party and (ii) conversions of Cash Equivalents into cash or other Cash Equivalents; and (d) dispositions from (i) a Loan Party to a Loan Party or (ii) from a non-Loan Party Subsidiary to another non-Loan Party Subsidiary. 5.2. Investments; Loans and Advances. Except as otherwise expressly permitted by this Section 5.2, no Loan Party shall, nor shall it permit any of its Subsidiaries to, make or permit to exist any Investment in, or make, accrue or permit to exist loans or advances of money to, any Person, through the direct or indirect lending of money, holding of securities or otherwise, except that: (a) each Loan Party and its Subsidiaries may hold investments comprised of notes payable, or stock or other securities issued by Account Debtors to such Loan Party or Subsidiary pursuant to negotiated agreements with respect to settlement of such Account Debtor \textcircumflex Accounts in the Ordinary Course of Business, consistent with past practices; (b) each Loan Party and its Subsidiaries may maintain its existing Investments in its Subsidiaries made as of the Closing Date; (c) each Loan Party may maintain deposit and other accounts in accordance with Section 4.8; (d) each Loan Party may make Permitted Acquisitions; (e) each Loan Party may otherwise make Investments consisting of Cash Equivalents; and (f) (i) each Loan Party may make Investments in other Loan Parties, (ii) each non-Loan Party Subsidiary may make Investments in each Loan Party and (iii) the Loan Parties may make Investments in non-Loan Party Subsidiaries in an aggregate amount not to exceed \$10,000,000 at any time outstanding pursuant to this clause (iii). 5.3. Indebtedness. No Loan Party shall, nor shall it permit any of its Subsidiaries to, create, incur, assume or permit to exist any Indebtedness, except (without duplication): (a) Indebtedness secured by purchase money security interests and Capital Leases permitted in Section 5.7(c); (b) the Advances and the other Obligations; (c) unfunded employee benefit plan obligations and liabilities to the extent they are permitted to remain unfunded under applicable Law; \Delta 30 13724450v7 (d) existing Indebtedness described on Schedule 5.3 and refinancings thereof or amendments or modifications thereof that do not have the effect of increasing the principal amount thereof (except for increases by any amount necessary to cover reasonable fees and expenses incurred in connection therewith) or changing the amortization thereof (other than to extend the same) and that are otherwise on terms and conditions no less favorable (except for any increase in interest or fee rates to then-market rates) to any Loan Party or Lender, as determined by Lender, than the terms of the Indebtedness being refinanced, amended or modified; (e) to the extent constituting Indebtedness, Contingent Obligations permitted pursuant to Section 5.6; (f) Indebtedness consisting of intercompany loans and advances made by Borrower to any other Loan Party or by any Guarantor to Borrower; provided, that: (A) Borrower shall have executed and delivered to each such Guarantor, and each such Guarantor shall have executed and delivered to Borrower, on the date of such loan or advance, a demand note (collectively, the \textcircumflex Intercompany Notes \textcircumflex) to evidence any such intercompany Indebtedness owing at any time by Borrower to such Guarantor or by such Guarantor to Borrower, which Intercompany Notes shall be in form and substance reasonably satisfactory to Lender and shall be pledged and delivered to Lender pursuant to the Guaranty and Security Agreement as additional collateral security for the Obligations; (B) Borrower shall record all Intercompany Notes on its books and records in a manner reasonably satisfactory to Lender; (C) the obligations of each Loan Party under any such Intercompany Notes shall be subordinated to the Obligations in a manner reasonably satisfactory to Lender; (D) at the time any such Intercompany Note is made by Borrower and after giving effect thereto, Borrower shall be Solvent; and (E) no Default or Event of Default would occur and be continuing after giving effect to any such proposed Intercompany Note; (g) Indebtedness owed to any Person providing workers \textcircumflex compensation, health, disability or other employee benefits or property, casualty or liability insurance, pursuant to reimbursement or indemnification obligations to such Person, in each case incurred in the ordinary course of business; (h) Indebtedness of any Loan Party in respect of performance bonds, bid bonds, appeal bonds, surety bonds and similar obligations, in each case provided in the Ordinary Course of Business; (i) Indebtedness incurred pursuant to Section 5.2(f) of this Agreement; and (j) other Indebtedness in an aggregate principal amount not to exceed \$10,000,000 at any time outstanding. 5.4. Employee Loans and Affiliate Transactions. No Loan Party shall, nor shall it permit any of its Subsidiaries to, enter into any transaction with any Affiliate of such Loan Party or of any such Subsidiary, except: (a) as expressly permitted by this Agreement; \Delta 31 13724450v7 (b) in the Ordinary Course of Business and pursuant to the reasonable requirements of the business of such Loan Party or Subsidiary upon fair and reasonable terms no less favorable to such Loan Party or Subsidiary than would be obtained in a comparable arm \textcircumflex length transaction with a Person not an Affiliate of Borrower or such Subsidiary, in each case, exclusive of any loans or advances except to the extent expressly permitted by Sections 5.3(f), 5.4(c) and 5.4(d); (c) transactions between Loan Parties or between non-Loan Party Subsidiaries; and (d) transactions with Affiliates existing as of the Closing Date and described in Schedule 5.4. 5.5. Capital Structure and Business. Except as expressly permitted under Section 5.8 or Section 5.13 no Subsidiary shall, nor shall it permit any of its Subsidiaries to, make any material changes in its equity structure or issue any Stock; nor shall any Loan Party otherwise amend any of its Organizational Document in any material respect, in each case, which would be materially adverse to Lender. No Loan Party shall, nor shall it permit any of its Subsidiaries to, engage in any line of business other than the same or a similar line of business as the Borrower and its Subsidiaries were engaged in on the Closing Date (or any reasonable extensions or expansions thereof consistent with Borrower \textcircumflex Growth and Diversification Strategy). 5.6. Contingent Obligations. No Loan Party shall, nor shall it permit any of its Subsidiaries to, create, incur, assume or permit to exist any Contingent Obligations except in respect of the Obligations and except: (a) endorsements for collection or deposit in the Ordinary Course of Business; (b) Rate Contract Obligations to Lender or its Affiliates; (c) Contingent Obligations of the Loan Parties and their Subsidiaries existing as of the Closing Date and listed on Schedule 5.6, including extensions and renewals thereof which do not increase the amount of such Contingent Obligations or impose materially more restrictive or adverse terms on the Loan Parties and their Subsidiaries as compared to the terms of the Contingent Obligation being renewed or extended; (d) Contingent Obligations arising under indemnity agreements to title insurers to cause such title insurers to issue to Lender title insurance policies; (e) Contingent Obligations arising with respect to customary indemnification obligations in favor of purchasers in connection with dispositions permitted under Section 5.1(b); (f) Contingent Obligations arising under Letters of Credit; (g) Contingent Obligations arising under guarantees made in the Ordinary Course of Business of obligations of any Loan Party, which obligations are otherwise permitted hereunder; provided, that if such obligation is subordinated to the Obligations, such guaranty shall be subordinated to the same extent; and \Delta 32 13724450v7 (h) Contingent Obligations under the Loan Documents. 5.7. Liens. No Loan Party shall, nor shall it permit any of its Subsidiaries to, create, incur, assume or permit to exist any Lien on or with respect to its Accounts or any of its other properties or assets (whether now owned or hereafter acquired) except for the following: (a) Permitted Encumbrances; (b) Liens in existence on the date hereof and summarized on Schedule 5.7 securing Indebtedness described on Schedule 5.3 and permitted refinancings, extensions and renewals thereof, including extensions or renewals of any such Liens; provided, that the principal amount so secured is not increased and the Lien does not attach to any other property; and (c) Liens created after the date hereof by conditional sale or other title retention agreements (including Capital Leases) or in connection with purchase money Indebtedness with respect to Equipment and Fixtures acquired by any Loan Party in the Ordinary Course of Business, involving the incurrence of an aggregate amount of purchase money Indebtedness and Capital Lease Obligations of not more than \$10,000,000 outstanding at any one time for all such Liens (provided that such Liens attach only to the Equipment and Fixtures subject to such purchase money debt and such Indebtedness is incurred within 20 days following such purchase and does not exceed 100% of the purchase price of the subject assets). In addition, no Loan Party shall, nor shall it permit any of its Subsidiaries to, become a party to any agreement, note, indenture or instrument, or take any other action, that would prohibit the creation of a Lien on any of its properties or other assets in favor of Lender as additional collateral for the Obligations, except operating leases, Capital Leases or Licenses permitted hereunder which prohibit Liens solely upon the assets that are subject thereto. 5.8. Consolidations and Mergers. No Loan Party shall, nor shall it permit any of its Subsidiaries to, merge, consolidate with or into, or convey, transfer, lease or otherwise dispose of (whether in one transaction or in a series of transactions) all or substantially all of its assets (whether now owned or hereafter acquired) to or in favor of any Person or undergo any statutory division, except (a) as expressly permitted by Sections 5.1 and 5.2 and (b) upon not less than 15 Business Days prior written notice to Lender, (i) any Subsidiary of Borrower may merge with, dissolve or liquidate into (in each case in accordance with applicable Law) Borrower or a Wholly-Owned Subsidiary of Borrower which is a Domestic Subsidiary; provided, that (A) Borrower or such Wholly-Owned Subsidiary which is a Domestic Subsidiary shall be the continuing or surviving entity (and Borrower shall be the continuing or surviving entity if Borrower is a party to such transaction), (B) the Loan Parties provide Lender with copies of all applicable documentation relating thereto, and (C) all actions required to maintain perfected Liens on the Stock of the surviving entity and other Collateral in favor of Lender shall have been completed and (ii) any Foreign Subsidiary may merge with or dissolve or liquidate into another Foreign Subsidiary; provided, that the Loan Parties provide Lender with copies of all applicable documentation relating thereto. 5.9. ERISA. No Loan Party shall, nor shall cause or permit any of its Subsidiaries or ERISA Affiliates to, cause or permit to occur (a) an event that could result in the \Delta 33 13724450v7 imposition of a Lien under Section 430 or 6321 of the IRC or Section 303 or 4068 of ERISA or (b) an ERISA Event to the extent such ERISA Event would reasonably be expected to result in Taxes, penalties and other liability in excess of \$2,500,000 in the aggregate. 5.10. Hazardous Materials. No Loan Party shall, nor shall it permit any of its Subsidiaries to, cause or permit a Release of any Hazardous Material on, at, in, under, above, to, from or about any of the Real Estate where such Release would (a) violate in any respect, or form the basis for any Environmental Liabilities under, any Environmental Laws or Environmental Permits or (b) otherwise adversely impact the value or marketability of any of the Real Estate or any of the Collateral, other than, in each case, such violations or Environmental Liabilities that would not reasonably be expected to have a Material Adverse Effect. 5.11. Sale Leasebacks. No Loan Party shall, nor shall it permit any of its Subsidiaries to, engage in any sale leaseback, synthetic lease or similar transaction involving any of its assets, except a transaction (a) that concerns unencumbered real property of such Loan Party or Subsidiary which is continuing in use for substantially the same purpose or purposes as such real property being sold or transferred was previously utilized in connection with the Loan Party \textcircumflex or its Subsidiary \textcircumflex business, (b) that involves assets which in the aggregate do not exceed of Ten Million dollars (\$10,000,000), and (c) where the Borrower or another Loan Party receives not less than 100% of the sale consideration. 5.12. Restricted Payments. No Loan Party shall, nor shall it permit any of its Subsidiaries to, declare or make any Restricted Payments except that: (a) (i) any Wholly-Owned Subsidiary of Borrower may declare and pay dividends to Borrower or any Wholly-Owned Subsidiary of Borrower, and (ii) any Loan Party or Subsidiary may declare and make dividend payments or other distributions payable solely in its Stock; (b) Borrower may redeem or repurchase Stock and make Preferred Dividends, provided all of the following conditions are satisfied: (i) no Default or Event of Default has occurred and is continuing or would arise as a result of such Restricted Payment; and (ii) after giving effect to such Restricted Payment, the Loan Parties are in compliance on a pro forma basis with the covenants set forth in Sections 6.1, 6.2, and 6.4 recomputed for the most recent Fiscal Quarter for which financial statements have been delivered. 5.13. Change of Corporate Name or Location; Change of Fiscal Year. No Loan Party shall, nor shall it permit any of its Subsidiaries to, (a) change its name as it appears in official filings in the state of its incorporation or other organization, (b) change its chief executive office, principal place of business, business offices or warehouses or locations at which Collateral is held or stored, or the location of its records concerning the Collateral, (c) change the type of entity that it is, (d) change its organization identification number, if any, issued by its state of incorporation or other organization, or (e) change its state of incorporation or organization, unless in each case (i) at least 30 days prior written notice (or such later notice as is acceptable to Lender in its sole \Delta 34 13724450v7 discretion) is given by such Loan Party to Lender and Lender has provided written acknowledgment that any reasonable action requested by Lender in connection therewith, including to continue the perfection of any Liens in favor of Lender in any Collateral, has been completed or taken, (ii) the priority of all Liens in favor of Lender is not adversely affected, and (iii) any such new location shall be in the continental United States. No Loan Party shall change its Fiscal Year without Lender \textcircumflex prior written consent. 5.14. No Restriction on Distributions; No Negative Pledges. (a) Except pursuant to the Loan Documents, no Loan Party shall, nor shall it permit any of its Subsidiaries to, directly or indirectly, create or otherwise cause or suffer to exist or become effective any consensual restriction or encumbrance of any kind on the ability of any Loan Party or any Subsidiary to pay dividends or make any other distribution on any of the Stock of such Loan Party or Subsidiary or to pay fees, including management fees, or make other payments and distributions to Borrower or any other Loan Party. No Loan Party shall, nor shall it permit any of its Subsidiaries to, directly or indirectly, enter into, assume or become subject to any contractual obligation prohibiting or otherwise restricting the existence of any Lien upon any of its assets in favor of Lender, whether now owned or hereafter acquired except in connection with any document or instrument governing Liens permitted pursuant to Section 5.7(c) provided that any such restriction contained therein relates only to the asset or assets subject to such permitted Liens. (b) No Loan Party or any Subsidiary shall issue any Stock (i) if such issuance would result in an Event of Default under Section 9.1(l) and (ii) with respect to each direct Subsidiary of a Loan Party, unless such Stock is pledged to Lender as security for the Obligations, on substantially the same terms and conditions as the Stock of the direct Subsidiaries of the Loan Parties is pledged to Lender as of the Closing Date. 5.15. [Intentionally Omitted.] 5.16. Affiliate Compensation and Fees. No Loan Party shall, nor shall it permit any of its Subsidiaries to, pay any management, consulting or similar fees to any Affiliate of any Loan Party or to any officer, director (or manager) or employee of any Loan Party or any Affiliate of any Loan Party except payment of: (a) reasonable compensation to officers and employees for actual services rendered to the Loan Parties in the Ordinary Course of Business; and (b) reasonable outside directors \textcircumflex (or managers \textcircumflex) fees and reimbursement of actual out-of-pocket expenses incurred in connection with attending board of director (or manager) meetings. 5.17. Margin Stock; Use of Proceeds. No Loan Party shall, nor shall it permit any of its Subsidiaries to, use any portion of the Advance proceeds, directly or indirectly, to purchase or carry Margin Stock or repay or otherwise refinance Indebtedness of any Loan Party or Subsidiary or others incurred to purchase or carry Margin Stock, or otherwise in any manner which is in contravention of any requirement of applicable Law or in violation of this Agreement. \Delta 35 13724450v7 5.18. Sanctions; Use of Proceeds. No Loan Party shall, nor shall it permit any of its Subsidiaries to, fail to comply with the Laws, regulations and executive orders referred to in Section 3.12. No Loan Party will, directly or indirectly, use the proceeds of the Advances or Letters of Credit, or lend, contribute or otherwise make available such proceeds to any Subsidiary, joint venture partner or other Person, (i) to fund any activities or business of or with any Person, or in any country or territory, that, at the time of such funding, is the subject of Sanctions, or (ii) in any other manner that would result in a violation of Sanctions by any Person (including any Person participating in the Advances or Letters of Credit, whether as Lender, underwriter, advisor, investor, or otherwise). 6. FINANCIAL COVENANTS 6.1. Total Leverage Ratio. The Borrower shall not permit the Total Leverage Ratio to be greater than 3.00 to 1.00 as of the end of any Fiscal Quarter, commencing with the Fiscal Quarter ending on or after December 31, 2022. 6.2. Fixed Charge Coverage Ratio. The Borrower shall not permit the Fixed Charge Coverage Ratio to be less than 1.25 to 1.00 as of the end of any Fiscal Quarter, commencing with the Fiscal Quarter ending December 31, 2022. 6.3. Financial Responsibility Composite Score. Except as would not have a Material Adverse Effect, the Borrower shall not permit the Financial Responsibility Composite Score to be less than (i) 1.4 as of the end of any Fiscal Year, commencing with the Fiscal Year ending September 30, 2023, and (ii) 1.5 as of the end of any Fiscal Year, commencing with the Fiscal Year ending September 30, 2024. 6.4. Quick Ratio. Borrower shall maintain a Quick Ratio of (i) 0.85 to 1.00 or greater at all times on or prior

to the Fiscal Quarter ending September 30, 2024, and (ii) 0.65 to 1.00 or greater at all times thereafter. For purposes of determining satisfaction of any term or condition that requires compliance on a pro forma basis with the covenants set forth in Sections 6.1 and 6.2 prior to the date the Borrower delivers financial statements for the Fiscal Quarter ending December 31, 2022, compliance will be determined based on the most recently filed 10K or 10Q of the Borrower, and will assume that the financial covenant levels applicable on December 31, 2022 are applicable on the last day of the fiscal period covered by such 10-K or 10-Q filed with the SEC. 7. FINANCIAL STATEMENTS AND INFORMATION 7.1. Reports and Notices. (a) Financial Statements and Projections. Each Loan Party executing this Agreement hereby agrees that from and after the Closing Date and until the Termination Date, it shall deliver or cause to be delivered to Lender (it being agreed that any information which is publicly available from the SEC's website shall have been delivered to Lender) the Financial Statements, notices, Projections and other information at the times, to the Persons and in the manner set forth below: (i) Within thirty (30) days after filing, a copy Borrower's annual report on form 10-K filed with the SEC; (ii) Within thirty (30) days after filing, a copy Borrower's quarterly report on form 10-Q filed with the SEC; (iii) Within ninety (90) days after the end of each Fiscal Year of Borrower, a projected income statement substantially in the form attached as Schedule 7.1(a)(iii) for the subsequent Fiscal Year prepared in accordance with GAAP; (iv) Within thirty (30) days after filing the annual report on form 10-K or each quarterly report on form 10-Q of Borrower, a Compliance Certificate substantially in the form attached as Schedule 7.1(a)(iv) to the Lender demonstrating compliance with the Financial Covenants, certified by a Responsible Officer of Borrower. (b) [Reserved] (c) [Reserved] (d) Default Notices. As soon as practicable, and in any event within 5 Business Days after an executive officer of any Loan Party has actual knowledge of the existence of any Default, Event of Default or other event that has had a Material Adverse Effect, written notice specifying the nature of such Default or Event of Default or other event, including the anticipated effect thereof. (e) Regulatory Filings. As soon as practicable, and in any event within 5 Business Days after the same are available, copies of each annual report or proxy statement sent to the equity holders of the Borrower or any Subsidiary, and copies of all annual, regular, periodic and special reports and registration statements which the Borrower or any Subsidiary may file or be required to file with the SEC under Section 13 or 15(d) of the Securities Exchange Act of 1934, and not otherwise required to be delivered to the Lender pursuant hereto (it being agreed that any information which is publicly available from the SEC's website shall have been delivered to Lender); (f) Regulatory Investigations. As soon as practicable, and in any event within 5 Business Days after receipt thereof by the Borrower or any Subsidiary, copies of each notice or other correspondence received from the SEC (or comparable agency in any applicable non-U.S. jurisdiction) concerning any investigation or possible investigation or other inquiry by such agency (other than reviews of the Borrower's periodic reports in the ordinary course) regarding financial or other operational results of the Borrower or any Subsidiary; (g) [Reserved] (h) [Reserved] (i) Supplemental Schedules. Supplemental disclosures, if any, required by Section 4.6. A 37 13724450v7 (j) Litigation. In writing, promptly upon learning thereof, notice of any Litigation commenced or threatened against any Loan Party that (i) seeks damages in excess of \$5,000,000, (ii) seeks injunctive relief, (iii) is asserted or instituted against any ERISA Plan, its fiduciaries or its assets or against any Loan Party or ERISA Affiliate in connection with any ERISA Plan, (iv) alleges criminal misconduct by any Loan Party, or (v) alleges the violation of any Law regarding, or seeks remedies in connection with, any Environmental Liabilities. (k) Insurance Notices. Disclosure of losses or casualties required by Section 4.4. (l) Lease Default Notices. (i) Within 5 Business Days after receipt thereof, copies of any and all material default notices received under or with respect to any leased location where any material portion of the Collateral is located, and (ii) such other notices or documents as Lender may reasonably request. (m) Rate Contracts. Within 2 Business Days after entering into such agreement or amendment, copies of all interest rate, commodity or currency hedging agreements or amendments thereto entered into by any Loan Party and a counterparty other than Lender. (n) Other Documents. Promptly following any request therefor, such other information regarding the operations, business, properties, liabilities (actual or contingent), condition (financial or otherwise) or prospects of any Loan Party's or any of its Subsidiaries' business or financial condition as Lender shall, from time to time, reasonably request. 8. CONDITIONS PRECEDENT. 8.1. Conditions to the Initial Advances. Lender shall not be obligated to make any Advance or incur any Letter of Credit Obligations on the Closing Date, or to take, fulfill, or perform any other action hereunder, until the following conditions have been satisfied or provided for in a manner reasonably satisfactory to Lender, or waived in writing by Lender: (a) Credit Agreement; Loan Documents. This Agreement and the other Loan Documents or counterparts hereof and thereof shall have been duly executed by, and delivered to, Borrower, each other Loan Party, and Lender; and Lender shall have received such documents, instruments, agreements and legal opinions as Lender shall reasonably request in connection with the transactions contemplated by this Agreement and the other Loan Documents, each in form and substance reasonably satisfactory to Lender. (b) Approvals. Lender shall have received (i) satisfactory evidence that the Loan Parties have obtained all required consents and approvals of all Persons including all requisite Governmental Authorities, to the execution, delivery and performance of this Agreement and the other Loan Documents or (ii) an officer's certificate in form and substance reasonably satisfactory to Lender affirming that no such consents or approvals are required. (c) Payment of Fees. Borrower shall have paid the Fees and expenses required to be paid on the Closing Date in the respective amounts specified in Section 2.4(e), and shall have reimbursed Lender for all Fees, costs and expenses of closing presented as of the Closing Date. A 38 13724450v7 (d) Capital Structure: Other Indebtedness. The capital structure of each Loan Party and Subsidiary and the terms and conditions of all Indebtedness of each Loan Party and Subsidiary shall be acceptable to Lender in its sole discretion. (e) KYC Information; Beneficial Ownership. Lender shall have received (i) documentation and other information reasonably requested by Lender in order to comply with applicable Law, including the USA PATRIOT Act, and (ii) to the extent Borrower qualifies as a *foreign* entity customer under the Beneficial Ownership Regulation, a Beneficial Ownership Certification. (f) Initial Draw. The Initial Draw shall be advanced to an account of Borrower's at Fifth Third or any Affiliate and held until satisfaction of all conditions precedent to the Concierge Acquisition have been met. 8.2. Further Conditions to Each Advance. Lender shall not be obligated to fund any Advance, convert or continue any Advance as a Tranche Rate Loan or a Daily Simple SOFR Rate Loan, or incur any Letter of Credit Obligation, if, as of the date thereof: (a) any representation or warranty by any Loan Party contained herein or in any other Loan Document, or which are contained in any certificate or other document furnished at any time under or in connection herewith or therewith, is or becomes untrue or incorrect in any material respect (except that such materiality qualifier shall not be applicable to any representations and warranties that are already qualified or modified by materiality or Material Adverse Effect in the text thereof), except to the extent that such representation or warranty expressly relates to an earlier date in which case such representation or warranty is untrue or incorrect in any material respect as of such earlier date (except that such material qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof) and, in each case, except for changes therein expressly permitted or expressly contemplated by this Agreement; (b) any Default or Event of Default has occurred and is continuing or would result after giving effect to any Advance (or the incurrence of any Letter of Credit Obligation); (c) after giving effect to any Advance (or the incurrence of any Letter of Credit Obligations), the outstanding aggregate amount of the Revolving Exposure would exceed the Revolving Loan Commitment; or (d) an event shall have occurred, or a condition shall exist, that has or could be reasonably expected to have a Material Adverse Effect. The request and acceptance by Borrower of the proceeds of any Advance (including the incurrence of any Letter of Credit Obligations or the conversion or continuation of any Advance into, or as, a Tranche Rate Loan or Daily Simple SOFR Rate Loan) shall be deemed to constitute, as of the date thereof, (i) a representation and warranty by each Loan Party that the conditions in this Section 8.2 have been satisfied and (ii) a reaffirmation by each Loan Party of the granting and continuance of Lender's Liens on the Collateral pursuant to the Collateral Documents. 9. EVENTS OF DEFAULT; RIGHTS AND REMEDIES A 39 13724450v7 9.1. Events of Default. The occurrence of any one or more of the following events (regardless of the reason therefor and whether or not caused by or within the control of any Loan Party) shall constitute an *Event of Default* hereunder: (a) Borrower (i) fails to make any payment of principal of, or interest on, or Fees owing in respect of, the Advances or any of the other Obligations when due and payable, including any failure to cure any Overadvance in accordance with Section 2.2(b)(i), or (ii) fails to pay or reimburse Lender for any expense reimbursable hereunder or under any other Loan Document within 5 days following Lender's demand for such reimbursement or payment of expenses; or (b) Any Loan Party fails or neglects to perform, keep or observe any of the provisions of Sections 3.12, 4.1(a)(i), 4.4, 4.8, 4.9 4.10, 4.12, 5, 6.1, 6.2 or 6.4, respectively; or (c) Any Loan Party fails or neglects to perform, keep or observe any of the provisions of Section 7, and the same shall remain unremedied for 3 Business Days or more; provided, however, that the Loan Parties shall not have the right to cure any default under Section 7 if any such default has occurred more than three (3) times in any 12 month period; or (d) Any Loan Party fails or neglects to perform, keep or observe any other provision of this Agreement or of any of the other Loan Documents (other than any provision embodied in or covered by any other clause of this Section 9.1) and the same shall remain unremedied for 30 days or more; provided, however, that such 30-day cure period shall not apply to: (i) a breach of any provision that cannot be cured or (ii) a breach or default of any other Loan Document if a period of cure is expressly provided for in such other Loan Document with respect to a breach or default under such other Loan Document; or (e) A default or breach occurs under any agreement, document or instrument to which any Loan Party is a party (determined exclusive of the Loan Documents) that is not cured within any applicable grace period therefor, and such default or breach (i) involves the failure to make any payment when due in respect of any Indebtedness or Contingent Obligations (determined exclusive of the Obligations) of any Loan Party and the aggregate principal amount of such Indebtedness or Contingent Obligation is in excess of \$2,000,000 in the aggregate (including (x) undrawn committed or available amounts and (y) amounts owing to all creditors under any combined or syndicated credit arrangements), or (ii) causes, or permits any holder of such Indebtedness or Contingent Obligations or a trustee to cause, Indebtedness or Contingent Obligations or a portion thereof in excess of \$2,000,000 in the aggregate to become due prior to its stated maturity or prior to its regularly scheduled dates of payment, or cash collateral to be demanded in respect thereof, in each case, regardless of whether such default is waived, or such right is exercised, by such holder or trustee; or (f) Any representation or warranty herein or in any Loan Document or in any written statement, report, Financial Statement or certificate made or delivered to Lender by any Loan Party is untrue or incorrect in any material respect as of the date when made or deemed made; or A 40 13724450v7 (g) Assets of any Loan Party with a fair market value of \$2,000,000 or more are attached, seized, levied upon or subjected to a writ or distress warrant, or come within the possession of any receiver, trustee, custodian or assignee for the benefit of creditors of any Loan Party and such condition continues for 30 days or more; or (h) A case or proceeding is commenced against any Loan Party seeking a decree or order in respect of such Loan Party (i) under the Bankruptcy Code or any other applicable federal, state or foreign bankruptcy or other similar Law, (ii) appointing a custodian, receiver, liquidator, assignee, trustee or sequester (or similar official) for such Loan Party or for any substantial part of any such Loan Party's assets, or (iii) ordering the winding up or liquidation of the affairs of such Loan Party, and such case or proceeding shall remain undismissed or unstayed for 60 days or more or a decree or order granting the relief sought in such case or proceeding is granted by a court of competent jurisdiction; or (i) Any Loan Party (i) files a petition seeking relief under the Bankruptcy Code or any other applicable federal, state or foreign bankruptcy or other similar Law, (ii) consents to or fails to contest in a timely and appropriate manner to the institution of proceedings thereunder or to the filing of any such petition or to the appointment of or taking possession by a custodian, receiver, liquidator, assignee, trustee or sequester (or similar official) for such Loan Party or for any substantial part of any such Loan Party's assets, (iii) makes an assignment for the benefit of creditors, or (iv) takes any action in furtherance of any of the foregoing, or (v) admits in writing its inability to, or is generally unable to, pay its debts as such debts become due; or (j) A final judgment or judgments for the payment of money in excess of \$2,000,000 in the aggregate at any time are outstanding against one or more of the Loan Parties (which judgments are not covered by insurance policies as to which liability has been accepted by the insurance carrier), and the same are not, within 30 days after the entry thereof, discharged or execution thereof stayed or bonded pending appeal, or such judgments are not discharged prior to the expiration of any such stay, (ii) any action shall be taken by a judgment creditor to attach or levy upon any property of any Loan Party to enforce any such judgment under clause (i) above obtained against a Loan Party, or (iii) any Loan Party shall fail within 30 days after the entry thereof to discharge or stay pending appeal one or more non-monetary judgments or orders which, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect; or (k) Any material provision of any Loan Document for any reason ceases to be valid, binding and enforceable in accordance with its terms (or any Loan Party shall challenge the enforceability of any Loan Document or shall assert in writing, or engage in any action or inaction based on any such assertion, that any provision of any of the Loan Documents has ceased to be or otherwise is not valid, binding and enforceable in accordance with its terms), or any Lien created under any Loan Document ceases to be a valid and perfected first-priority Lien (except as otherwise expressly permitted herein or therein) in any of the Collateral purported to be covered thereby; or (l) Any Change of Control occurs; or A 41 13724450v7 (m) The occurrence of a Significant Event, if such Significant Event would reasonably be expected to have a Material Adverse Effect. 9.2. Remedies. (a) If any Event of Default has occurred and is continuing, Lender may, without notice, suspend the Revolving Loan Commitment with respect to additional Revolving Credit Advances and/or the incurrence of additional Letter of Credit Obligations. If any Event of Default has occurred and is continuing, Lender may, without notice except as otherwise expressly provided herein, increase the rate of interest applicable to the Advances and the Letter of Credit Fees to the Default Rate. (b) If any Event of Default has occurred and is continuing, Lender may, without notice: (i) terminate the Revolving Loan Commitment with respect to further Advances or the incurrence of further Letter of Credit Obligations; (ii) reduce the Revolving Loan Commitment from time to time; (iii) declare all or any portion of the Obligations, including all or any portion of any Advance to be forthwith due and payable, and require that the Letter of Credit Obligations be cash collateralized in the manner set forth in Annex A, all without presentment, demand, protest or further notice of any kind, all of which are expressly waived by Borrower and each other Loan Party; or (iv) exercise any rights and remedies provided to Lender under the Loan Documents or at law or equity, including all remedies provided under the Code; provided, that upon the occurrence of an Event of Default specified in Sections 9.1(h) or (i), the Revolving Loan Commitment shall be immediately terminated and all of the Obligations, including the Advances and Letter of Credit Obligations, shall become immediately due and payable without declaration, notice or demand by any Person. (c) At the election of Lender, after the occurrence of an Event of Default and for so long as it continues, the Tranche Rate or Daily Simple SOFR Rate election will not be available to Borrower. If any Interest Periods for Tranche Rate Loans are then in effect, such Advances shall be converted into Base Rate Loans upon their expiration. If any Daily Simple SOFR Rate Loans are then in effect, such Advances shall be immediately converted into Base Rate Loans. (d) During the continuance of any Event of Default, Lender is hereby authorized by each Loan Party at any time or from time to time, with contemporaneous notice to Borrower (any prior notice being hereby expressly waived) to set off and to appropriate and to apply any and all (i) balances held by Lender or any of Lender's Affiliates at any of its offices for the account of any Loan Party (regardless of whether such balances are then due to such Loan Party), and (ii) other property at any time held or owing by Lender or any of Lender's Affiliates to or for the credit or for the account of any Loan Party, against and on account of any of the Obligations. Each Loan Party agrees, to the fullest extent permitted by Law, that Lender and any of Lender's Affiliates may exercise its right to set off with respect to the Obligations as provided in this Section 9.2. 9.3. Application of Proceeds. A 42 13724450v7 (a) After Event of Default. Notwithstanding anything to the contrary contained in this Agreement, upon the occurrence and during the continuance of an Event of Default, each Loan Party irrevocably waives the right to direct the application of any and all payments at any time or times thereafter received by Lender from or on behalf of Borrower or any Guarantor of all or any part of the Obligations and any and all proceeds of Collateral received by Lender, and, as between the Loan Parties on the one hand and Lender on the other, Lender shall have the continuing and exclusive right to apply and to reapply any and all payments received against the Obligations and any and all proceeds of Collateral received by Lender in such manner as Lender may deem advisable notwithstanding any previous application by Lender. (b) Residuary. Any balance remaining after giving effect to the applications set forth in this Section 9.3 shall be delivered to Borrower or to whoever may be lawfully entitled to receive such balance or as a court of competent jurisdiction may direct. In carrying out any of the applications set forth in this Section 9.3, (i) amounts received shall be applied in the numerical order provided until paid in full prior to the application to the next succeeding category and (ii) each of the Persons entitled to receive a payment or cash collateral in any particular category shall receive an amount equal to its pro rata share of amounts available to be applied pursuant thereto for such category. 9.4. Waivers by Loan Parties. Except as otherwise provided for in this Agreement or by applicable Law, each Loan Party waives: (a) presentment, demand and protest and notice of presentment, dishonor, notice of intent to accelerate, notice of acceleration, protest, default, nonpayment, maturity, release, compromise, settlement, extension or renewal of any or all commercial paper, accounts, contract rights, documents, instruments, chattel paper and guarantees at any time held by Lender on which any Loan Party may in any way be liable, and hereby ratifies and confirms whatever Lender may do in this regard, (b) all rights to notice and a hearing prior to Lender's taking possession or control of, or to Lender's replevy, attachment or levy upon, the Collateral or any bond or security that might be required by any court prior to allowing Lender to exercise any of its remedies, and (c) the benefit of all valuation, appraisal, marshaling and exemption Laws. 10. EXPENSES AND INDEMNITY 10.1. Expenses. Each Loan Party hereby jointly and severally agrees to promptly pay (i) all reasonable, documented actual costs and out of pocket expenses of Lender (including the reasonable, documented fees, costs and expenses of one counsel to, and

independent appraisers and consultants retained by, Lender) in connection with the examination, review, due diligence investigation, documentation, negotiation, closing and syndication of the transactions contemplated by the Loan Documents, in connection with the performance by Lender of its rights and remedies under the Loan Documents and in connection with the continued administration of the Loan Documents including (A) any amendments, modifications, consents and waivers to and/or under any and all Loan Documents, (B) any periodic public record searches conducted by or at the request of Lender (including title investigations, Uniform Commercial Code searches, fixture filing searches, judgment, pending Litigation and tax lien searches and searches of applicable corporate, limited liability company, partnership and related records concerning the continued existence, organization and good standing of certain Persons), and (C) any appraisals and any internal audit reviews, field examinations and Collateral examinations (which shall be A 43 13724450v7 reimbursed, in addition to the out-of-pocket costs and expenses of such examiners, at the per diem rate per individual charged by Lender for its examiners or charged to Lender by third-party examiners)), (ii) without limitation of the preceding clause (i), all reasonable actual costs and out of pocket expenses of Lender in connection with (A) the creation, perfection and maintenance of Liens pursuant to the Loan Documents and (B) protecting, storing, insuring, handling, maintaining or selling any Collateral, (iii) without limitation of the preceding clause (i), all actual costs and out of pocket expenses of Lender in connection with (A) any Litigation, dispute, suit or proceeding relating to any Loan Document and (B) any workout, collection, bankruptcy, insolvency, post-judgment or other enforcement proceedings under any and all of the Loan Documents, and (iv) all actual costs and out of pocket expenses incurred by Lender in connection with any Litigation, dispute, suit or proceeding relating to any Loan Document and in connection with any workout, collection, bankruptcy, insolvency, post-judgment or other enforcement proceedings under any and all Loan Documents, provided, that to the extent that the actual costs and expenses referred to in this clause (iv) consist of reasonable fees, costs and expenses of counsel, Borrower shall be obligated to pay such reasonable fees, costs and expenses for counsel to Lender and local counsel to Lender in each relevant jurisdiction. 10.2. Indemnity. Each Loan Party hereby agrees to indemnify, pay and hold harmless Lender and the Affiliates, officers, directors, employees, trustees, agents, investment advisors, collateral managers, servicers, and counsel of Lender (collectively called the "Indemnitees") from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, claims, costs, expenses and disbursements of any kind or nature whatsoever (including the reasonable fees and disbursements of counsel for such Indemnitee) in connection with any investigative, response, remedial, administrative or judicial matter or proceeding, whether or not such Indemnitee shall be designated a party thereto and including any such proceeding initiated by or on behalf of a Loan Party or any Affiliate thereof, and the reasonable expenses of investigation by engineers, environmental consultants and similar technical personnel and any commission, fee or compensation claimed by any broker (other than any broker retained by Lender) asserting any right to payment for the transactions contemplated hereby, which may be imposed on, incurred by or asserted against such Indemnitee as a result of or in connection with the transactions contemplated hereby or by the other Loan Documents (including (i) A as a direct or indirect result of the presence on or under, or escape, seepage, leakage, spillage, discharge, emission or release from, any property now or previously owned, leased or operated by a Loan Party or any other Person of any Hazardous Materials or any Hazardous Materials Contamination, (B) arising out of or relating to the offsite disposal of any materials generated or present on any such property, or (C) arising out of or resulting from the environmental condition of any such property or the applicability of any governmental requirements relating to Hazardous Materials, whether or not occasioned wholly or in part by any condition, accident or event caused by any act or omission of any Loan Party, and (ii) proposed and actual extensions of credit under this Agreement) and the use or intended use of the proceeds of the Advances and Letters of Credit, except that the Loan Parties shall not have any obligation under this Section to an Indemnitee with respect to any liability resulting solely from the gross negligence or willful misconduct of such Indemnitee or any of its Affiliates, as determined by a final non-appealable judgment of a court of competent jurisdiction. To the extent that the undertaking set forth in the immediately preceding sentence may be unenforceable, the Loan Parties shall contribute the maximum portion which it is permitted to pay and satisfy under applicable Law to the payment and satisfaction of all such indemnified liabilities incurred by the Indemnitees or any of them. NOTICE IS HEREBY GIVEN A 44 13724450v7 THAT THIS AGREEMENT CONTAINS INDEMNIFICATION PROVISIONS IN THIS SECTION 10.2 THAT APPLY TO, AND EACH LOAN PARTY HEREBY ACKNOWLEDGES AND AGREES THAT THE FOREGOING INDEMNITY SHALL BE APPLICABLE TO, ANY LOSSES, DAMAGES AND LIABILITIES THAT HAVE RESULTED FROM OR ARE ALLEGED TO HAVE RESULTED FROM THE ACTIVE OR PASSIVE OR THE SOLE, JOINT OR CONCURRENT ORDINARY NEGLIGENCE OF LENDER OR ANY OTHER INDEMNITEE UNDER THIS SECTION 10.2. 11. MISCELLANEOUS 11.1. Survival. All agreements, representations and warranties made herein and in every other Loan Document shall survive the execution and delivery of this Agreement and the other Loan Documents. The provisions of Sections 2.5(f), 2.9, 2.10, 10, and 11 shall survive the payment of the Obligations and any termination of this Agreement. 11.2. No Waivers. No failure or delay by Lender in exercising any right, power or privilege under any Loan Document shall operate as a waiver thereof nor shall 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 and therein provided shall be cumulative and not exclusive of any rights or remedies provided by Law. Any reference in any Loan Document to the "continuing" nature of any Event of Default shall not be construed as establishing or otherwise indicating that Borrower or any other Loan Party has the independent right to cure any such Event of Default, but is rather presented merely for convenience should such Event of Default be waived in accordance with the terms of the applicable Loan Documents. 11.3. Notices. (a) All notices, requests and other communications to any party hereunder shall be in writing (including prepaid overnight courier, e-mail, electronic submissions or similar writing, but not facsimile transmission) and shall be given to such party at its address or e-mail address set forth on the signature pages hereof or at such other address or e-mail address as such party may hereafter specify for the purpose by notice to Lender and Borrower; provided, that notices, requests or other communications shall be permitted by e-mail or other electronic submissions only in accordance with the provisions of Section 11.3(b). Each such notice, request or other communication shall be effective (i) if given by e-mail or other electronic submissions, as set forth in Section 11.3(c) or (ii) if given by mail, prepaid overnight courier or any other means, when received at the applicable address specified by this Section. Notwithstanding anything to the contrary herein, and for the avoidance of any doubt, notices, requests and other communications delivered by facsimile transmission do not satisfy the requirements of this Section 11.3. (b) Notices and other communications to the parties hereto may be delivered or furnished by electronic communication (including e-mail and Internet or intranet websites); provided, that (i) the foregoing shall not apply to notices sent directly to any party hereto if such party has notified Lender that it has elected not to receive notices by electronic communication (which election may be limited to particular notices) and (ii) any Notice of Borrowing, Notice of Conversion or any notices regarding request for advances hereunder shall be delivered or furnished A 45 13724450v7 by Borrower by electronic communication in accordance with all procedures established by or otherwise acceptable to Lender from time to time in its sole discretion. (c) Unless Lender otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgment from the intended recipient (such as by the "receipt" function, as available, return e-mail or other written acknowledgment), and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor; provided, that if any such notice or other communication is not sent or posted during normal business hours, such notice or communication shall be deemed to have been sent at the opening of business on the next Business Day. 11.4. Severability. In case any provision of or obligation under this Agreement or any other Loan Document shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby. 11.5. Amendments and Waivers. No provision of this Agreement or any other Loan Document may be amended, waived or otherwise modified unless such amendment, waiver or other modification is in writing and is signed or otherwise approved by Borrower and Lender. Notwithstanding the foregoing, Borrower and each of the other Loan Parties hereby authorize Lender to (i) correct any patent (or scrivener's) errors or other erroneous content in the Loan Documents, (ii) date any dates and fill in any blanks or other missing content in any of the Loan Documents, and (iii) replace or substitute pages, as applicable, in each Loan Document that were changed to correct such errors or fill in such dates, missing content or blanks (each a "Corrected Document"), in each case, without the need for a written amendment signed by the parties; provided that Lender shall send a copy of any such Corrected Document to Borrower (which copy may be given by electronic mail). Without limiting the generality of any of the foregoing, Borrower further covenants that it shall, and shall cause each of the other Loan Parties to, execute, acknowledge and deliver, or cause to be executed, acknowledged or delivered (or, as applicable, re-execute, re-acknowledge and re-deliver), (A) each agreement, instrument or other document that was incorrectly drafted and signed at the Closing Date and (B) all such further assurances and other agreements, instruments or documents, and take or cause to be taken all such other actions, as Lender shall request from time to time to permit Lender to evidence or give effect to the express terms and conditions of this Agreement and the other Loan Documents and any of the transactions contemplated hereby, including to perfect (or continue the perfection of) and protect Lender's Liens upon the Collateral, and shall take such other action as may be requested by Lender to give effect to or carry out the intent and purposes of this Agreement. 11.6. Assignments; Participations. (a) Assignments. With the prior written consent of the Borrower (not to be unreasonably withheld or delayed), Lender (and any subsequent assignee of Lender) may transfer and assign all or any of its rights or delegate any or all of its duties under this Agreement and/or the other Loan Documents; provided that no consent of the Borrower shall be required in A 46 13724450v7 connection with (i) any assignment to an Affiliate of the assignor, (ii) any assignment, if an Event of Default has occurred and is continuing (the determination of such Event of Default to be in Lender's sole discretion), and (iii) any assignment to any corporation or association into which the Lender may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer all or substantially all of its business, or assets as a whole or substantially as a whole (and in respect of (iii), such corporation or association shall be and become the successor Lender under this Agreement and shall have and succeed to the rights, powers, duties, immunities and privileges as its predecessor, without the execution or filing of any instrument or paper or the performance of any further act). Subject to the confidentiality provisions of Section 11.8, Lender may, without obtaining any consent of any Loan Party, disclose to all prospective and actual assignees and Participants all financial, business and other information about the Loan Parties which Lender may possess at any time. For the avoidance of doubt, Lender may, without obtaining any consent of any Loan Party, at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank; provided, that no such pledge or assignment shall release Lender from any of its obligations hereunder or substitute any such pledgee or assignee for Lender as a party hereto. (b) Participations. Lender may at any time, without the consent of, or notice to, Borrower, sell to one or more Persons participating interests in its Advances, commitments or other interests hereunder (any such Person, a "Participant"). In the event of a sale by Lender of a participating interest to a Participant, (i) Lender's obligations hereunder shall remain unchanged for all purposes, (ii) Borrower shall continue to deal solely and directly with Lender in connection with Lender's Liens upon its rights and obligations hereunder, and (iii) all amounts payable by Borrower shall be determined as if Lender had not sold such participation and shall be paid directly to Lender, provided, however, notwithstanding the foregoing, Borrower hereby agrees that each Participant shall be entitled to the benefits of Section 2.10 and the requirements under Section 2.9(c) (it being understood that the documentation required under Section 2.9(c) shall be delivered to Lender) to the same extent as if it were Lender; provided, further, a Participant shall not be entitled to receive any greater payment under Section 2.10, with respect to any participation, than Lender would have been entitled to receive, except to the extent such entitlement to receive a greater payment results from a change in Law, regulation, ruling, treaty or other action or doctrine of a Governmental Authority that occurs after the date the Participant acquired the applicable participation. Borrower acknowledges that Participants have and will have certain rights under their respective participation agreements with Lender that may, subject to the terms of the participation agreements, require Lender to obtain the consent (collectively, "Participant Consents") of some or all of the Participants before Lender takes or refrains from taking certain actions (other than as expressly required by the Loan Documents) or grants waivers, consents or approvals in respect of the Advances, the Loan Documents or the Collateral. None of the Participants, however, will have Participant Consent rights which are greater than those rights and remedies Lender has under the Loan Documents. In addition, from time to time, Lender may request instructions from the Participants in respect of the actions, waivers, consents or approvals which by the terms of any of the Loan Documents Lender is permitted or required to take or to grant or to not take or grant ("Participant Instructions"). If the Participant Consents are, pursuant to the terms of the respective participation agreements, required or Participant Instructions are requested, Lender will, notwithstanding anything to the contrary in this Section 11.6(b), (A) be absolutely empowered to take or refrain from taking any action (other than as expressly required by the Loan Documents) A 47 13724450v7 or withhold any waiver, consent or approval, and (B) not be under any liability whatsoever to any Person, including Borrower and any Participant, from taking or refraining from taking any action or withholding any waiver, consent or approval under any of the Loan Documents until it has received the requisite Participant Consents or, as applicable, the Participant Instructions. Borrower agrees that if amounts outstanding under this Agreement are due and payable (as a result of acceleration or otherwise), each Participant shall be deemed to have the right of set-off in respect of its participating interest in amounts owing under this Agreement and with respect to any Letter of Credit to the same extent as if the amount of its participating interest were owing directly to it as Lender under this Agreement. If Lender sells a participation to a Participant as provided under this Section 11.6(b), it shall, acting solely for this purpose as a non-fiduciary agent of Borrower, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Advances or other obligations under the Loan Documents (the "Participant Register"); provided, that Lender shall not have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or its other obligations under any Loan Document) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive and binding absent manifest error, and Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, Lender shall have no responsibility for maintaining a Participant Register. (c) Loan Party Assignments. No Loan Party may assign, delegate or otherwise transfer any of its rights or other obligations hereunder or under any other Loan Document without the prior written consent of Lender. 11.7. Headings. Headings and captions used in the Loan Documents (including the Exhibits, Schedules and Annexes hereto and thereto) are included for convenience of reference only and shall not be given any substantive effect. 11.8. Confidentiality. Lender shall hold all non-public information regarding the Loan Parties and their respective businesses identified as such by Borrower and obtained by Lender by a Loan Party pursuant to the requirements hereof in accordance with Lender's customary procedures for handling information of such nature, except that disclosure of such information may be made (i) to Lender's Affiliates and the partners, directors, officers, employees, agents, trustees, administrators, managers, auditors, professional consultants, advisors and representatives of Lender and of Lender's Affiliates (collectively, the "Related Parties" of Lender) (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such information and instructed to keep such information confidential), (ii) to rating agencies, insurance industry associations and portfolio management services, (iii) to prospective transferees or purchasers of or participants in any interest in the Advances and, as applicable, the Loan Documents, to prospective contractual counterparties (or the professional advisors thereto) in Rate Contracts permitted hereby and to prospective providers of Bank Products, provided, that any such Persons shall have agreed to be bound by the provisions of this Section 11.8, (iv) to the extent requested by any regulatory authority purporting to have A 48 13724450v7 jurisdiction over such Person or its Related Parties, including any self-regulatory authority, (v) to any other party hereto, (vi) in connection with the exercise of any remedies hereunder or under any other Loan Document or any action or proceeding relating to this Agreement or any other Loan Document or the enforcement of rights hereunder or thereunder, (vii) as required by Law, subpoena, judicial order or similar order and in connection with any Litigation, (viii) as may be required in connection with the examination, audit or similar investigation of such Person, (ix) with the consent of Borrower, (x) to the extent such information (A) becomes publicly available other than as a result of a breach of this Section, or (B) becomes available to Lender or any of its Related Parties on a nonconfidential basis from a source other than the Loan Parties, and (xi) to a Person that is a trustee, investment advisor, collateral manager, servicer, noteholder or secured party in a Securitization (as hereinafter defined) in connection with the administration, servicing and reporting on the assets serving as collateral for such Securitization. For the purposes of this Section, "Securitization" shall mean a public or private offering by Lender or any of its Affiliates or their respective successors and assigns, of Stock or debt securities which represent an interest in, or which are collateralized, in whole or in part, by the Advances. Confidential information shall include only such information identified as such at the time provided to Lender and shall not include information that either (A) is in the public domain, or

becomes part of the public domain after disclosure to such Person through no fault of such Person, or (B) is disclosed to such Person by a Person other than a Loan Party, provided, Lender does not have actual knowledge that such Person is prohibited from disclosing such information. The obligations of Lender under this Section 11.8 shall supersede and replace the obligations of Lender under any confidentiality agreement in respect of this financing executed and delivered by Lender prior to the date hereof. 11.9. Waiver of Consequential and Other Damages. To the fullest extent permitted by applicable Law, no Loan Party shall assert, and each Loan Party hereby waives, any claim against any Indemnitee, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of this Agreement, any other Loan Document or any agreement or instrument contemplated hereby or thereby, the transactions contemplated hereby or thereby, any Advance or Letter of Credit or the use of the proceeds thereof. No Indemnitee shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed by it through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby. 11.10. Marshaling; Payments Set Aside. Lender shall not be under any obligation to marshal any assets in payment of any or all of the Obligations. To the extent that any Loan Party makes any payment or Lender enforces its Liens or Lender exercises its right of set-off, and such payment or the proceeds of such enforcement or set-off is subsequently invalidated, declared to be fraudulent or preferential, set aside, or required to be repaid by anyone, then to the extent of such recovery, the Obligations or part thereof originally intended to be satisfied, and all Liens, rights and remedies therefore, shall be revived and continued in full force and effect as if such payment had not been made or such enforcement or set-off had not occurred. 11.11. GOVERNING LAW; SUBMISSION TO JURISDICTION. THIS AGREEMENT, EACH NOTE AND EACH OTHER LOAN DOCUMENT, AND ALL MATTERS RELATING HERETO OR THERETO OR ARISING THEREFROM (WHETHER Δ 49 13724450v7 SOUNDING IN CONTRACT LAW, TORT LAW OR OTHERWISE), SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO CONFLICTS OF LAWS PRINCIPLES OTHER THAN SECTIONS 5-1401 AND 5-1402 OF THE NEW YORK GENERAL OBLIGATIONS LAW. EACH LOAN PARTY HEREBY CONSENTS TO THE JURISDICTION OF ANY STATE OR FEDERAL COURT LOCATED WITHIN THE COUNTY OF NEW YORK, STATE OF NEW YORK AND IRREVOCABLY AGREES THAT, SUBJECT TO LENDER Δ 'S ELECTION, ALL ACTIONS OR PROCEEDINGS ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE OTHER LOAN DOCUMENTS SHALL BE LITIGATED IN SUCH COURTS. EACH LOAN PARTY EXPRESSLY SUBMITS AND CONSENTS TO THE JURISDICTION OF THE AFORESAID COURTS AND WAIVES ANY DEFENSE OF FORUM NON CONVENIENS. EACH LOAN PARTY HEREBY WAIVES PERSONAL SERVICE OF ANY AND ALL PROCESS AND AGREES THAT ALL SUCH SERVICE OF PROCESS MAY BE MADE UPON EACH SUCH LOAN PARTY BY CERTIFIED OR REGISTERED MAIL, RETURN RECEIPT REQUESTED, ADDRESSED TO SUCH LOAN PARTY AT THE ADDRESS SET FORTH IN THIS AGREEMENT AND SERVICE SO MADE SHALL BE COMPLETE 10 DAYS AFTER THE SAME HAS BEEN POSTED. 11.12. WAIVER OF JURY TRIAL. TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, EACH LOAN PARTY AND LENDER HEREBY IRREVOCABLY WAIVE ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THE LOAN DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED THEREBY AND AGREES THAT ANY SUCH ACTION OR PROCEEDING SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY. EACH LOAN PARTY AND LENDER ACKNOWLEDGE THAT THIS WAIVER IS A MATERIAL INDUCEMENT TO ENTER INTO A BUSINESS RELATIONSHIP, THAT EACH HAS RELIED ON THE WAIVER IN ENTERING INTO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS, AND THAT EACH WILL CONTINUE TO RELY ON THIS WAIVER IN THEIR RELATED FUTURE DEALINGS. EACH LOAN PARTY AND LENDER WARRANT AND REPRESENT THAT EACH HAS HAD THE OPPORTUNITY OF REVIEWING THIS JURY WAIVER WITH LEGAL COUNSEL, AND THAT EACH KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS. 11.13. Publication; Advertisement. (a) Publication. No Loan Party will directly or indirectly publish, disclose or otherwise use in any public disclosure, advertising material, promotional material, press release or interview, any reference to the name, logo or any trademark of Fifth Third or any of its Affiliates or any reference to this Agreement or the financing evidenced hereby, in any case except (i) as required by Law, subpoena or judicial or similar order, in which case the applicable Loan Party shall give Lender prior written notice of such publication or other disclosure or (ii) with Fifth Third Δ 's prior written consent. (b) Advertisement. Following public disclosure by Borrower of this Agreement, each Loan Party hereby authorizes Lender to publish the name of such Loan Party, the existence of the financing arrangements referenced under this Agreement, the primary purpose Δ 50 13724450v7 and/or structure of those arrangements, the amount of credit extended under each facility, the title and role of each party to this Agreement, and the total amount of the financing evidenced hereby in any Δ tombstone Δ , comparable advertisement or press release which Lender elects to submit for publication. In addition, each Loan Party agrees that Lender may provide lending industry trade organizations with information necessary and customary for inclusion in league table measurements after the Closing Date. With respect to any of the foregoing, Lender shall provide Borrower with an opportunity to review and confer with Lender regarding the contents of any such tombstone, advertisement or information, as applicable, prior to its submission for publication and, following such review period, Lender may, from time to time, publish such information in any media form desired by Lender, until such time that Borrower shall have requested Lender cease any such further publication. 11.14. Counterparts; Integration. This Agreement and the other Loan Documents may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. Signatures by facsimile or other electronic transmission (including Δ cepdf Δ or Δ ctif Δ format) shall bind the parties hereto. This Agreement and the other Loan Documents constitute the entire agreement and understanding among the parties hereto and supersede any and all prior agreements and understandings, oral or written, relating to the subject matter hereof. 11.15. No Strict Construction. The parties hereto have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties hereto and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provisions of this Agreement. 11.16. USA PATRIOT Act Notification. Lender hereby notifies each Loan Party that pursuant to the requirements of the USA PATRIOT Act, it is required to obtain, verify and record certain information and documentation that identifies such Loan Party, which information includes the name and address of each Loan Party and such other information that will allow Lender to identify such Loan Party in accordance with the USA PATRIOT Act. The Loan Parties agree to, promptly following a request by Lender, provide all such other documentation and information that Lender requests in order to comply with its ongoing obligations under applicable Δ cknow your customer Δ and anti-money laundering rules and regulations, including the USA PATRIOT Act, and the Beneficial Ownership Regulation. 11.17. Acknowledgement and Consent to Bail-In of Affected Financial Institutions. Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Affected Financial Institution arising under any Loan Document may be subject to the write-down and conversion powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by: (a) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an Affected Financial Institution; and Δ 51 13724450v7 (b) the effects of any Bail-In Action on any such liability, including, if applicable: (i) a reduction in full or in part or cancellation of any such liability; (ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent entity, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or (iii) the variation of the terms of such liability in connection with the exercise of the write-down and conversion powers of any applicable Resolution Authority. 11.18. CALIFORNIA JUDICIAL REFERENCE. In the event any legal proceeding is filed in a court of or in the State of California (the Δ court Δ) by or against a Loan Party or Lender in connection with any controversy, dispute or claim directly or indirectly arising out of or relating to this Agreement, any Notes issued pursuant hereto (if any), the Loan Documents or the transactions contemplated thereby (whether based on contract, tort or any other theory) (each, a Δ cclaim Δ) and the waiver set forth in the preceding Section 11.12 is not enforceable in such action or proceeding, the Loan Parties and Lender (by its acceptance hereof) agree as follows: (a) With the exception of the matters specified in Section 11.18(b) below, any Claim will be determined by a general reference proceeding in accordance with the provisions of California Code of Civil Procedure Sections 638 through 645.2, including any revision or replacement of such statutes or rules hereafter enacted. The Loan Parties and Lender intend this general reference agreement to be specifically enforceable in accordance with California Code of Civil Procedure Section 638, including any revision or replacement of such statute or rule hereafter enacted. Except as otherwise provided in this and the other related Loan Documents, venue for the reference proceeding will be in the state or federal court in the county or district where venue is otherwise appropriate under applicable Law. (b) The following matters shall not be subject to a general reference proceeding: (i) judicial or non-judicial foreclosure of any security interests in real or personal property; (ii) exercise of self-help remedies (including, without limitation, set-off); (iii) appointment of a receiver; and (iv) temporary, provisional or ancillary remedies (including, without limitation, writs of attachment, writs of possession, temporary restraining orders or preliminary injunctions or other injunction relief). This Section 11.18 does not limit the right of the Loan Parties or Lender to exercise or oppose any of the rights and remedies described in Section 11.18(b) (i) – (iv) and any such exercise or opposition does not waive the right of the Loan Parties or Lender to a reference proceeding pursuant to this Section 11.18. (c) Upon the written request of the Loan Parties or Lender, the Loan Parties and Lender shall select a single referee, who shall be a retired judge or justice. If the Loan Parties and Lender do not agree upon a referee within ten (10) days of such written request then the Loan Parties or Lender may request the Court to appoint a referee pursuant to California Code of Civil Δ 52 13724450v7 Procedure Section 640(b), including any revision or replacement of such statute or rule hereafter enacted. (d) All proceedings and hearings conducted before the referee, except for trial, shall be conducted without a court reporter, except when the Loan Parties or Lender so requests, a court reporter will be used and the referee will be provided a courtesy copy of the transcript. The party making such request shall have the obligation to arrange for and pay costs of the court reporter, provided that such costs, along with the referee Δ 's fees, shall ultimately be borne by the party who does not prevail, as determined by the referee. (e) The referee may require one or more prehearing conferences. The Loan Parties and Lender shall be entitled to discovery, and the referee shall oversee discovery in accordance with the rules of discovery, and may enforce all discovery orders in the same manner as any trial court judge in proceedings at law in the State of California. The referee shall apply the rules of evidence applicable to proceedings at law in the State of California and shall determine all issues in accordance with applicable state and federal law. The referee shall be empowered to enter equitable as well as legal relief and rule on any motion which would be authorized in a trial, including, without limitation, motions for default judgment or summary judgment. The referee shall report the referee Δ 's decision, which report shall also include findings of fact and conclusions of law. (f) THE LOAN PARTIES AND LENDER RECOGNIZE AND AGREE THAT ALL CLAIMS RESOLVED IN A GENERAL REFERENCE PROCEEDING PURSUANT HERETO WILL BE DECIDED BY A REFEREE AND NOT BY A JURY. [Signature pages follow] Δ Signature Page to Credit Agreement 13724450v7 IN WITNESS WHEREOF, this Agreement has been duly executed BORROWER: UNIVERSAL TECHNICAL INSTITUTE, INC. By: _____ Name: Troy R. Anderson Title: Chief Financial Officer Borrower Δ 's Address for Notices: Universal Technical Institute, Inc. 4225 E. Windrose Drive, Suite 200 Phoenix, Arizona 85032 Attn: Troy Anderson, Chief Executive Officer Δ Signature Page to Credit Agreement 13724450v7 LOAN PARTIES: UTI HOLDINGS INC. By: _____ Name: _____ Title: _____

STUDENT FUNDING GROUP, LLC By: _____ Name: _____ Title: _____ HCP ED HOLDINGS, INC. By: _____ Name: _____ Title: _____ UNIVERSAL TECHNICAL INSTITUTE OF ARIZONA, INC. By: _____ Name: _____ Title: _____ U.T.I. OF ILLINOIS, INC. By: _____ Name: _____ Title: _____ Δ Signature Page to Credit Agreement 13724450v7 UNIVERSAL TECHNICAL INSTITUTE OF CALIFORNIA, INC. By: _____ Name: _____ Title: _____ UNIVERSAL TECHNICAL INSTITUTE OF SOUTHERN CALIFORNIA, LLC By: _____ Name: _____ Title: _____ UNIVERSAL TECHNICAL INSTITUTE OF NORTH CAROLINA, INC. By: _____ Name: _____ Title: _____ UNIVERSAL TECHNICAL INSTITUTE OF TEXAS, INC. By: _____ Name: _____ Title: _____ Δ Signature Page to Credit Agreement 13724450v7 UNIVERSAL TECHNICAL INSTITUTE OF PENNSYLVANIA, INC. By: _____ Name: _____ Title: _____ Δ Signature Page to Credit Agreement 13724450v7 UNIVERSAL TECHNICAL INSTITUTE NORTHEAST, LLC By: _____ Name: _____ Title: _____ Δ Signature Page to Credit Agreement 13724450v7 UNIVERSAL TECHNICAL INSTITUTE OF PHOENIX, INC. By: _____ Name: _____ Title: _____ UNIVERSAL TECHNICAL INSTITUTE OF NORTH CALIFORNIA, INC. By: _____ Name: _____ Title: _____ CUSTOM TRAINING GROUP, INC. By: _____ Name: _____ Title: _____ Δ Signature Page to Credit Agreement 13724450v7 MICHIGAN INSTITUTE OF AERONAUTICS, INC. d/b/a MIAT College of Technology By: _____ Name: _____ Title: _____ Δ Signature Page to Credit Agreement 13724450v7 UTI WEST TEXAS, LLC OF ARIZONA, LLC d/b/a Universal Technical Institute of Arizona, LLC By: _____ Name: _____ Title: _____ Δ Signature Page to Credit Agreement 13724450v7 LENDER: FIFTH THIRD BANK, NATIONAL UTI SOUTH FLORIDA, LLC By: _____ Name: _____ Title: _____ Δ Signature Page to Credit Agreement 13724450v7 UNIVERSAL TECHNICAL INSTITUTE VENTURES, LLC By: _____ Name: _____ Title: _____ Δ Signature Page to Credit Agreement 13724450v7 UNIVERSAL TECHNICAL INSTITUTE OF NORTHERN TEXAS, LLC By: _____ Name: _____ Title: _____ Δ Signature Page to Credit Agreement 13724450v7 LENDER: FIFTH THIRD BANK, NATIONAL

ASSOCIATION By: Name: Jeff Thom Title: Senior Vice President Lender Δ 's Address for Notices: Fifth Third Bank, National Association 3633 Inland Empire Blvd., Suite 920 Ontario, California 91764 Δ Annex A 13724450v7 ANNEX A TO CREDIT AGREEMENT LETTERS OF CREDIT (a) Issuance. (i) Subject to the terms and conditions of the Agreement, Lender agrees to incur, from time to time prior to the Commitment Termination Date, upon the request of Borrower and for Borrower Δ 's or any Subsidiary Δ 's account, Letter of Credit Obligations with respect to Letters of Credit issued by Lender for Borrower Δ 's or any Subsidiary Δ 's account. Borrower shall give Lender at least five Business Days prior written notice requesting the issuance of any Letter of Credit Obligation. The notice shall be accompanied by a completed Letter of Credit application. Notwithstanding anything contained herein to the contrary, Letter of Credit applications by Borrower and communications by Lender may be made and transmitted pursuant to electronic codes and security measures mutually agreed upon and established by and between Borrower and Lender. Borrower hereby authorizes Lender to accept, act upon, and treat as genuine and original (but without any obligation of Lender to do any of the foregoing) applications, authorizations, and other requests regardless of the manner communicated, including those sent or communicated via overnight courier, certified or non-certified mail, fax, email, electronic code, or phone, so long as Lender does not have actual knowledge that a particular application, authorization, or other request is not authorized by Borrower. (ii) Letters of Credit issued hereunder shall constitute utilization of the Commitments. A Letter of Credit shall be issued, extended, reinstated, or otherwise amended only if (and upon issuance, extension, reinstatement or other amendment of each Letter of Credit Borrower shall be deemed to represent and warrant that), after giving effect to such issuance, extension, reinstatement or other amendment, (i) the aggregate amount of Letter of Credit Obligations shall not at any time exceed \$20,000,000.00 (the Δ el/C Sublimit Δ); and (ii) Revolving Exposure shall not exceed the Revolving Loan Commitment. (iii) Borrower is responsible for preparing or approving the text of each Letter of Credit as submitted to and as issued by Lender and as received by the beneficiary, notwithstanding any drafting recommendations or forms provided by Lender. Lender Δ 's recommendation or drafting of text or Lender Δ 's use or non-use or refusal to use text submitted by Borrower shall not affect Borrower Δ 's ultimate responsibility. Borrower is responsible for Lender Δ 's failure to apply, or to observe standard practice as applied to, Letter of Credit terms or conditions, and for terms or conditions that (A) are erroneous, ambiguous, inconsistent, insufficient, ineffective, or illegal, (B) require Lender to respond to a demand in fewer than three Business Days, or (C) require or allow Borrower to sign, issue, or present a document. Notwithstanding anything to the contrary in this Agreement, Lender Δ 's obligation to issue, amend, or extend the expiration date of a Letter of Credit is subject to its review and approval of the proposed terms of the Letter of Credit (and any Δ Annex A 13724450v7 amendment thereof) in its sole discretion. Borrower represents and warrants to Lender that Borrower is familiar with, and understands, applicable Law and letter of credit practice. If requested by Lender, Borrower will execute, deliver, and submit a letter of credit application and reimbursement agreement on Lender Δ 's standard forms in connection with any request for a Letter of Credit. In

the event of any inconsistency between the terms and conditions of this Agreement and the terms and conditions of any such letter of credit application or reimbursement agreement, the terms and conditions of this Agreement will control, for so long as Borrower and Lender are subject thereto. Notwithstanding anything to the contrary in this Agreement but subject to Borrower's ultimate responsibility as set forth above in this paragraph (a), Lender's obligation to issue, amend, or extend the expiration date of a Letter of Credit is subject to its review and approval of the proposed terms of the Letter of Credit (and any amendment thereto) in its sole discretion. (iv) Borrower will notify Lender in writing no later than three Business Days after Borrower first becomes aware of any objection Borrower may have to Lender's issuance or amendment of a Letter of Credit, Lender's acceptance or rejection of a presentation under any Letter of Credit, or any other action or inaction taken or proposed to be taken by Lender under or in connection with this Agreement or any other agreement, document, or instrument relating hereto; provided, however, that if Lender reasonably believes that it is obligated to take any action, including, but not limited to, the payment on a Letter of Credit in a period of time less than three Business Days, Lender is allowed to take such action without liability to Borrower. Borrower's failure to give timely and specific notice of objection shall automatically waive Borrower's objection, authorize or ratify Lender's action or inaction, and absolutely preclude Borrower from raising the objection as a defense or claim against Lender (or any Indemnitee). If Lender approaches Borrower for a waiver of discrepancies in a presentation, then Borrower must respond within three Business Days. Lender may treat Borrower's failure to respond as a waiver of the indicated discrepancies, but need not itself accept Borrower's implied or express waiver of discrepancies as binding on Lender. Borrower's acceptance or retention of any documents presented under or in connection with a Letter of Credit (including, but not limited to, originals or copies of documents sent directly to Borrower) or of any property for which payment is supported by any Letter of Credit shall ratify Lender's honor of the relevant presentation and absolutely preclude Borrower from raising a defense or claim against Lender (or any Indemnitee) with respect to such honor. (b) **Expiration Date.** Except for Evergreen Letters of Credit that are subject to the terms and conditions set forth in this paragraph, no Letter of Credit shall have an expiration date that is later than the earlier of (i) one year following the date of issuance thereof (or, in the case of any extension of the expiration date thereof, whether automatic or by amendment, one year after the then-current expiration date of such Letter of Credit) unless otherwise permitted by Lender (subject to the other provisions of this Agreement) and (ii) the date that is five Business Days before the Commitment Termination Date, and Lender shall not be under any obligation to incur Letter of Credit Obligations in respect of any Letter of Credit having an expiration date that is later than the Commitment Termination Date. If Borrower so requests in any notice requesting the issuance of a Letter of Credit (or the amendment of an outstanding Letter of Credit), Lender may, in its sole discretion, agree to issue a Letter of Credit that has automatic extension provisions. **Annex A 13724450v7** (each, an "Evergreen Letter of Credit"), provided that any such Evergreen Letter of Credit shall permit Lender to prevent any such extension at least once in each one-year period (commencing with the date of issuance of such Letter of Credit) by giving prior notice to the beneficiary thereof not later than a day (the "Non-Extension Notice Date") in each such one-year period to be agreed upon by Borrower and Lender at the time such Letter of Credit is issued. Unless otherwise directed by Lender, Borrower shall not be required to make a specific request to Lender for any such extension. (c) **Reimbursement and Interim Interest.** (i) If Lender shall make any disbursement in respect of a Letter of Credit, Borrower shall reimburse Lender by paying to Lender an amount equal to such disbursement in immediately available U.S. dollars, without withholding, deduction, or setoff, not later than 1:00 p.m. prevailing local time in New York, NY on (i) the Business Day that Borrower receives notice of Lender's disbursement, if such notice is received prior to 10:00 a.m. prevailing local time in New York, NY; or (ii) the Business Day immediately following the day that Borrower receives such notice, if such notice is not received prior to such time, with interest at the rate applicable to Base Rate Loans for the additional calendar day(s) elapsed; provided that, if such disbursement by Lender is not less than \$250,000, Borrower may, subject to the conditions to borrowing set forth in the Agreement, request in accordance with Section 2.1 that such payment be financed with a Revolving Credit Advance in an equivalent amount, and to the extent so financed, Borrower's obligation to make such payment shall be discharged and replaced by the resulting Revolving Credit Advance. Lender's records showing the dates and amounts of payments due and disbursements made shall be presumed correct and complete and, if Borrower does not object within five Business Days after receiving the information, shall be final. (ii) If Borrower fails to reimburse Lender for any amount disbursed when due pursuant to paragraph (c)(i) above, then the unpaid amount shall bear interest, for each day from and including the date such disbursement is made to but excluding the date that Borrower reimburses Lender for such disbursement, at the Default Rate. (d) **Limitations.** Lender shall not be under any obligation to issue any Letter of Credit if: (i) any order, judgment, or decree of any Governmental Authority or arbitrator shall enjoin or restrain, or purport to enjoin or restrain, Lender from issuing such Letter of Credit, or request that Lender refrain from, or, if in the sole discretion of Lender, any Law applicable to Lender shall prohibit the issuance of letters of credit generally or such Letter of Credit in particular, or any such order, judgment or decree, or Law shall impose upon Lender with respect to such Letter of Credit any restriction, reserve, capital, or liquidity requirement (for which Lender is not otherwise compensated hereunder) not in effect on the Closing Date, or shall impose upon Lender any unreimbursed loss, cost, or expense that was not applicable on the Closing Date and that Lender in good faith deems material to it; **Annex A 13724450v7** (ii) the issuance of such Letter of Credit would violate one or more policies of Lender; or (iii) except as otherwise agreed by Lender, such Letter of Credit is in an initial amount less than \$250,000. Lender shall be under no obligation to amend any Letter of Credit if (A) Lender would have no obligation at such time to issue the Letter of Credit in its amended form under the terms hereof, or (B) the beneficiary of the Letter of Credit does not accept the proposed amendment to the Letter of Credit. (e) **Cash Collateral.** (i) If Borrower is required to provide cash collateral for any Letter of Credit Obligations pursuant to this Agreement, including Section 9.2 of this Agreement, prior to the Commitment Termination Date, Borrower will pay to Lender cash or Cash Equivalents acceptable to Lender ("Cash Collateral") in an amount equal to 103% of the Letter of Credit Obligations plus accrued and unpaid interest thereon. Such Cash Collateral shall be held by Lender and pledged to, and subject to the control of, Lender. Borrower hereby pledges and grants to Lender a security interest in all such Cash Collateral and all proceeds thereof, as security for the payment of all amounts due in respect of the Letter of Credit Obligations and other Obligations, whether or not then due. This Agreement, including this paragraph (e)(i), shall constitute a security agreement under applicable Law. (ii) If any Letter of Credit Obligations, whether or not then due and payable, shall for any reason be outstanding on the Commitment Termination Date, Borrower shall provide Cash Collateral within two Business Days therefor in the manner described, and subject to the terms and conditions as set forth, above. (iii) From time to time after funds are deposited as Cash Collateral by Borrower, whether before or after the Commitment Termination Date, Lender may apply such funds then held by it to the payment of any amounts, and in such order as Lender may elect, as shall be or shall become due and payable by Borrower to Lender with respect to such Letter of Credit Obligations of Borrower and, upon the satisfaction in full of all Letter of Credit Obligations of Borrower, to any other Obligations then due and payable. (iv) Neither Borrower nor any Person claiming on behalf of or through Borrower shall have any right to withdraw any of the Cash Collateral, except that upon the termination of all Letter of Credit Obligations (which requires the return of all original Letters of Credit) and the payment of all amounts payable by Borrower to Lender in respect thereof, any remaining Cash Collateral shall be applied to other Obligations then due and owing and upon payment in full of such Obligations any remaining amount shall be paid to Borrower or as otherwise required by Law. Interest earned, if any, on Cash Collateral shall be held as additional collateral. (f) **Fees and Expenses.** In addition to the Letter of Credit Fees payable pursuant to Section 2.4(e)(ii) of this Agreement, Borrower shall pay to Lender, on demand, such Letter of **Annex A 13724450v7** Credit Fees as are set forth from time to time in Lender's Fee schedule for letters of credit. Borrower acknowledges that Lender may modify such Fee schedule at any time and will communicate such new Fee schedule information to Borrower as required in the notice provision hereunder. Such new Fees will be effective 30 days after such notice and shall apply as of such date to all existing and future Letters of Credit issued by Lender. In the event of any inconsistency between the Fees set forth in this Agreement and the Fees set forth in such Fee schedule, the Fees set forth in this Agreement will control. (g) **Obligations Absolute.** The obligation of Borrower to reimburse Lender for payments made with respect to any Letter of Credit Obligation shall be absolute, unconditional, and irrevocable, and not subject to abatement, reduction, withholding, deduction, deferment, interruption, recoupment, or other right (whether legal, equitable, or otherwise) for any reason whatsoever, without necessity of presentment, demand, protest, or other formalities. Such obligations of Borrower shall be paid strictly in accordance with the terms hereof under all circumstances, including and/or despite any of the following: (i) any lack of validity or enforceability of any Letter of Credit or this Agreement or the other Loan Documents or any other agreement; (ii) the existence of any claim, setoff, defense (including suretyship), or other right that Borrower or any of its Affiliates may at any time have against a beneficiary or any transferee of any Letter of Credit (or any Persons or entities for whom any such transferee may be acting), Lender, or any other Person, whether in connection with this Agreement, the Letter of Credit, the transactions contemplated herein or therein, or any unrelated transaction (including any underlying transaction between Borrower or any of its Affiliates and the beneficiary for which the Letter of Credit was procured); (iii) any draft, demand, certificate or any other document presented under any Letter of Credit proving to be forged, fraudulent, invalid, or insufficient in any respect, or any statement therein being untrue or inaccurate in any respect; (iv) payment by Lender under any Letter of Credit or guaranty thereof against presentation of a demand, draft, certificate, or other document that does not comply with the terms of such Letter of Credit or such guaranty; (v) the fact that a Default or an Event of Default has occurred and is continuing; (vi) any bankruptcy, insolvency, receivership, reorganization, or similar proceeding discharging or otherwise affecting Borrower or any of its Affiliates; (vii) Lender's rights and remedies with respect to any collateral; (viii) Borrower's claims, rights, or remedies against any of its Affiliates; (ix) Lender's waiver or release of any obligation of Borrower; **Annex A 13724450v7** (x) any amendment, supplement, restatement, or renewal of this Agreement or any other agreement, document, or instrument relating hereto; (xi) any loss or damage to any collateral; (xii) the failure of any lien or security interest in favor of Lender to attach, be perfected or recorded, or remain perfected or recorded; (xiii) Lender's release of any collateral, or taking of additional collateral; or (xiv) any other circumstance or event whatsoever, whether or not similar to any of the foregoing that might, but for the provisions of this section, constitute a legal or equitable discharge of, or provide a right of setoff against, Borrower's obligations hereunder. Borrower hereby waives any and all rights with respect to all of the foregoing. (h) **Lender Discretion.** (i) For Borrower's account, Lender may at any time provide in a Letter of Credit or otherwise agree to do or do the following: (A) send the Letter of Credit via the Society for Worldwide Interbank Financial Telecommunication ("SWIFT") network and bind Borrower directly and as an indemnifier to the rules applicable to SWIFT messages (including, but not limited to, rules obligating Borrower or Lender to pay bank charges); (B) assert, waive, or, with any necessary consent from the beneficiary or other person or entity, amend any provision in the Letter of Credit or applicable practice that primarily concerns issuer operations including, but not limited to, (A) identification of the Letter of Credit in any presentation, (B) marking of the Letter of Credit to reflect a transfer, payment, or other action, (C) specification of the business days and hours, manner, and place for Lender receiving a presentation, effecting honor, and giving notice of dishonor under the Letter of Credit, (D) duration of the period(s) for examination, approaching Borrower for a waiver, or sending a notice of refusal, (E) disposition of the beneficiary's documents after dishonor or while approaching Borrower for a waiver, and (F) replacement of a lost Letter of Credit or recognition of a successor beneficiary; (C) discount an accepted draft or deferred payment undertaken under the Letter of Credit, at the request of the beneficiary or other third party, without affecting the amount or due date of Borrower's obligations to reimburse or pay fees to Lender; **Annex A 13724450v7** (D) select any branch, bank office, or Lender affiliate or any other bank or financial institution or affiliate for issuing, advising, transferring, confirming, and/or nominating bank or person or entity under the law and practice of the place where it acts (if the Letter of Credit permits advice, transfer, confirmation, and/or nomination) to act under contract with Lender as a letter of credit processing agent for Lender in Lender's issuance of the Letter of Credit or processing of demands or in any other action that Lender is required or permitted to take under the Letter of Credit; (E) accept documents that appear on their face to be in substantial compliance with the terms and conditions of a Letter of Credit without responsibility for further investigation and disregarding any information or data outside of the face of the documents, regardless of any notice or information to the contrary, and may honor and make payment upon any presentation that appears on its face to substantially comply with the terms and conditions of a Letter of Credit, whether or not the Letter of Credit requires strict compliance and without regard to any non-documentary condition in such Letter of Credit (including, but not limited to, honor of a draft that is non-negotiable or informal, honor up to the amount available under the Letter of Credit of a demand claiming more than that amount, honor of a draft or other document that lacks a reference to the Letter of Credit, honor of a presentation of documents that include inconsistent extraneous data, and allowance of a grace period of one business day for timing requirements under the Letter of Credit); (F) decline to accept any documents and make payment if such documents are not in strict compliance with the terms and conditions of a Letter of Credit; (G) provide for or submit to arbitration, mediation, DOCDEX (the ICC Banking Commission's informal dispute resolution service), or the like for the resolution of some or all disputes with the beneficiary or other person or entity; and (H) replace a purportedly lost, stolen, or destroyed original Letter of Credit or amendment thereto with a replacement marked as such or waive a requirement for its presentation. (ii) Unless specifically committed to do so in a writing signed by Lender, Lender is not required to issue any Letter of Credit amendment. If the Letter of Credit may be extended or terminated by a notice given or other action taken by Lender (with or without the passage of time), then, whether or not requested to do so by Borrower, Lender shall have the right to give such notice or take such action, to fail or refuse to do so, or to fail to retain proof of doing so. If Lender gives such notice or takes such action at Borrower's request, then Borrower shall obtain the beneficiary's acknowledgement and, in the case of Letter of Credit termination, return the original Letter of Credit. If Lender fails or refuses to give notice of non-extension or termination at Borrower's timely written **Annex A 13724450v7** request, then Lender's Letter of Credit Fees shall be calculated as if Lender had given such notice or taken such action. (iii) If the beneficiary or another person or entity claims that Lender has wrongfully repudiated or dishonored a Letter of Credit, then Lender shall have the right to defend or settle the claim, with or without joining Borrower in any proceeding or negotiation and without regard to whether the claimant asserts that Lender is precluded from relying on a valid defense. Borrower shall have the obligation to mitigate damages and, if Lender pays or settles a claim then Borrower will reimburse, indemnify, account for any benefits, and cooperate with Lender as subrogee. (iv) Lender's actions in one or more instances shall not waive its right, with or without notice to Borrower, to use its discretion differently in other similar instances and shall not establish a course of conduct on which Borrower may rely in any other instances under the same or other Letter of Credit. (i) **Indemnification; Nature of Duties.** (i) In addition to amounts payable as elsewhere provided in this Agreement, Borrower hereby agrees to pay and to protect, indemnify, and save harmless Lender and each other Indemnitee from and against any and all claims, demands, liabilities, damages, losses, costs, charges, and expenses (including reasonable attorneys' fees and allocated costs of internal and external counsel) that Lender may incur or be subject to as a consequence, direct or indirect, of (A) the issuance of any Letter of Credit or guaranty thereof, (B) the failure of Lender seeking indemnification or of Lender to honor a demand for payment under any Letter of Credit or guaranty thereof as a result of any act or omission, whether rightful or wrongful, of any present or future de jure or de facto government or Governmental Authority, (C) arising from or incurred in connection with any breach of a representation, warranty, or covenant by Borrower; (D) arising out of or resulting from any suit, action, claim, proceeding, or governmental investigation, pending or threatened, whether based on statute, regulation, or order, or tort, or otherwise, before any court or governmental authority (and irrespective of who may be the prevailing party); (E) arising out of or in connection with any payment or action taken in connection with any Letter of Credit, including, without limitation, any action or proceeding seeking to restrain any drawing under a Letter of Credit or to compel or restrain any payment or any other action under a Letter of Credit or this Agreement (and irrespective of who may be the prevailing party); or (F) arising out of or in connection with any act or omission of any governmental authority or other cause beyond the Indemnitee's reasonable control; except in each case to the extent such claim, liability, loss, damage, tax, penalty, interest, judgment, cost, or expense is found to have resulted from the gross negligence or willful misconduct of an Indemnitee (as finally determined by a court of competent jurisdiction in a non-appealable matter). (ii) As between Lender and Borrower, Borrower assumes all risks of the acts and omissions of, or misuse of any Letter of Credit by, beneficiaries of any Letter of Credit. In furtherance and not in limitation of the foregoing, to the fullest extent permitted **Annex A 13724450v7** by Law, Lender shall not be responsible for: (A) the form, validity, sufficiency, accuracy, genuineness, or legal effect of any document issued by any party in connection with the application for and issuance of any Letter of Credit, even if it should in fact prove to be in any or all respects invalid, insufficient, inaccurate, fraudulent, or forged; (B) the validity or sufficiency of any instrument transferring or assigning or purporting to transfer or assign any Letter of Credit or the rights or benefits thereunder or proceeds thereof, in whole or in part, that may prove to be invalid or ineffective for any reason; (C) failure of the beneficiary of any Letter of Credit to comply fully and strictly with the conditions required in order to demand payment under such Letter of Credit; (D) errors, omissions, interruptions, or delays in transmission or delivery of any messages, by mail, cable, telegraph, telex, or otherwise, whether or not they may be in cipher; (E) errors in interpretation of technical terms; (F) any loss or delay in the transmission or otherwise of any document required in order to make a payment under any Letter of Credit or guaranty thereof or of the proceeds thereof; (G) the credit of the proceeds of any drawing under any Letter of Credit or guaranty thereof; and (H) any consequences arising from causes beyond the

control of Lender. None of the above shall affect, impair, or prevent the vesting of any of Lenderâ™s rights or powers hereunder or under this Agreement. (iii) Limitations on Remedies. (A) Nothing contained herein shall be deemed to limit or to expand any waivers, covenants, or indemnities made by Borrower in favor of Lender in any letter of credit application, reimbursement agreement, or similar document, instrument, or agreement between Borrower and Lender. (B) EXCEPT AS MAY BE EXPRESSLY PROVIDED IN THIS AGREEMENT, LENDER SHALL NOT BE LIABLE TO BORROWER IN CONTRACT, TORT, OR OTHERWISE FOR ANY SPECIAL, INDIRECT, CONSEQUENTIAL, OR PUNITIVE DAMAGES. (C) Borrower must take action to avoid and reduce the amount of damages claimed against Lender (or any other Indemnitee, as applicable). (D) Borrowerâ™s aggregate remedies against Lender for honoring a presentation or retaining honored documents in breach of Lenderâ™s obligations to Borrower (whether arising under this Agreement, any other agreement, document, or instrument relating hereto, applicable letter of credit practice or law, or any other applicable law) are limited to the aggregate amounts paid by Borrower to Lender with respect to the honored presentation. (E) In any dispute or litigation between Borrower and Lender, Borrower shall pay Lenderâ™s reasonable attorneysâ™ fees, expert witness fees, and other expenses of litigation or dispute resolution, unless Borrower obtains a non-appealable award for damages against Lender, as so ordered by a court of competent jurisdiction. If Borrower prevails in an action based on forgery or fraud of the beneficiary or other presenter, this does not relieve Borrower from its Annex A 13724450v7 obligation to pay Lenderâ™s fees and expenses in contesting the entry or maintenance of injunctive relief. (iv) Borrower agrees that, in the absence of gross negligence or willful misconduct on the part of Lender (as finally determined by a court of competent jurisdiction), L/C Issuer will be deemed to have exercised care in determining whether drafts and other documents presented under a Letter of Credit comply with the terms thereof. (j) Letters of Credit Issued for account of Subsidiaries. Notwithstanding that a Letter of Credit issued or outstanding hereunder is in support of any obligations of, or is for the account of, a Subsidiary, Borrower shall be obligated as a primary obligor as set forth herein for any and all drawings under such Letter of Credit, and irrevocably waives any defenses that might otherwise be available to it as a guarantor or surety of the obligations of such Subsidiary. Borrower hereby acknowledges that the issuance of Letters of Credit for the account of Subsidiaries inures to the benefit of Borrower, and that Borrowerâ™s business derives substantial benefits from the businesses of such Subsidiaries. To the extent that any Letter of Credit is issued for the account of any Subsidiary of Borrower, Borrower agrees that (i) such Subsidiary shall have no rights against Lender, and Borrower shall hold Lender harmless with respect to any claim or other attempted exercise of rights by such Subsidiary against Lender, (ii) Borrower shall be responsible for the obligations in respect of such Letter of Credit under this Agreement and any application or reimbursement agreement, (iii) Borrower shall have the sole right to give instructions and make agreements with respect to this Agreement and the Letter of Credit, and the disposition of documents related thereto, and (iv) Borrower shall have all powers and rights in respect of any security arising in connection with the Letter of Credit and the transactions related thereto. Borrower shall, at the request of Lender, cause such Subsidiary to execute and deliver an agreement confirming the terms specified in the immediately preceding sentence and acknowledging that it is bound thereby. (k) Rules of Practice. Unless otherwise expressly agreed by Lender and Borrower when a Letter of Credit is issued by it, (i) the rules of the International Standby Practices, ICC Publication No. 590 (as amended, supplemented, restated, and/or republished from time to time, the âœISPâ) shall apply to each standby Letter of Credit. Notwithstanding the foregoing, Lender shall not be responsible to Borrower for, and Lenderâ™s rights and remedies against Borrower shall not be impaired by, any action or inaction of Lender required or permitted under any law, order, or practice that is required or permitted to be applied to any Letter of Credit or this Agreement, including the Laws or any order of a jurisdiction where Lender, the beneficiary, or any advising, transferring, confirming, or nominated bank or person or entity is located, the practice stated in the ISP, as applicable, or in the decisions, opinions, practice statements, or official commentary of the International Chamber of Commerce Banking Commission, the Bankers Association for Finance and Trade, or the Institute of International Banking Law & Practice, whether or not any Letter of Credit chooses such laws or practice rules. (l) Survival. The provisions of this Annex A shall survive the payment of the Obligations, any termination of this Agreement, and the assignment of any rights hereunder. A Appendix I 13724450v7 APPENDIX I to CREDIT AGREEMENT DEFINITIONS âœAccount Debtorâ means any Person who may become obligated to a Loan Party under, with respect to, or on account of, an Account, any Chattel Paper or any General Intangibles (including a payment intangible). âœAccountsâ means all rights, titles and interests of each Loan Party in all of such Loan Partyâ™s âœaccounts,â as such term is defined in the Code, whether now owned or existing or hereafter acquired or arising, including (a) all accounts receivable, other receivables, book debts and other forms of obligations, (including any such obligations that may be characterized as an account or contract right under the Code), (b) all of each Loan Partyâ™s rights in, to and under all purchase orders or receipts for goods or services, (c) all of each Loan Partyâ™s rights to any Goods represented by any of the foregoing (including unpaid sellersâ™ rights of rescission, replevin, reclamation and stoppage in transit and rights to returned, reclaimed or repossessed Goods), (d) all rights to payment due to any Loan Party for property sold, leased, licensed, assigned or otherwise disposed of, for a policy of insurance issued or to be issued, for a secondary obligation incurred or to be incurred, for energy provided or to be provided, for the use or hire of a vessel under a charter or other contract, arising out of the use of a credit card or charge card, or for services rendered or to be rendered by such Loan Party or in connection with any other transaction (whether or not yet earned by performance on the part of such Loan Party), (e) all healthcare insurance receivables, and (f) all Supporting Obligations and other collateral security of any kind, now or hereafter in existence, given by any Account Debtor or other Person with respect to any of the foregoing. âœAccreditationâ means the status of public recognition granted by any Accrediting Body to an educational institution that meets the Accrediting Bodyâ™s standards and requirements, which approval is required for the educational institution to participate in the Title IV Programs. âœAccrediting Bodyâ means any entity or organization recognized by the DOE pursuant to 34 C.F.R. 602 et seq. âœAdvanceâ means any Revolving Credit Advance. âœAffected Financial Institutionâ means (a) any EEA Financial Institution or (b) any UK Financial Institution. âœAffiliateâ means, with respect to any Person, (a) each Person that, directly or indirectly, owns or controls, whether beneficially, or as a trustee, guardian or other fiduciary, 10% or more of the Stock having ordinary voting power in the election of directors (or managers) of such Person, (b) each Person that controls, is controlled by or is under common control with such Person, (c) each of such Personâ™s officers, directors, directors, managers, managers, joint venturers and partners, and (d) in the case of a Loan Party, the immediate family members, spouses and lineal descendants of individuals who are Affiliates of such Loan Party. For the purposes of this definition, âœcontrolâ of a Person shall mean the possession, directly or indirectly, of the power to A Appendix I 13724450v7 direct or cause the direction of its management or policies, whether through the ownership of voting securities, by contract or otherwise; provided, however, that, with respect to the Loan Parties, the term âœAffiliateâ shall specifically exclude Lender. âœAgreementâ means the Credit Agreement, dated as of the Closing Date, by and among Borrower, the other Loan Parties party thereto, and Lender. âœAnti-Terrorism Lawsâ means any Laws relating to terrorism or money laundering, including Executive Order No. 13224 (effective September 24, 2001), the USA PATRIOT Act, the Laws comprising or implementing the Bank Secrecy Act, and the Laws administered by OFAC. âœApplicable Marginâ means, as of any date, the applicable per annum rate set forth below in the applicable column in the table below based on the then-current Total Leverage Ratio. Pricing Grid Level Total Leverage Ratio SOFR Rate Loans Margin applicable to Revolving Credit Advances & Letters of Credit Base Rate Margin applicable to Revolving Credit Advances Unused Line Fee I 1.50% 2.10% 2.00% 0.25% II 1.50% 2.25% 2.35% 0.00% 0.25% III 1.50% 2.10% 2.00% 0.25% IV 1.50% 1.85% 1.85% 0.00% 0.25% For purposes of determining the Applicable Margins, the Total Leverage Ratio will, on and after the First Pricing Grid Determination Date, be determined as of the First Pricing Grid Determination Date and as of the end of each Fiscal Quarter and Fiscal Year of Borrower ending on or after the First Pricing Grid Determination Date (each such date being a âœDetermination Dateâ). The âœFirst Pricing Grid Determination Dateâ occurring on and after the Closing Date will be December 31, 2022. On Lenderâ™s receipt of the financial statements and Compliance Certificate required to be delivered to Lender pursuant to this Agreement, the Applicable Margins will be subject to adjustment in accordance with the table set forth above based on the then Total Leverage Ratio. The foregoing adjustment, if applicable, will become effective on the first Business Day of the first calendar month after Lenderâ™s receipt of the financial statements and Compliance Certificate required to be delivered to Lender pursuant to this Agreement until the next succeeding effective date of adjustment pursuant to this paragraph. Each of the financial statements and Compliance Certificate required to be delivered to Lender must be delivered to Lender in compliance with this Agreement. If, however, either the financial statements or the Compliance Certificate required to be delivered to Lender pursuant to this Agreement have not been delivered in accordance therewith, then, at Lenderâ™s option, commencing on the date upon which such financial statements A Appendix I 13724450v7 or Compliance Certificate should have been delivered in accordance with this Agreement and continuing until such financial statements or Compliance Certificate are actually delivered in accordance with this Agreement, for purposes of determining the Applicable Margins, the pricing associated with Pricing Grid Level I will be applicable. From the Third Amendment Effective Date until the first adjustment after the First Pricing Grid Determination Date following the Third Amendment Effective Date in accordance with the terms hereof, the Applicable Margins shall be as set forth in Pricing Grid Level III. Notwithstanding that Pricing Grid Levels could include a Total Leverage Ratio that is in violation of the applicable ratio required by this Agreement (e.g., by providing for a Total Leverage Ratio in the table set forth above which is more than the then permitted covenant level set forth in this Agreement), if Borrower violates the Financial Covenant set forth in this Agreement for any Fiscal Quarter-end or Fiscal Year-end, then Lender may, without notice and in addition to any increase in the Applicable Margins pursuant to this paragraph, implement the Default Rate. In the event that any Compliance Certificate delivered to Lender is inaccurate, and such inaccuracy, if corrected, would have led to the imposition of a higher Applicable Margin for any period than the Applicable Margin applied for that period, then (i) Borrower shall immediately deliver to Lender a corrected Compliance Certificate for that period, (ii) the Applicable Margin shall be determined based on the corrected Compliance Certificate for that period, and (iii) Borrower shall immediately pay to Lender the accrued additional interest owing as a result of such increased Applicable Margin for that period. This paragraph shall not limit the rights of Lender with respect to Section 2.4(c) and Section 9 hereof, and shall survive the termination of this Agreement until the payment in full in cash of the aggregate outstanding principal balance of the Advances. âœAvailabilityâ means, as of any date of determination, the Revolving Loan Commitment, minus the aggregate Revolving Exposure at such time. âœAZ Campus Loan Documentsâ means any Loan Document as defined under that certain Credit Agreement dated as of May 12, 2021, by and among Borrower, Universal Technical Institute of Arizona, LLC, a Delaware limited liability company, and Lender, as amended, restated, supplemented, or otherwise modified from time to time. âœBail-In Actionâ means the exercise of any Write-Down and Conversion Powers by the applicable Resolution Authority in respect of any liability of an Affected Financial Institution. âœBail-In Legislationâ means, (a) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing Law for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other Law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms, or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings). âœBank Productâ means any of the following products, services or facilities extended to any Loan Party from time to time by Lender or any Affiliate of Lender or any Person who A Appendix I 13724450v7 was Lender or an Affiliate of Lender at the time it provided such products, services or facilities: (a) any services in connection with operating, collections, payroll, trust, or other depository or disbursement accounts, including automated clearinghouse, e-payable, electronic funds transfer, wire transfer, controlled disbursement, overdraft, depository, information reporting, lockbox services, stop payment services, and other treasury management services; (b) commercial credit card and merchant card services; and (c) other banking products or services as may be requested by any Loan Party, other than Letters of Credit and Rate Contracts. âœBankruptcy Codeâ means the provisions of Title 11 of the United States Code, 11 U.S.C. A§A 101 et seq. âœBase Rateâ means a variable per annum rate, as of any date of determination, equal to the Prime Rate. The Base Rate is a reference rate and does not necessarily represent the lowest or best rate actually charged to any customer. Lender may make commercial loans or other loans at rates of interest at, above or below the Base Rate. Any change in the Base Rate shall be effective for purposes of this Agreement on the date of such change without notice to Borrower. âœBase Rate Loansâ means Advances that accrue interest by reference to the Base Rate, in accordance with the terms of the Agreement. âœBeneficial Ownership Certificationâ means a certification regarding beneficial ownership required by the Beneficial Ownership Regulation. âœBeneficial Ownership Regulationâ means 31 C.F.R. A 1010.230. âœBenefit Planâ means any of (a) an âœemployee benefit planâ (as defined in ERISA) that is subject to Title I of ERISA, (b) a âœplanâ as defined in and subject to Section 4975 of the Code or (c) any Person whose assets include (for purposes of ERISA Section 3(42) or otherwise for purposes of Title I of ERISA or Section 4975 of the Code) the assets of any such âœemployee benefit planâ or âœplanâ. âœBillPayer Serviceâ means Lenderâ™s (or, as applicable, its Affiliateâ™s) then current automated bill paying service, as established and implemented by Lender (or such Affiliate) in accordance with its methods and procedures periodically in effect. âœBlocked Personâ means any Person: (a) listed in the annex to, or otherwise subject to the provisions of, Executive Order No. 13224, (b) owned or controlled by, or acting for or on behalf of, any Person that is listed in the annex to, or is otherwise subject to the provisions of, Executive Order No. 13224, (c) with which Lender is prohibited from dealing or otherwise engaging in any transaction by any Anti-Terrorism Law, (d) that commits, threatens or conspires to commit or supports âœterrorismâ as defined in Executive Order No. 13224, or (e) that is named a âœespecially designated nationalâ or âœblocked personâ on the most current list published by OFAC or other similar list. âœBorrowerâ has the meaning ascribed thereto in the preamble to the Agreement. A Appendix I 13724450v7 âœBorrowerâ™s Growth and Diversification Strategyâ means new campus buildouts, program expansion and optimization across existing campuses, new program launches, and acquisitions of other integrable education-based businesses which diversify revenue channels, and geographies, including those which mitigate Borrowerâ™s reliance on Title IV revenue and related funding of sources. âœBorrowerâ™s Investment Policyâ means Borrowerâ™s Investment Policy and Procedures dated as of September 14, 2009. âœBusiness Dayâ means (a) with respect to all notices and determinations, including Interest Payment Dates, in connection with the Tranche Rate or the Daily Simple SOFR Rate, any day that commercial banks in New York, New York are required by law to be open for business and that is a U.S. Government Securities Business Day, which means any day other than a Saturday, Sunday, or day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities and (b) in all other cases, any day on which commercial banks in New York, NY or Cincinnati, Ohio are required by Law to be open for business; provided that, notwithstanding anything to the contrary in this definition of âœBusiness Dayâ, at any time during which a Rate Contract with Lender is then in effect with respect to all or a portion of the Obligations, then the definitions of âœBusiness Dayâ and âœBanking Dayâ, as applicable, pursuant to such Rate Contract shall govern with respect to all applicable notices and determinations in connection with such portion of the Obligations arising under such Rate Contract. Periods of days referred to in the Loan Documents will be counted in calendar days unless Business Days are expressly prescribed. âœCapital Expendituresâ means, with respect to any Person, all expenditures (by the expenditure of cash or the incurrence of Indebtedness) by such Person during any measuring period for any fixed assets or improvements or for replacements, substitutions or additions thereto, that have a useful life of more than 1 year and that are required to be capitalized under GAAP. âœCapital Leaseâ means, with respect to any Person, any lease of any property (whether real, personal or mixed) by such Person as lessee that, in accordance with GAAP, would be required to be classified and accounted for as a capital lease on a balance sheet of such Person. âœCapital Lease Obligationâ means, with respect to any Capital Lease of any Person, the amount of the obligation of the lessee thereunder that, in accordance with GAAP, would appear on a balance sheet of such lessee in respect of such Capital Lease. âœCash Collateralâ has the meaning ascribed to it on Annex A to the Agreement. âœCash Equivalentsâ means (a) any readily-marketable securities (i) issued by, or directly, unconditionally and fully guaranteed or insured by the United States federal government or (ii) issued by any agency of the United States federal government the obligations of which are fully backed by the full faith and credit of the United States federal government, (b) any readily- marketable direct obligations issued by any other agency of the United States federal government, any state of the United States or any political subdivision of any such state or any public A Appendix I 13724450v7 instrumentality thereof, in each case having a rating of at least A-1â from S&P or at least A-1â from Moodyâ™s, (c) any commercial paper rated at least A-1â by S&P or A-1â by Moodyâ™s and issued by any Person organized under the Laws of any state of the United States, (d) any Dollar- denominated time deposit, insured certificate of deposit, overnight bank deposit or bankersâ™ acceptance issued or accepted by (i) Lender or (ii) any commercial bank that is (A) organized under the Laws of the United States, any state thereof or the District of Columbia, (B) adequately capitalizedâ (as defined in the regulations of its primary federal banking regulators) and (C) has Tier 1 capital (as defined in such regulations) in excess of \$250,000,000 and (e) shares of any United States money market fund that (i) has substantially all of its assets invested continuously in the types of investments referred to in clause (a), (b), (c) or (d) above with maturities as set forth in the proviso below, (ii) has net assets in excess of \$500,000,000 and (iii) has obtained from either S&P or Moodyâ™s the highest rating obtainable for money market funds in the United States; provided, however, that the maturities

of all obligations specified in any of clauses (a), (b), (c) or (d) above shall not exceed 365 days, and (f) such other Investments of Borrower or its Subsidiaries in the form of short term marketable debt securities or such other short-term, highly liquid Investments readily convertible into cash, and made in accordance with Borrower's Investment Policy. **âœCERCLA** means the Comprehensive Environmental Response, Compensation and Liability Act of 1980. **âœCertificate of Designations** means the Certificate of Designations of the Series A Convertible Preferred Stock, dated June 26, 2016, which fixes the voting powers, designations, preferences and relative, participating, optional or other special rights, qualifications, limitations or restrictions of the Series A Preferred Stock. **âœChange in Law** means the occurrence, after the date of the Agreement, of any of the following: (a) the adoption or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority, provided that notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (y) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a **âœChange in Law**, regardless of the date enacted, adopted or issued. **âœChange of Control** means any of the following: (a) any person or group of persons (within the meaning of the Securities Exchange Act of 1934) shall have acquired beneficial ownership (within the meaning of Rule 13d-3 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934) of 35% or more of the issued and outstanding shares of capital Stock of Borrower having the right to vote for the election of directors of Borrower under ordinary circumstances; (b) during any period of 12 consecutive calendar months, individuals who at the beginning of such period constituted the board of directors of A Appendix I 13724450v7 Borrower (together with any new directors whose election by the board of directors of Borrower or whose nomination for election by the Stockholders of Borrower was approved by a vote of a majority of the directors then still in office who either were directors at the beginning of such period or whose election or nomination for election was previously so approved) cease for any reason other than death or disability to constitute a majority of the directors then in office; or (c) Borrower ceases to own and control all of the economic and voting rights associated with all of the outstanding capital Stock of any of its Subsidiaries, other than pursuant to a transaction permitted under this Agreement. **âœCharges** means all federal, state, county, city, municipal, local, foreign or other governmental Taxes (including Taxes owed to the PBGC at the time due and payable), levies, assessments, charges, Liens, claims or encumbrances upon or relating to (a) the Collateral, (b) the Obligations, (c) the employees, payroll, income or gross receipts of any Loan Party, (d) any Loan Party's ownership or use of any properties or other assets, or (e) any other aspect of any Loan Party's business. **âœChattel Paper** means all rights, titles and interests of each Loan Party in all of such Loan Party's **âœchattel paper**, as such term is defined in the Code, including electronic chattel paper, whether now owned or existing or hereafter acquired or arising, wherever located. **âœClosing Date** means the date set forth in the Preamble to this Agreement. **âœCode** means the Uniform Commercial Code as the same may, from time to time, be enacted and in effect in the State of New York; provided, that to the extent that the Code is used to define any term herein or in any Loan Document and such term is defined differently in different Articles or Divisions of the Code, the definition of such term contained in Article or Division 9 shall govern; provided, further, that in the event that, by reason of mandatory provisions of Law, any or all of the attachment, perfection or priority of, or remedies with respect to, Lender's Lien on any Collateral is governed by the Uniform Commercial Code as enacted and in effect in a jurisdiction other than the State of New York, the term **âœCode** shall mean the Uniform Commercial Code as enacted and in effect in such other jurisdiction solely for purposes of the provisions thereof relating to such attachment, perfection, priority or remedies and for purposes of definitions related to such provisions. **âœCollateral** means the property covered by the Guaranty and Security Agreement and the other Collateral Documents and any other property, real or personal, tangible or intangible, whether now owned or existing or hereafter acquired or arising, that may at any time be or become subject to a security interest or Lien in favor of Lender to secure the Obligations, but specifically excluding the Excluded Property. **âœCollateral Documents** means the Guaranty and Security Agreement, the Guarantees, the Note, and all other agreements heretofore, now or hereafter entered into in favor of Lender guaranteeing payment of, or granting a Lien upon property as security for payment of, the Obligations. **âœCollateral Reports** means the reports and information with respect to the Collateral delivered pursuant to Section 7 to this Agreement. A Appendix I 13724450v7 **âœCommitment Termination Date** means the earliest of (a) November 30, 2027, (b) the date of termination of Lender's obligations to make Advances and to incur Letter of Credit Obligations or permit existing Advances to remain outstanding pursuant to Section 9.2(b), and (c) the date of indefeasible prepayment in full by Borrower of the Advances and the cancellation and return (or stand-by guaranty) of all Letters of Credit or the cash collateralization of all Letter of Credit Obligations pursuant to Annex A to the Agreement, and the termination and permanent reduction of the Revolving Loan Commitment to \$0. **âœCommitments** means the Revolving Loan Commitment. **âœCommodity Exchange Act** means the Commodity Exchange Act (7 U.S.C. Â§ 1 et seq.), as amended from time to time, and any successor statute. **âœCompliance Certificate** means (A) a certificate substantially in the form of Schedule 7.1(a)(iv) attached hereto, showing the calculations used in determining compliance with each of the Financial Covenants and (B) the certification of the Chief Financial Officer of the Loan Parties that (i) such financial information presents fairly in accordance with GAAP (subject to normal year-end adjustments and the absence of footnote disclosures) the financial position, results of operations and statements of cash flows of the Loan Parties, on both a consolidated and consolidating basis, as at the end of such Fiscal Quarter and for that portion of the Fiscal Year then ended, (ii) any other information presented is true, correct and complete in all material respects and that there was no Default or Event of Default in existence as of such time or, if a Default or Event of Default has occurred and is continuing, describing the nature thereof and all efforts undertaken to cure such Default or Event of Default. **âœConcorde** means Concorde Career Colleges, Inc., a Delaware corporation. **âœConcorde Acquisition** means the purchase of all of the outstanding Stock of Concorde by Borrower, pursuant to the Concorde Purchase Agreement. **âœConcorde Purchase Agreement** means that certain Stock Purchase Agreement among Borrower, Concorde, Liberty Partners Holdings 28, L.L.C., a Delaware limited liability company, and Liberty Investment IIC, LLC, a Delaware limited liability company, and Liberty Partners, L.P., a Delaware limited partnership, dated as of May 3, 2022, as amended from time to time. **âœConforming Changes** means, with respect to the use, administration of, or any conventions associated with the Tranche Rate, Daily Simple SOFR Rate, or any proposed Successor Rate, as applicable, any changes to the terms of this Agreement related to the timing, frequency, and methodology of determining rates and making payments of interest, including changes to the definition of Business Day, lookback periods or observation shift, prepayments, and borrowing, conversion, or continuation notices, and other technical, administrative, or operational matters, as may be appropriate, in the discretion of Lender, to reflect the adoption and implementation of such applicable rate and to permit the administration thereof by Lender in an operationally feasible manner and, to the extent feasible, consistent with market practice. A Appendix I 13724450v7 **âœConsolidated EBITDA** means, for any period, the sum of the following determined on a consolidated basis, without duplication, for the Borrower and its Subsidiaries in accordance with GAAP: (a) consolidated net income of the Borrower and its Subsidiaries, plus (b) the sum of the following, to the extent deducted in determining net income for such period: (i) the provision for income taxes payable during such period, (ii) interest expense, (iii) amortization, depreciation and other non-cash charges including net stock-based compensation (except to the extent that such non-cash charges are reserved for cash charges to be taken in the future), (iv) fees, costs, and expenses (including legal, accounting and financing costs) expensed during such period in connection with any of potential acquisitions, new program, and campus start-up costs, and (v) the amount of any non-recurring restructuring charge, reserve, integration costs, or other business optimization expense, cost, or operating expenditure in connection with the foregoing, including those one-time charges incurred pursuant to Borrower's Growth and Diversification Strategy; (provided that, for any period, the aggregate amount added back pursuant to clauses (iv) and (v) shall not exceed 20% of Consolidated EBITDA for such period (after giving effect to any such amounts)), less (c) the sum of the following, without duplication, to the extent included in determining consolidated income for such period: (i) any extraordinary gains or unusual and nonrecurring gains for such period and (ii) non-cash gains or non-cash items increasing consolidated income for such period; provided however, that for purposes of calculating Consolidated EBITDA for any relevant trailing twelve month period: (1) Consolidated EBITDA will be calculated on a pro forma basis to give effect to the Concorde Acquisition, as such amounts may be adjusted pursuant to any permitted addback or adjustments provided for in (iv) through (v) above projected by the Borrower in good faith to result from actions taken or to be taken no later than twelve (12) months after the date of the Concorde Acquisition, which addbacks or adjustments shall specifically be identified by the Borrower, be factually supportable and certified by the Borrower in any applicable Compliance Certificate and calculated on a pro forma basis as realized on the first day of the relevant period (subject to the 20% maximum set forth above); and (2) notwithstanding the foregoing, Consolidated EBITDA shall also include without duplication Concorde's trailing twelve-months of earnings which (a) for the Fiscal Quarter ended December 31, 2022, will be estimated to be \$15,000,000, (b) for the Fiscal Quarter ended March 31, 2023, will be estimated to be \$15,000,000, (c) for the Fiscal Quarter ended June 30, 2023, will be estimated to be \$15,000,000, and (d) for the Fiscal Quarter ended September 30, 2023, will be estimated to be \$6,000,000, as such amounts may be adjusted pursuant to any permitted addbacks or adjustments provided for in (1) above (âœConcorde's EBITDA). **âœConsolidated Tangible Net Worth** means total assets, excluding all intangible assets (i.e. goodwill and other intangibles) and all receivables from or investments (equity or otherwise) in Affiliates or related entities, minus Total Liabilities, determined for the Borrower and its Subsidiaries on a consolidated basis in accordance with GAAP. **âœContingent Obligation** means, as to any Person, any direct or indirect liability, contingent or otherwise, of that Person: (a) with respect to any Indebtedness, lease, dividend or other obligation of another Person if the primary purpose or intent of the Person incurring such liability, or the primary effect thereof, is to provide assurance to the obligee of such liability that A Appendix I 13724450v7 such liability will be paid or discharged, or that any agreements relating thereto will be complied with, or that the holders of such liability will be protected in (whole or in part) against loss with respect thereto; (b) with respect to any letter of credit issued for the account of that Person or as to which that Person is otherwise liable for reimbursement of drawings; (c) under any Rate Contracts; (d) to make take-or-pay or similar payments if required regardless of nonperformance by any other party or parties to an agreement; or (e) for the obligations of another Person through any agreement to purchase, repurchase or otherwise acquire such obligation or any property constituting security therefor, to provide funds for the payment or discharge of such obligation or to maintain the solvency, financial condition or any balance sheet item or level of income of another Person. The amount of any Contingent Obligation shall be equal to the amount of the obligation so guaranteed or otherwise supported or, if not a fixed and determined amount, the maximum amount so guaranteed or supported. **âœContracts** means all rights, titles and interests of each Loan Party in such Loan Party's **âœcontracts**, as such term is defined in the Code, whether now owned or existing or hereafter acquired or arising, in any event, including all contracts, undertakings, or agreements (other than rights evidenced by Chattel Paper, Documents or Instruments) in or under which any Loan Party may now or hereafter have any right, title or interest, including any agreement relating to the terms of payment or the terms of performance of any Account. **âœControl Letter** means a letter agreement between Lender and (a) the issuer of uncertificated securities with respect to uncertificated securities in the name of any Loan Party, (b) a securities intermediary with respect to securities, whether certificated or uncertificated, securities entitlements and other financial assets held in a securities account in the name of any Loan Party, or (c) a futures commission merchant or clearing house, as applicable, with respect to commodity accounts and commodity contracts held by any Loan Party, whereby, among other things, the issuer, securities intermediary or futures commission merchant limits any security interest in the applicable financial assets in a manner reasonably satisfactory to Lender, acknowledges the Lien of Lender, on such financial assets, and agrees to follow the instructions or entitlement orders of Lender without further consent by the affected Loan Party. **âœCopyright Licensee** means any and all rights now owned or hereafter acquired by any Loan Party under any written agreement granting any right to use any Copyright or Copyright registration. **âœCopyrights** means all of the following now owned or hereafter adopted or acquired by any Loan Party: (a) all copyrights and General Intangibles of like nature (whether registered or unregistered), all registrations and recordings thereof, and all applications in connection therewith, including all registrations, recordings and applications in the United States Copyright Office or in any similar office or agency of the United States, any state or territory thereof, or any other country or any political subdivision thereof, and (b) all reissues, extensions or renewals thereof. **âœCurrent Liabilities** means all Indebtedness maturing on demand or within twelve (12) months from the date as of which Current Liabilities are to be determined (including, without A Appendix I 13724450v7 limitation, liabilities, including taxes accrued as estimated, as may properly be classified as current liabilities in accordance with GAAP), and excluding intercompany loans. **âœDaily Simple SOFR Rate** means, for any day (a **âœSOFR Rate Day**), a rate of interest (adjusted for reserves if Lender is required to maintain reserves with respect to relevant advances) per annum equal to the greater of (a) SOFR for the day (such day **âœi**) that is five (5) U.S. Government Securities Business Days prior to (i) if such SOFR Rate Day is a U.S. Government Securities Business Day, such SOFR Rate Day or (ii) if such SOFR Rate Day is not a U.S. Government Securities Business Day, the U.S. Government Securities Business Day immediately preceding such SOFR Rate Day, in each case, as such SOFR is published by the SOFR Administrator on the SOFR Administrator's Website, and (b) the Index Floor; provided that, at any time during which a Rate Contract with Lender is then in effect with respect to all or a portion of the Obligations, the Index Floor shall be disregarded and no longer of any force and effect with respect to such portion of the Obligations subject to such Rate Contract. If by 5:00 pm (New York City time) on the second (2nd) U.S. Government Securities Business Day immediately following any day **âœi**, the SOFR in respect of such day **âœi** has not been published on the SOFR Administrator's Website and a Benchmark Replacement has not been implemented under the terms of this Agreement, then the SOFR for such day **âœi** will be the SOFR as published in respect of the first preceding U.S. Government Securities Business Day for which such SOFR was published on the SOFR Administrator's Website. Any change in the Daily Simple SOFR Rate due to a change in SOFR shall be effective from and including the effective date of such change in SOFR without notice to Borrower. **âœDaily Simple SOFR Rate Loan** means any Advances that accrue interest by reference to the Daily Simple SOFR Rate elected by Borrower in accordance with Section 2.5(a) of the Agreement and the other terms of the Agreement. **âœDefault** means any event that, with the passage of time or notice or both, would, unless cured or waived, become an Event of Default. **âœDefault Rate** has the meaning ascribed to it in Section 2.4(c) of the Agreement. **âœDeposit Accounts** means all **âœdeposit accounts**, as such term is defined in the Code, whether now owned or existing or hereafter acquired or arising, wherever located. **âœDOE** means the United States Department of Education and any successor agency administering Title IV Programs. **âœDollars** means **âœS** means lawful currency of the United States of America. **âœDomestic Subsidiary** means any Subsidiary organized within the United States of America. A Appendix I 13724450v7 **âœEEA Financial Institution** means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent. **âœEEA Member Country** means any of the member states of the European Union, Iceland, Liechtenstein, and Norway. **âœEEA Resolution Authority** means any public administrative authority or any Person entrusted with public administrative authority of any EEA Member Country (including any delegate) having responsibility for the resolution of any EEA Financial Institution. **âœEligible Swap Counterparty** means Lender and any Affiliate of Lender that at any time it occupies such role or capacity (whether or not it remains in such capacity) enters into a Rate Contract permitted hereunder with Borrower or any Subsidiary of Borrower. **âœEnvironmental Laws** means all applicable federal, state, local and foreign Laws, statutes, ordinances, codes, rules, standards and regulations, now or hereafter in effect, and any applicable judicial or administrative interpretation thereof, including any applicable judicial or administrative order, consent decree, order or judgment, imposing liability or standards of conduct for or relating to the regulation and protection of human health, safety, the environment and natural resources (including ambient air, surface water, groundwater, wetlands, land surface or subsurface strata, wildlife, aquatic species and vegetation). Environmental Laws include CERCLA; the Hazardous Materials Transportation Authorization Act of 1994 (49 U.S.C. Â§§ 5101 et seq.); the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. Â§§ 136 et seq.); the Solid Waste Disposal Act (42 U.S.C. Â§§ 6901 et seq.); the Toxic Substance Control Act (15 U.S.C. Â§§ 2601 et seq.); the Clean Air Act (42 U.S.C. Â§§ 7401 et seq.); the Federal Water Pollution Control Act (33 U.S.C. Â§§ 1251 et seq.); the Occupational Safety and Health Act (29 U.S.C. Â§§ 651 et seq.); and the Safe Drinking Water Act (42 U.S.C. Â§§ 300(f) et seq.), and any and all regulations promulgated thereunder, and all analogous state, local and foreign counterparts or equivalents and any transfer of ownership notification or approval statutes. **âœEnvironmental Liabilities** means, with respect to any Person, all liabilities, obligations, responsibilities, response, remedial and removal costs, investigation and feasibility study costs, capital costs, operation and maintenance costs, losses, damages, punitive damages, property damages, natural resource damages, consequential

damages, treble damages, costs and expenses (including all reasonable fees, disbursements and expenses of counsel, experts and consultants), fines, penalties, sanctions and interest incurred as a result of or related to any claim, suit, action, investigation, proceeding or demand by any Person, whether based in contract, tort, implied or express warranty, strict liability, criminal or civil statute or common law, including any arising under or related to any Environmental Laws, Environmental Permits, or in connection with any Release or threatened Release or presence of a Hazardous Material whether on, at, in, under, from or about or in the vicinity of any real or personal property. A Appendix I 13724450v7 âœEnvironmental Permitsâ means all permits, licenses, authorizations, certificates, approvals or registrations required by any Governmental Authority under any Environmental Laws. âœEquipmentâ means all rights, titles and interests of each Loan Party in such Loan Partyâ's âœequipment,â as such term is defined in the Code, whether now owned or existing or hereafter acquired or arising, wherever located and, in any event, including all such Loan Partyâ's machinery and equipment, including processing equipment, conveyors, machine tools, data processing and computer equipment, including embedded Software and peripheral equipment and all engineering, processing and manufacturing equipment, office machinery, furniture, materials handling equipment, tools, attachments, accessories, automotive equipment, trailers, trucks, forklifts, molds, dies, stamps, motor vehicles, rolling stock and other equipment of every kind and nature, trade fixtures and fixtures not forming a part of real property, together with all additions and accessions thereto, replacements therefor, all parts therefor, all substitutes for any of the foregoing, fuel therefor, and all manuals, drawings, instructions, warranties and rights with respect thereto, and all products and proceeds thereof and condemnation awards and insurance proceeds with respect thereto. âœERISAâ means the Employee Retirement Income Security Act of 1974, as amended from time to time, and the rules and regulations promulgated thereunder. âœERISA Affiliateâ means, with respect to any Loan Party, any trade or business (whether or not incorporated) that, together with such Loan Party, are treated as a single employer within the meaning of Sections 414(b), (c), (m) or (o) of the IRC. âœERISA Eventâ means, with respect to any Loan Party or any ERISA Affiliate, (a) any event described in Section 4043(c) of ERISA with respect to a ERISA Plan; (b) the withdrawal of any Loan Party or ERISA Affiliate from a ERISA Plan subject to Section 4063 of ERISA during a plan year in which it was a substantial employer, as defined in Section 4001(a)(2) of ERISA; (c) the complete or partial withdrawal of any Loan Party or any ERISA Affiliate from any Multiemployer Plan; (d) the filing of a notice of intent to terminate a ERISA Plan or the treatment of a plan amendment as a termination under Section 4041 of ERISA; (e) the institution of proceedings to terminate a ERISA Plan or Multiemployer Plan by the PBGC; (f) the failure by any Loan Party or ERISA Affiliate to make when due required contributions to a Multiemployer Plan or ERISA Plan unless such failure is cured within 30 days; (g) any other event or condition that would reasonably be expected to constitute grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any ERISA Plan or Multiemployer Plan or for the imposition of liability under Section 4069 or 4212(c) of ERISA; (h) the termination of a Multiemployer Plan under Section 4041A of ERISA or the reorganization or insolvency of a Multiemployer Plan under Section 4241 or 4245 of ERISA; or (i) the loss of a Qualified Planâ's qualification or tax exempt status; or (j) the termination of an ERISA Plan described in Section 4064 of ERISA. âœERISA Planâ means any âœemployee benefit planâ, as such term is defined in Section 3(3) of ERISA (other than a Multiemployer Plan), which any Loan Party maintains, sponsors or contributes to, or, in the case of an employee benefit plan which is subject to Section A Appendix I 13724450v7 412 of the IRC or Title IV of ERISA, to which Borrower or any ERISA Affiliate may have any liability, including any liability by reason of having been a substantial employer within the meaning of Section 4063 of ERISA at any time during the preceding 5 years, or by reason of being deemed to be a contributing sponsor under Section 4069 of ERISA. âœEU Bail-In Legislation Scheduleâ means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor Person), as in effect from time to time. âœEvent of Defaultâ has the meaning ascribed to it in Section 9.1 of the Agreement. âœEvergreen Letter of Creditâ has the meaning ascribed to it in clause (b) of Annex A to this Agreement. âœExcluded Accountâ means any (i) deposit account or securities account specially and exclusively used in the ordinary course of business for payroll, payroll taxes and other employee wage and benefit payments to or for the benefit of any Loan Party or any of their respective Subsidiariesâ™ employees, which accounts are funded only in the ordinary course of business and not in excess of any amounts necessary to fulfill payroll obligations that are then currently owing, (ii) 401(k) accounts, escrow accounts and trust accounts and any other accounts the pledge or encumbrance of which would be prohibited by applicable Law, and (iii) deposit accounts into which payments with respect to governmental payors are deposited and for which assignment is prohibited under applicable Law (but not including any deposit accounts into which such governmental payor deposited payments are swept). âœExcluded Propertyâ means, collectively, (i) any permit, license or contractual obligation entered into by any Loan Party (x) to the extent that any such permit, license or contractual obligation or any requirement of Law applicable thereto prohibits the creation of a Lien thereon (other than to the extent that any such prohibition would be rendered ineffective pursuant to Sections 9-406, 9-407, 9-408 or 9-409 of the Uniform Commercial Code (or any successor provision or provisions) of any relevant jurisdiction or any other applicable law or principles of equity), (y) which would be abandoned, invalidated, or unenforceable as a result of the creation of a Lien in favor of Lender (other than to the extent that any such consequences set forth in this clause (y) would be rendered ineffective pursuant to Sections 9-406, 9-407, 9-408 or 9-409 of the Uniform Commercial Code (or any successor provision or provisions) of any relevant jurisdiction or any other applicable law or principles of equity), or (z) to the extent that the creation of a Lien in favor of Lender would result in a breach or termination pursuant to the terms of or a default under any such permit, license or contractual obligation (other than to the extent that any such consequences set forth in this clause (z) would be rendered ineffective pursuant to Sections 9-406, 9-407, 9-408 or 9-409 of the Uniform Commercial Code (or any successor provision or provisions) of any relevant jurisdiction or any other applicable law or principles of equity); (ii) property owned by any Loan Party that is subject to a purchase money Lien or a Capital Lease if the contractual obligation pursuant to which such Lien is granted (or in the document providing for such Capital Lease) prohibits or requires the consent of any Person other than a Loan Party or its Affiliates which has not been obtained as a condition to the creation of any other Lien on such equipment; A Appendix I 13724450v7 (iii) any âœintent to useâ Trademark applications for which a statement of use has not been filed (but only until such statement is filed), and (iv) Excluded Accounts. âœExcluded Swap Obligationâ means, with respect to any Person that has guaranteed a Swap Obligation, including the grant of a Lien to secure the guaranty of such Swap Obligation, any Swap Obligation if, and to the extent that, such Swap Obligation is or becomes illegal under the Commodity Exchange Act or any rule, regulation or order of the Commodity Futures Trading Commission (or the application or official interpretation of any thereof) by virtue of such guarantorâ's failure for any reason to constitute an âœeligible contract participantâ as defined in the Commodity Exchange Act and the regulations thereunder at the time the guaranty or grant of such Lien becomes effective with respect to such Swap Obligation. If a Swap Obligation arises under a master agreement governing more than one swap, such exclusion shall apply only to the portion of such Swap Obligation that is attributable to swaps for which such Swap Obligation or security interest is or becomes illegal. âœExcluded Taxesâ means any of the following Taxes imposed on or with respect to Lender or any other recipient of a payment under any Loan Document or required to be withheld or deducted from a payment to such recipient, (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes in each case, (i) by the jurisdiction (or any political subdivision thereof) under the Laws of which such recipient is organized or in which its principal office or, in the case of Lender in which its applicable lending office is located or (ii) that are Other Connection Taxes; (b) any United States federal withholding Taxes that would not have been imposed but for Lenderâ's failure to comply with Section 2.9(c) of the Agreement; and (c) any United States federal withholding Taxes imposed under FATCA. âœExecutive Order No. 13224â means Executive Order No. 13224 (effective September 24, 2001). âœFair Labor Standards Actâ means the Fair Labor Standards Act, 29 U.S.C. Â§201 et seq. âœFATCAâ means Sections 1471 through 1474 of the IRC, as of the date of the Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any intergovernmental agreements entered into by the United States with respect thereto, current or future regulations or official interpretations thereof, in each case implementing such IRC Sections, and any agreement entered into pursuant to Section 1471(b)(1) of the IRC. âœFederal Reserve Boardâ means the Board of Governors of the Federal Reserve System. âœFeesâ means any and all fees payable to Lender pursuant to the Agreement or any of the other Loan Documents. âœFifth Thirdâ means Fifth Third Bank, National Association. A Appendix I 13724450v7 âœFifth Third Lease Documentsâ means, collectively, any lease, lease contract, lease agreement, master lease, sublease, schedule or other document or agreement executed by any Person evidencing, governing, guarantying or securing any of the Fifth Third Lease Obligations, and âœFifth Third Lease Documentâ means any one of the Fifth Third Lease Documents; in each case as now in effect or as at any time after the date of the Agreement amended, modified, supplemented, restated, or otherwise changed and any substitute or replacement agreements, instruments, or documents accepted by Fifth Third or an Affiliate of Fifth Third. âœFifth Third Lease Obligationsâ means any and all liabilities, obligations and other Indebtedness of any Loan Party owed to Fifth Third, Fifth Third Equipment Finance Company, or any other Affiliate of Fifth Third Bancorp of every kind and description, whether now existing or hereafter arising, including those owed by any Loan Party to others and acquired by Fifth Third or any Affiliate of Fifth Third Bancorp, by purchase, assignment or otherwise, whether direct or indirect, primary or as guarantor or surety, absolute or contingent, liquidated or unliquidated, matured or unmatured, related or unrelated, and howsoever and whenever (whether now or hereafter) created, arising, evidenced or acquired (including all renewals, extensions and modifications thereof and substitutions therefor), in each case arising out of, pursuant to, in connection with or under any lease or other transfer of the right to possession and use of goods for a term in return for consideration. âœFinancial Covenantsâ means the financial covenants set forth in Section 6 to the Agreement. âœFinancial Responsibility Composite Scoreâ means the composite score of the Borrowerâ's equity, primary reserve and net income ratios described in 34 C.F.R. Sections 668.171(b)(1) and Section 668.172 and appendices A and B to Subpart L of 34 C.F.R. of Section 668, provided that if at any time the Borrower or any Subsidiary is required by the DOE to report such composite score on a school-by-school or other basis, such score shall also refer to the composite score for each school or other Person required to be reported to the DOE. âœFinancial Statementsâ means the consolidated and consolidating income statements, statements of cash flows and balance sheets of the Loan Parties and their Subsidiaries delivered in accordance with Section 7.1 to the Agreement. âœFIRREAâ means the Financial Institutions Reform, Recovery and Enforcement Act of 1989. âœFiscal Quarterâ means any of the quarterly accounting periods of the Loan Parties, ending on March 31, June 30, September 30, and December 31 of each year. âœFiscal Yearâ means any of the annual accounting periods of the Loan Parties ending on September 30 of each year. âœFixed Charge Coverage Ratioâ means, for the trailing twelve (12) month period then-ending, for the Borrower and its Subsidiaries on a consolidated basis during such period, the ratio of (a) Consolidated EBITDA less distributions, dividends, permitted Stock redemptions, repurchases, and the lesser of \$30,000,000, or, the amount of Capital Expenditures actually A Appendix I 13724450v7 incurred during such period, and less other extraordinary items, to (b) the consolidated sum of (i) interest expense, (ii) all principal payments with respect to Indebtedness that were paid or were due and payable by all consolidated entities during the period, and (iii) all cash taxes paid in the same such period. âœFixturesâ means all rights, titles and interests of each Loan Party in such Loan Partyâ's âœfixturesâ as such term is defined in the Code, whether now owned or existing or hereafter acquired or arising, wherever located. âœForeign Subsidiaryâ means any Subsidiary other than a Domestic Subsidiary. âœFund Indebtednessâ means all Indebtedness (i) in respect of money borrowed or (ii) evidenced by a note, debenture (senior or subordinated) or other like written obligation to pay money, or (iii) Capital Lease Obligations, or (iv) in respect of obligations under conditional sales or other title retention agreements, net of all cash and Cash Equivalents to the extent subject to Lenderâ's Lien, in an amount not to exceed \$30,000,000. âœGAAPâ means generally accepted accounting principles in the United States of America, consistently applied. âœGeneral Intangiblesâ means all rights, titles and interests of each Loan Party in such Loan Partyâ's âœgeneral intangibles,â as such term is defined in the Code, whether now owned or existing or hereafter acquired or arising, including all right, title and interest that such Loan Party may now or hereafter have in or under any Contract, all payment intangibles, customer lists, Licenses, Copyrights, Trademarks, Patents, and all applications therefor and reissues, extensions or renewals thereof, rights in Intellectual Property, interests in partnerships, joint ventures and other business associations, licenses, permits, copyrights, trade secrets, proprietary or confidential information, inventions (whether or not patented or patentable), technical information, procedures, designs, knowledge, know how, software, data bases, data, skill, expertise, experience, processes, models, drawings, materials and records, goodwill (including the goodwill associated with any Trademark or Trademark License), all rights and claims in or under insurance policies (including insurance for fire, damage, loss and casualty, whether covering personal property, real property, tangible rights or intangible rights, all liability, life, key man and business interruption insurance, and all unearned premiums), uncertified securities, chooses in action, deposit, checking and other bank accounts, rights to receive tax refunds and other payments, rights to receive dividends, distributions, cash, Instruments and other property in respect of or in exchange for pledged Stock and Investment Property, rights of indemnification, all books and records, correspondence, credit files, invoices and other papers, including all tapes, cards, computer runs and other papers and documents in the possession or under the control of such Loan Party or any computer bureau or service company from time to time acting for such Loan Party. âœGoodsâ means all rights, titles and interests of each Loan Party in such Loan Partyâ's âœgoodsâ as defined in the Code, whether now owned or existing or hereafter acquired or arising, wherever located, including embedded software to the extent included in âœgoodsâ as defined in the Code, manufactured homes, standing timber that is cut and removed for sale and unborn young of animals. A Appendix I 13724450v7 âœGovernmental Authorityâ means any nation or government, any state or other political subdivision thereof, and any agency, department or other entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government. âœGuarantorsâ means each Domestic Subsidiary of Borrower, other than each Immaterial Subsidiary, and each other Person, if any, that guarantees any of the Obligations after the Closing Date. âœGuarantyâ by any Person, means any obligation, contingent or otherwise, of such Person directly or indirectly guarantying any Indebtedness or other obligation of any other Person and, without limiting the generality of the foregoing, any obligations, direct or indirect, contingent or otherwise, of such Person (a) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation (whether arising by virtue of partnership arrangements, by agreement to keep well, to purchase assets, goods, securities or services, to take or pay, or to maintain financial statement conditions or otherwise) or (b) entered into for the purpose of assuring in any other manner the obligee of such Indebtedness or other obligation of the payment thereof or to protect such obligee against loss in respect thereof (in whole or in part), provided, that the term Guaranty shall not include endorsement for collection or deposit in the ordinary course of business. The term âœGuarantyâ used as a verb has a corresponding meaning. âœGuaranty and Security Agreementâ means the Guaranty and Security Agreement of even date herewith entered into by and among Lender and each Loan Party that is a signatory thereto. âœHazardous Materialâ means (a) any âœhazardous substanceâ as defined in CERCLA, (b) any âœhazardous wasteâ as defined by the Resource Conservation and Recovery Act, (c) asbestos, (d) polychlorinated biphenyls, (e) petroleum, its derivatives, by products and other hydrocarbons, (f) mold, and (g) any other pollutant, toxic, radioactive, caustic or otherwise hazardous substance regulated under Environmental Laws. âœHazardous Materials Contaminationâ means contamination (whether now existing or hereafter occurring) of the improvements, buildings, facilities, personality, soil, groundwater, air or other elements on or of the relevant property by Hazardous Materials, or any derivatives thereof, or on or of any other property as a result of Hazardous Materials, or any derivatives thereof, generated on, emanating from or disposed of in connection with the relevant property. âœIL Campus Loan Documentsâ means any Loan Document as defined under that certain Loan Agreement dated as of April 14, 2022, by and among 2611 Corporate West Drive Venture LLC, a Delaware limited liability company, and Valley National Bank, a national banking association (âœValley Nationalâ), as amended, restated, supplemented, or otherwise modified from time to time. âœImmaterial Subsidiaryâ means each of (i) Universal Technical Institute of Massachusetts, Inc., a Delaware corporation, (ii) Clinton Education Group, Inc., a Delaware corporation, (iii) Universal Technical Institute of Virginia, Inc., a Delaware corporation, (iv) Universal Technical Institute BMS, L.L.C., a Delaware limited liability company, (v) 2611 Corporate West Drive Venture LLC, a Delaware limited liability company, and (vi) such other A Appendix I 13724450v7 Subsidiaries of the Loan Parties, as Lender may designate in writing from time to time; provided however, upon repayment of the obligations due under the IL Campus Loan Documents, 2611 Corporate West Drive Venture LLC, a Delaware limited liability company, shall cease to be an Immaterial Subsidiary hereunder. âœIncrease Effective Dateâ has the meaning ascribed to it in Section 2.13 of the Agreement. âœIndebtednessâ means, with respect to any Person, without duplication (a) all indebtedness of such Person for borrowed money or for the deferred purchase price of property, but excluding obligations to trade creditors incurred in the ordinary course of business that are unsecured and not overdue by more than ninety (90) days unless being contested in good faith, (b) all reimbursement and other obligations with respect to letters of credit, bankersâ™ acceptances and surety bonds, whether or not matured, (c) all obligations evidenced by notes, bonds, debentures or similar instruments, (d) all indebtedness created or arising under any conditional sale or other title retention agreement with respect to property acquired by such Person (even though the rights and remedies of the seller or lender under such agreement in the event of default are limited to repossession or sale of such property), (e) all Capital Lease Obligations and the present value (discounted at the Base Rate as in effect on the Closing Date) of future rental payments under all synthetic leases, (f) all obligations of such Person under commodity purchase or option agreements or other commodity price hedging

arrangements, in each case whether contingent or matured, (g) all obligations of such Person under any foreign exchange contract, currency swap agreement, interest rate swap, cap or collar agreement or other similar agreement or arrangement designed to alter the risks of that Person arising from fluctuations in currency values or interest rates, in each case whether contingent or matured, (h) all obligations of such Person to purchase, redeem, retire, defease or otherwise make any payment in respect of any Stock in such Person or any other Person or any warrant, right or option to acquire such Stock, valued, in the case of a redeemable preferred interest, at the greater of its voluntary or involuntary liquidation preference plus accrued and unpaid dividends, (i) all Indebtedness referred to above secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) any Lien upon or in property or other assets (including accounts and contract rights) owned by such Person, even though such Person has not assumed or become liable for the payment of such Indebtedness, (j) earnings, to the extent required to be reflected as a liability on the balance sheet in accordance with GAAP, and (k) the Obligations. **Indemnified Taxes** means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by, or on account of any obligation of, any Loan Party under any Loan Document and (b) to the extent not otherwise described in clause (a), Other Taxes. **Indemnitees** has the meaning ascribed to it in Section 10.2 of the Agreement. **Index Floor** has the meaning given to such term in the definition of **Tranche Rate**. **Initial Draw** means one or more Advances under the Revolving Loan Commitment for purposes of funding the Concorde Acquisition and/or other working capital needs. **Appendix I** 13724450v7 that occurs on the Closing Date or otherwise prior to the Concorde Acquisition in an aggregate amount up to \$100,000,000. **Insolvency Event** means, with respect to any Person, when such Person becomes the subject of a bankruptcy or insolvency proceeding, or has had a receiver, conservator, trustee, administrator, custodian, assignee for the benefit of creditors or similar Person charged with the reorganization or liquidation of its business, appointed for it, or, in the good faith determination of Lender, has taken any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any such proceeding or appointment, provided, that an Insolvency Event shall not result solely by virtue of any ownership interest, or the acquisition of any ownership interest, in such Person by a Governmental Authority or instrumentality thereof, unless such ownership interest results in or provides such Person with immunity from the jurisdiction of courts within the U.S. or from the enforcement of judgments or writs of attachment on its assets or permits such Person (or such Governmental Authority or instrumentality), to reject, repudiate, disavow or disaffirm any contracts or agreements made by such Person. **Instruments** means all rights, titles and interests of each Loan Party in such Loan Party's **instruments**, as such term is defined in the Code, whether now owned or existing or hereafter acquired or arising, wherever located, and, in any event, including all certificated securities, all certificates of deposit, and all promissory notes and other evidences of indebtedness, other than instruments that constitute, or are a part of a group of writings that constitute, Chattel Paper. **Intellectual Property** means any and all Licenses, Patents, Copyrights, Trademarks, and the goodwill associated with such Trademarks. **Intercompany Notes** has the meaning ascribed to it in Section 5.3 of the Agreement. **Interest Payment Date** means, all as determined by Lender in accordance with the Loan Documents and Lender's loan systems and procedures periodically in effect (and subject to the terms of any BillPayer Service, as applicable): (a) as to any Base Rate Loan, Daily Simple SOFR Rate Loan, the Unused Line Fee, and any Letter of Credit Fees, the first day of each quarter, and (b) as to any Tranche Rate Loan, the last day of the applicable Interest Period; provided that, in addition to the foregoing, each of (x) the date upon which the Revolving Loan Commitment has been terminated and the Advances have been paid in full and (y) the Commitment Termination Date shall be deemed to be an **Interest Payment Date** with respect to any interest and any applicable Unused Line Fee that has then accrued under the Agreement. **Interest Period** means, with respect to any Tranche Rate Loan, a period commencing on the date of such Tranche Rate Loan and ending on the numerically corresponding day in the calendar month that is one or three months thereafter, as designated by Borrower to Lender from time to time in a Notice of Borrowing or Notice of Conversion or as otherwise set pursuant to the terms of this Agreement, as applicable, determined by Lender in accordance with the Agreement and Lender's loan systems and procedures periodically in effect, including in accordance with the following terms and conditions, as applicable: **Appendix I** 13724450v7 (a) in the case of immediately successive Interest Periods with respect to a continued Tranche Rate Loan, each successive Interest Period shall commence on the day on which the immediately preceding Interest Period expires, with interest for such day to be calculated based upon the interest rate in effect for the new Interest Period; (b) if an Interest Period would otherwise end on a day that is not a Business Day, such Interest Period shall end on the next succeeding Business Day; provided that, if the next succeeding Business Day falls in a new month, such Interest Period shall end on the immediately preceding Business Day; and (c) if any Interest Period begins on a Business Day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period, then the Interest Period shall end on the last Business Day of the calendar month ending at the end of such Interest Period. **Inventory** means all rights, titles and interest of each Loan Party in such Loan Party's **inventory**, as such term is defined in the Code, whether now owned or existing or hereafter acquired or arising, wherever located, and, in any event including inventory, merchandise, goods and other personal property that are held by or on behalf of any Loan Party for sale or lease or are furnished or are to be furnished under a contract of service, or that constitute raw materials, work in process, finished goods, returned goods, supplies or materials of any kind, nature or description used or consumed or to be used or consumed in such Loan Party's business or in the processing, production, packaging, promotion, delivery or shipping of the same, including all supplies and embedded software. **Investment** means, with respect to any Person, any investment by such Person in any other Person (including Affiliates) in the form of loans, guarantees, advances, capital contributions (excluding (a) commission, travel, and similar advances to officers and employees of such Person made in the ordinary course of business, and (b) bona fide Accounts arising in the ordinary course of business), or acquisitions of Indebtedness, Stock, or all or substantially all of the assets of such other Person (or of any division or business line of such other Person), including any transfer of assets pursuant to statutory division, and any other items that are or would be classified as investments on a balance sheet prepared in accordance with GAAP. **Investment Property** means all rights, titles and interests of each Loan Party in such Loan Party's **investment property**, as such term is defined in the Code, whether now owned or existing or hereafter acquired or arising, wherever located, including (a) all securities, whether certificated or uncertificated, including stocks, bonds, interests in limited liability companies, partnership interests, treasuries, certificates of deposit, and mutual fund shares; (b) all securities entitlements of any Loan Party, including the rights of such Loan Party to any securities account and the financial assets held by a securities intermediary in such securities account and any free credit balance or other money owing by any securities intermediary with respect to that account; (c) all securities accounts of any Loan Party; (d) all commodity contracts of any Loan Party; and (e) all commodity accounts held by any Loan Party. **IRC** means the Internal Revenue Code of 1986, as amended, and all regulations promulgated thereunder. **Appendix I** 13724450v7 **IRS** means the United States Internal Revenue Service. **ISDA Definitions** means the 2006 ISDA Definitions or the 2021 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto (**ISDA**), as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time by ISDA. **ISPs** has the meaning ascribed to it in clause (k) of Annex A to this Agreement. **Laws** means any and all federal, state, local and foreign statutes, laws, judicial decisions, regulations, guidances, guidelines, ordinances, rules, judgments, orders, decrees, codes, plans, injunctions, permits, concessions, grants, franchises, governmental agreements and governmental restrictions, whether now or hereafter in effect. **L/C Sublimit** has the meaning ascribed to it in Annex A to the Agreement. **Lender** has the meaning ascribed thereto in the preamble to the Agreement and shall additionally include, for the avoidance of any doubt, (i) upon any assignment by Fifth Third pursuant to Section 11.6 of the Agreement, such assignee of Fifth Third and (ii) the respective successors of each of the foregoing. In addition to the foregoing, solely for the purpose of identifying the Persons entitled to share in payments and collections from the Collateral as more fully set forth in the Agreement and the Collateral Documents, the term **Lender** shall include Eligible Swap Counterparties and any provider of Bank Products. **Letter of Credit Fee** has the meaning ascribed to it in Section 2.4(e)(iii) of the Agreement. **Letter of Credit Obligations** means all outstanding obligations incurred by Lender at the request of Borrower, whether direct or indirect, contingent or otherwise, due or not due, in connection with the issuance of Letters of Credit by Lender. The amount of the Letter of Credit Obligations at any time shall equal the maximum amount that may be payable by Lender thereupon or pursuant thereto. **Letter(s) of Credit** means any standby letters of credit issued for the account of Borrower by Lender. **Letter of Credit Rights** means all rights, titles and interests of each Loan Party in such Loan Party's **letter-of-credit rights**, as such term is defined in the Code, whether now owned or existing or hereafter acquired or arising, including rights to payment or performance under a letter of credit, whether or not such Loan Party, as beneficiary, has demanded or is entitled to demand payment or performance. **License** means any Copyright License, Patent License, Trademark License or other license of rights or interests now held or hereafter acquired by any Loan Party. **Lien** means any mortgage or deed of trust, pledge, hypothecation, assignment, deposit arrangement, lien, charge, claim, security interest, easement or encumbrance, or **Appendix I** 13724450v7 preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever (including any lease or title retention agreement, any financing lease having substantially the same economic effect as any of the foregoing, and the filing of, or agreement to give, any financing statement perfecting a security interest under the Code or comparable Law of any jurisdiction). **Litigation** means any action, suit or proceeding before any court, mediator, arbitrator or Governmental Authority. **Liquidation Preference** means the liquidation preference of the Series A Preferred Stock, as adjusted from time to time, pursuant to the Certificate of Designations. The Liquidation Preference as of March 31, 2021 was \$100 per share of Series A Preferred Stock. **Loan Account** has the meaning ascribed to it in Section 2.8 of the Agreement. **Loan Documents** means, collectively, the Agreement, the Collateral Documents, the Notes, the Fifth Third Lease Documents, each agreement entered into in respect of Bank Products, each Rate Contract with an Eligible Swap Counterparty, and all other agreements, instruments, documents and certificates executed and delivered to, or in favor of, Lender and including all other pledges, powers of attorney, consents, assignments, contracts, notices, letter of credit agreements and all other written matter whether heretofore, now or hereafter executed by or on behalf of any Loan Party, and delivered to Lender in connection with the Agreement or the transactions contemplated thereby. Any reference in the Agreement or any other Loan Document to a Loan Document shall include all appendices, exhibits or schedules thereto, and all amendments, restatements, amendments and restatements, supplements or other modifications thereto, and shall refer to the Agreement or such Loan Document as the same may be in effect at any and all times such reference becomes operative. **Loan Parties** means, collectively, Borrower and each Guarantor and **Loan Party** means any of Borrower or any Guarantor. **Margin Stock** has the meaning ascribed to it in Regulation U of the Federal Reserve Board. **Material Adverse Effect** means a material adverse effect on (a) the business, assets, operations, prospects or financial or other condition of the Loan Parties and their Subsidiaries, taken as a whole, (b) the Loan Parties' ability to pay any of the Advances or any of the other Obligations in accordance with the terms of the Agreement, the ability of the Guarantors to honor their obligations pursuant to their Guarantees (c) the Collateral or Lender's Liens on the Collateral or the priority of such Liens, or (d) Lender's rights and remedies under the Agreement and the other Loan Documents. **Material Contracts** has the meaning ascribed to it in Section 3.16 of the Agreement. **Maximum Lawful Rate** has the meaning ascribed to it in Section 2.4(d) of the Agreement. **Appendix I** 13724450v7 **Multienterplan** means a multiemployer plan, that is intended to meet the definition set forth in Section 4001(a)(3) of ERISA, to which any Loan Party or any ERISA Affiliate may have any liability. **Non-Extension Notice Date** has the meaning ascribed to it in clause (b) of Annex A to this Agreement. **Note** has the meaning given to it in Section 2.12 of the Agreement. **Notice of Borrowing** shall mean a notice of borrowing with respect to any Advance hereunder, which notice shall be in form and substance, and delivered by Borrower to Lender in a manner, acceptable to Lender in its sole discretion. **Notice of Conversion** shall mean a notice of conversion with respect to any Advance hereunder, which notice shall be in form and substance, and delivered by Borrower to Lender in a manner, acceptable to Lender in its sole discretion. **Obligations** means all loans, advances, debts, liabilities and obligations for the performance of covenants, tasks or duties or for payment of monetary amounts (whether or not such performance is then required or contingent, or such amounts are liquidated or determinable) owing by any Loan Party to Lender, or any Affiliate of Lender, and all covenants and duties regarding such amounts, of any kind or nature, present or future, whether direct or indirect (including acquired by assignment), related or unrelated, absolute or contingent, due or to become due, now existing or hereafter arising and however acquired, and whether or not evidenced by any note, agreement, letter of credit agreement or other instrument. The term **Obligations** includes all principal, interest, Fees, expenses, reasonable attorneys' fees and any other sum chargeable to any Loan Party under, or arising out of, the Agreement, the Note, any of the other Loan Documents or any agreement entered into in respect of Bank Products, all Fifth Third Lease Obligations, and all Rate Contract Obligations (including all amounts that accrue after the commencement of any case or proceeding by or against any Loan Party in bankruptcy, whether or not allowed in such case or proceeding). Notwithstanding the foregoing, **Obligations** of a Guarantor shall not include Excluded Swap Obligations with respect to such Guarantor. **OFAC** has the meaning ascribed to it in Section 3.12(b) of the Agreement. **Ordinary Course of Business** means, in respect of any transaction involving any Loan Party, the ordinary course of such Loan Party's business, as conducted by such Loan Party in accordance with past practices. **Organizational Documents** means, with respect to any Person other than a natural person, the documents by which such Person was organized (such as a certificate of incorporation, certificate of limited partnership or articles of organization, and including any certificates of designation for preferred stock or other forms of preferred equity) and which relate to the internal governance of such Person (such as by-laws, a partnership agreement or an operating, limited liability company or members agreement). **Appendix I** 13724450v7 **Other Connection Taxes** means with respect to any recipient of a payment under the Agreement or any Loan Document, Taxes imposed as a result of a present or former connection between such recipient and the jurisdiction imposing such Tax (other than connections arising from such recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced the Agreement or other Loan Document, or sold or assigned an interest in any Obligation, the Agreement or other Loan Document). **Other Taxes** means all present or future stamp, transfer, excise, value added, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Loan Document, other than Other Connection Taxes that are imposed on an assignment by Lender after the date hereof, other than any assignment made at the request of any Loan Party or following an Event of Default under Section 9.1(a), (b), (i) or (k) of the Agreement. **Overadvance** has the meaning ascribed to it in Section 2.2(b)(i) of the Agreement. **Participant** has the meaning ascribed to it in Section 11.6(b) of the Agreement. **Participant Register** has the meaning ascribed to it in Section 11.6(b) of the Agreement. **Patent License** means rights under any written agreement now owned or hereafter acquired by any Loan Party granting any right with respect to any invention on which a Patent is in existence. **Patents** means all of the following in which any Loan Party now holds or hereafter acquires any interest: (a) all letters patent of the United States or any other country, all registrations and recordings thereof, and all applications for letters patent of the United States or of any other country, including registrations, recordings and applications in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State or any other country, and (b) all reissues, continuations, continuations in part or extensions thereof. **PBGC** means the Pension Benefit Guaranty Corporation. **Pension Plan** means an ERISA Plan described in Section 3(2) of ERISA. **Permits** has the meaning ascribed to it in Section 3.1 of the Agreement. **Permitted Acquisition** means (i) the Concorde Acquisition and (ii) an Investment consisting of an acquisition by the Borrower or any Subsidiary, provided that (a) no Default or Event of Default shall have occurred and be continuing or would result from such acquisition, (b) the property acquired (or the property of the Person acquired) in such acquisition is used or useful in the same or a similar line of business as the Borrower and its Subsidiaries were engaged in on the Closing Date (or any reasonable extensions or expansions thereof consistent with Borrower's Growth and Diversification Strategy), (c) in the case of an acquisition of the Stock of another **Appendix I** 13724450v7 Person, the board of directors (or other comparable governing body) of such other Person shall have duly approved such acquisition, (d) the Borrower shall have delivered to the Lender a Compliance Certificate on a pro forma basis demonstrating that the Loan Parties would be in compliance with the financial covenants set forth in Sections 6.1, 6.2 and 6.4 recomputed as of the end of the period of the four Fiscal Quarters most recently ended for which the Borrower has delivered financial statements after giving effect to such acquisition on a pro forma basis, (e) the representations and warranties made by the Loan Parties in each Loan Document shall be true and correct in all material respects at and as of made as of the date of such acquisition (after giving effect thereto), except for any representation and warranty that is qualified by materiality or reference to Material Adverse Effect which such representation and warranty shall be true and correct in all respects on and as of the date of such acquisition, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they shall be true and correct as of such earlier date, (f) if such transaction involves the purchase of an interest in a partnership between any Loan Party as a general partner and entities unaffiliated with the Borrower as the other partners, such transaction shall be effected by having such Stock acquired by a corporate holding company directly or indirectly wholly-owned by such Loan Party newly formed for the sole purpose of

effecting such transaction, and (g) immediately after giving effect to such acquisition, the aggregate cash and non-cash consideration (including assumed Indebtedness, the good faith estimate by the Borrower of the maximum amount of any deferred purchase price obligations (including earn-out payment obligations) and Stock) for all acquisitions under (ii) hereof during the term of this Agreement shall not exceed \$100,000,000. **Permitted Contests** means a contest maintained in good faith by appropriate proceedings promptly instituted and diligently conducted with respect to which such reserve or other appropriate provision, if any, as shall be required in conformity with GAAP shall have been made; provided, that compliance with the obligation that is the subject of such contest is effectively stayed during such challenge. **Permitted Encumbrances** means the following encumbrances: (a) Liens for taxes or assessments or other governmental Charges not yet due and payable or which are being contested in accordance with Section 4.2(b) of the Agreement; (b) pledges or deposits of money securing statutory obligations under workmen's compensation, unemployment insurance, social security or public liability Laws or similar legislation (excluding Liens under ERISA); (c) pledges or deposits of money securing bids, tenders, contracts (other than contracts for the payment of money) or leases to which any Loan Party is a party as lessee made in the Ordinary Course of Business; (d) inchoate and unperfected workers', mechanics' or similar Liens arising in the Ordinary Course of Business, so long as such Liens attach only to Equipment, Fixtures and/or Real Estate; (e) landlords', carriers', warehousemen's, suppliers' or other similar possessory Liens arising in the Ordinary Course of Business and securing liabilities that are not yet due and payable (unless such liabilities are being contested in good faith by appropriate proceedings and appropriate reserves have been established in accordance with GAAP), so long as such Liens attach only to Inventory; (f) cash deposits securing, or in lieu of, surety, appeal or customs bonds in proceedings to which any Loan Party is a party; (g) any attachment or judgment Lien not constituting an Event of Default under Section 9.1(j) of the Agreement; (h) zoning restrictions, easements, licenses, or other restrictions on the use of any Real Estate or other minor irregularities in title (including leasehold title) thereto, so long as the same do not materially impair the use. A Appendix I 13724450v7 value, or marketability of such Real Estate; and (i) presently existing or hereafter created Liens in favor of Lender. **Person** means any individual, sole proprietorship, partnership, joint venture, trust, unincorporated organization, association, corporation, limited liability company, institution, public benefit corporation, other entity or government (whether federal, state, county, city, municipal, local, foreign, or otherwise, including any instrumentality, division, agency, body or department thereof). **Preferred Dividends** means the noncumulative cash dividend on each share of Series A Preferred Stock payable out of Borrower's legally available funds semi-annually in arrears on September 30 and March 31 of each year which begin to accrue on the first day of the applicable dividend period at a rate of seven and one-half percent (7.5%) per annum on the Liquidation Preference then in effect, as such amount is adjusted from time to time pursuant to the Certificate of Designations, before any dividends are declared, set apart or paid upon any capital Stock of Borrower ranking junior to the Series A Preferred Stock; provided, however, if the foregoing cash dividend is not paid, the Liquidation Preference is increased to an amount equal to the Liquidation Preference then in effect plus an amount reflecting that Liquidation Preference multiplied by the cash dividend rate then in effect plus two percent (2.0%) per annum. **Prime Rate** means, as of any date, the greater of: (a) 3.5% (b) the rate that Fifth Third publicly announces, publishes or designates from time to time as its index rate or prime rate, or any successor rate thereto, in effect at its principal office. Such rate is a reference rate and does not necessarily represent the lowest or best rate actually charged to any customer. Fifth Third may make commercial loans or other loans at rates of interest at, above or below its index rate or prime rate. **Proceeds** means all **proceeds**, as such term is defined in the Code, including (a) any and all proceeds of any insurance, indemnity, warranty or guaranty payable to any Loan Party from time to time with respect to any of the Collateral, (b) any and all payments (in any form whatsoever) made or due and payable to any Loan Party from time to time in connection with any requisition, confiscation, condemnation, seizure or forfeiture of all or any part of the Collateral by any Governmental Authority (or any Person acting under color of governmental authority), (c) any claim of any Loan Party against third parties (i) for past, present or future infringement of any Patent or Patent License, or (ii) for past, present or future infringement or dilution of any Copyright, Copyright License, Trademark or Trademark License, or for injury to the goodwill associated with any Trademark or Trademark License, (d) any recoveries by any Loan Party against third parties with respect to any litigation or dispute concerning any of the Collateral including claims arising out of the loss or nonconformity of, interference with the use of, defects in, or infringement of rights in, or damage to, Collateral, (e) all amounts collected on, or distributed on account of, other Collateral, including dividends, interest, distributions and Instruments with respect to Investment Property and pledged Stock, and (f) any and all other amounts, rights to payment or other property acquired upon the sale, lease, license, exchange or other disposition of Collateral and all rights arising out of Collateral. A Appendix I 13724450v7 **Projections** means, with respect to the Borrower and its Subsidiaries, the forecasted consolidated: (a) balance sheets; (b) statements of operations; (c) statements of cash flows; and (d) statements of shareholders' equity, all prepared in a manner consistent with the historical Financial Statements of the Borrower and its Subsidiaries, together with appropriate supporting details and a statement of underlying assumptions. **Qualified Plan** means an ERISA Plan that is intended to be tax qualified under Section 401(a) of the IRC. **Quick Assets** means all unencumbered cash and Cash Equivalents, plus any note and accounts receivable, to the extent such assets may properly be classified as current assets in accordance with GAAP, provided that, for the purpose of determining the Quick Assets of Borrower, notes and accounts receivable shall be included only if good and collectible and payable on demand or within twelve (12) months from the date as of which Quick Assets are to be determined (and if not directly or indirectly renewable or extendible, at the option of the Borrower, by their terms or by the terms of any instrument or agreement relating thereto, beyond such twelve (12) months) and shall be taken at their face value less reserves determined to be sufficient in accordance with GAAP. **Quick Ratio** means, as of any date of determination, a ratio of (a) Quick Assets to (b) Current Liabilities. **Rate Contract** means any agreement, device or arrangement providing for payments which are related to fluctuations of commodities, currencies, or interest rates, exchange rates, forward rates, or equity prices, including Dollar denominated or cross currency interest rate exchange agreements, forward currency exchange agreements, interest rate cap or collar protection agreements, forward rate currency or interest rate options, puts and warrants, and any agreement pertaining to equity derivative transactions (e.g., equity or equity index swaps, options, caps, floors, collars and forwards), including any ISDA Master Agreement (including the Existing ISDA), and any schedules, confirmations and documents and other confirming evidence between the parties confirming transactions thereunder, all whether now existing or hereafter arising, and in each case as amended, modified or supplemented from time to time. **Rate Contract Obligations** means any and all obligations of a Loan Party to an Eligible Swap Counterparty, whether absolute, contingent or otherwise and howsoever and whensoever (whether now or hereafter) created, arising, evidenced or acquired (including all renewals, extensions and modifications thereof and substitutions therefor), under or in connection with (a) any and all Rate Contracts between a Loan Party and an Eligible Swap Counterparty, and (b) any and all cancellations, buy-backs, reversals, terminations or assignments of any such Rate Contract. **Real Estate** means each of, and collectively, (a) the real estate listed on Schedule 3.19 of the Agreement and (b) each parcel of real estate contemplated by Section 4.15(e) of the Agreement. **Related Persons** means, with respect to any Person, each Affiliate of such Person and each director, officer, employee, manager, agent, trustee, representative, attorney, A Appendix I 13724450v7 account and each insurance, environmental, legal, financial and other advisor (including those retained in connection with the satisfaction or attempted satisfaction of any condition set forth in Article VIII) and other consultants and agents of or to such Person or any of its Affiliates. **Release** means any release, threatened release, spill, emission, leaking, pumping, pouring, emitting, emptying, escape, injection, deposit, disposal, dispersal, dumping, leaching or migration of Hazardous Material in the indoor or outdoor environment, including the movement of Hazardous Material through or in the air, soil, surface water, ground water or property. **Resolution Authority** means an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority. **Responsible Officer** means any of the Chief Executive Officer, Chief Financial Officer or any other officer of Borrower designated by Borrower and acceptable to Lender. **Restricted Payment** means, with respect to any Loan Party or Subsidiary (a) the declaration or payment of any dividend (including without limitation, any Preferred Dividend) or distribution or the incurrence of any liability to make any other payment or distribution of cash or other property or assets in respect of Stock; (b) any payment on account of the purchase, redemption, defeasance, sinking fund or other retirement of such Loan Party's or Subsidiary's Stock or any other payment or distribution made in respect thereof, either directly or indirectly; (c) any payment made to redeem, purchase, repurchase or retire, or to obtain the surrender of, any outstanding warrants, options or other rights to acquire Stock of such Loan Party or Subsidiary now or hereafter outstanding; (d) any payment of a claim for the rescission of the purchase or sale of, or for material damages arising from the purchase or sale of, any shares of such Loan Party's or Subsidiary's Stock or of a claim for reimbursement, indemnification or contribution arising out of or related to any such claim for damages or rescission; (e) any payment, loan, contribution, or other transfer of funds or other property to any Stockholder of such Loan Party or Subsidiary other than payment of compensation in the Ordinary Course of Business to Stockholders who are employees of such Loan Party or Subsidiary; and (f) any transfer or other distribution of property to any Person other than a Loan Party pursuant to a statutory division. **Revolving Credit Advance** has the meaning ascribed to it in Section 2.1(a) of the Agreement and may, as the context may require, include any Overadvance. **Revolving Exposure** means, at any time, the sum of (i) the aggregate outstanding principal amount of Revolving Credit Advances at such time, plus (ii) the aggregate Letter of Credit Obligations outstanding at such time. **Revolving Loan** means, at any time, the sum of (a) the aggregate amount of Revolving Credit Advances outstanding plus (b) the aggregate Letter of Credit Obligations. Unless the context otherwise requires, references to the outstanding principal balance of the Revolving Loan shall include the outstanding balance of Letter of Credit Obligations. A Appendix I 13724450v7 **Revolving Loan Commitment** means the aggregate commitment of Lender to make Revolving Credit Advances or incur Letter of Credit Obligations, in amount not to exceed \$125,000,000.00, as such amount may be increased in accordance with Section 2.13. **Sanctions** has the meaning ascribed to it in Section 3.12(b) of the Agreement. **Scheduled Unavailability Date** has the meaning ascribed to it in Section 2.5(c) of the Agreement. **School** means each of (a) Borrower and (b) any other post-secondary institution of higher education that has received Accreditation and is operated by the Borrower or any Subsidiary. **SDN List** has the meaning ascribed to it in Section 3.12(b) of the Agreement. **SEC** means the Securities and Exchange Commission, or any Governmental Authority succeeding to any of its principal functions. **Series A Preferred Stock** means Borrower's Series A Preferred Stock, par value \$0.0001 per share. **Significant Event** means the failure of the Borrower or any Subsidiary to (a) comply with applicable Laws to the extent necessary to operate each School as a proprietary institution of higher education that is eligible to participate in one or more Title IV Programs, or (b) maintain all Accreditations for any School, which failure of any of the types described in clauses (a) and (b) either (i) affects one or more Schools which either (A) contributed in the aggregate more than 20% of the Consolidated EBITDA for the period of the four fiscal quarters most recently ended for which the Borrower has delivered financial statements pursuant to Section 7.1(a) or (b) or (B) owned assets which comprise in the aggregate more than 20% of the total assets of the Borrower and its Subsidiaries as of the end of the period of the four fiscal quarters most recently ended for which the Borrower has delivered financial statements pursuant to Section 7.1(a) or (b), (ii) would have caused the Loan Parties to fail to be in compliance with the financial covenants in Section 6 as of the end of the period of the four fiscal quarters most recently ended for which the Borrower has delivered financial statements pursuant to Section 7.1(a) or (b) if the aggregate amount of Consolidated EBITDA and Consolidated Tangible Net Worth contributed by such Schools during such period were excluded from the calculation of such financial covenants or (iii) results in the loss of in the aggregate more than 10% of the revenues received by the Borrower and its Subsidiaries for the fiscal year most recently ended for which the Borrower has delivered financial statements pursuant to Section 7.1(a). **SOFR Administrator** means the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate). **SOFR Administrator's Website** means the website of the Federal Reserve Bank of New York, currently at <http://www.newyorkfed.org>, or any successor source for the secured overnight financing rate identified as such by the SOFR Administrator from time to time. A Appendix I 13724450v7 **SOFR** means, with respect to any Business Day, a rate per annum equal to the secured overnight financing rate published by the Federal Reserve Bank of New York (or a successor administrator) on the administrator's website (or any successor source for the secured overnight financing rate identified as such by the administrator) at approximately 2:30 p.m. (New York City time) on the immediately succeeding Business Day. **SOFR Rate** means Term SOFR Rate Loans or Daily SOFR Rate Loans, as applicable. **Software** means all rights, titles and interests of each Loan Party in such Loan Party's **Software** as such term is defined in the Code, whether now owned or existing or hereafter acquired or arising, other than software embedded in any category of Goods, including all computer programs and all supporting information provided in connection with a transaction related to any program. **Solvent** means, with respect to any Person on a particular date, that on such date (a) the fair value of the property of such Person is greater than the total amount of liabilities, including contingent liabilities, of such Person; (b) the present fair salable value of the assets of such Person is not less than the amount that will be required to pay the probable liability of such Person on its debts as they become absolute and matured; (c) such Person does not intend to, and does not believe that it will, incur debts or liabilities beyond such Person's ability to pay as such debts and liabilities mature; and (d) such Person is not engaged in a business or transaction, and is not about to engage in a business or transaction, for which such Person's property would constitute an unreasonably small capital. The amount of contingent liabilities (such as litigation, guarantees and pension plan liabilities) at any time shall be computed as the amount that, in light of all the facts and circumstances existing at the time, represents the amount that can be reasonably be expected to become an actual or matured liability. **Special Flood Hazard Area** is an area identified by the United States Federal Emergency Management Agency as an area with a special flood or mudflow, and/or flood related erosion hazard. **Spread Adjustment** means a mathematical or other adjustment to an alternate benchmark rate selected pursuant to Section 2.5(c) of the Agreement and such adjustment may be positive, negative, or zero, subject to the specific Spread Adjustments set forth in Section 2.5(c). **Stock** means all shares, options, warrants, general or limited partnership interests, membership interests, units or other equivalents (regardless of how designated) or in a corporation, partnership, limited liability company or equivalent entity whether voting or nonvoting, including common stock, preferred stock or any other equity security (as such term is defined in Rule 3a11-1 of the General Rules and Regulations promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934). **Stockholder** means, with respect to any Person, each holder of Stock of such Person. A Appendix I 13724450v7 **Subsidiary** means, with respect to any Person, (a) any corporation of which an aggregate of more than 50% of the outstanding Stock having ordinary voting power to elect a majority of the board of directors of such corporation (irrespective of whether, at the time, Stock of any other class or classes of such corporation shall have or might have voting power by reason of the happening of any contingency) is at the time, directly or indirectly, owned legally or beneficially by such Person or one or more Subsidiaries of such Person, or with respect to which any such Person has the right to vote or designate the vote of more than 50% of such Stock whether by proxy, agreement, operation of law or otherwise, and (b) any partnership or limited liability company in which such Person and/or one or more Subsidiaries of such Person shall have an interest (whether in the form of voting or participation in profits or capital contribution) of more than 50% or of which any such Person is a general partner or may exercise the powers of a general partner. Unless the context otherwise requires, each reference to a Subsidiary shall be a reference to a Subsidiary of a Loan Party. **Successor Rate** shall mean any successor index rate determined pursuant to Section 2.5(c) from time to time, including any applicable Spread Adjustment. **Supporting Obligations** means all **supporting obligations** as such term is defined in the Code, including letters of credit and guarantees issued in support of Accounts, Chattel Paper, Documents, General Intangibles, Instruments, or Investment Property. **Swap Contract** means any swap agreement, as defined in Section 101 of the Bankruptcy Code. **Swap Obligation** means any obligation in respect of a Swap Contract that constitutes a swap within the meaning of Section 1a(47) of the Commodity Exchange Act, as amended from time to time. **Taxes** means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto. **Term SOFR** means, with respect to a Tranche Rate Loan for any Interest Period, the forward-looking SOFR rate administered by CME Group, Inc. (or other administrator selected by Lender) and published on the applicable Bloomberg LP screen page (or such other commercially available source providing such quotations as may be selected by Lender), fixed by the administrator thereof two Business Days prior to the commencement of the applicable Interest Period (provided, however, that if Term SOFR is not published for such Business Day, then Term SOFR shall be determined by reference to the immediately preceding Business Day on which such rate is published), adjusted for reserves if Lender is required to maintain reserves with respect to the relevant Advances, all as determined by Lender in accordance with the Agreement and Lender's loan systems and procedures periodically in effect. **Termination Date** means the date on which (a) the Advances have been indefeasibly repaid in full, (b) all other Obligations under the Agreement and the other Loan Documents have been completely discharged, (c) all Letter of Credit Obligations have been cash collateralized, cancelled or backed by standby letters of credit in accordance with Annex A to the A Appendix I 13724450v7 Agreement, and (d) the Revolving Loan Commitment under the Agreement has been terminated and Borrower shall not have any further right to borrow any monies or request any further extensions of credit under the

Agreement. **Third Amendment Effective Date** means September 26, 2024. **Total Leverage Ratio** shall mean the ratio of Funded Indebtedness to Consolidated EBITDA for the Borrower and its Subsidiaries, as measured on a rolling twelve month basis. **Title IV** means Title IV of the Higher Education Act. **Title IV Compliance Audit** means, with respect to any School, the annual compliance audit of such School's administration of its Title IV Programs as required under 34 C.F.R. Section 668.23. **Title IV Programs** means the Title IV Programs as defined in 34 C.F.R. Section 668.1(c). **Total Liabilities** means the aggregate amount of current and long-term liabilities (i.e. claims of creditors that are to be satisfied by the disbursement or utilization of corporate resources) of the Borrower and its Subsidiaries on a consolidated basis, all determined in accordance with GAAP applied on a consistent basis.

Trademark License means rights under any written agreement now owned or hereafter acquired by any Loan Party granting any right to use any Trademark. **Trademarks** means all of the following now owned or hereafter adopted or acquired by any Loan Party: (a) all trademarks, trade names, corporate (and, as applicable, limited liability company) names, business names, trade styles, service marks, logos, other source or business identifiers, prints and labels on which any of the foregoing have appeared or appear, designs and general intangibles of like nature (whether registered or unregistered), all registrations and recordings thereof, and all applications in connection therewith, including registrations, recordings and applications in the United States Patent and Trademark Office or in any similar office or agency of the United States, any state or territory thereof, or any other country or any political subdivision thereof; (b) all reissues, extensions or renewals thereof; and (c) all goodwill associated with or symbolized by any of the foregoing. **Tranche Rate** means, with respect to any Interest Period, the greater of (a) 0% (the **Index Floor**) and (b) Term SOFR relating to quotations for 1 or 3 months, as selected by Borrower in its Notice of Borrowing or Notice of Conversion, or as otherwise set pursuant to the terms of this Agreement, as applicable. Each determination by Lender of the Tranche Rate shall be conclusive and binding in the absence of manifest error. Notwithstanding anything to the contrary contained in the Agreement, at any time during which a Rate Contract is then in effect with respect to all or a portion of the Obligations bearing interest based upon the Tranche Rate or any Successor Rate, the Index Floor shall be disregarded and no longer of any force and effect with respect to such Obligations (or portion thereof) subject to such Rate Contract. **Appendix I** 13724450v7 **Tranche Rate Loans** means any Advances that accrue interest by reference to the Tranche Rate for an Interest Period elected by Borrower in accordance with Section 2.5(a) of the Agreement and the other terms of the Agreement. **UK Financial Institution** means any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended from time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms. **UK Resolution Authority** means the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution. **U.S. Government Securities Business Day** means any day except for (i) a Saturday, (ii) a Sunday or (iii) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities. **U.S. Person** means a **United States person** within the meaning of Section 7701(a)(30) of the IRC. **USA PATRIOT Act** means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (USA PATRIOT Act, Title III of Pub. L. 107-56 signed into law October 26, 2001). **Wholly-Owned Subsidiary** of a Person means any Subsidiary of such Person, all of the Stock of which (other than directors' qualifying shares required by law) are owned by such Person, either directly or through one or more Wholly-Owned Subsidiaries of such Person. **Write-Down and Conversion Powers** means, (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers. **utisecuriestradingpolis** Securities Trading Policy Department: Legal Department Effective Date: October 13, 2015 Owner & Title: Scott Levine Last Revised Date: June 7, 2023 VP Deputy General Counsel Page 1 of 16 Purpose and Scope The purpose of this Policy is to promote compliance with applicable securities laws by Universal Technical Institute, Inc. (the **Company**) and its subsidiaries, members of the Company's Board of Directors (**Directors**), and employees of the Company and its subsidiaries (collectively **UTI Personnel**). This Policy prohibits Directors and all UTI Personnel who possess material non-public information about the Company from engaging in insider trading, sets forth certain procedures that apply to securities transactions by the Directors and certain UTI Personnel, and restricts certain activities with respect to the securities of the Company. This Policy also affects family members, other members of a person's household and entities controlled by a person covered by this Policy, as described below, and may apply after your termination of employment. Policy Information **WHAT IS INSIDER TRADING?** Insider trading is, in addition to being a violation of the Company's Policy, a violation of securities laws. The penalties for insider trading are discussed below. The term **insider trading** generally refers to (1) trading in securities while in possession or aware of material non-public information, or (2) communication of material non-public information to others who may trade while in possession or aware of such information. This means no person subject to the Company's Policy who is aware of material non-public information relating to the Company may, directly or indirectly (through family members or other persons or entities) do any of the following: **Trade** in Company securities. **Advise** any other person to trade in Company securities or make recommendations to trade. **Communicate** non-public information concerning the Company to others who may then trade in the Company's stock or pass on the information to others who may trade in the Company's stock. This conduct is known as **tipping**. **Assist** others engaged in any of these activities, or otherwise engage in an action to take personal advantage of that information. **WHO IS AN INSIDER?** The concept of **insider** is broad and generally includes any person who possesses non-public information about the Company and who has a duty to the Company to keep this information confidential. In the case of the Company, insiders include Directors of the Company and its affiliates and subsidiaries, as well as all UTI Personnel who have access to material information that is not publicly available or who work on significant corporate transactions or projects. In addition, a person can be a **temporary insider** if he or she enters into a relationship to serve the Company and as a result is given access to information in **Securities Trading Policy Department: Legal Department** Effective Date: October 13, 2015 Owner & Title: Scott Levine Last Revised Date: June 7, 2023 VP Deputy General Counsel Page 2 of 16 connection with such service. **Outsiders** who can become temporary insiders include, among others, attorneys, accountants, consultants, investment bankers and the employees of such organizations. **WHAT IS MATERIAL INFORMATION?** Trading while in possession or aware of inside information is not a basis for liability unless the information is **material**. **Material information** generally is defined as information for which there is a substantial likelihood that a reasonable investor would consider such information important in making his or her investment decisions, or information that is reasonably likely to affect the price of the Company's securities. Material information can be positive or negative. It is important to remember that materiality depends upon facts and circumstances, and will always be judged with the benefit of hindsight. Information could be material because of its expected effect on the price of the Company's securities, the securities of another company, or the securities of several companies. Moreover, the prohibition against the misuse of **inside** information includes not only restrictions on trading in the Company's securities but restrictions on trading in the securities of other companies affected by the inside information. Examples. Some examples of information that will frequently be regarded as material are: **Earnings** or sales results or expectations **Financial forecasts** **Certain enrollment or attendance levels, starts, completion or placement results and/or other important operating metrics** **Changes in dividend/distribution policies or the declaration of a stock split or the offering of additional securities** **Proposals, agreements or news regarding a pending or proposed merger, acquisition, tender offer, joint venture, divestiture, leveraged buy-out, significant sale of assets or the disposition of a subsidiary** **Changes in relationships with major customers or industry partners or in the status of significant commercial contracts, or obtaining or losing customers, industry partners or significant contracts** **Important product developments or discoveries** **Major financing developments** **Changes in management or other major personnel changes** **Criminal indictments or material civil litigation or government investigations or significant regulatory communications or developments** **Significant disputes with major suppliers, customers or partners** **Labor disputes including strikes or lockouts** **Substantial changes in accounting methods** **Debt service or liquidity problems** **Impending bankruptcy or insolvency** **Public offerings or private sales of debt or equity securities** **Calls, redemptions or repurchases of securities** **Securities Trading Policy Department: Legal Department** Effective Date: October 13, 2015 Owner & Title: Scott Levine Last Revised Date: June 7, 2023 VP Deputy General Counsel Page 3 of 16 **Major technological advances** **WHAT IS NON-PUBLIC INFORMATION?** In order for information to qualify as **inside** information it must not only be **material**, it must also be **non-public**. **Non-public** information is information which has not been made available to investors generally. At such time as material, non-public information has been properly released to the investing public, it loses its status as **inside** information. However, for **non-public** information to become public information it must be disseminated through recognized channels of distribution designed to reach the securities marketplace, such as disclosure by filing a report with the SEC or disclosure by release to a national business and financial wire service (such as Dow Jones or Reuters) or a national publication (such as The Wall Street Journal). Further, sufficient time must pass for the information to become available in the market. Partial disclosure does not constitute public dissemination. So long as any material component of the **inside** information has yet to be publicly disclosed, the information is deemed **non-public** and may not be misused. **WHAT IS TRADING?** Trading includes buying, selling, gifting and pledging securities, as well as writing options. Ongoing purchases of Company stock in good faith under the 2003 Employee Stock Purchase Plan (but not enrollment or changes in elections or contributions), purchases of stock under an employee option for cash (but not any related open market sales or surrender of shares) and transactions under approved **Rule 10b-5** plans (but not the adoption of such plans) are excluded from the term **trading** for purposes of this Policy. **THE CONSEQUENCES** The consequences of insider trading violations can be significant: For individuals who trade on inside information (or tip such information to others) penalties could include: **A Civil penalty of up to three times the profit gained or loss avoided**; **A Criminal fine (no matter how small the profit) of up to \$5 million**; and **A jail term of up to 20 years**. For a company (as well as possibly any supervisory person) that fails to take appropriate steps to prevent illegal trading by an employee or tipping of inside information by an employee penalties could include: **A civil penalty of the greater of \$1 million or three times the profit gained or loss avoided as a result of the employee's violation**; and **A criminal penalty of up to \$25 million**. **Securities Trading Policy Department: Legal Department** Effective Date: October 13, 2015 Owner & Title: Scott Levine Last Revised Date: June 7, 2023 VP Deputy General Counsel Page 4 of 16 In addition, if an employee violates or fails to comply with this Securities Trading Policy or the Company's procedures, individual(s) may be subject to disciplinary action by the Company, up to and including employment termination, whether or not the Policy violation results in a violation of law or external proceedings. Any of the above consequences, including investigations that may or may not lead to prosecution, can tarnish one's reputation and irreparably damage a career. **PROHIBITION ON INSIDER TRADING** If a Director or any UTI Personnel has material non-public information relating to the Company, neither that person nor any related individual or entity may buy or sell securities of the Company or engage in any other action to take advantage of, or pass on to others, that information. This Policy also applies to material non-public information relating to and the securities of any other company, including the Company's clients or suppliers, obtained in the course of employment by or association with the Company. To avoid even the appearance of impropriety, additional restrictions on trading company securities apply to Directors, certain Company Officers and certain UTI Personnel. See **Procedures** **Pre-Clearance of All Trades**. **Transactions** that may be necessary or justifiable for independent reasons (such as the need to raise money for an emergency expenditure) are not exempted from the insider trading laws or from this Securities Trading Policy. The fact that a Director or any UTI Personnel may have relied on other factors in purchasing or selling securities, while in possession or aware of material inside information, will not absolve the person from liability under the law. **When Information is Public** It is also improper for a Director or any UTI Personnel to enter a trade immediately after the Company has made a public announcement of material information, including earnings releases. Because the Company's non-employee stockholders and the investing public should be afforded the time to receive the information and act upon it, as a general rule trades should not be effected until the third business day after the information has been released. For example, if an announcement is made on a Monday after the United States markets have opened, Thursday generally would be the first day on which you could trade in the Company's stock. If an announcement is made on a Friday, Wednesday generally would be the first day on which you should trade. However, if in these examples the announcement is made before the opening of business on the New York Stock Exchange, the day of the announcement would generally be considered the first business day. Thus, if an announcement is made on a Monday before the NYSE opening, Wednesday generally would be the first day on which you could trade. **Twenty-Twenty Hindsight** If an individual's securities trades become the subject of scrutiny, they will be viewed after-the-fact with the benefit of hindsight. As a result, before engaging in any trade, you should carefully consider how regulators and others might view your trade in hindsight. **Securities Trading Policy Department: Legal Department** Effective Date: October 13, 2015 Owner & Title: Scott Levine Last Revised Date: June 7, 2023 VP Deputy General Counsel Page 5 of 16 **Applicability to Other Companies** During the course of his or her service or employment, Directors and UTI Personnel may obtain material non-public information about current or potential customers, suppliers, business partners or others doing business with the Company. The provisions on confidentiality and the prohibition on trading while in possession or aware of non-public information also apply to the information regarding and securities of these other companies. Thus, the term **Company**'s securities as used in this Policy can also mean the securities of those other companies. **Trades by Family Members** The restrictions outlined in this Policy apply to family members and others living in your household and family members who do not live with you but whose securities transactions are directed by you or subject to your influence or control. Such **co**others living in your household could include housekeepers, babysitters, unrelated household members and anyone else present in your home. This is not meant to be an exclusive list; rather, insiders must be careful that others do not receive inside information, and that those present in our home are more likely than others to be exposed to such information. Directors and all UTI Personnel are expected to be responsible for the compliance of their **relatives** which include their immediate family and personal household. **Trades by Entities You Influence or Control** This Policy applies to any entities that you influence or control, including any corporations, partnerships or trusts (collectively referred to as "Controlled Entities"), and transactions by these Controlled Entities should be treated for the purposes of this Policy and applicable securities laws as if they were your own account. **Prevention of Insider Trading by Others** The Company, its Directors and certain of its Officers and supervisory personnel could be deemed **controlling persons** subject to potential liability under the securities laws. Accordingly, it is incumbent on these persons to maintain an awareness of possible insider trading violations by persons under their control and to take measures where appropriate to prevent such violations. Directors, Officers and other supervisory personnel who become aware of a potential insider trading violation or a violation of this Policy should immediately advise UTI's General Counsel and should take steps where appropriate to prevent persons under their supervision from using inside information for trading purposes. **CONFIDENTIALITY** Serious problems could arise for the Company and both Directors and UTI Personnel through an unauthorized disclosure of internal information about the Company, whether or not for the purpose of facilitating improper trading in the Company's securities. Generally, securities regulations provide that when a company (such as our Company) discloses material, non-public information, it must provide broad, non-exclusionary public access to the information. Violations of these regulations can result in SEC enforcement actions, resulting in injunctions and severe monetary penalties. It is our Policy that all Directors and UTI Personnel must maintain all non-public information about the Company in strict confidence, and should not communicate such information to any person unless the person has a need to know the information for legitimate reasons related to the Company's business. Similarly, you should not discuss Company affairs in public or quasi-public areas where your conversation may be overheard (i.e. restaurants, airplanes and elevators, etc., and you may not discuss Company affairs in an internet **chat room**, **tweet**, **blog** or similar internet or mobile phone-based forum, whether or not your identity is disclosed. Please see **UTI's Social Media Handbook** for additional information on the protection of **Securities Trading Policy Department: Legal Department** Effective Date: October 13, 2015 Owner & Title: Scott Levine Last Revised Date: June 7, 2023 VP Deputy General Counsel Page 6 of 16 confidential or non-public information when engaging online. This prohibition applies to inquiries about the Company which may be made by the financial press, investment analysts or others in the financial community. It is important that all such communications on behalf of the Company be made only through authorized individuals. If you receive any inquiries of this nature, you should decline comment and refer the inquiry directly to UTI's Corporate Communications Department. These confidentiality provisions also apply to information regarding other companies that Directors and UTI Personnel obtain in the course of their service to or employment with the Company. **Tipping Information**

to Others. Whether the information is proprietary information about our Company, information that could have an impact on our stock price or information about others doing business with the Company, Directors and all UTI Personnel must not pass the information on to others. Tipping results in liability for the insider who communicated such information, even if such insider does not actually trade himself or herself, and for the person who received the information if the person has reason to know that it was an improper disclosure and acts on such information or passes it on to others who may act on it. PROCEDURES Pre-Clearance of All Trades To provide assistance in preventing inadvertent violations and avoiding even the appearance of an improper trade (which could result, for example, where an Officer engages in a trade while unaware of a pending major development), all trades in Company securities by the following individuals (the "Designated Group") and their related persons (including family and household members and Controlled Entities as described above) must be pre-cleared and authorized: (i) Members of the Board of Directors of the Company; (ii) Members of the Senior Leadership Team of the Company; and (iii) Other specified employees of the Company who by virtue of their position are regularly in possession of material nonpublic information. Trades such as acquisitions (except ongoing purchases of Company stock under the 2003 Employee Stock Purchase Plan or purchase of stock under an employee option for cash not involving an open market sale or surrender of shares), dispositions, transfers, gifts of stock to others, pledges, option exercises involving an open market sale or surrender of shares, etc. must be pre-cleared and authorized. Any trades made, or trading plans to be entered into, by a member of the Designated Group or his/her related persons must be pre-cleared and authorized by UTI's General Counsel or his/her designee, even if such individual(s) are not in possession or aware of specific material non-public information. You may not trade, even with authorization, if you are actually in possession or aware of material non-public information, and pre-clearance does not constitute legal advice or insulate you from liability under applicable securities laws. If you are within the Designated Group and contemplate a trade in the Company's securities, you must submit your request for pre-clearance via email to UTI's General Counsel or his/her designee at least two business days in advance of each proposed transaction. If you do not receive a response from UTI's General Counsel or his/her designee within 24 hours, you must follow up. **Securities Trading Policy Department: Legal Department Effective Date: October 13, 2015 Owner & Title: Scott Levine Last Revised Date: June 7, 2023 VP Deputy General Counsel Page 7 of 16** to ensure that the message was received. Each request for pre-clearance should include the following information: (a) The nature of the proposed transaction; (b) The expected date of the transaction; (c) The number of shares involved; (d) If the transaction involves a stock option exercise, the specific option to be exercised; (e) Contact information for the broker who will execute the transaction; (f) A confirmation that you have carefully considered whether you may be aware of any material nonpublic information relating to the Company (describing any borderline matters or items of potential concern) and have concluded that you do not; (g) Whether the transaction complies with all rules and regulations, including Rule 144, Rule 701, Form S-8, and Section 16 of the Exchange Act, applicable to securities transactions by you; (h) Any other information that is material to UTI's General Counsel's or his/her designee's consideration of the proposed transaction. UTI's General Counsel or his/her designee may withhold or condition pre-clearance in his or her sole discretion. If the proposed transaction is pre-cleared, you may proceed with it on the approved terms within two (2) days of the pre-clearance, provided that you comply with all other securities law and Company requirements, such as Rule 144 and Section 16 reporting obligations, prohibitions regarding trading on the basis of inside information, and compliance with any special trading blackout imposed by the Company prior to the completion of the trade. Pre-clearance advice generally is good for two business days, unless you come into contact with material inside information during that time. If you request pre-clearance and do not execute the requested trade within two business days, you should refrain from initiating any transaction until pre-clearance is requested and granted again. If you request pre-clearance and authorization to engage in a transaction is denied, you should refrain from initiating any transaction and should not inform any other person of the restriction. If such trades are made by UTI's General Counsel or his/her related persons, pre-clearance and authorization must be provided by the Chief Financial Officer. **No Trading During Closed Window Periods** In order to further minimize the possibility of an inadvertent and unintended insider trading violation, all members of the Designated Group are prohibited from trading in the Company's securities during the following restricted trading period (a "closed window"): the period after the close of business on the last day of the quarter through and including the 2nd business day following the issuance of the Company's press release of its quarterly and annual financial results. Where the last day of a quarter falls on a weekend or holiday, the window will close at the close of business on the preceding business day. Related persons of members of the Designated Group, including family and household members and Controlled Entities as described above, also are prohibited from trading in the Company's securities during closed windows. Please realize that the "open window" periods are of general applicability only and do not serve to permit otherwise illegal trades. Trading in the Company's stock is permitted only during the "open windows," and all trades by members of the Designated Group and their related persons must be approved in advance by UTI's General Counsel or his/her designee. Other events or developments during such periods may still cause some Company Directors, Officers or other UTI **Securities Trading Policy Department: Legal Department Effective Date: October 13, 2015 Owner & Title: Scott Levine Last Revised Date: June 7, 2023 VP Deputy General Counsel Page 8 of 16** Personnel to be in possession or aware of material, non-public information ("") in such event, you still may not trade. An employee may not trade even during the "open window" periods or with authorization if he or she is actually in possession or aware of material non-public information. Also, trading during the "open window" periods is not a substitute for compliance with required pre-clearance and authorization procedures. **Restricted Trading Periods** There may be material inside information available to members of the Designated Group or other UTI Personnel even during the normal open window periods, for example, when a proposed acquisition is pending. In those and other instances, such as where required by securities regulation, the Company may impose a "closed window" or "blackout period" for trading in Company securities and if appropriate, in securities of another company. If the Company imposes an additional "closed window" or "blackout period," it will notify the covered windows persons who are affected and neither those covered persons nor their related persons may trade during such period. Any person made aware of the existence of an additional "closed window" or "blackout period" should not disclose its existence to any other person. Whether or not the Company has imposed an additional restricted trading period, you may not trade if you are in possession or aware of material non-public information. No Trading in Securities on a Short-Term Basis The SEC's "short-swing profit rule" already discourages Directors and certain Officers from selling any of the Company's securities within six months of a purchase, or purchasing any of the Company's securities within six months of a sale, by requiring that profits from such transactions be paid over to the Company. The Company is simply making this rule a prohibition and expanding it to cover the Designated Group. If there is an emergency situation ("") such as a sudden and significant change in financial circumstances ("") which dictates that recently acquired securities be sold, an employee (but not an Officer or Director who is subject to the short-swing profit rules and who makes filings on Form 4) should contact UTI's General Counsel or his/her designee to seek a waiver to this Policy. This rule does not apply to stock option exercises, except to the extent required by the SEC's short-swing profit rule for Directors and Officers. Standing Orders Standing orders (except standing orders under approved Rule 10b-5 plans, see below) should be used only for a very brief period of time. The problem with purchases or sales resulting from standing instructions to a broker is that there is no control over the timing of the trade. The broker could execute a trade when you are in possession or aware of material inside information. Standing orders can include Limit and Good until Canceled orders. Standing orders (except under approved Rule 10b-5 plans) that have not executed must be cancelled at the start of the closed trading window. **Company Compensation Plans** For purposes of this Policy, the Company considers the election to have the Company withhold shares to satisfy tax withholding requirements (but not the sale of any such shares) to be exempt from this Policy. **10b-5 Plans** **Securities Trading Policy Department: Legal Department Effective Date: October 13, 2015 Owner & Title: Scott Levine Last Revised Date: June 7, 2023 VP Deputy General Counsel Page 9 of 16** Rule 10b-5 provides a defense from insider trading under SEC Rule 10b-5. To be eligible for this defense, an insider may enter into a "10b-5 plan" for trading in Company stock. If the plan meets the requirements of Rule 10b-5, the Company stock may be purchased or sold without regard to certain insider trading restrictions. To comply with the Company's Securities Trading Policy, a 10b-5 plan must be approved by UTI's General Counsel and meet the requirements of Rule 10b-5 and other legal requirements. Pre-clearance by UTI's General Counsel is required for a member of the Designated Group to enter into or modify a 10b-5 plan. Pre-clearance must be requested at least five full trading days prior to entry into or modification of the 10b-5 plan and be accompanied by a copy of the plan. However, pre-clearance will not be required for individual transactions effected pursuant to a pre-cleared 10b-5 plan. Plans that are not pre-cleared may not be used by a member of the Designated Group. Special Guidelines for 10b-5 Trading Plans Notwithstanding the foregoing, a member of the Designated Group will not be deemed to have violated this Policy for transactions pursuant to a 10b-5 plan that has been pre-cleared by UTI's General Counsel. The General Counsel may withhold or condition pre-clearance of any proposed 10b-5 plan (each, a "Proposed Plan") for any reason, in his or her sole discretion. UTI's General Counsel will not pre-clear a Proposed Plan if he or she concludes that the Proposed Plan: (a) Fails to comply with the requirements of Rule 10b-5, as amended from time to time. (b) Would permit a transaction to occur before the later of (i) 90 days after adoption (including deemed adoption) of the Proposed Plan or (ii) two business days after disclosure of the issuer's financial results in a Form 10-Q or Form 10-K for the quarter in which the Proposed Plan was adopted (subject to a maximum of 120 days after adoption of the Proposed Plan). (c) Is established during a "closed window" period or a special "blackout period," or the member of the Designated Group is unable to represent to the satisfaction of UTI's General Counsel that the member of the Designated Group is not in possession of material nonpublic information regarding the Company. (d) Lacks appropriate mechanisms to ensure that the member of the Designated Group complies with all rules and regulations, including Rule 144, Rule 701, Form S-8, and Section 16 of the Exchange Act, applicable to securities transactions by such person. (e) Does not provide the Company the right to suspend all transactions under the Proposed Plan if UTI's General Counsel, in his or her sole discretion, deems such suspension necessary or advisable, including suspensions to comply with any "clock-up" agreement the Company agrees to in connection with a financing or other similar events. (f) Exposes the Company to liability under any other applicable state or federal rule, regulation or law. (g) Creates any appearance of impropriety. (h) Fails to meet guidelines established by the Company. (i) Otherwise fails to satisfy UTI's General Counsel for any reason. **Securities Trading Policy Department: Legal Department Effective Date: October 13, 2015 Owner & Title: Scott Levine Last Revised Date: June 7, 2023 VP Deputy General Counsel Page 10 of 16** Any amendments, modifications to or deviations from a 10b-5 plan are deemed to be the member of the Designated Group entering into a new 10b-5 plan and, accordingly, require pre-clearance of such amendment, modification or deviation pursuant to "10b-5 Plans." Any termination of a 10b-5 plan must be immediately reported to UTI's General Counsel. If a member of the Designated Group has pre-cleared a new 10b-5 plan (the "Second Plan") intended to succeed an earlier pre-cleared 10b-5 plan (the "First Plan"), such member may not affirmatively terminate the First Plan without pre-clearance pursuant to "10b-5 Plans," because such termination is deemed to be entering into the Second Plan. None of the Company, the General Counsel, nor any of the Company's officers, employees or other representatives shall be deemed, solely by their pre-clearance of a Proposed Plan, to have represented that it complies with Rule 10b-5 or to have assumed any liability or responsibility to the member of the Designated Group or any other party if the 10b-5 plan fails to comply with Rule 10b-5. Upon entering into or amending a 10b-5 plan, the director or officer must promptly provide a copy of the plan to the Company and, upon request, confirm the Company's planned disclosure regarding the entry into or termination of a plan (including the date of adoption or termination of the plan, duration of the plan, and aggregate number of securities to be sold or purchased under the plan). **Additional Prohibited Transactions** The Company believes it is improper and inappropriate to engage in short-term or speculative transactions involving Company stock. It is the Company's Policy that Directors and all UTI Personnel should not engage in any of the following activities with respect to securities of the Company: **No Hedging or Monetization Transactions**. UTI Personnel and Directors shall not engage in hedging or monetization transactions with respect to the Company's securities. Hedging or monetization transactions may permit the value for a Company security to be locked in exchange for protecting against drastic upside or downside price movement or may permit an employee to give up full risks and rewards of security ownership. Prohibited transactions include but are not limited to those through the use of financial instruments, selling short and transacting in derivative securities, which also are more broadly prohibited as explained further below. (b) **No Short Sales**. UTI Personnel and Directors shall not engage in selling the Company's securities "short" that is, the sale of securities that are not owned by that individual. (A person who sells a short position is betting that the price of the security is going down.) If he/she borrows the security, sells it, and expects to be able to return the securities by repurchasing them at a lower price in the future.) SEC rules already prevent Directors and certain Officers from making "short sales" or sales of securities that, if owned, will not be delivered for a period longer than 20 days after the sale. This Policy expands this rule to both Directors and all UTI Personnel. (c) **No Buying or Selling of Derivative Securities**. No employee shall buy or sell puts (i.e., options to sell), calls (i.e., options to purchase), future contracts, or other forms of derivative securities relating to the Company's securities. For these purposes, a security will be considered a derivative of another security if its value is derived from the value of the other security. **Securities Trading Policy Department: Legal Department Effective Date: October 13, 2015 Owner & Title: Scott Levine Last Revised Date: June 7, 2023 VP Deputy General Counsel Page 11 of 16** Form 144 Reports Directors and certain Officers designated by the Board of Directors are required to file a Form 144 before making an open market sale of Company securities. Form 144 notifies the Securities and Exchange Commission of your intent to sell Company securities. Although often prepared and filed by your broker, this form and its timely filing is each individual's personal responsibility and is in addition to the Section 16 reports (Form 4 and Form 5) filed on your behalf by the Company. **Post-Transaction Notification** Because Section 16(a) of the Exchange Act requires that certain transactions by Directors and certain Officers be reported on Form 4s filed within two business days following the date of the transaction, the Company's Policy requires immediate notification of sufficient details of any transaction to allow time to prepare and file the required reports within the two-business-day deadline. Since the Company requires a day to prepare the Form 4 and a day to transmit the form to the SEC, all Directors and Officers subject to the filing requirements of Section 16(a) must report following details of any transaction in the Company's securities to UTI's General Counsel or his/her designee at least by the close of business of the date the transaction occurred: (a) Transaction date (trade date); (b) Number of shares involved; (c) Price per share at which the transaction was executed (before addition or deduction of brokerage commission and other transaction fees); (d) For stock option exercises, the specific option exercised. (e) Contact information for the broker who executed the transaction. (f) Specific representation that the insider is not in possession of material non-public information. (g) A specific representation whether the transaction was intended to satisfy the affirmative defense conditions of Rule 10b-5(c). The foregoing notifications requirements apply to all purchases, sales, and transfers by gift, pledge or otherwise, trades pursuant to approved 10b-5 plans, and option exercises. Use of Knowledgeable Stockbroker Directors and UTI Personnel are encouraged to select one stock broker to effect all transactions in the Company's securities, and that broker should become familiar with the Company's Securities Trading Policy and the restrictions that apply to his or her transactions in the Company's securities. Remember, however, that a broker has no legal responsibility for a client's Section 16 filings or short-swing profit rule violations. Therefore, the best protection will come from your own awareness of the requirements of this Policy and the possible pitfalls. However, use of the same broker familiar with this Policy will help you constantly monitor your compliance, not only with this Policy but also with your other securities laws obligations, such as compliance with Rule 144. **Securities Trading Policy Department: Legal Department Effective Date: October 13, 2015 Owner & Title: Scott Levine Last Revised Date: June 7, 2023 VP Deputy General Counsel Page 12 of 16** **Post-Termination Transactions** This Policy continues to apply to you even after termination of service to or employment with the Company. If you are in possession of material non-public information when your service or employment terminates, you may not trade in Company securities (or securities of another Company) until that information has become public or is no longer material and may not engage in any other action to take advantage of, or pass on to others, that information. Reminders EVEN IF YOU RECEIVE PRE-CLEARANCE AND IT IS DURING AN OPEN WINDOW PERIOD, YOU, ANY COMPANY, TRUST OR ENTITY CONTROLLED BY YOU, YOUR SPOUSE AND YOUR FAMILY MEMBERS AND OTHERS LIVING IN YOUR HOUSEHOLD MAY NOT TRADE IN SECURITIES OF UNIVERSAL TECHNICAL INSTITUTE, INC. IF YOU ARE IN POSSESSION OR AWARE OF MATERIAL, NON-PUBLIC INFORMATION ABOUT UNIVERSAL TECHNICAL INSTITUTE, INC. A violation of this Securities Trading Policy may subject the individual(s) to disciplinary action, up to and including employment termination, whether or not the Policy violation results in a violation of law or external proceedings. **Frequently Asked Questions WHEN CAN I BUY OR SELL UTI STOCK?** If you are a member of the Designated Group, you can only trade during the permitted "open window" periods. The permitted open window period begins the 2nd business day following the issuance of the Company's press release of its quarterly and annual financial results and continues through the last day of the quarter. When the last day of a quarter falls on a weekend or holiday, the window will close at the close of business on the preceding business day. However, you cannot buy or sell UTI stock during permitted open window periods if you know material, non-public information. Generally, members of the Designated Group receive a memo from UTI's General Counsel or his/her designee near the end of each quarter that indicates when the permitted window period is closing and when it will reopen. **DO I HAVE TO NOTIFY ANYONE BEFORE BUYING OR SELLING UTI STOCK OR BEFORE EXERCISING UTI STOCK**

OPTIONS? All employees that are members of the Designated Group (including, without limitation, all Section 16 reporting persons) must notify UTI's General Counsel or his/her designee in writing or via email at least two (2) business days before trading UTI stock or exercising UTI stock options. You may not complete the transaction unless it has been cleared in advance by UTI's General Counsel or his/her designee. Section 16 reporting persons must also notify UTI's General Counsel by the close of business on the date of any transaction so that appropriate SEC forms can be prepared and filed. Generally, Section 16 reporting persons are limited to the most senior members of management and board members. A Securities Trading Policy Department: Legal Department Effective Date: October 13, 2015 Owner & Title: Scott Levine Last Revised Date: June 7, 2023 VP Deputy General Counsel Page 13 of 16 ARE EMPLOYEES THAT ARE NOT A MEMBER OF THE DESIGNATED GROUP REQUIRED TO COMPLY WITH THE PERMITTED TRADING WINDOWS? Employees who are not a member of the Designated Group are free to trade at any time as long as they do not know material, non-public information about UTI. WHAT IS MATERIAL, NON-PUBLIC INFORMATION? There is no single definition of material, non-public information. Generally, it is information that has not been publicly disclosed by UTI that is likely to affect the price of UTI stock. Examples include: *â€¢* Better or worse than expected earnings; *â€¢* Better or worse than expected enrollment or attendance levels, starts, completion or placement results, and/or other important operating metrics; *â€¢* Possible mergers, acquisitions or divestitures; and *â€¢* Senior management changes. Please see page 2 & 3 of this Securities Trading Policy for additional examples. If you are not sure whether you know material, non-public information, you should check with your supervisor or UTI's General Counsel. CAN I BUY OR SELL UTI STOCK IF I KNOW MATERIAL, NON-PUBLIC INFORMATION AS LONG AS WE ARE IN A PERMITTED OPEN TRADING WINDOW? No. You can never trade in UTI stock if you know material, non-public information about UTI, even if it is during a permitted open trading window. CAN I EXERCISE UTI STOCK OPTIONS IF I KNOW MATERIAL, NON-PUBLIC INFORMATION? It depends. You can always exercise stock options for cash without selling the acquired stock, even if you know material, non-public information. However, you cannot do a cashless exercise (i.e., using some of the stock acquired upon exercise to pay the exercise price for the option) of UTI stock options when you know material non-public information. Nor can you sell stock acquired upon the exercise of UTI stock options if you know material non-public information, even during a permitted open window period. This is true even if you exercise stock options for cash. FOR THE DESIGNATED GROUP, DO THE RESTRICTIONS ON BUYING OR SELLING UTI STOCK DURING PERMITTED OPEN WINDOW PERIODS APPLY TO STOCK OPTION EXERCISES? It depends. If you are paying cash to exercise your options without then selling the acquired stock, then the restrictions do not apply. In other words, you can exercise your stock options with cash without selling the acquired stock, even if you know material, non-public information. A Securities Trading Policy Department: Legal Department Effective Date: October 13, 2015 Owner & Title: Scott Levine Last Revised Date: June 7, 2023 VP Deputy General Counsel Page 14 of 16 However, if you are doing a cashless exercise (i.e., using some of the stock acquired upon exercise to pay the exercise price of the option), then you may only do so during permitted window periods. ARE MY SPOUSE AND CHILDREN REQUIRED TO COMPLY WITH THE PERMITTED WINDOW PERIODS? Yes. Spouses and children or other members of your immediate family (i.e., parents, grandparents, step-parents, step-children, grandchildren, siblings, in-laws, etc.) who share the same household with you are subject to this Policy and must comply with the permitted window periods if you are subject to the window periods. The SEC takes the position that trades made by your spouse or other members of your immediate family who live with you are the same as trades done directly by you. In addition, family members who do not live with you but whose securities transactions you direct, influence or control, as well as entities that you influence or control, are subject to the Policy and must comply with the permitted window periods if you are subject to the window periods. DOES UTI'S TRADING POLICY APPLY TO CALL AND PUT OPTIONS INVOLVING UTI STOCK? Yes. The restrictions in UTI's Trading Policy apply to all securities relating to UTI stock, including call and put options. A call option gives a third person the right to buy (or call away) UTI stock that you own when the price of UTI stock increases. A put option gives you the right to force a third party to buy your UTI stock (or put your UTI stock) when the price of UTI stock decreases. More importantly, UTI employees should never buy put options on UTI stock or otherwise *â€¢*shorthâ€¢ UTI's stock. CAN THE SEC REALLY CATCH ME IF I AM NOT A SECTION 16 REPORTING PERSON AND THUS DO NOT HAVE TO PUBLICLY REPORT MY STOCK HOLDINGS? Yes. The SEC has a very sophisticated monitoring system for insider trading activities and takes enforcement action against hundreds of individuals each year. The SEC has made detection and prosecution of insider trading one of its highest priorities. To aid in finding offenders, it offers informants 10% of the civil penalties paid by a violator for insider trading. Administration & Feedback: UTI's General Counsel shall administer and enforce this Policy; provided, however, that if the General Counsel is a party to a proposed trade, transaction or inquiry relating to this Policy, the Company's Chief Financial Officer shall serve in such capacity with respect to such proposed trade, transaction or inquiry. UTI's General Counsel may delegate his or her authority to administer and enforce this Policy as he or she deems necessary or appropriate in his or her sole discretion. The duties and powers of the General Counsel and his or her delegates may include the following: *â€¢* Administering, monitoring and enforcing compliance with this Policy. *â€¢* Responding to all inquiries relating to this Policy. *â€¢* Designating and announcing special trading blackout periods during which no insiders may trade in Company securities. A Securities Trading Policy Department: Legal Department Effective Date: October 13, 2015 Owner & Title: Scott Levine Last Revised Date: June 7, 2023 VP Deputy General Counsel Page 15 of 16 *â€¢* Providing copies of this Policy and other appropriate materials to all current and new directors, officers and employees, and such other persons as the General Counsel determines have access to material nonpublic information concerning the Company. *â€¢* Administering, monitoring and enforcing compliance with federal and state insider trading laws and regulations. *â€¢* Assisting in the preparation and filing of all required SEC reports filed by Section 16 Insiders relating to their trading in Company securities, including Forms 3, 4, 5 and 144 and Schedules 13D and 13G. *â€¢* Maintaining as Company records originals or copies of all documents required by the provisions of this Policy, and copies of all required SEC reports relating to insider trading, including Forms 3, 4, 5 and 144 and Schedules 13D and 13G. *â€¢* Revising this Policy as necessary to reflect changes in applicable insider trading laws. *â€¢* Designing and requiring training about the obligations of this Policy as the General Counsel considers appropriate. The Company welcomes internal feedback regarding business Policy and processes. Questions and concerns regarding this Policy or questions concerning specific transactions should be directed to UTI's General Counsel for additional guidance. UTI reserves the right to change or modify any guidelines or requirements contained in this Securities Trading Policy at any time. A Securities Trading Policy Department: Legal Department Effective Date: October 13, 2015 Owner & Title: Scott Levine Last Revised Date: June 7, 2023 VP Deputy General Counsel Page 16 of 16 Revision History Document Revision History Date Version Change Author Approver 11.21.12 v1 Policy Established Chad Freed Chad Freed 11.14.14 v2 Policy Overhaul *â€¢* defined thresholds for the Designated Group specifically; cleanup of contacts and company references; moved to UTI Enterprise Policy Template, etc. Kelleen Brennan CERT & Senior Team 10.13.15 v3 Added clarification that gifts of stock to others must be pre-cleared and authorized. Kelleen Brennan CERT & Senior Team 11.09.17 v3.1 Changed owner to Scott Levine Amy Hinkel Bryce Peterson via Bobbie Wood 12.02.19 v4 Clarification on *â€¢*closed windowâ€¢ timing Scott Levine Troy Anderson 11.17.20 v5 Changes to definition of Designated Group Scott Levine Chris Kevane 12.08.22 v6 Changes to open window timeframe Chris Kevane Board of Directors 06.07.23 V7 Changes to comply with new SEC amendments. Chris Kevane Board of Directors A DocumentEXHIBIT 21.1SUBSIDIARIES OF THE REGISTRANTSUBSIDIARYSTATE OF INCORPORATIONDBAUT Holdings, Inc. ArizonaNoneUniversal Technical Institute of Arizona, Inc.DelawareNoneUniversal Technical Institute of California, Inc. CaliforniaNoneUniversal Technical Institute of Massachusetts, Inc. DelawareNoneUniversal Technical Institute of North Carolina, Inc.DelawareNASCAR Technical Institute; NASCAR TechUniversal Technical Institute of Northern Texas, LLC DelawareNoneUniversal Technical Institute of Pennsylvania, Inc. DelawareNoneUniversal Technical Institute of Phoenix, Inc. DelawareMotorcycle Mechanics Institute; Marine Mechanics Institute; MMUUniversal Technical Institute of Southern California, LLC DelawareNoneUniversal Technical Institute of Texas, Inc.TexasNoneUniversal Technical Institute Ventures, LLC DelawareNoneU.T.I. of Illinois, Inc.IllinoisNoneColleges of Dental & Medical Assistants, Inc. CaliforniaConcorde Career CollegesConcorde Career Colleges, Inc. DelawareNoneCustom Training Group, Inc. CaliforniaNoneSouthern California College of Medical & Dental Assistants, Inc. CaliforniaConcorde Career CollegesStudent Funding Group, LLCArizonaNoneUniversal Technical Institute of Northern California, Inc.CaliforniaNoneHCP Ed Holdings, Inc.DelawareNoneMichigan Institute of Aeronautics Inc.MichiganMIAT College of Technology; MIAT2611 Corporate West Drive Venture LLC DelawareNoneUnited Health Care Institute, Inc.CaliforniaConcorde Career CollegesUniversl Technical Institute Northeast, LLCDelawareNoneUTI of Arizona, LLCDelawareUniversal Technical Institute of Arizona, LLCUTI South Florida, LLC DelawareNoneUTI WEST TEXAS, LLC DelawareNoneUniversal Technical Institute of San Antonio, LLCDelawareNoneUniversal Technical Institute of Atlanta, LLCDelawareNoneDocumentExhibit 23.1CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRMWe consent to the incorporation by reference in Registration Statement Nos. 333-111899, 333-111900, 333-180017, 333-217492 and 333-278236 on Form S-8, and 333-234253 on Form S-3 of our reports dated DecemberA 5, 2024, relating to the consolidated financial statements of Universal Technical Institute, Inc. and subsidiaries, and the effectiveness of Universal Technical Institute, Inc. and subsidiariesâ€¢ internal control over financial reporting, appearing in this Annual Report on Form 10-K for the year ended SeptemberA 30, 2024./s/ DELOITTE & TOUCHE LLPTempe, ArizonaDecember 5, 2024DocumentExhibit 31.1Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350,As Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, Jerome A. Grant, certify that: 1.I have reviewed this Report on Form 10-K of Universal Technical Institute, Inc.; 2.Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report; 3.Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report; 4.The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have: (a)Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared; (b)A A A A Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;(c)A A A A Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and (d)A A A A Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and 5.The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions): (a)All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and (b)Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.Date: DecemberA 5, 2024/s/ Jerome A. GrantJerome A. GrantChief Executive Officer(Principal Executive Officer)Document Exhibit 31.2Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350,As Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002I, Christine C.S. Kline, certify that: 1.I have reviewed this Report on Form 10-K of Universal Technical Institute, Inc.; 2.Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report; 3.Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report; 4.The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have: (a)Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared; (b)A A A A Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;(c)A A A A Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and (d)A A A A Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and 5.The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions): (a)All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and (b)Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.Date: DecemberA 5, 2024 /s/ Christine C.S. KlineChristine C.S. KlineInterim Chief Financial Officer and Chief Accounting Officer(Principal Financial Officer and Principal Accounting Officer)DocumentExhibit 32.1Certification of CEO Pursuant to 18 U.S.C. Section 1350,As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002In connection with the annual report of Universal Technical Institute, Inc. (the *â€¢*Companyâ€¢) on Form 10-K for the period ended SeptemberA 30, 2024, as filed with the Securities and Exchange Commission on the date hereof (the *â€¢*Reportâ€¢), I, Jerome A. Grant, Chief Executive Officer of the Company, certify, to the best of my knowledge, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that: (1)A A A A The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and(2)A A A A The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.Date:December 5, 2024/s/ Jerome A. GrantJerome A. GrantChief Executive Officer (Principal Executive Officer)This certification accompanies the Annual Report on Form 10-K to which it relates, is not deemed filed with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of Universal Technical Institute, Inc. under the Securities Act of 1933, as amended before or after the date of the Annual Report on Form 10-K, irrespective of any general incorporation language contained in such filing. (1)A A A A The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and(2)A A A A The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.Date:December 5, 2024/s/ Christine C.S. KlineChristine C.S. KlineInterim Chief Financial Officer and Chief Accounting Officer(Principal Financial Officer and Principal Accounting Officer)This certification accompanies the Annual Report on Form 10-K to which it relates, is not deemed filed with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of Universal Technical Institute, Inc. under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of the Annual Report on Form 10-K), irrespective of any general incorporation language contained in such filing.