

NATIONAL AMERICAN UNIVERSITY HOLDINGS, INC.

CODE OF BUSINESS CONDUCT AND ETHICS

This Code of Business Conduct and Ethics (the “**Code**”) sets forth legal and ethical standards of conduct applicable to all employees, officers and directors of National American University Holdings, Inc. and its subsidiaries (the “**Company**”). This Code is intended to deter wrongdoing and to promote:

- Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- Full, fair, accurate, timely and understandable disclosure in reports and documents that we file with, or submit to, the Securities and Exchange Commission and in other public communications made by us;
- Compliance with applicable laws, rules and regulations;
- Prompt internal reporting of violations of the Code;
- Accountability for any violation of the Code; and
- A culture of compliance and ethics.

It is our policy to conduct business ethically, to halt any unethical or unlawful behavior that may occur as soon as reasonably possible after its discovery, and to discipline those who engage in such behavior. We will also discipline those individuals who allow such behavior by their subordinates to go undetected by failing to exercise appropriate supervision and oversight or failing to act on their knowledge.

As employees, officers and directors, you have an important obligation related to appropriate and ethical business conduct. You are expected to be familiar with the Code and to adhere to the principles and procedures explained in this document. This Code should be read in conjunction with all of our other policy statements and compliance procedures.

This Code is administered by our Compliance Officer who is identified on our website. The Company’s Compliance Officer will facilitate and manage the review of information, approvals and responses to inquiries contemplated by this Code and may forward information and delegate duties to other management personnel at the Company as appropriate. Information disclosed to the Compliance Officer will be held in confidence to the maximum extent possible. If you are unsure about a proper course of conduct, you should consult the Company’s Compliance Officer or call the Company’s Hotline, as described in this Code.

Compliance with Laws, Rules and Regulations

We are committed to conducting business ethically. You are expected to comply with all applicable laws and regulations in the cities, states and countries in which we operate.

The purpose of this Code is to provide a summary of key policies and procedures. This Code is just one element of our overall efforts to ensure the lawful and ethical conduct of the Company. You are expected to be familiar with and comply with the policies set forth in our Employee Handbook and to use good judgment and common sense in seeking to comply with all applicable laws, rules and regulations. You are urged to seek assistance for any situation where uncertainty may arise.

Avoidance of Conflicts of Interest

It has always been our policy to conduct business activities in conformity with applicable laws and the highest ethical standards. You, as employees, officers and directors, have a duty of loyalty to the Company, which includes avoiding situations that involve or may involve a conflict of interest. A conflict of interest exists when your interests or benefits conflict with the interests or benefits of the Company, or your personal interest interferes in any way with the performance of your duties.

You have a responsibility to disclose to the Compliance Officer any material transaction or relationship that reasonably could be expected to give rise to an actual or perceived conflict of interest. If you are unsure as to whether your interests conflict with or appear to conflict with those of the Company, you are encouraged to seek guidance from the Company's Compliance Officer.

The following are examples of situations involving actual or potential conflicts of interest:

- You or your spouse, domestic partner or a member of your family receive personal benefits from a student, supplier or competitor of the Company as a result of your position in the Company;
- You engage in activities that interfere with your loyalty to the Company or your ability to perform your Company duties or responsibilities effectively;
- You or your spouse or domestic partner or a member of your family, has a financial interest in, or is an employee or consultant of, a supplier, competitor, regulatory organization or accrediting agency that interacts with the Company, which is significant enough to cause you to have divided loyalty with the Company or the appearance of divided loyalty;
- You divulge or use the Company's confidential information, such as financial data, student information or computer programs, for your own personal or business purposes; or
- You use your personal influence to arrange for the Company to do business with a company in which you, your spouse, domestic partner or a family member or a friend have an interest, or otherwise derive a direct or indirect personal gain.

In addition, should your spouse, domestic partner or other family member be employed either directly or indirectly by any governmental, accreditation or private agency that has oversight

responsibility for any program offered by the Company, you should disclose this situation to the Compliance Officer. Federal regulations prohibit commissions, bonuses or other incentive payments to employees based directly or indirectly upon success in securing enrollments or financial aid by any university employee.

Outside Employment

You shall not accept simultaneous employment or consulting with any other company, where such employment or consulting may cause a conflict (or the appearance of a conflict), unless you obtain prior and express written approval by the Compliance Officer. You shall not engage in any self-employment that is in competition with the Company.

Corporate Opportunities

You are prohibited from taking for your own personal gain (or directing to a third party) a business opportunity that is discovered through the use of Company property, information or position, unless the opportunity is first fully disclosed in writing to the Company's Compliance Officer. The Compliance Officer will consult with the appropriate management personnel to determine whether the Company wishes to pursue such opportunity. The Company must inform you that it has declined the business opportunity before you may avail yourself of the opportunity personally.

Gifts and Entertainment

No business gift, gratuities, entertainment or other favors should ever be offered, given, provided or accepted by any employee, officer or director, or by any spouse, domestic partner or family member of such person, unless it:

- Is consistent with customary business practices;
- Cannot be construed as a bribe or payoff;
- Does not violate any laws or regulations; and
- Does not imply that additional business opportunities are contingent upon the gift/gratuity.

Please note that many government agencies, including the U.S. Department of Education (“**DOE**”), prohibit receipt of any gift, gratuity or entertainment and, accordingly, none should be offered. Please reference the Foreign Corrupt Practices Act policy located in this Code for additional information pertaining to foreign officials and political candidates.

Preferred Lenders

We regularly do business with several preferred lenders for the provision of student loans. You and your spouse, domestic partner and family members are prohibited from either giving or receiving gifts, gratuities, entertainment or other favors of any value to or from any current or

prospective preferred lender if such activity is in any way connected to the Company or its business. If you have any questions in this regard, please contact the Compliance Officer.

Bribery

You may not give or receive bribes or kickbacks in any form under any circumstances. Bribery is defined as accepting or agreeing to accept money or anything of value (other than in trust for the Company) from a person, other than the Company, in return for using or agreeing to use your position for the benefit of the other person. A kickback is a form of bribery in which an employee directs business to a supplier in exchange for the “kickback” to the employee of a portion of the amounts paid by the Company to the supplier. Bribery and kickbacks are criminal acts strictly prohibited by law.

Other Situations

Other conflicts of interest may arise which have not been addressed within this Code. If a proposed transaction or situation raises any questions as to whether a conflict of interest is present or potential, please contact the Compliance Officer.

If you are found to be engaged in unauthorized activities that involve a conflict of interest, as defined above, you will be subject to disciplinary actions, up to and including termination of your employment.

Business Standards

We are committed to maintaining the highest standards of business conduct in every respect. Several specific business standards are set forth below.

Document Retention

All Company documents and other records should be retained and destroyed in accordance with the Company’s Records Retention Policy. In the event of actual or expected litigation or governmental investigation, you are expected to preserve all possibly relevant Company documents.

Securities Law and Insider Trading

Federal securities laws prohibit any person from trading in a company’s securities while in possession of material nonpublic information concerning that company which has not already been disclosed to the investing public, or from disclosing such information to another person who may trade in such company’s securities.

If you have material nonpublic information about the Company or other companies, including suppliers and partners, as a result of your relationship with the Company, you are prohibited by law and Company policy from trading in the Company’s securities or those of such other companies, as well as from communicating information to others who may trade on the basis of that information. Information is considered “material” if there is a substantial likelihood that a reasonable investor would consider it important in deciding whether to buy, hold, or sell a

security. These rules also apply to your spouse, domestic partner, minor children and members of your household.

Our Insider Trading Policy can be found within the Employee Handbook. The policy contains detailed information on trading guidelines and trading restrictions and should be consulted each time you are preparing to engage in securities trading. You are expected to be familiar with both this Code and the Insider Trading Policy.

Department of Education Regulations

We are subject to many laws and regulations related to the nature of our business, including but not limited to Title IV of the U.S. Higher Education Act of 1965, laws and regulations administered by the DOE and laws and regulations related to the establishment and relationship with preferred lenders for student financial aid. It is essential to our business that we are at all times in compliance with these and other applicable laws and regulations. Depending on the nature of your role with the Company, you will be informed of actions you may need to take and processes to which you may be subject in order to ensure our compliance, and your cooperation will be expected. We employ several people with expertise concerning these laws and regulations, and the laws and regulations may change frequently. You should not attempt to interpret the Company's responsibilities without consulting our experts in this area. If you have questions concerning your obligations in this regard, please contact the Compliance Officer.

Antitrust Law

Antitrust laws are designed to create a level playing field in the marketplace and to promote fair competition. These laws generally prohibit:

- Agreements, formal or informal, with competitors, including price fixing and allocation of territories or contracts;
- Agreements, formal or informal, that unduly limit a business partner or a potential business partner from selling a product or service, including establishing the resale price of a product or service or conditioning the sale of products or services on an agreement to buy other products or services from the Company; and
- Attempts to monopolize, including pricing a product or service below cost, in order to eliminate competition.

Information regarding competitors must be gathered with care. This includes discussions with competitors and suppliers in informal settings such as conferences and meetings, as well as in formal discussions and inquiries. Understanding the requirements of antitrust and unfair competition laws of the various jurisdictions where we do business can be difficult, and you are urged to seek assistance from the Compliance Officer whenever you have a question relating to those laws.

Foreign Corrupt Practices Act

The Foreign Corrupt Practices Act (“**FCPA**”) prohibits making a payment, buying services, giving or offering a gift, promising to give or authorizing to give anything of value to a foreign official or political party, political candidate or employee of international organizations for the purpose of obtaining or retaining business. A “foreign official” includes employees of state owned commercial businesses.

The FCPA applies to all employees of the Company as well as to its officers, directors, joint venture partners, intermediaries, agents or contractors.

Employees are expected to abide by the FCPA everywhere in the world that we do business, even if such a payment or gift is not prohibited by local law.

There may be cases where a “facilitating payment” is allowed under the FCPA. Facilitating payments might include payments to obtain routine business permits, visa processing, utility services or similar functions that are performed by the government. In order to determine if a payment would qualify under this provision, employees must contact the Compliance Officer prior to offering or making any facilitating payments. The Compliance Officer will review the request for payment and respond accordingly.

To the extent a payment, entertainment expense or gift is made to a party covered by the FCPA, the expenditure must be properly and accurately recorded in the Company’s accounting systems and related records.

If an employee believes that there has been an FCPA violation, the employee must be immediately reported to the Compliance Officer for review.

Accounting Practices

It is essential that the company have appropriate internal controls that ensure all of our financial reports and records accurately and fairly reflect the transactions and activities of the Company in reasonable detail and in accordance with approved accounting practices and procedures and applicable government regulations. Accordingly, the following policies apply at all times:

- All invoices rendered by the Company must accurately reflect the price and terms for products sold or services rendered;
- The Company must retain accounting records related to its political contributions and any payments made to government official;
- Administrative and accounting controls should be adopted and complied with to assure that our financial and other reports are accurately and reliably prepared, and fully and fairly disclose pertinent information;
- False or misleading entries in the Company’s books and records are prohibited under all circumstances and undisclosed or unrecorded bank accounts or assets may not be established for any purpose;

- All payments and commissions and discounts shall be made with a separate Company check, draft to the payee or electronic transmission;
- No employee may authorize any payment knowing that any part of that payment will be used for any purpose other than what is described in documents supporting the payment; and
- Employee may seek reimbursement only for legitimate business expenses actually incurred and properly documented in accordance with Company policies.

Lobbying and Political Contributions

We comply with all laws and regulations regarding lobbying and government procurement. While lobbying may be defined differently in various countries, it generally includes contact with government officials for the purpose of influencing legislation or rulemaking. When dealing with the U.S. federal government, the Company must report to the U.S. government: (i) an individual's contact with legislators, executive branch officials or their staff; (ii) government contract sales and marketing activities; and (iii) government procurements for specific purposes. The Company typically only engages in lobbying activities through outside professional lobbyists. Before you engage in any contact with government officials, including engagement of third-party consultants, you must first contact the Compliance Officer and receive approval. Please notify the Compliance Officer if you need to engage in any activity of this nature.

While corporations are allowed to set up employee political committees, solicit voluntary contributions from eligible employees and make contributions to candidates from Political Action Committees, state requirements vary widely. Therefore, you may not contribute the Company's funds, property or services to any political party, committee or candidate for any governmental office without advance authorization. For example, you may not use Company e-mail, stationery, postal services, phone lines or mailing lists to promote a candidate, use Company time to perform volunteer work for political candidates or pressure any business colleague, student or vendor to make any political contribution or support any political party or candidate, even implicitly, except with advance authorization from the Compliance Officer.

Equal Opportunity, Discrimination and Harassment

We are an equal opportunity employer and make employment decisions on the basis of merit and business needs. It is our policy to comply with all applicable employment and labor laws and regulations. The Company will not tolerate any discrimination or harassment of any kind with regard to race, ethnicity, religion, gender, age, national origin, disability, veteran status or any other category protected by federal, state or local law. Any violations or concerns regarding conduct of this nature should be reported to the Compliance Officer or on the Company's Hotline.

Confidentiality

Confidential information is a valuable asset. Confidential information includes, without limitation, names and lists of students, financial information, business plans, marketing plans,

academic strategy and agreements, technical information and other similar information. Confidential information also includes certain types of information relating to past and present Company employees. This information is the property of the Company and may be protected by patent, trademark, copyright and trade secret laws. All confidential information must be used for Company business purposes only and must be safeguarded. You are expected to maintain the confidentiality of information entrusted to you by the Company, its students, suppliers and competitors, except when disclosure is authorized by management or legally mandated. The obligation to preserve confidential information continues even after employment with the Company ends. Please refer to the Confidential Nature of Work Policy in the Employee Handbook for additional information regarding confidential information.

Communications with Students, Fellow Staff Members, Auditors and the Public

In the business environment as well as the classroom environment, you are acting representatives of the Company. It is critical that you demonstrate ethical behavior, professionalism and discretion in all your interactions.

You are permitted to interact with students to provide advice and counseling as appropriate; however, such interactions should not include completing assignments for the student or helping the student to fabricate, plagiarize or unlawfully acquire or use copyrighted material.

Only specifically authorized personnel are entitled to act as Company spokespersons and you may not hold yourself out as speaking on behalf of the Company if you do not have that specific authority. If you are uncertain about the scope of your authority in this regard, check with the Compliance Officer.

When discussing matters with internal auditors, external auditors or regulators, it is crucial that the auditors and regulators receive accurate and complete information. Accordingly, you may not knowingly make a false or misleading statement to our internal audit team, external auditors or regulators, nor may you conceal or fail to reveal information necessary to make the statements true.

Fraudulent Practices; Misrepresentation

You should endeavor to deal honestly, ethically and fairly with our employees, suppliers, students and competitors. This Code prohibits fraud including, without limitation, dishonest acts, embezzlement, forgery or alteration of negotiable instruments, unauthorized handling or reporting of Company transactions, falsification of Company records, student records or financial statements and misrepresentations in advertisements or other promotions. Statements regarding the Company's services must not be untrue, misleading, deceptive or fraudulent. You must not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair dealing practice.

Disclosure by the Company to the Public

As a public company, it is critical that the Company's filings with the Securities and Exchange Commission, the DOE and other governmental regulators, as well as other public communications be full, fair, accurate, complete, timely and understandable.

Only employees authorized by the Company can make disclosures to the public or speak on behalf of the Company. If you are authorized to make disclosures to the public or speak on behalf of the Company, you must:

- Familiarize yourself with the disclosure requirements applicable to the Company as well as our business and financial operation;
- Not knowingly misrepresent or cause others to misrepresent facts about the Company to others, whether written or oral, and whether inside or outside the Company, including to our independent auditors, governmental regulators and self-regulatory organizations; and
- Properly review and analyze proposed disclosures for accuracy and completeness, or where appropriate, delegate this task to others.

If you are aware that public disclosures are not accurate, complete or timely, or if you become aware of a transaction or development that you believe may require disclosure, you should report the information immediately to the Compliance Officer.

Use of Company Resources

You have a responsibility to be prudent about expenditures of Company funds or use of Company property. You are expected to use good judgment and discretion when using any Company resources, including computers, telephones, internet access, e-mail, voice-mail, copiers, fax machines, vehicles or other equipment and facilities. We realize that minor, incidental and infrequent personal use of Company resources is sometimes inevitable and the Company accepts such use as long as it does no compromise our interests. Personal use is not acceptable if it significantly depletes the value of a Company asset, adds significant costs to the Company, interferes with productivity of the employee or places the Company at risk of liability.

Prompt Reporting of a Violation or Suspected Violation; Hotline

You have a responsibility to report promptly any suspected violations of this Code or any law, rule or regulation by any of your co-workers or supervisors, or any third party doing business on behalf of the Company. Any suspected violation should be reported to the Compliance Officer, Paul Sedlacek, or reported on the Company Hotline. The Company Hotline is available 7 days a week on a 24-hour basis at (605) 394-4952 or email submission to psedlacek@national.edu. Violations or suspected violations of this Code may be disclosed by the Compliance Officer to the Company's Board of Directors. Failure to report a matter is itself a violation of this Code. Complaints submitted via the Internet, intranet or via e-mail may be considered non-secure and thus not confidential transactions as the information is not encrypted.

Nothing in this Code should discourage you from reporting any illegal activity, including a violation of any securities law, DOE regulation or antitrust law, or any other federal, state or foreign law, rule or regulation, to the appropriate regulatory authority.

The Company will maintain confidentiality and protect the identity of any complainant to the maximum extent possible. Confidentiality means that the Company will not disclose the identity

of the individual reporting the allegation unless it is determined during the course of investigation that such disclosure is unavoidable or the Company is required by law to disclose the information.

You cannot be discharged, demoted, suspended, threatened, harassed or in any other manner discriminated or retaliated against for reporting a violation. Likewise, you cannot discharge, demote, suspend, threaten, harass or in any other manner discriminate or retaliate against those who report a violation. If you make a knowingly false report of a possible violation, you will be subject to disciplinary action.

Enforcement

If the Company receives information regarding an alleged violation of this Code, we will take prompt action to evaluate the information and determine whether it is necessary to conduct an informal inquiry or a formal investigation and, if so, initiate an inquiry or investigation. If it is found that a violation has occurred, we will take whatever disciplinary or preventative action we deem appropriate. Violation of this Code may result in disciplinary action up to and including termination.

Amendments and Waivers

All employees, officers and directors of the Company must strictly adhere to the policies contained in this Code. Any waiver of application of this Code to officers and directors may only be made by the Board of Directors or the Audit Committee. Any waiver of application of this Code to other employees may be made by the Chief Executive Officer or Chair of the Board of Directors. Waivers of application of this Code to officers, directors and certain financial managers may have to be reported in the Company's publicly available filings with the Securities and Exchange Commission or on the Company's website.

This Code is readily available to all stakeholders, including stockholders, students, vendors and the public, via the Company website, <http://www.national.edu>.