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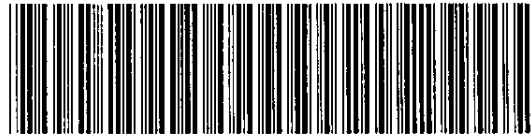
(Business Entity Name)

(Document Number)

Certified Copies \_\_\_\_\_ Certificates of Status \_\_\_\_\_

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EFFECTIVE DATE 1/1/2010

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DEC 31 2009

EXAMINER

**FLORIDA FILING & SEARCH SERVICES, INC.**

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155 Office Plaza Dr Ste A Tallahassee FL 32301  
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SECRETARY OF STATE  
DIVISION OF CORPORATIONS  
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**DATE:** 12-31-09

**EFFECTIVE DATE** 1/1/2010

**NAME:** KIP SIU LLC

**TYPE OF FILING:** MERGER

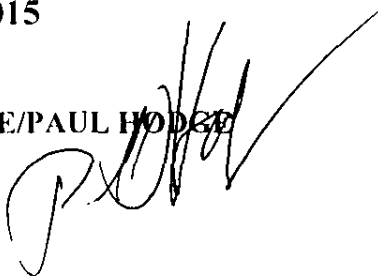
**COST:** \$80

**RETURN:** CERTIFIED COPY

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**ACCOUNT:** FCA000000015

**AUTHORIZATION:** ABBIE/PAUL HODGE



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EFFECTIVE DATE 1/1/2010

FILED  
SECRETARY OF STATE  
DIVISION OF CORPORATIONS  
09 DEC 31 PM 12:38

CERTIFICATE OF MERGER  
OF  
SCHILLER MERGER SUB, LLC  
WITH AND INTO  
KIP SIU LLC

L0900041736438

December 30, 2009

Pursuant to the provisions of Sections 608.4382 and 608.4383 of the Florida Limited Liability Company Act, the undersigned hereby certify that:

1. Schiller Merger Sub, LLC, a Florida limited liability company (the "Constituent Company") shall be merged (the "Merger") with and into KIP SIU LLC, a Florida limited liability company (the "Surviving Company"), which shall be the surviving company in the Merger.

2. The Agreement and Plan of Merger, dated as of December 30, 2009, pursuant to which the Merger was approved and a copy of which is attached hereto as Exhibit A, was executed and adopted by the Constituent Company and the Surviving Company in accordance with the applicable provisions of the Florida Limited Liability Company Act.

3. The Merger shall become effective at 12:01 am Eastern Standard Time on January 1, 2010 (the "Effective Date").

*[Signatures on following page]*

IN WITNESS WHEREOF, this Certificate of Merger has been executed on behalf of the Constituent Company and the Surviving Company by their respective authorized officers as of the day and year first above written.

**CONSTITUENT COMPANY:**

SCHILLER MERGER SUB, LLC

By: 

Name: Gerard M. Francois

Title: Treasurer and Assistant Secretary

**SURVIVING COMPANY:**

KIP SIU LLC

By: \_\_\_\_\_

Name: Dr. Philip J. Krebs

Title: President

IN WITNESS WHEREOF, this Certificate of Merger has been executed on behalf of the Constituent Company and the Surviving Company by their respective authorized officers as of the day and year first above written.

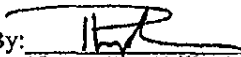
**CONSTITUENT COMPANY:**

SCHILLER MERGER SUB, LLC

By: \_\_\_\_\_  
Name: Gerard M. Francois  
Title: Treasurer and Assistant Secretary

**SURVIVING COMPANY:**

KIP SIU LLC

By:  \_\_\_\_\_  
Name: Dr. Philip J. Krebs  
Title: President

**EXHIBIT A**  
**AGREEMENT AND PLAN OF MERGER**

*See Attached.*

**AGREEMENT AND PLAN OF MERGER**

**OF**

**SCHILLER MERGER SUB, LLC**

*(a Florida limited liability company)*

**AND**

**KIP SIU LLC**

*(a Florida limited liability company)*

This **AGREEMENT AND PLAN OF MERGER** (this "Plan of Merger") is made and entered into as of December 30, 2009, by and among SALEM EDUCATION, LLC, a Delaware limited liability company ("Education"), SALEM INTERNATIONAL UNIVERSITY, LLC ("SIU"), a Delaware limited liability company and a wholly-owned subsidiary of Education, SCHILLER MERGER SUB, LLC, a Florida limited liability company and a wholly-owned subsidiary of SIU (the "Constituent Company"), and KIP SIU, LLC, a Florida limited liability company (the "Company").

RECITALS

**WHEREAS**, the Company and SIU are engaged in the operation of universities;

**WHEREAS**, the Company, Education and SIU have deemed it to be in the best interests of the Company and SIU to combine their business operations;

**WHEREAS**, in connection with the Merger (as defined below), Education is amending and restating its operating agreement as of the date hereof; and

**WHEREAS**, among other things, such amendment to the operating agreement of Education restates the number of Class A and Class C Units held by each member of Education, taking into account the conversion of units of the Company into units of Education by operation of the Merger, as described below.

**NOW, THEREFORE**, in consideration of the mutual promises and agreements made herein, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties, intending to be legally bound hereby, agree as follows:

AGREEMENT

1. Effective at 12:01 am Eastern Standard Time on January 1, 2010 (the "Effective Time"), in accordance with the provisions and terms of this Plan of Merger and the Florida Limited Liability Company Act, the Constituent Company shall be merged (the "Merger") with and into the Company, which shall be the surviving company in the Merger (the "Surviving Company"), and the separate existence of the Constituent Company shall cease. The Company shall continue unaffected and unimpaired by the Merger and shall possess and retain every interest of the Constituent Company in all assets and properties of every description and wherever located. The rights, privileges,

immunities, powers, franchises, and authority, public as well as private, of the Constituent Company shall be vested in the Surviving Company without further act. All obligations due to the Constituent Company shall be vested in the Surviving Company without further act. The Surviving Company shall be liable for all of the obligations of the Constituent Company existing as of the Effective Time.

2. The Articles of Organization of the Company as in effect at the Effective Time shall remain in effect and be the Articles of Organization of the Surviving Company, which may be amended from time to time after the Effective Time as provided by law.
3. The Operating Agreement of the Company as in effect at the Effective Time shall remain in effect and be the operating agreement of the Surviving Company, which may be amended from time to time after the Effective Time as provided by law and such operating agreement.
4. At the Effective Time, by virtue of the Merger and without any action on the part of the holders thereof:
  - (a) all of the membership interests of the Company shall be converted into the right to receive membership interests in Education as follows:
    - (i) each Class A Unit of the Company shall be converted into 0.0003275526194 Class A Units of Education;
    - (ii) each Class B Unit of the Company shall be converted into 0.0008103514666 Class C Units of Education; and
    - (iii) each Class C Unit of the Company shall be converted into 0.0003275526194 Class A Units of Education.
  - (b) all of the membership interests of the Constituent Company shall be converted into 100% of the membership interest of the Surviving Company.
5. The parties hereto intend the Merger to be treated for income tax purposes as a merger of the Company with Education described in section 708 of the Internal Revenue Code of 1986, as amended, with Education being the continuing partnership, as defined therein.
6. The proper officers of the Constituent Company and the Surviving Company, respectively, are duly authorized, empowered, and directed to do any and all acts and things, and to make, execute, deliver, file, and/or record any and all instructions, papers, and documents, that shall be or become necessary, proper, or convenient to carry out or put into effect any of the provisions of this Plan of Merger or of the Merger.

*[Signatures on following page]*



IN WITNESS WHEREOF, the undersigned have caused this Plan of Merger to be signed by their respective authorized officers as of the date first written above.

**EDUCATION:**

SALEM EDUCATION, LLC, a Delaware limited liability company

By:  \_\_\_\_\_

Name: Gerard M. Francois

Title: Treasurer and Assistant Secretary

**SIU:**

SALEM INTERNATIONAL UNIVERSITY, LLC, a Delaware limited liability company

By: \_\_\_\_\_

Name: J. William Brooks, Jr.

Title: Chancellor

**CONSTITUENT COMPANY:**

SCHILLER MERGER SUB, LLC, a Florida limited liability company

By:  \_\_\_\_\_

Name: Gerard M. Francois

Title: Treasurer and Assistant Secretary

**COMPANY:**

KIP SIU LLC, a Florida limited liability company

By: \_\_\_\_\_

Name: Dr. Philip J. Krebs

Title: President

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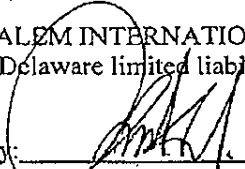
**EDUCATION:**

SALEM EDUCATION, LLC, a Delaware limited liability company

By: \_\_\_\_\_  
Name: Gerard M. Francois  
Title: Treasurer and Assistant Secretary

**SIU:**

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By:  \_\_\_\_\_  
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Title: Treasurer and Assistant Secretary

**COMPANY:**

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By: \_\_\_\_\_  
Name: Dr. Philip J. Krebs  
Title: President

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Name: Gerard M. Francois

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**COMPANY:**

KIP SIU LLC, a Florida limited liability company

By:  \_\_\_\_\_

Name: Dr. Philip J. Krebs

Title: President