

**Charter
of
the Subcommittee of the Compensation Committee
of
the Board of Directors
of
Apollo Group, Inc.**

Purposes.

The Board of Directors of Apollo Group, Inc. (the “**Board**”) has approved the delegation by the Compensation Committee of the Board (the “**Compensation Committee**”) of certain authority to a subcommittee of such Committee. Pursuant to such delegated authority, the subcommittee shall have full power and authority to make equity incentive awards under the Company’s 2000 Stock Incentive Plan, as amended and restated (the “**Plan**”), subject to defined parameters and limitations governing such delegation. The subcommittee is hereby designated the “**Equity Award Subcommittee**” and shall carry out its delegated authority under the Plan in accordance with the terms and provisions of this charter.

Composition of the Subcommittee.

Members. The Equity Award Subcommittee shall be comprised of not less than two (2) Board members. The members of the Equity Award Subcommittee shall be appointed by the Compensation Committee. The members of the Equity Award Subcommittee shall not be completely identical with the members of the Audit Committee.

Independence. Each member of the Equity Award Subcommittee must satisfy the standards for an independent director established under Rule 4200 of the National Association of Securities Dealers, Inc. for companies with securities listed on the Nasdaq Global Market. Accordingly, no member of the Equity Award Subcommittee (i) shall have in the past 5 years been employed by the Company, employed by or otherwise affiliated with the Company’s auditors, or employed by another company whose compensation committee includes an officer of the Company as a member or (ii) shall be a family member of an individual so employed or affiliated in the past 5 years. In addition, each member of the Equity Award Subcommittee must meet the standards of (i) an “outside director” under Section 162(m) of the Internal Revenue Code of 1986, as amended (the “Code”), and the applicable Treasury Regulations thereunder and (ii) a “non-employee director” within the meaning of Rule 16b-3 under the Securities Exchange Act of 1934, as amended.

Appointment. The Compensation Committee may appoint and remove the members of the Equity Award Subcommittee at any time. The appointed members shall serve solely at the will of the Compensation Committee. Upon the occurrence of any vacancy on the Equity Award Subcommittee, the Compensation Committee shall appoint a member of the Compensation Committee to serve as the replacement member. The Compensation Committee may also at any time dissolve the Equity Award Subcommittee.

Subcommittee Functions.

The Equity Award Subcommittee shall have the authority to make equity awards under the Plan in accordance with the following specified parameters and limitations:

NEW HIRE GRANTS

Eligible Grantees. The Equity Award Subcommittee shall have the authority to make equity awards to newly-hired individuals who are not, at the time of the award, either executive officers of the Company or members of the Board or expected to be such executive officers or Board members within the ninety (90)-day period following the award date.

Size of Award. The maximum number of shares of the Company's Class A common stock for which any one newly-hired individual may be granted equity awards by the Equity Award Subcommittee shall be established from time to time by the Compensation Committee and shall be subject to periodic adjustment to reflect any stock split, stock dividend, reclassification or other similar change affecting the outstanding shares of the Class A common stock effected without the Company's receipt of consideration.

Timing of Award. The Equity Award Subcommittee shall meet, either in person or telephonically, at a scheduled meeting within the last five (5) business days of each month, unless no awards are to be made or authorized during that month. The Equity Award Subcommittee may pre-authorize awards for individuals who have accepted offer letters from the Company but who have not yet commenced employment with the Company, but any such pre-authorized award shall not become effective until the grantee actually commences employment with the Company. Except for the faculty awards specified below, awards shall not be made at any other time by the Equity Award Subcommittee.

Vesting of Award. Each equity award made by the Equity Award Subcommittee shall vest in accordance with the parameters established by the Compensation Committee that are in effect at the time the award is made. However, all outstanding equity awards shall vest immediately in the event of a change in control of the Company, as determined in accordance with the definitional provisions of the Plan.

Additional Terms for Option Grants. Each stock option grant made by the Equity Award Subcommittee shall be subject to the following additional limitations:

- (i) The exercise price shall be the fair market value per share of the Company's Class A common stock on the effective date of the grant. For pre-authorized awards, the effective date and pricing date shall be the date on which the grantee actually commences employment with the Company (or any affiliated entity).

(ii) The option shall not have a maximum term in excess of the maximum period authorized by the Compensation Committee and shall be subject to earlier termination three months after the grantee ceases service with the Company or twelve months after such cessation of service due to death or permanent disability.

(iii) The remaining terms of each such option grant shall be as set forth in the form stock option agreement utilized to evidence option grants made under the Plan.

Additional Terms for RSU Awards. Each restricted stock unit award made by the Equity Award Subcommittee shall be subject to the following additional limitations:

(i) The shares of the Company's Class A common stock underlying each restricted stock unit award shall be issued as those shares vest, subject to the Company's collection of the applicable withholding taxes.

(ii) The remaining terms of each such restricted stock unit award shall be as set forth in the form restricted stock unit award agreement utilized to evidence restricted stock units awarded under the Plan.

FACULTY GRANTS

Authority. The Equity Award Subcommittee shall have the authority to administer the option grant program in effect under the Plan for faculty members and to make stock option grants under such program in accordance with the parameters established from time to time for that program by the Compensation Committee; provided, however, that:

(i) the stock option grants to the faculty members shall be effected and priced on one or more pre-determined dates each calendar year, as established by the Compensation Committee prior to the start of that year;

(ii) the Equity Award Subcommittee shall meet, either in person or telephonically, at a pre-determined time on or before the effective date of the faculty grants in order to authorize and approve those grants;

(iii) the exercise price shall be equal to the fair market value per share of the Company's Class A common stock on the effective date of the grant;

(iv) each option grant will vest and become exercisable for the option shares in accordance with the vesting provisions pre-established for such grant by the Compensation Committee; and.

(v) each option shall have a maximum term as established by the Compensation Committee, subject to earlier termination three months after the grantee ceases service with the Company or twelve months after such cessation of service due to death or permanent disability.

Subcommittee Protocols

Effective Date of Award. Any grant made by the Equity Award Subcommittee to a new hire shall become effective on any of the following dates specified by the Equity Award Subcommittee at the time the grant is authorized: (i) on the first trading day of the month following the date that the individual commences employment; (ii) on the date of the individual's actual commencement of employment; or (iii) on the date the grant is approved by the Equity Award Subcommittee (provided the grant in such instance does not have an effective date prior to the date of the individual's actual commencement of employment).

Award Documentation. Written documentation identifying each grantee and the amount of each proposed equity award (the "preliminary grant list") shall be prepared and presented to the Equity Award Subcommittee for consideration. On the date that such awards are authorized or approved, the Equity Award Subcommittee shall review the preliminary grant list, make any changes or revisions deemed appropriate and approve the final list (the "final grant list"). Changes to the preliminary grant list and approval of the final grant list shall be reflected in the minutes of the meeting. A copy of the final grant list (either a hand-marked preliminary grant list or a typed final grant list) shall be appended to the minutes of the meeting at which the grants are authorized or approved. In no event shall any adjustments or revisions be made to such list after approval by the Equity Award Subcommittee, except to eliminate inadvertent duplicative awards or awards made to grantees who terminate employment before the effective date of those awards.

Advisors. The Equity Award Subcommittee may, with the express authorization of the Board or the Compensation Committee, retain the services of legal counsel and other advisors of its choosing to assist the Equity Award Subcommittee in the performance of its functions. The Company shall provide for appropriate funding, as determined by the Compensation Committee, to compensate consultants, legal counsel or other advisors retained by the Equity Award Subcommittee.

Compliance and Review. The Equity Award Subcommittee shall perform any other functions required of it by applicable law, rules or regulations, including the rules of the Securities and Exchange Commission and the rules of any exchange or market on which the Company's securities are traded. The Equity Award Subcommittee shall also review this charter annually and recommend to the Compensation Committee and the Board any changes it considers to be appropriate.

Meetings and Procedures

Meetings. The Equity Award Subcommittee shall meet from time to time as appropriate to perform the functions described above and may also hold special meetings or act by unanimous written consent as the Equity Award Subcommittee may determine to be appropriate.

Secretary. The Equity Award Subcommittee shall appoint an individual to serve as the Secretary at each meeting held by the Subcommittee. It shall be the duty and responsibility of the Secretary to keep full, accurate and complete minutes and records of each meeting. The Secretary need not be a member of the Equity Award Subcommittee and shall have no voting rights by virtue of such position and shall not be deemed to be a member of the Equity Award Subcommittee solely by reason of performing his or her duties as Secretary.

Procedures. A majority of the authorized number of the Equity Award Subcommittee members shall constitute a quorum for the transaction of subcommittee business, and the vote of a majority of the members of the Equity Award Subcommittee present at a meeting at which a quorum is present shall be the act of the Equity Award Subcommittee, unless in either case a greater number is required by this charter, the bylaws or the listing standards. The Equity Award Subcommittee shall keep written minutes of its meetings and deliver copies of the minutes to the corporate secretary for inclusion in the corporate records.

Consent Resolutions. No written consent resolution of the Equity Award Subcommittee shall have an effective date prior to the date on which the last member of the Equity Award Subcommittee signs and dates that resolution. Any member of the Equity Award Subcommittee may indicate his or her consent through electronic transmission to all the other members of the Subcommittee. All executed consent resolutions shall be kept with the written minutes of the meetings of the Equity Award Subcommittee, and copies shall be delivered to the corporate secretary for inclusion in the corporate records.

Reports. A report of each meeting of the Equity Award Subcommittee shall be made to the Compensation Committee its next regularly-scheduled meeting following the Equity Award Subcommittee meeting.

Committee Reliance. Each member of the Equity Award Subcommittee shall be entitled to rely or act, in good faith, upon any report, information or documentation furnished the Equity Award Subcommittee by any officer or other employee of the Company, the Company's registered independent public accounting firm or any compensation consultant or other professional retained by the Company, the Compensation Committee or the Equity Award Subcommittee to assist in the formulation and implementation of executive compensation policies and decisions.