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**UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA**

THERESA SWEET, ALICIA DAVIS, TRESA  
APODACA, CHENELLE ARCHIBALD,  
DANIEL DEEGAN, SAMUEL HOOD, and  
JESSICA JACOBSON on behalf of themselves  
and all others similarly situated,

Plaintiffs,

v.

ELISABETH DEVOS, in her official capacity  
as Secretary of the United States Department of  
Education,

And

THE UNITED STATES DEPARTMENT OF  
EDUCATION,

Defendants.

Case No.: 19-cv-03674-WHA

**AFFIDAVIT OF RACHEL GREENBAUM**

I, Rachel Greenbaum, state as follows:

1. I am submitting this affidavit in relation to the above-captioned case.
2. I borrowed federal student loans in order to attend Brooks Institute of Photography.
3. In August 2017, I submitted a borrower defense application to the United States Department of Education, asking for these loans to be cancelled. A copy of that application is attached as Exhibit A.
4. On July 7, 2020, I received a denial notice from the Department of Education. A copy of that notice is attached as Exhibit B.
5. The notice states that all my claims were denied based on “failure to state a legal claim” or “insufficient evidence.”
6. I do not understand why the Department of Education rejected my claims. They even admit that they consulted evidence from the New York Attorney General’s Office, the Pennsylvania Attorney General’s Office, among others.

- 1 7. My understanding is that Brooks Institute closed because of fraudulent activities. It  
2 closed after I graduated, but it was fraudulent the entire time. I explained this in detail  
3 in my borrower defense application.
- 4 8. I do not believe the Department looked at the evidence that I submitted, and I do not  
5 understand how the evidence I submitted could result in my claim being denied.
- 6 9. The denial notice states that I may ask for reconsideration. I have considered filing for  
7 reconsideration, but I do not know what additional information I could possibly provide.  
8 I don't know if the same information will be considered again, or what affect filing for  
9 reconsideration would have on my ability to challenge the denial in court.
- 10 10. I am disheartened, angry, and dismayed that the Department of Education seems to be  
11 issuing bare-bones denials without actually considering any of the evidence that has  
12 been presented. I have completely lost faith in this process.
- 13 11. In between the time that I first submitted an application for loan cancellation and when I  
14 received the notification of denial, my loans were in forbearance. I understand that  
15 because I've now received a denial notice, my administrative forbearance from the  
16 Department of Education has ended.
- 17 12. My federal loans are currently in forbearance due to the CARES Act. I am terrified of  
18 what will happen when CARES Act forbearance expires in January 2021. I am currently  
19 unemployed and still paying off my private loans. I was barely making ends meet before;  
20 I do not know what I will do or how I will cover basic expenses.
- 21 13. I am currently unemployed due to COVID-19. My former job was as an instructor and  
22 manager for the Krav Maga Alliance (Israeli self-defense). I traveled around the world  
23 training other Krav Maga and kickboxing instructors.
- 24
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1 14. While employed, I paid half my bimonthly paycheck to private student lenders. Since I  
2 became unemployed, I have lowered those payments, but that is only temporary.

3 15. In June 2019, I filed an affidavit in this case in support of the Motion for Class  
4 Certification. There, I detailed how these loans, and the Department's delay processing  
5 my application, caused hardship.

6  
7 16. I described how my student loan debt has made it impossible for me to plan for the  
8 future. I have delayed marriage and children. My credit is ruined. My former job had  
9 nothing to do with my worthless degree. My debt has crippled me emotionally and  
10 financially. The Department of Education's delay caused physical harm because of the  
11 stress of looming debt for a useless education, my inability to pay medical bills and for other  
12 basic needs, and hopelessness.

13 17. I wrote in 2019 that "The Department's refusal to grant or deny my borrower defense has  
14 caused me to lose faith that the government will protect students like me because of the  
15 growing number of students who are in a similar situation as me. All my fellow Brookies,  
16 and hundreds of thousands of others. This is a crisis. It is crushing us, and we never even had  
17 a chance." These hardships have only increased throughout this process.

18  
19 18. I did not think it possible that I could lose even *more* faith in the government through this  
20 experience, but since receiving the bare-bones denial notice, I have.

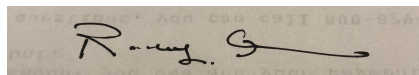
21 19. Since I received the denial notice, the harm caused by this debt and the Department of  
22 Education's delay has only gotten worse. Now, I finally have a decision on my  
23 application, but it lacks the detail and explanation necessary to challenge it in court, and  
24 I do not know how or whether to file for reconsideration. In other words, am still in  
25 limbo – but as soon as the CARES Act expires, I am in limbo *and* my loans are in  
26 repayment.  
27

1 20. To go through all this, only to be sent a denial that makes it seem like the Department did  
2 not even read my application, is devastating.

3  
4 I swear under penalty of perjury that the foregoing is true.

5  
6 Executed on: October 28, 2020

7 Los Angeles, CA

8 A rectangular box containing a handwritten signature in black ink. The signature appears to be "Rachel Greenbaum". The background of the box is a light, textured grey.

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Rachel Greenbaum

# **Exhibit A**



## UNITED STATES DEPARTMENT OF EDUCATION

## APPLICATION FOR BORROWER DEFENSE TO LOAN REPAYMENT

FORM APPROVED  
OMB NO: 1845-0146  
Exp 12/31/2019

If your school misled you or engaged in other misconduct, you may be eligible for "borrower defense to repayment," which is the forgiveness of some or all of your federal student loan debt.

**FORM INSTRUCTIONS:** To apply, you must complete, sign, and submit this form to the U.S. Department of Education for review.

You may attach additional documents, such as transcripts, enrollment agreements, and promotional materials from your school. Once completed, please submit this form and any additional documents you believe will help us review your application by email to [FSAOperations@ed.gov](mailto:FSAOperations@ed.gov) or by mail to: U.S. Department of Education, PO Box 429060, San Francisco, CA 94142.

Fields marked with an asterisk (\*) are required for your application to be considered complete.

## SECTION I: BORROWER INFORMATION

Please provide contact information for the borrower:

\*First Name: Rachel Middle Name: Lynn \*Last Name: Greenbaum \*Date of Birth: [REDACTED]

\*Social Security Number (XXX-XX-XXXX): [REDACTED] \*Telephone Number: [REDACTED] \*Email Address: [REDACTED]

\*Street Address: [REDACTED] \*City: Los Angeles \*State: CA \*Zip Code: 90066

\*Are you a PARENT who took out a federal loan on behalf of the student?  Yes  No

\*If yes, please enter the full name of the student. (Last, First, Middle): [REDACTED]

\*If yes, please enter the student's Social Security Number (XXX-XX-XXXX): [REDACTED]

## SECTION II: SCHOOL INFORMATION

\*School: Brooks Institute of Photography

Campus (Including on-line campuses for distance education borrowers): Ventura

\*Location: City: Ventura \*State: CA

\*Enrollment Dates at this School (MM/YY): \*FROM: 4/1/2003 \*TO: 9/1/2006  Still Enrolled

Check if the enrollment dates are approximate, or if you are unsure of them.

If your attendance at the school listed above was not or has not been continuous (for example, from October 2015 to March 2016, then again from August 2016 to November 2016), please describe all dates that you attended:

**CAMPUS PROGRAM**

<b>*Program Name or Major</b>	<b>Credential</b>
Visual Journalism	Bachelors

If you enrolled in multiple programs at the school listed above, please describe all programs that you were enrolled in:

\*Current Status at school listed above:  Attending  Withdrew  Transferred Out  Graduated

**SECTION III: OTHER LOAN REDUCTION OR TUITION RECOVERY REQUESTS**

\*Have you made any other requests to have your Federal loans forgiven (for example, under a closed school discharge or false certification discharge from the U.S. Department of Education)?

Yes  No

\*If yes, please describe these other request(s), including the amount of any loan forgiveness that you received, and attach any documentation about the requests, if available:

\*Have you made any other requests to recover tuition amounts that you paid to your school (for example, a lawsuit against the school or a claim made to a tuition recovery program)?

Yes  No

\*If yes, please describe these other request(s), including the amount of the payment that you received (if any), and attach any documentation about the requests, if available:

**SECTION IV: BASIS FOR BORROWER DEFENSE**

Answer the questions for each section below that applies to you.

For each section below that applies to you, please provide a detailed description of why you believe you are entitled to borrower defense, including the following information:

1. What the school told you or failed to tell you.
2. How the school communicated with you, whether in a brochure, online, over the phone, by email or in person.
3. The name/title or people who you believe misled you (if known).
4. Why you believe you were misled.

Attach any related documents, such as transcripts, enrollment agreements, promotional materials from the school, emails with school officials or your school's manual, or course catalog.

**Note: You only need to provide information for the sections below that apply to you, but you must complete at least one section. If you are a Parent PLUS borrower, the word "you" in the following sections also refers to the student.**

If you need more space to complete any section, please attach additional pages to your application.

**EMPLOYMENT PROSPECTS**

Did the school mislead you (or fail to tell you important information) about promises of future employment, likelihood of finding a job, eligibility for certification or licensure in your field of study, how many students graduate, and/or earnings after graduation?

Yes  No

If yes, you must provide detailed information about how the school misled you. Please also describe any financial harm to you as a result of the school's conduct.

Brooks Institute misled me about future employment, the likelihood of finding a job, graduate %'s and earning capability. I was told that there were always many opportunities for employment in my field and that it was an in demand career, to say the least. The school presented highly misleading data regarding graduates working in their field, and their subsequent salary. Once again, they failed to mention the absurdity of their claims.

I was told we were guaranteed assistance with placement in jobs in our field that would make a salary enabling pay back of student loans, and maintain a good quality of life. They did not tell me this was an outright lie, and the struggle I would be facing upon graduation when I was supposed to be starting my life and career.

I had a near impossible time finding employment in my field. I had little to no assistance with job placement. Following

\*Did you choose to enroll in your school based in part on the issues describe above?  Yes  No

**PROGRAM COST AND NATURE OF LOANS**

Did the school mislead you (or fail to tell you important information) about how much your classes would cost, how you would pay for your education, the terms of loan repayment, and/or other issues about the cost of your education?

Yes  No

If yes, you must provide detailed information about how the school misled you. Please also describe any financial harm to you as a result of the school's conduct.

Brooks put together all financial documents for me, it was a very quick and easy process all I had to do was sign my name, I was told it was \$20,000 per year, and my entire education would cost \$60,000. I was not told cost went up every session, and even more so if you took a session off. I was misled about loan rates, and the frequency in which I would need to take them out, and was forced to take out large amounts of private loans to graduate. I was not given the option of scholarships or grants; I was told I did not qualify.

I was told my monthly payments would be much lower and far more manageable than they were. Brooks did not disclose that if you finish the program, by the time you graduate you will be more than \$100,000 in debt. This has affected the quality of my life since the day I graduated, and I am NOT working in my field of study. It has also affected my personal dating life, as having this

\*Did you choose to enroll in your school based in part on the issues describe above?  Yes  No



**TRANSFERRING CREDITS**

Did the school mislead you (or fail to tell you important information) about transferring your credits from this school to other schools?

Yes  No

If yes, you must provide detailed information about how the school misled you. Please also describe any financial harm to you as a result of the school's conduct.

I was told that Brooks Institute was the top school for photography and other artists who wanted to be a part of that industry. I thought that they were accredited because they told me I could use my credits towards higher education later. That turned out to not be true but did not find out until some years later.

Admissions misled me about class costs and the transferability of the credits I earned. I was told I could transfer my credits anywhere and then was denied by the University of Texas San Antonio. They refused my credits, and I was forced to start over.

This has caused me a decade of financial stress, and I don't see an end in sight. I had to move back in with my mother upon graduation, and bartend and waitress to pay the bills.  
in person  
hard to remember

\*Did you choose to enroll in your school based in part on the issues describe above?  Yes  No

**CAREER SERVICES**

Did the school mislead you (or fail to tell you important information) about the availability or quality of job placement, career services assistance, or the school's connections to employers within your field of study?

Yes  No

If yes, you must provide detailed information about how the school misled you. Please also describe any financial harm to you as a result of the school's conduct.

Brooks misled me about availability or quality of job placement, career service assistance, and the school's connections to employers in my field of study. I never was able to obtain on the job training or get in the field experience that would lead to a job opportunity.

High-Paying, full-time job in my field of study and raise my earning potential by obtaining a degree or certificate. I was told that most or all of the school's graduates obtained full-time jobs in their field of study after graduation. The staff said that I would receive job placement assistance and that the school had relationships with or the ability to influence employers to hire graduates in my field of study, none of this was true.

I had to borrow money from my mother and other family members. What hurt the most, was being forced to use the money I incurred from my brother's unexpected and untimely death. I put this money aside as savings, and didn't feel right spending it, but was forced to take it out, with the large penalty, to feed and clothe myself, and pay loans.

in person  
hard to remember

\*Did you choose to enroll in your school based in part on the issues describe above?  Yes  No

**EDUCATIONAL SERVICES**

Did the school mislead you (or fail to tell you important information) about educational services, such as the availability of externships, qualifications of teachers, instructional methods, or other types of educational services?

Yes  No

If yes, you must provide detailed information about how the school misled you. Please also describe any financial harm to you as a result of the school's conduct.

The program I went through was supposed to be for advanced artists, but obviously, something went wrong somewhere because the education I received could have been learned in the comfort of one's own home for free through the internet. Teachers were just there because they needed supplemental income; this should have been a red flag that the industry was not as in demand as they had talked about.

My education was not enough to land me a position in my field. Information I learned was not useful after graduation and did not apply to the industry standards. I was never able to work in my area or at the level that I was promised. This led to the extreme financial hardship which in turn led to me completely abandoning the career path I had chosen to work minimum wage jobs in hopes of someday moving past this.

They told me the completion of my program would qualify me to be employed in my field of study and that my classes would be relevant to my field of study, but they were not. I do not feel that the extensive debt I am now in was worth the meaningless knowledge I gained through Brooks Institute.

in person  
hard to remember

\*Did you choose to enroll in your school based in part on the issues describe above?  Yes  No

**ADMISSIONS AND URGENCY TO ENROLL**

Did the school mislead you (or fail to tell you important information) about the importance of enrolling immediately, the consequences of failure to enroll, how difficult it was to be admitted, or anything else about the admittance process?

Yes  No

If yes, you must provide detailed information about how the school misled you. Please also describe any financial harm to you as a result of the school's conduct.

The councilors and recruiters worked hard to sell prospective students on the school. I believe there was more money put into the schools advertising than the actual programs themselves. I was made to believe that after graduation I would be making double to amount of my education and therefore would not run into an issue paying my bills or my student loans. I was informed that spots for students were not guaranteed and that if I didn't enroll by the deadline which happened to be one day, then I would lose my opportunity to go here.

Nothing the school administration said to me about my education or future was true. They sold students on a dream and made them believe they were capable of working for big names within the media industry, when for most people who did not know anyone within would be impossible to find substantial employment.

I have had blown through my savings and have had to seek help from family and friends because I can not afford most things in my life right now. I feel that all of this could have been avoided if only someone had made sure I understood the documents I agreed to.

in person  
hard to remember

\*Did you choose to enroll in your school based in part on the issues describe above?  Yes  No

**OTHER**

Do you have any other reasons relating to your school that you believe qualify you for borrower defense, such as your school failing to perform its obligations under its contract with you, or that there is a judgment against your school in a Federal court, a State court, or in front of an administrative board or that you believe that you have a state law cause of action against the school? Is there some other reason you feel your school misled you? For more information about the basis for borrower defense relief, see [StudentAid.ed.gov/borrower-defense](https://StudentAid.ed.gov/borrower-defense).

If yes to any of the above, you must provide detailed information about how the school misled you. Please also describe any financial harm to you as a result of the school's conduct.

Potential violation of the Federal False Claims Act  
 Potential Violation of the Truth in Lending Act of 1968  
 Potential Violation of the Higher Education Act of 1965  
 Potential Violation of the Consumer Fraud Act  
 (if applicable) Potential Violation of The Telephone Consumer Protection Act of 1991

\*Did you choose to enroll in your school based in part on the issues describe above?  Yes  No

**SECTION V: FORBEARANCE/STOPPED COLLECTIONS**

If you are not currently in default on your federal student loans, you may request to have them placed into **forbearance** status while your application is under review. **Forbearance means that you do not have to make loan payments and your loans will not go into default.** Forbearance will continue until the borrower defense review process of your application is completed. Your servicer will notify you when your loans have been placed into forbearance status.

If your federal student loans are in **default**, you may request to have debt collection on your loan stopped (“**stopped collections status**”). **This means that the federal government or debt collection companies will stop attempting to collect on the loans, including by not withholding money from your wages or income tax refunds.** Stopped collections status will continue until the borrower defense review process of your application is completed.

Please see the “Common Questions and Answers Regarding Forbearance/Stopped Collections” section on the Borrower Defense website (<https://studentaid.ed.gov/borrower-defense>) if you have any questions regarding choosing to enter forbearance or stopped collections.

**Note that interest will continue to accumulate on federal loans regardless of what status they are in, including subsidized loans. If your application for borrower defense is denied, or partially approved, the total amount you owe on those loans may be higher.**

**PLEASE NOTE:** You do not have to place your loans in forbearance or stopped collections to apply for borrower defense relief.

For the most current information with regard to your rights and obligations regarding forbearance and stopped collections, please visit the Borrower Defense website at <https://studentaid.ed.gov/borrower-defense>.

\*Are you requesting forbearance/stopped collections?

**Yes, I want all of my federal loans currently in repayment to be placed in forbearance and for collections to stop on any loans in default while my borrower defense application is reviewed. During this time period, I understand that interest will continue to accrue.**

**No, I do not want all of my federal loans currently in repayment to be placed in forbearance and for collections to stop on any loans in default while my borrower defense application is reviewed. During this time period, I understand that interest will continue to accrue and that I must continue to make loan payments.**

**If you do not select one of the options immediately above, your federal loans currently in repayment will automatically be placed into forbearance and collections will stop for any defaulted loans, and the Department will request forbearance for any commercially held Federal Family Education Loan (FFEL) program loans currently in repayment and for debt collection to stop for any defaulted, commercially held FFEL program loans that you have currently (as applicable).**

**SECTION VI: CERTIFICATION**

By signing this attestation I certify that:

All of the information I provided is true and complete to the best of my knowledge. Upon request, I agree to provide to the U.S. Department of Education information that is reasonably available to me that will verify the accuracy of my completed attestation.

I agree to provide, upon request, testimony, a sworn statement, or other documentation reasonably available to me that demonstrates to the satisfaction of the U.S. Department of Education or its designee that I meet the qualifications for borrower defense.

I certify that I received proceeds of a federal loan, in whole or in part, to attend the school/campus identified in Section II (above).

I understand that if my application is approved and some or all of my loans are forgiven, I am assigning to the U.S. Department of Education any legal claim I have against the school for those forgiven loans. By assigning my claims, I am effectively transferring my interests in any claim that I could make against the school relating to the forgiven loans (including the ability to file a lawsuit over those forgiven loans and any money ultimately recovered in compensation for those forgiven loans in court or other legal proceedings) to the U.S. Department of Education. I am not assigning any claims I may have against the school for any other form of relief -- including injunctive relief or damages related to private loans, tuition paid out-of-pocket, unforgiven loans, or other losses.

I understand that the U.S. Department of Education has the authority to verify information reported on this application with other federal or state agencies or other entities. I authorize the U.S. Department of Education, along with its agents and contractors, to contact me regarding this request at the phone number above using automated dialing equipment or artificial or prerecorded voice or text messages.

I understand that any rights and obligations with regard to borrower defense to repayment are subject to the provisions currently in effect under Title 34 of the Code of Federal Regulations.

I understand that if I purposely provided false or misleading information on this application, I may be subject to the penalties specified in 18 U.S.C. § 1001, including fines. I understand that I may be asked to confirm the truthfulness of the statements in this application to the best of my knowledge under penalty of perjury.

**\*Signature:** \_\_\_\_\_

**Date:** 08/12/2017

**Privacy Act Notice.** *The Privacy Act of 1974 (5 U.S.C. 552a) requires that the following notice be provided to you: The authorities for collecting the requested information from and about you are §421 et seq., §451 et seq. and §461 et seq. of the Higher Education Act of 1965, as amended (20 U.S.C. 1071 et seq., 20 U.S.C. 1087a et seq., and 20 U.S.C. 1087aa et seq.) and the authorities for collecting and using your Social Security Number (SSN) are §§428B(f) and 484(a)(4) of the HEA (20 U.S.C. 1078-2(f) and 20 U.S.C. 1091(a)(4)) and 31 U.S.C. 7701(b). Participating in the William D. Ford Federal Direct Loan (Direct Loan) Program, the Federal Family Education Loan (FFEL) Program, or the Federal Perkins Loan (Perkins Loan) Program, and giving us your SSN are voluntary, but you must provide the requested information, including your SSN, to participate. The principal purposes for collecting the information on this form, including your SSN, are to verify your identity, to determine your eligibility to receive a loan or a benefit on a loan (such as a deferment, forbearance, discharge, or forgiveness) under the Direct Loan Program, FFEL, or Perkins Loan Programs, to permit the servicing of your loans, and, if it becomes necessary, to locate you and to collect and report on your loans if your loans becomes delinquent or defaults. We also use your SSN as an account identifier and to permit you to access your account information electronically. The information in your file may be disclosed, on a case- by-case basis or under a computer matching program, to third parties as authorized under routine uses in the appropriate systems of records notices. The routine uses of this information include, but are not limited to, its disclosure to federal, state, or local agencies, to private parties such as relatives, present and former employers, business and personal associates, to consumer reporting agencies, to financial and educational institutions, and to guaranty agencies in order to verify your identity, to determine your eligibility to receive a loan or a benefit on a loan, to permit the servicing or collection of your loans, to enforce the terms of the loans, to investigate possible fraud and to verify compliance with federal student financial aid program regulations, or to locate you if you become delinquent in your loan payments or if you default. To provide default rate calculations, disclosures may be made to guaranty agencies, to financial and educational institutions, or to state agencies. To provide financial aid history information, disclosures may be made to educational institutions. To assist program administrators with tracking refunds and cancellations, disclosures may be made to guaranty agencies, to financial and educational institutions, or to federal or state agencies. To provide a standardized method for educational institutions to efficiently submit student enrollment statuses, disclosures may be made to guaranty agencies or to financial and educational institutions. To counsel you in repayment efforts, disclosures may be made to guaranty agencies, to financial and educational institutions, or to federal, state, or local agencies. In the event of litigation, we may send records to the Department of Justice, a court, adjudicative body, counsel, party, or witness if the disclosure is relevant and necessary to the litigation. If this information, either alone or with other information, indicates a potential violation of law, we may send it to the appropriate authority for action. We may send information to members of Congress if you ask them to help you with federal student aid questions. In circumstances involving employment complaints, grievances, or disciplinary actions, we may disclose relevant records to adjudicate or investigate the issues. If provided for by a collective bargaining agreement, we may disclose records to a labor organization recognized under 5 U.S.C. Chapter 71. Disclosures may be made to our contractors for the purpose of performing any programmatic function that requires disclosure of records. Before making any such disclosure, we will require the contractor to maintain Privacy Act safeguards. Disclosures may also be made to qualified researchers under Privacy Act safeguards.*

**Paperwork Reduction Act Notice.** According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless such collection displays a valid OMB control number. The valid OMB control number for this information collection is 1845-0146. Public reporting burden for this collection of information is estimated to average 1 hour per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. The obligation to respond to this collection is required to obtain or retain a benefit (20 U.S.C. 1087e(h)). If you have comments or concerns regarding the status of your individual submission of this application, please contact [FSASupport@ed.gov](mailto:FSASupport@ed.gov).

# **Exhibit B**



From: [Rachel Greenbaum](#)

[REDACTED]

---

[REDACTED]

----- Forwarded message -----

From: **Borrower Defense** <[borrowerdefense@ed.gov](mailto:borrowerdefense@ed.gov)>

Date: Tue, Jul 7, 2020 at 12:18 PM

Subject: Borrower defense discharge ineligibility information for you [ref: 00Dt0Gyiq. 500t0CBZcC:ref ]

To: [REDACTED]



7/7/2020

Borrower Defense Application #: [REDACTED]

Dear Rachel Greenbaum:

The U.S. Department of Education (ED) has completed its review of your application under the applicable Borrower Defense to Repayment regulations for discharge of your William D. Ford Federal Direct Loans (Direct Loans) made in connection with your or your child's enrollment at Brooks Institute. "You" as used here should be read to include your child if you are a Direct PLUS Loan borrower who requested a discharge for loans taken out to pay for a child's enrollment at Brooks Institute. ED has determined that your application is ineligible for relief based on review of the facts of your claim and the regulatory criteria for relief; this decision means that your Direct Loans will not be discharged. ED explains the reasons below.

**Applicable Law**

For Direct Loans first disbursed prior to July 1, 2017, a borrower may be

eligible for a discharge (forgiveness) of part or all of one or more Direct Loans if the borrower's school engaged in acts or omissions that would give rise to a cause of action against the school under applicable state law. See § 455(h) of the Higher Education Act of 1965, as amended, 20 U.S.C. § 1087e(h), and 34 C.F.R. § 685.206(c) and 685.222 (the Borrower Defense regulations). ED recognizes a borrower's defense to repayment of a Direct Loan only if the cause of action directly relates to the Direct Loan or to the school's provision of educational services for which the Direct Loan was provided. 34 C.F.R. §§685.206(c)(1), 685.222(a)(5); U.S. Department of Education, Notice of Interpretation, 60 Fed. Reg. 37,769 (Jul. 21, 1995).

### **Why was my application determined to be ineligible?**

ED reviewed your borrower defense claims based on any evidence submitted by you in support of your application, your loan data from National Student Loan Data System (NSLDS®), and evidence provided by other borrowers.

#### **Allegation 1: Employment Prospects**

You allege that Brooks Institute engaged in misconduct related to Employment Prospects. This allegation fails for the following reason(s):  
Failure to State a Legal Claim.

Your claim for relief on this basis therefore is denied.

#### **Allegation 2: Program Cost and Nature of Loans**

You allege that Brooks Institute engaged in misconduct related to Program Cost and Nature of Loans. This allegation fails for the following reason(s):  
Failure to State a Legal Claim.

Your claim for relief on this basis therefore is denied.

#### **Allegation 3: Transferring Credits**

You allege that Brooks Institute engaged in misconduct related to Transferring Credits. This allegation fails for the following reason(s):  
Insufficient Evidence.

Your claim for relief on this basis therefore is denied.

#### **Allegation 4: Career Services**

You allege that Brooks Institute engaged in misconduct related to Career Services. This allegation fails for the following reason(s):  
Insufficient Evidence.



Your claim for relief on this basis therefore is denied.

**Allegation 5: Educational Services**

You allege that Brooks Institute engaged in misconduct related to Educational Services. This allegation fails for the following reason(s):  
Failure to State a Legal Claim.

Your claim for relief on this basis therefore is denied.

**Allegation 6: Admissions and Urgency to Enroll**

You allege that Brooks Institute engaged in misconduct related to Admissions and Urgency to Enroll. This allegation fails for the following reason(s): Failure to State a Legal Claim.

Your claim for relief on this basis therefore is denied.

**Allegation 7: Other**

You allege that Brooks Institute engaged in misconduct related to Other. This allegation fails for the following reason(s): Failure to State a Legal Claim.

Your claim for relief on this basis therefore is denied.

**What evidence was considered in determining my application's ineligibility?**

We reviewed evidence provided by you and other borrowers who attended your school. Additionally, we considered evidence gathered from the following sources:

NY Attorney General's Office

PA Attorney General's Office

Evidence obtained by the Department in conjunction with its regular oversight activities

Publicly available securities filings made by Career Education Corporation (now known as Perdoceo Education Corporation)

Multi-State Attorney General Assurance of Voluntary Compliance (effective January 2, 2019)

**What if I do not agree with this decision?**

If you disagree with this decision, you may ask ED to reconsider your application. To submit a request for reconsideration, please send an email with the subject line "Request for

Reconsideration [ ref:\_00Dt0Gyiq.\_500t0CBZcC:ref ]”  
to [BorrowerDefense@ed.gov](mailto:BorrowerDefense@ed.gov) or mail your request to U.S. Department of Education, P.O. Box 1854, Monticello, KY 42633. In your Request for Reconsideration, please provide the following information:

1. Which allegation(s) you believe that ED incorrectly decided;
2. Why you believe that ED incorrectly decided your borrower defense to repayment application; and
3. Identify and provide any evidence that demonstrates why ED should approve your borrower defense to repayment claim under the applicable law set forth above.

ED will not accept any Request for Reconsideration that includes new allegations. If you wish to assert allegations that were not included in your application, please see the following section. Additionally, your loans will not be placed into forbearance unless your request for reconsideration is accepted and your case is reopened. Failure to begin or resume repayment will result in collection activity, including administrative wage garnishment, offset of state and federal payments you may be owed, and litigation. For more information about the reconsideration process, please contact our borrower defense hotline at 1-855-279-6207 from 8 a.m. to 8 p.m. Eastern time (ET) on Monday through Friday.

### **Can I apply for borrower defense if I have additional claims?**

If you wish to file a new application regarding acts or omissions by the school other than those described in borrower defense application [Case Number], please submit an application at [StudentAid.gov/borrower-defense](https://StudentAid.gov/borrower-defense). In the new application, you should explain in the relevant section(s) the basis for any new borrower defense claim(s) and submit all supporting evidence.

### **What should I do now?**

Because your borrower defense to repayment application was found to be ineligible, you are responsible for repayment of your loans. ED will notify your servicer(s) of the decision on your borrower defense to repayment application within the next 15 calendar days, and your servicer will contact you within the next 30 to 60 calendar days to inform you of your loan balance. Further, if any loan balance remains, the loans will return to their status prior to the submission of your application. If your loans were in forbearance as a result of your borrower defense to repayment application, the servicer will remove those loans from forbearance. **\*See COVID-19 Note below.**

If your loans are in default and are currently in stopped collections, your

loans will be removed from stopped collections. Failure to begin or resume repayment could result in collection activity such as administrative wage garnishment, offset of state and federal payments that you may be owed, and litigation. **\*See COVID-19 Note below.**

While normally interest would not be waived for unsuccessful borrower defense applications, given the extended period of time it took ED to complete the review of this application, the Secretary is waiving any interest that accrued on your Direct Loans from the date of the filing of your borrower defense application to the date of this notification. Your servicer will provide additional information in the coming months regarding the specific amount of interest adjusted. **\*See COVID-19 Note below.**

**\*COVID-19 Note:** On March 27, 2020, the president signed the *CARES Act*, which, among other things, provides broad relief in response to the coronavirus disease 2019 (COVID-19) for federal student loan borrowers whose loans are owned by ED. For the period March 13, 2020, through September 30, 2020, the interest rate on the loans will be 0% and no payments will be required. During this same period for defaulted borrowers, all proactive collection activities, wage garnishments, and Treasury offsets will be stopped. Your federal loan servicer will answer any questions you have about your specific situation. In addition, Federal Student Aid's COVID-19 information page for students, borrowers, and parents is located at [StudentAid.gov/coronavirus](https://studentaid.gov/coronavirus). Please visit the page regularly for updates.

### **What if I have another pending borrower defense application?**

If you have additional pending borrower defense to repayment applications, this information applies to you:

- If your loans associated with an additional borrower defense to repayment application that is still pending are in forbearance or another status that does not require you to make payments, your loans will remain in forbearance or that other status. Similarly, if your loans associated with that borrower defense application are in default and you are currently in stopped collections, those loans will remain in stopped collections.
- If you are unsure if you have additional pending applications, or if you would like to check on the status of your loans associated with an additional application, contact our borrower defense hotline at 1-855-279-6207 from 8 a.m. to 8 p.m. ET on Monday through Friday.

ED offers a variety of loan repayment options, including the standard 10-year repayment plan, as well as extended repayment, graduated

repayment, and income-driven repayment plans. For more information about student loan repayment options, visit [StudentAid.gov/plans](https://studentaid.gov/plans). If you have questions about the status of your loans or questions about repayment options, please contact your servicer(s). If you do not know the name of your federal loan servicer, you may go to [StudentAid.gov](https://studentaid.gov) to find your servicer and view your federal loan information.

Sincerely,

U.S. Department of Education  
Federal Student Aid



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