

Exhibit 28

BORROWER DEFENSE UNIT CLAIMS REVIEW PROTOCOL

GUIDING PRINCIPLES FOR PROTOCOL

- Develop and implement an administrative process capable of ensuring supportable and timely decisions
- Achieve consistency among similarly-situated borrowers
- Base decisions on evidence
- Provide relief for harmed borrowers and protect taxpayers

LEGAL FRAMEWORK FOR ELIGIBILITY

- BD application must state a claim under state law:
 - “the borrower may assert as a defense against repayment, any act or omission of the school attended by the student that would give rise to a cause of action against the school under applicable State law.” 34 C.F.R. § 685.206(c).
 - Applicable state law typically is law governing alleged misrepresentations and material omissions made by a school
- Legal threshold for eligibility = preponderance of the evidence
- Must base decisions granting or denying relief on a record sufficient to withstand court scrutiny

ELIGIBILITY AND RELIEF SEPARATE DETERMINATIONS

- First – determine eligibility of BD application under the regulation
 - *i.e.*, whether preponderance of the evidence establishes a valid claim under applicable state law
- Second – determine any appropriate relief only for claims determined eligible

PROTOCOL FOR DETERMINING ELIGIBILITY

- Evaluate all available relevant evidence to determine whether preponderance is satisfied:
 - Possible sources of evidence:
 - BD claim
 - Evidence from ED investigations
 - Evidence from other law enforcement investigations
 - Evidence obtained from whistleblower suits
 - Corroborating evidence from other similar BD claims
- Preponderance and thus eligibility is not met when there is a single uncorroborated claim
- Single claim may be denied without further investigation where:
 - Application does not state a claim (e.g., applicant does not identify any misrepresentation actionable under state law); or
 - There is no corroborating evidence of the misrepresentation
 - Consistent with ED’s false certification rules
 - Consistent with other agencies deciding benefits claims
- Conduct additional investigation of claim or claims where warranted by size of affected group, ability to develop extrinsic evidence efficiently, and other operational considerations.

EXAMPLE OF ELIGIBILITY DETERMINATION

BD Claims Regarding Transferability of Credits: Corinthian misrepresented to students at nationally accredited Everest and Wyotech campuses that the credits they earned would be generally transferable to other institutions

- “I was assured when I started that I could transfer my credits to any other school if I chose to do so.”
- “I was told my credits would transfer to University of South Florida for my BA in Finance and they did not so I was stuck with all these loans and no school will take them.”
- “Not a single credit was transferable. I specifically remember asking the rep before enrolling if credits were transferable and she said “absolutely,” never once telling me that accreditation of the school was not the same as a traditional.”
- “The school told me that I would not have any problem transferring credits if I decided to further my education elsewhere.”

Evidence that representation was made:

- Claims are consistent regarding the representation made, include specific details, and are consistent between campuses and over time
- Claims are corroborated by the school’s own internal audits finding substantial failures to provide accurate information regarding the transferability of credits during calls with prospective students, as well as by calls provided by state investigators.

Evidence of falsity:

- Regionally accredited schools, including the in-state institutions where students often sought to transfer, overwhelmingly do not accept credits from nationally accredited schools such as Everest and WyoTech.
- Evidenced by National Center for Education Statistics study; GAO report; the American Association of Collegiate Registrars and Admissions Officers transfer practices guide; a survey of schools conducted by the Borrower Defense unit; as well as numerous student accounts.

Misrepresentation gives “rise to a cause of action against the school under applicable State law.” 34 C.F.R. § 685.206(c):

- Applicable California law prohibits deceptive or misleading representations, including material misrepresentations reasonably relied on by students.
- Misrepresentations about the general transferability of credits earned are highly material to students deciding whether to enroll (and take on debt to do so) and it was reasonable for students to rely on such representations made by school personnel.

[PAGE * MERGEFORMAT]

RELIEF DETERMINATION

- **Full Relief:** In recognition of the considerable impact a material misrepresentation or omission has on a person’s decision to enter a transaction (e.g. to take out loans to enroll at a school), many state laws provide for full restitution to restore the person to the status quo.
 - Full relief may be particularly appropriate when a student did not receive a central attribute of the education the student was promised, such as certain programmatic accreditation (e.g., promised ability to sit for law enforcement or nursing exam).
- **Partial relief:** State law also may recognize an “offset” of the full amount of restitution for the value of goods or services a person subject to a material misrepresentation or omission nonetheless received.
 - An offset may be appropriate where there is substantial value provided by school and the amount of that value can be readily calculated for all eligible students.
 - Note: individualized determinations of value are likely to be administratively burdensome (e.g., determining post-attendance employment outcomes for every student in a large group)

DOE00006016

Metadata

Custodian	Nevin, Colleen	SEMANTIC
Date	2018/09/05	SEMANTIC

Exhibit 29

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3 **UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF CALIFORNIA**

4 TERESA SWEET, *et al.*,

5 Plaintiffs,

6
7 v.

8 UNITED STATES DEPARTMENT OF
9 EDUCATION and BETSY DEVOS, in her
official capacity as Secretary of Education

10 Defendants.

No. 19-cv-03674-WHA

DECLARATION OF MARK A. BROWN

1 I, Mark A. Brown, hereby declare under the penalty of perjury as follows:

2 1. I am over the age of 18 and competent to testify to the matters herein.

3 2. I am the Chief Operating Officer of Federal Student Aid (“FSA”) in the U.S. Department
4 of Education. I was appointed to my position on March 4, 2019, by U.S. Secretary of Education
5 Betsy DeVos. I served in the U.S. Air Force (“USAF”) for 32 years and retired as a major
6 general. Most recently I served as the deputy commander for the Air Education and Training
7 Command. Prior to that, I served in a series of roles in the USAF.
8

9 3. As Chief Operating Officer, I oversee the management of FSA. Through my duties as
10 Chief Operating Officer and my discussions with Department staff working on borrower defense
11 issues, I certify that I am duly authorized, am qualified, and have been given authority by the
12 Department to make the statements contained in this Declaration regarding the Department’s
13 processing of borrower defense applications submitted by members of the class certified by the
14 Court in this action and consisting of “[a]ll people who borrowed a Direct Loan or FFEL loan to
15 pay for a program of higher education, who have asserted a borrower defense to repayment to the
16 U.S. Department of Education, whose borrower defense has not been granted or denied on the
17 merits, and who is not a class member in *Calvillo Manriquez v. DeVos*, No. 3:17-cv-7210 (N.D.
18 Cal.)” Dkt. 46. The statements contained herein are based on my personal knowledge as an
19 employee of the Department, my review of the pertinent records, and information provided to me
20 in the performance of my official duties.
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23 4. On December 10, 2019, in the Press Release entitled *Secretary DeVos Approves New*
24 *Methodology for Providing Student Loan Relief to Borrower Defense Applicants*, the Department
25 announced a new methodology (“December 2019 Methodology”) for awarding relief to
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1 successful borrower defense claimants.¹ On August 4, 2020, the Department published a notice
2 revising the December 2019 methodology for accuracy, clarity and technical corrections. *Id.*

3 5. The Department began applying the December 2019 Methodology soon after it was
4 announced.

5 6. Even before the Department announced the December 2019 Methodology, FSA's
6 Borrower Defense Unit ("BDU"), the unit responsible for reviewing and adjudicating borrower
7 defense applications, began to hire additional attorneys, including term attorneys, to assist with
8 clearing the backlog of borrower defense applications. The new term attorneys started to
9 onboard in September 2019, with additional term attorneys onboarding on a rolling basis
10 throughout the Fall of 2019. From September until the end of calendar year 2019, BDU
11 onboarded 30 new term attorneys. In early 2020, the BDU continued onboarding new term
12 attorneys. As of August 2020, BDU had onboarded a total of 52 new term attorneys to reduce
13 the backlog of pending borrower defense applications.
14

15 7. In addition, FSA hired an additional three employees to focus on the
16 administrative/process end of distributing the decision letters.
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18 8. The increase of personnel within FSA generally, and within the BDU in particular, has
19 enabled FSA to substantially increase the volume of borrower defense decisions it has issued
20 over the last approximately 9 months.
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22 9. To this point, the Department has issued significantly more decisions finding borrower
23 defense applications ineligible than decisions finding applications eligible for borrower defense
24 relief since it resumed issuing final decisions in December 2019. This is the result of the
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28 ¹ <https://www.ed.gov/news/press-releases/secretary-devos-approves-new-methodology-providing-student-loan-relief-borrower-defense-applicants>.

1 Department's strategy to prioritize adjudicating and issuing decisions on applications with little
2 or no relevant evidence.

3 10. A claim may be found ineligible on the basis of "failure to state a legal claim" where the
4 borrower fails to allege that a school engaged in conduct giving rise to a borrower defense under
5 the Department's regulations. For example, a claim that alleges that the borrower did not find a
6 job following graduation but does not allege that the school he or she attended made any
7 misrepresentation to the borrower would be ineligible. The Department has found thousands of
8 claims ineligible on this basis.

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10 11. The Department also may find a claim ineligible when it is not supported by sufficient
11 evidence to support the claim by a preponderance of the evidence. The Department's
12 determinations of ineligibility on this basis are premised on its review of the evidence that the
13 individual borrowers submitted, if any, as well as relevant evidence in the Department's
14 possession. Such evidence may include Department records received in the course of oversight
15 activities outside of borrower defense processes; records produced by schools; and evidence
16 from federal agencies and state attorneys general, from other borrowers, and from legal aid
17 organizations.
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20 12. The Department has made a determination that certain individual borrowers from the
21 schools/school groups included in Attachment 1 to this Declaration are not eligible for relief.²
22 The attachment includes the following schools: Ashford University, Career Education Corp.,
23 Charlotte School of Law, Concorde Career Colleges, DeVry, ECA College, Education
24 Management Corp., ITT Tech, JTC Education Inc., Kaplan Inc., Lincoln Technical Institute Inc.,
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27 ² The attached list includes all schools/school groups where at least 10 individual borrowers have
28 been determined not to be eligible for relief as of July 29, 2020. The Department's general
practice is not to release the names of schools/school groups with fewer than 10 individual
borrowers to protect the identity of the individual borrowers.

1 McCann School of Business and Technology, Miami - Jacobs Career College, Star Career
2 Academy, University of Phoenix, Walden University, and Westwood College.

3 13. The attached list includes some schools/school groups for which the BDU has in its
4 possession evidence of misconduct (referred to as “common evidence”), including, as noted
5 above, evidence and findings from federal agencies and state attorneys general. The list also
6 includes schools (such as Corinthian and ITT) attended by borrowers whose applications the
7 Department has granted.
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9 14. For a variety of reasons, not every borrower who attended one of those schools will be
10 eligible for relief. The Department’s evaluation of, and decision on, any given borrower defense
11 application is an individual process that depends on the information submitted by the borrower.
12 Applications relating to schools with common evidence may be facially deficient applications
13 that do not make any allegations of actionable misconduct.
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15 15. Additionally, the common evidence may not be relevant to an individual borrower’s
16 application because a borrower’s allegations about her experiences may relate to different time-
17 periods, campuses, or programs. In such a case, the Department will find the application
18 ineligible if the borrower’s application does not include sufficient evidence to corroborate the
19 claim.
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21 16. Concurrently, the BDU has also continued its review of common evidence related to
22 several additional schools other than those for which it has so far approved claims (*e.g.*,
23 Corinthian and ITT). It has completed a sufficient preliminary review of the common evidence
24 to determine its scope, including the time-periods and particular acts of misconduct it covers.
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26 17. As the BDU completes its analysis of common evidence for additional schools, the
27 Department anticipates that there may be an increased number of approvals over time with
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1 respect to the more than 75,000 applications that are covered by the Settlement Agreement and
2 that have not yet been adjudicated.

3 18. Since December 2019, borrower defense applicants (whether or not members of the
4 Sweet class) whose applications are found ineligible receive one of four form ineligibility letters
5 (examples of which were provided to the Court in the Defendants' Response to August 31, 2020
6 Order (Dkt. 116 at Exhibits A-D)). The letters provide standardized justifications explaining the
7 Department's basis for finding claims ineligible based on the deficiencies described above.
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9 19. The Department's use of form letters for approximately four months prior to the
10 execution of the Settlement Agreement provided the Department with the experience and data to
11 inform its decision that continuing to use such form letters of ineligibility would enable the
12 Department to agree to and to meet the timelines in the Settlement Agreement.
13

14 20. After a BDU attorney reaches a decision, the decision and its basis and other related data
15 are communicated to the FSA contractor. The contractor then populates the decision letter
16 accordingly and sends the decision letter to the applicant. The contractor is not adjudicating the
17 borrower defense application; the BDU attorney is. The process works the same for both
18 ineligible and eligible letters.
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20 21. Each form ineligibility letter explains the process for requesting reconsideration,
21 including the submission of evidence on which the request for reconsideration is based.
22 Although the regulations (34 C.F.R. § 685.222(e)(5)(i) (2016)) state that the Secretary may
23 reconsider the borrower defense upon the "identification of new evidence" in support of the
24 borrower's claim, the ineligible letters provide borrowers with an even broader basis on which to
25 seek reconsideration. FSA will consider *any* evidence on reconsideration, which includes both
26 new evidence and evidence already submitted. The only limit to the reconsideration requests, as
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1 stated in the ineligible letters, is that a borrower cannot base a reconsideration request on a new
2 allegation.

3 22. The combination of the increased resources for FSA generally and BDU in particular has
4 resulted in a substantial increase in the volume of decisions FSA has been able to issue since
5 January 2020. The consideration given to evidence submitted by borrowers has not diminished
6 since either December 2019 when the Department first began issuing decisions utilizing the
7 December 2019 Methodology or since April 7, 2020 when the Settlement Agreement was
8 December 2019 Methodology or since April 7, 2020 when the Settlement Agreement was
9 executed.

10 23. In their Motion to Enforce the Settlement Agreement and for Final Approval for the
11 Settlement Agreement (“Motion”) (Dkt. 129), the Plaintiffs reference the borrower defense
12 application of Yvette Colon, who received an Ineligible Notice on July 2, 2020. Plaintiffs note
13 that Ms. Colon’s application was 175 pages long and was submitted by her attorneys. FSA has
14 re-reviewed Ms. Colon’s application and has determined that the email Ms. Colon received, that
15 is discussed in Plaintiffs’ Motion was in error. Ms. Colon received a discharge of 100% of her
16 loans in 2019, and her borrower defense application should have been closed. Instead, as a result
17 of a processing error, she received an erroneous ineligible email. She will receive a corrected
18 email advising that her application is closed because there are no loans associated with her
19 application.
20 application.

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22 24. The Department also will reach out to Sean Doe, who was incorrectly advised that he
23 should file a FOIA request to obtain his records. This was a mistake by a customer service
24 representative. The Customer Service Representative instructions have been updated to prevent
25 similar mistakes in the future. As a general matter, FSA retains records relevant to borrower
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1 defense applications, and will make those records available to applicants, consistent with
2 applicable regulatory requirements, *see* 34 C.F.R. § 685.222(e)(3)(ii).

3
4 I declare under penalty of perjury, pursuant to the provisions of 28 U.S.C. § 1746, that the
5 foregoing is true and correct.

6
7 Executed on this 1st day of October 2020.

8 *Mark A. Brown*

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10 _____
11 Mark A. Brown
12 Chief Operating Officer of Federal Student Aid
13 Office of Federal Student Aid
14 United States Department of Education
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ATTACHMENT 1

Schools/School Groups where at least 10 individual borrowers have an Ineligible Step 1 Determination

Academy Of Art University
Academy of Healing Arts
Academy Pacific Travel College
Advanced Career Training
Advanced College
Alabama Agricultural & Mechanical University
Alabama State University
Albany State University
Alcorn State University
Allied American University
Alta Colleges, Inc.
American Business Institute
American Business Institute (Closed)
American College
American College of Medical Technology
American Commercial College
American Institute
American Institute of Trucking
American Musical & Dramatic Academy
American Public Education, Inc.
American School of Technology
American University (The)
Anamarc College
Angley College
Anthem College
Anthem Institute
Apollo Group, Inc (University Of Phoenix)
Arizona Automotive Institute
Arizona College
Arizona State University
Arkansas Baptist College
Arkansas State University
Asher College
Associated Technical College
Auburn University Montgomery
Austin Community College
Austin Peay State University
Austin's School of Spa Technology
Avalon School of Cosmetology
Azusa Pacific University
Baker College
Barber - Scotia College
Barclay Career School
Barclay College
Bay State College
Beauty Institute (The)

Belhaven University
Benedict College
Bethel University
Bethune Cookman University
Blake Business School
Bloomsburg University of Pennsylvania
Blue Cliff College
Boston University
Bowling Green State University
Bradford Schools, Inc.
Brandman University
Brensten Education
Brick Computer Science Institute
Bridgepoint Education, Inc.
Brookline College
Brooks College
Brookstone College of Business
Broward College
Bryant & Stratton College, Inc.
Bryant and Stratton College
Business Industrial Resources
Butler Business School
California College of Vocational Careers
California Institute
California State University - Sacramento
California State University, East Bay
California State University, Fresno
California State University, Long Beach
California State University, Los Angeles
California State University, Northridge
California State University, San Bernardino
Caltius Equity Partners III, LP
Cambria-Rowe Business College
Camelot College
Capitol City Trade & Technical School
Career College of Northern Nevada
Career Education Corp.
Career Institute of Health and Technology
Career Quest Learning Centers
Career Technical College
Career Technical Institute
Casa Loma College
Catherine College
CEC
Center for the Media Arts
Central Connecticut State University
Central Florida Institute

Central Michigan University
Central Nursing College
Central State University
Chancellor University
Chapman University
Charter College
Cheyney University of Pennsylvania
Chicago Institute of Technology
Chicago State University
Cincinnati State Technical & Community College
CIT College of InfoMedical Technology
Clark Atlanta University
Clark State Community College
Cleveland Chiropractic College
Cleveland Institute of Dental - Medical Assistants
Cleveland State University
College of Business & Technology
College of Health Care Professions (The)
College of New Rochelle (The)
College of Saint Mary
College of Southern Nevada
College of Westchester (The)
Columbia College
Columbia College Chicago
Columbia Southern Education Group, Inc.
Columbus State Community College
Community Care College
Community College of Philadelphia
Concordia College Alabama
Concordia University
Corinthian Colleges, Inc.
Cosmetology Career Institute
Coyne College
Dade Medical College
Daniel Webster College
Davenport University
David Pyle Trust
Dawn Career Institute
Daytona State College
Decker College
Delaware State University
Delgado Community College
Delta Career Education Corporation
Delta Cec
Delta School of Business and Technology
Denver Technical College
DePaul University

Des Moines Area Community College
Devry
Dover Business College
Dowling College (Private)
Drake Business School
Dream Center Education Holdings (DCEH)
Drexel University
DuBois Business College
Duquesne University of the Holy Spirit
Eagle Gate College
East Carolina University
Eastern International College
Eastern Michigan University
EDMC
Education Futures Management Co.
Educational Management Corporation (Not Education Management Corp.)
Elmira Business Institute
Empire Beauty School
Empire College
Employment Services, Inc.
Everest
Excelsior College
Fairleigh Dickinson University
Fashion Institute Of Design & Merchandising
Fayette Beauty Academy
Florida Agricultural & Mechanical University
Florida Atlantic University
Florida Career College
Florida Institute of Technology
Florida International University
Florida Memorial University
Florida National University
Florida SouthWestern State College
Florida State University
Forest Institute of Professional Psychology
Fountainhead College of Technology
Four-D College
Franklin University
Fremont College
Full Sail Recorders, Inc.
Galen College of California
George Mason University
George Washington University
Georgia Beauty Academy
Georgia Perimeter College
Georgia School of Bartending
Georgia Southern University

Georgia State University
Glendale Career College
Goodwin University
Graham Holdings Company (Kaplan)
Grambling State University
Grantham Education Corporation
Greenville Technical College
Hair Fashions by Kaye Beauty College
Hallmark University
Hamilton College
Harrisburg Area Community College
Harrison College
Healthy Hair Academy
Henry Ford College
Heritage Institute
Herzing, Inc.
Hillsborough Community College
Hinds Community College
Hiwassee College
Hofstra University
Hollywood Beauty College
Hollywood Institute
Hollywood Institute of Beauty Careers
Houston Community College
Howard University
Huston - Tillotson University
IBMC College
Illinois State University
Indiana Institute of Technology
Indiana State University
Indiana University
Indiana University - Bloomington
Indiana Wesleyan University
Institute for Business & Technology
Institute for Health Education (The)
IntelliTec College
Inter American University of Puerto Rico - San German Campus
Interactive College of Technology
International Air & Hospitality Academy
International Business College
International Career Development Center
Isleworth Partners Inc.
ITT Educational Services, Inc.
Iverson Institute
Ivy Tech Community College of Indiana
Jackson State University
Jacksonville Beauty Institute

Jefferson Community and Technical College
John Paul Mitchell Systems
Johnson & Wales University
Jones College
Jones International University
Jtc Education, Inc.
Kean University
Kelsey - Jenney College
Kennesaw State University
Kent State University
Kentucky State University
Keystone Technical Institute
Knoxville College
LA College International
Lake Lanier School of Massage
Lane Community College
Langston University
Lansing Community College
Laurus College
Laurus Technical Institute
Leeds Equity Partners IV, L.P.
LeMoyne - Owen College
Liberty University
Lincoln Technical Institute, Inc.
Lincoln University
Lindenwood University
Lon Morris College
Long Island University
LTT Enterprises, Inc
Madison Media Institute
Manhattan Beauty School
Mansfield Business College
Maric College
Marinello School Of Beauty
Marygrove College
Marylhurst University
Mattia College
MCI Institute of Technology
McLennan Community College
MDT College of Health Sciences
Medaille College
Mercer University
Mercy College
Metropolitan State University of Denver
Miami - Jacobs Career College
Miami Dade College
Miami Media School

Michigan State University
Micropower Career Institute
Mid-Continent University
Middle Tennessee State University
Midlands Technical College
Midwest Technical Institute
Mildred Elley
Miles College
Milwaukee Area Technical College
Minneapolis Community and Technical College
Minnesota State Community and Technical College
Minnesota State University, Mankato
Mississippi Valley State University
Missouri State University
Missouri Technical School
Monroe College, Ltd.
Montclair State University
Morgan State University
Mount Ida College
Mountain State University
Mt. Sierra College
MTA School, Resident School
MTI Business College
MTI College
MTI College of Business and Technology
Musicians Institute
MyComputerCareer.com /TechSkills
Nashville Auto-Diesel College
Nassau Community College
National Academy of Beauty Arts
National College
National Education Center National Institute of Technology Campus
National Polytechnic College
National University System
Navarro College
New College of California
New England Institute of Technology
New England Tractor Trailer Training School of Connecticut
New Jersey City University
New Life Business Institute
New Mexico State University
New School, The
New York Institute of Technology
New York University
Newbury College
Norfolk State University
North Carolina Agricultural & Technical State University

North Carolina Central University
Northeastern University
Northern Arizona University
Northern Illinois University
Northern Virginia Community College
Northwest Career College
North-West College
Northwestern College
Northwood University
Norwich University
Nova Southeastern University
Novateur Education, Inc.
Nyack College
Ohio Christian University
Ohio Media School
Ohio State University (The)
Ohio Technical College
Olympian Academy of Cosmetology
Omnitech Institute
Oral Roberts University
Orion College
Ottawa University
Owens Community College
Pace University
Pacific Coast College
Pacific Travel Trade School
Park West Barber School
Paul Mitchell the School Green Bay
Pennco Tech
Pennsylvania Institute of Technology
Pennsylvania School Of Business
Pennsylvania State University (The)
Phoenix College
Pinnacle College
Pioneer Education, LLC
Pioneer Pacific College
Pittsburgh Technical College
Portland Community College
Portland State University
Post University, Inc.
Prairie View Agricultural & Mechanical University
Premier Education Group L.P.
Prism Career Institute
Professional Careers Institute
Prospect College
Provo College
PTC Career Institute

Purdue University
Purdue University Northwest
Quad Partners III-A LP
Quest College
Quincy College
Rasmussen College
Rasmussen College, Inc.
Real Barbers College (The)
Regency Corporation
Regent University
Regis Corp.
Regis Corporation
Regis University
Remington College
Ridley - Lowell Business & Technical Institute
Rio Salado Community College
Robert Morris University Illinois
Rochester Institute of Technology
Ross Education, LLC
Royal Beauty Careers
Rutgers, the State University of New Jersey
SAE Expression College
Saint Augustine's University
Saint John's University
Saint Joseph's College
Saint Leo University
Saint Louis College of Health Careers
Saint Paul's College
Salon Academy (The)
Salon Professional Academy (The)
Sam Houston State University
San Diego College
San Francisco State University
San Joaquin Valley College, Inc
San Jose State University
Santa Barbara Business College
Savannah College of Art and Design
Savannah River College
Sawyer College
School of Communication Arts of North Carolina
Seminole State College of Florida
Seton Hall University
Shaw University
Sojourner-Douglass College
South Carolina State University
South Coast College
South College

Southeastern Academy
Southeastern College
Southeastern Louisiana University
Southeastern University
Southern Careers Institute
Southern College
Southern Illinois University at Carbondale
Southern Institute of Cosmetology
Southern New Hampshire University
Southern Technical College
Southern University and Agricultural & Mechanical Colg at Baton Rouge
Southern University at Shreveport - Bossier City
Southwest Acupuncture College
Southwest University of Visual Arts
Sp/Palm Iec Holdings LLC (United Education Institute)
Springfield College
St. Catharine College
St. Petersburg College
Star Career Academy
Star Technical Institute
Stark State College
State College of Florida, Manatee-Sarasota
Stautzenberger College
Steiner Leisure Ltd.
Sterling Partners
Stillman College
Stratford University
Strayer Education Inc.
Suburban Technical School
Summer Street Capital II, LP
Summit College
SUNY College at Buffalo
SUNY Empire State College
Tarrant County College District
Tcs Education System
Technical Career Institutes
Tennessee Academy of Cosmetology
Tennessee State University
Tennessee Temple University
Texas Barber College
Texas Southern University
Texas State Technical College
Texas State University
Texas Tech University
The Porter And Chester Inst., Inc.
Tidewater Community College
TONI&GUY Hairdressing Academy

Touro College
Trainco Bus School
Tricoci University of Beauty Culture
Trident Technical College
Trident University International
Troy University
Trumbull Business College
Ultimate Medical Academy
Unitech Training Academy
United College of Business
United Schools
Universal Technical Institute
Universidad Ana G. Mandez - Gurabo Campus
University of Advancing Computer Technology
University of Akron (The)
University of Alabama
University of Alabama at Birmingham
University of Antelope Valley
University of Arizona (The)
University of Arkansas at Little Rock
University of Bridgeport
University of California, Los Angeles
University of Central Florida
University of Cincinnati
University of Detroit Mercy
University of Florida
University of Houston
University of Houston - Downtown
University of Illinois at Chicago
University of Louisville
University of Maryland Global Campus
University of Maryland, College Park
University of Memphis (The)
University of Miami
University of Minnesota - Twin Cities
University of Mississippi
University of Nevada - Las Vegas
University of Nevada , Reno
University of New Mexico
University of New Orleans (The)
University of North Texas
University of San Francisco
University of South Alabama
University of South Carolina - Columbia
University of South Florida
University of Southern California
University of Southern Mississippi

University of Southernmost Florida
University of Tennessee
University of Texas at Arlington
University of Texas at Dallas
University of Texas at El Paso
University of Texas at San Antonio
University of the Cumberland
University of the District of Columbia
University of Toledo
University of Washington - Seattle
University of Wisconsin - Milwaukee
USA Training Academy Home Study
Utica School of Commerce
Valdosta State University
Valencia College
Valparaiso University
Victory University
Virginia Intermont College
Virginia State University
Vocational Training Institute, Inc.
Wake Technical Community College
Wayne County Community College District
Wayne State University
Webster Career College
Webster University
Wengen Alberta, Limited Partnership (Laureate Education)
West Tennessee Business College
West Virginia University
Western Beauty Institute
Western Kentucky University
Western Michigan University
Western Technical College
Weston Educational, Inc.
Westwood
Whittier College
Wichita Technical Institute
Wilfred Academy of Hair & Beauty Culture
Willis Stein & Partners III, L.P.
Yorktowne Business Institute
Youngstown State University

Exhibit 30

STANDARD PROTOCOL

PART I: Small/Medium Batch Memo

1. Open SalesForce and go to “My Cases” to see which schools have been assigned to you
2. Select one school:
 - a. If the school has between 1-5 cases only move on to Part II
 - b. If the school has between 6-20 cases complete a small batch school memo using the “Small Batch Memo Template”
 - c. If the school has between 21-100 cases complete a medium batch memo using the “Medium Batch Memo Template”
3. Once you complete the appropriate memo email the appropriate Borrower Defense attorney to tell them that you have completed the memo.
4. While you wait for feedback start developing a small/medium batch memo for the next school in your queue your next school.
5. Once you have been informed that you can start adjudicating the cases for your school move to Part II.

PART II: Case Review

1. Open the files and/or attachments for the case you are reviewing. Confirm that there are no related case or intake issues.
2. Review all the allegations individually, using the [Types of Claims 10.23.2018](#) document.
 - a. If the allegations have not been transcribed, you do not need to transcribe the application into the tool. Create a new allegation of the appropriate type(s), and enter the narrative “See attached.” Identify the page number and, if there are multiple documents, identify which document to refer to (“[Transfer of Credits]: See attached, ‘John Smith Letter,’ p. 3”).
3. If the borrower attaches any evidence that indicates there has been an attorney general action or class action or any lawsuit relevant to the borrower defense inquiry:
 - a. Email your assigned QC attorney with the case # and explanation of the evidence/action.
 - b. Stop work on the school. Move on to the next school.
4. If the borrower attaches any evidence that supports that borrower’s particular allegation, but does not indicate any larger action against the school,
 - a. Email your assigned QC attorney with the case # and why you think the evidence supports the allegation
 - b. Stop work on the case. Move onto the next case.
5. If the allegation does not state a claim, does not state a BD claim, or does not have sufficient evidence to support a claim,
 - a. set the allegation review recommendation as “denied”

- b. select the appropriate denial reason:
 - i. does not state a claim = “No claim stated”
 - ii. does not state a BD claim = “Failure to state a claim actionable under BD reg”
 - iii. insufficient evidence = “Lack of evidence”
 - c. Update the allegation.
 - d. Move onto the next allegation.
6. Once all the allegations have been reviewed, update the Application Decision, Decision Reason and Status:
- a. Set the Application Decision to “Flagged for Denial,” and select the appropriate denial reason:
 - i. If all allegations were denied for the same reason, select that reason;
 - ii. If the allegations were denied for multiple reasons, one of which was “Lack of Evidence”, select “Lack of Evidence”;
 - iii. If the allegations were denied for a combination of “No Claim Stated” and “Failure to state a claim actionable under BD reg”, select “No Claim Stated.”
 - b. If you are on 100% QC update the status to 2.22 and assign the case to your QC attorney (please choose the option to not send an email). If you are off 100% QC update the status to 2.21
7. Move on to the next case against the school you are reviewing.

Exhibit 31

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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 COREY DEPAUL

I, Corey DePaul, 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 ITT Technical Institute in Richmond, Virginia.
3. On May 10, 2019, 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. I have not yet received a decision regarding my borrower defense application.
5. On Friday, October 23, 2020, I received an email from the Department of Education stating as follows: **“This is a courtesy reminder that your borrower defense application is incomplete”** and that “Due to system improvements, incomplete applications that are not submitted by November 7, 2020 will be removed.” A copy of that correspondence is attached as Exhibit B.

1 6. Despite the email’s statement that it is a “reminder,” I have never before received notice
2 from the Department of Education that my application was “incomplete.” In fact, this is
3 the first and only correspondence I have received about my borrower defense application
4 from the Department of Education.

5 7. I do not know what the Department of Education means by “incomplete.” The email
6 offers no explanation.
7

8 8. I do not know what the Department of Education means by “removed.” I do not know if
9 this means my initial application will be considered denied. The email offers no
10 explanation.

11 9. I do not know if my loans will go into repayment until I “resubmit,” or, if so,
12 “resubmission” will result in forbearance. The email offers no explanation.
13 My loans have been in forbearance since I submitted my borrower defense application.

14 10. I understand that if I receive a denial notice, or if “remov[al]” has the same effect, my
15 administrative forbearance from the Department of Education will end.

16 11. I also understand that if my administrative forbearance from the Department of Education
17 ends, my federal loans may still be in forbearance due to the CARES Act. However, I am
18 terrified of what will happen when CARES Act forbearance expires.

19 20 12. I have both private and federal loans. I borrowed from my 401K to pay my private loans. I
21 have defaulted on the remainder of my private loans.

22 23 13. I am currently employed by FedEx, where I oversee drivers and office staff. I am an
24 essential worker and in contact with individuals in the public. Though we of course take
25 the necessary precautions, my job does pose some risk of COVID transmission.
26
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1 14. Prior to COVID. I was living with my grandparents because I could not afford to live on
2 my own. However, my Grandfather has COPD, which puts him in a high-risk category. I
3 could not risk his health by living with him any longer, so I now have my own apartment.

4 15. If my loans are no longer in forbearance, I will not be able to afford my apartment.
5 Because of my Grandfather’s health condition, I no longer have the option of living there.
6 This means that if my loans go back into repayment, I do not know how I will be able to
7 afford a place to live.
8

9 16. The pressure of these loans has negatively affected not just my ability to enjoy life, but
10 every choice I make, including what to eat.

11 17. I no longer have any faith in the government and their ability to help me.

12 18. If my claim is denied, I would be interested in challenging the denial, but I would not be
13 able to pay an attorney to help me or know how to find one.

14 19. I have heard that there is a reconsideration process, but I do not know what that means or
15 what evidence I could submit.

16 20. If my claim is denied, my ability to support myself will be in danger. I am afraid that my
17 wages will be garnished, as they have been before.

18 21. The notice that my application was “incomplete” and may be “removed” has caused me
19 extreme stress, because I do not know whether and when my loans will go back into
20 repayment, or what I can do to ask the Department to consider my application.
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25 I swear under penalty of perjury that the foregoing is true.

26 Executed on: October 29, 2020

1 Richmond, VA



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Corey DePaul

Exhibit A



U.S. DEPARTMENT OF EDUCATION APPLICATION FOR BORROWER DEFENSE TO LOAN REPAYMENT

OMB Number: 1845-0146
Expiration Date: 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 BorrowerDefense@ed.gov or mail to US Department of Education - Borrower Defense to Repayment, PO Box 1854, Monticello, KY 42633.

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:

<i>*Name (First, Middle, Last)</i> Corey Louis DePaul	<i>*Date of Birth (mm/dd/yyyy)</i> [REDACTED]	<i>*Social Security Number</i> [REDACTED]	
<i>*Telephone Number</i> [REDACTED]	<i>*Email Address</i> [REDACTED]		
<i>*Street Address</i> [REDACTED]	<i>*City</i> Midlothian	<i>*State</i> VA	<i>*Zipcode</i> 23112

**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):*

**If yes, please enter the student's Social Security Number:*

SECTION II: SCHOOL INFORMATION

<i>*School</i> ITT Technical Institute
<i>Campus (including on-line campuses for distance education borrowers)</i> Richmond
<i>*Location (City, State)</i> Richmond, Virginia
<i>* Enrollment Dates at this school:</i> <i>*From (month/year):</i> 09/05 <i>*To (month/year):</i> 06/07
<input type="checkbox"/> If you are still attending this school/campus, please indicate by checking the box.
<input type="checkbox"/> Check if the enrollment dates above 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.

*Program Name or Major (e.g. Nursing, Medical Assistant, Paralegal).
Digital Entertainment and Game Design Bachelor of Science Degree

Credential/Degree Sought (e.g. Certificate, Diploma, Associates, Bachelors, Masters).
Bachelor's

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
 Graduated Transferred Out Withdrew Attending

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

Towards the end of my senior year of high school, I was struggling to figure out a career path I wanted to pursue. I had come across a brochure that mentioned that ITT Technical Institute offered a game design program (Digital Entertainment and Game Design Bachelor of Science Degree). I enjoyed video games and had always considered game design as a career, but until that point, I never knew a program of that nature was available to me so close to home (Richmond, VA). I called ITT and spoke with a recruiter concerning the game design program and was enthusiastically told how great it was and that the school had a very high job placement rate (80%) and a career services department that would help me get a job in my desired field. I was ecstatic. After taking courses for my bachelors, At this point, I wasn't just frustrated with ITT, I was now worried about my abilities to obtain a job in game design or visual communications in general. I didn't feel I was being prepared, or taught the skills necessary to get a job in my desired field. I met with the head of the game design department, Wally Jones, and advised him of my concerns. I spoke with him about how poor of quality the books the school provided were. I also advised him of my concerns with the lack of proper instruction during class and how any questions I had regarding the software were met with, "I'm not sure" or "check the Internet." This is another one of the selling points that helped convince me that this was the school for me. Small class sizes and one-on-one time with the instructors. Except for the fact I could never get real answers to my questions from the instructors. The department head whispered to me, "Why are you even in this school?" This was a question I was trying to figure out myself.

See Ex. 1 at ¶¶ 169-226, 367-391; Ex. 2.

*Did you choose to enroll in your school based in part on the issues you describe above?

Yes No

PROGRAM COST AND NATURE OF LOAN

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.

During my on-site meeting with an ITT recruiter, I brought up a concern with the overall price of the program and was immediately advised that the field I was going in, being a part of the entertainment industry, pays extremely well and that the price reflects the quality of the education I would be receiving from their school and the knowledge of their instructors. I was also advised that receiving an education from ITT would have me earn my bachelor's degree in nearly half the time of a traditional college. I was also told that I wouldn't need to worry about paying anything towards my student loans while I was attending their school. I ultimately decided I would sign up with ITT and they had me schedule a meeting with a financial aid advisor on campus. Being the first in my family to go to college, I was confused by what was needed from me in order to receive a school loan. The financial aid advisor sat me down and had me fill out paperwork to receive a loan from Sallie Mae. In hindsight, knowing what I know now, I find it strange that they were setting me up for private loans before exhausting my federal loan options.

See Ex. 1 at ¶¶ 110-116, 227-336; Ex. 3.

*Did you choose to enroll in your school based in part on the issues you 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 had received my Associate's degree and would take those credits to another school to receive my bachelor's. At this point, I realized how difficult it was to transfer ITT credits. Outside of basic English and math credits, none of my other credits would transfer to other school programs. I ended up having to settle with DeVry University and apply myself towards receiving a bachelor's degree in Web Design & Development. After receiving my bachelor's degree and finishing school, my student loans started to come due. My payments were astronomical and income-based repayment plans didn't help lower my payments enough. Between owing on private loans, federal loans, and parent-plus (co-signed) loans, none of which were taken into consideration when applying to lower my payments, I could barely afford to live in my own house with my girlfriend. I would frequent have to apply for forbearance to make a house payment or to pay for a repair. This led to an incredible hardship which caused my girlfriend and I to split. Since that time, I have moved in with my grandparents while trying to get myself back on my feet. I've attempted multiple times to create a budget that would allow me to pay my student loans and also live on my own, but I would not be able to afford a house or apartment and live comfortably while also paying towards my student loans. Outside of my vehicle, the only debt I have is my student loans. I cannot afford to have any other debt. When paying nearly \$800 each month across all of my student loans, I would watch balances climb instead of fall and interest capitalize on interest. It's the most debilitating feeling watching my total student loan balance climb over \$130,000 with no end in sight. I was never able to find a job in my field and I'm currently with the same company I was with before I started at ITT.

See Ex. 1 at ¶¶ 93-109, 118, 450; Ex. 4.

*Did you choose to enroll in your school based in part on the issues you 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.

During my on-site meeting with an ITT Tech recruiter, I was told they had a career services department that would help me get a job in my desired field. After I left the school with an Associate's degree in Visual Communication, I reached out to career services at ITT to see what companies they could help me get a job with. They looked over the resume I had made and didn't offer any suggestions for improvement. They were unable to help me find any positions in visual communications and instead wanted to set me up on an interview with a local computer repair company. The position offered less than the customer service job I already had when I asked for their help. I had started that customer service job straight out of high school before I started attending ITT. During the recruiting phase, ITT had also boasted about mock interviews that they held on-site with people in our desired field. When it came time for my mock interview, I found out that they didn't have anyone in the field of game design to have a mock interviews with, so instead they had someone from ITT's financial aid department conduct my interview. The position offered less than the customer service job I already had when I asked for their help. I had started that customer service job straight out of high school before I started attending ITT I came to find out that they had one instructor (Wally Jones) who taught any game design courses and that he had no real game design experience. This instructor was unable to answer any questions I had outside the context of the books provided by the school without telling me to look on the Internet for an answer.

See Ex. 1 at ¶¶ 169-184, 190-201, 208-226; Ex. 5.

*Did you choose to enroll in your school based in part on the issues you 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.

I was advised by an ITT recruiter that their instructors were extremely knowledgeable in the field I was applying for (game design). This was something the recruiter mentioned to me when I showed concern over the cost of the program. He advised me that the instructors were not only knowledgeable, but I would be given the opportunity to have one-on-one time with the instructors to ask questions due to the small class sizes. Actual instruction during classes was very rare and when instruction did take place, it was read from the book assigned for that class. Any questions I asked the instructor one-on-one were answered by telling me to look in the book or search the Internet for an answer. The game design course had a single instructor (Wally Jones, who was also the department head for the program) without actual game design experience. During my time with ITT, I started to become frustrated with the instruction, or lack thereof. A typical class day would consist of the performing assignments in our school books while the instructor would sit at a computer at the front of the class. Very rarely was any actual instruction given by the instructors and when there was, it was read from the school book and demonstrated on a projector screen. People in my classes often joked and referred to ITT as "expensive daycare". Homework was provided and instead of providing students with legitimate copies of 3D Studio Max to use at home (the software our classes focused on) they passed around "cracked" copies of the software on burned CDs that automatically generated a software license key. After I received my Visual Communications Associate of Applied Science degree from ITT, I began taking courses towards my bachelor's.

See Ex. 1 at ¶¶ 119-168; Ex. 6.

*Did you choose to enroll in your school based in part on the issues you 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 admission 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.

I scheduled a meeting with the recruiter at the Richmond, VA campus. During the on-site meeting, the recruiter showed me information regarding courses I would take, skills I would learn, and provided the names of companies that regularly hired ITT students (I do not recall specific company names). At the end of the meeting, the recruiter asked if I was ready to sign up and meet with someone in their on-site financial aid department. I had advised him that I wanted to take the information home and look over it further before making a decision. I ultimately decided to sign up with ITT. During my initial on-site meeting with an ITT recruiter, I was asked if I was ready to meet with a financial aid advisor. When I mentioned I wanted to take time to look over the materials I was provided with during the meeting, he advised me that I would need to make a decision fast in order to guarantee myself a spot in the fall semester. I was putting forth an incredible amount of effort into my work while noticing others barely putting forth any effort and getting similar grades as me. I started to feel as if it didn't matter what I did at this school, so long as I signed further documents to obtain new loans when they needed me to, I would get my degree. I wasn't there to just pay for a degree, I was paying for an education. After that meeting with my department head, I decided to withdraw from ITT.

See Ex. 1 at ¶¶ 65-117; Ex. 7.

*Did you choose to enroll in your school based in part on the issues you 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?

Yes No

Is there some other reason you feel your school misled you?

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.

ITT failed to deliver on everything it promised me. The school is no longer around for many of those reasons. They boasted to me about their job placement rates, yet they were unable to provide me any assistance in finding a job in the field I went there to study for. Instead, they wanted to set me up on an interview with a local computer repair company.

Numerous lawsuits against ITT allege facts and violations of law that would qualify me for borrower defense. See Ex. 1 (Student Claimants' compl. against ITT Educational Services, Inc., et al.); Deborah J. Caruso, the Chapter 7 Trustee for ITT Educational Services, Inc. et al. v. Kevin Modany, et al., No. 16-07207-JMC-7A (Bankr. S.D. Ind. May 31, 2018), ECF No. 2562; Consumer Financial Protection Bureau v. ITT Educational Services, Inc., No. 1:14-cv-292 (S.D. Ind. Feb. 26, 2014), ECF No. 1; see also ITT Educational Services, Inc. and Daniel Webster College, Inc., No. 16-07207-JMC-7A (Bankr. S.D. Ind. Nov. 30, 2018), ECF No. 3079 (final order granting Trustee's Motion to Settle with Student Clamaints in the ITT bankruptcy case). My answers contained above, in "Section IV. Basis for Borrower Defense," also support my belief that I have a state law cause of action against ITT. I request that, in addition to the information provided in this form, including exhibits and attachments, any other information or findings in the Department's possession that would support my claim be used and applied in the evaluation of my borrower defense application.

*Did you choose to enroll in your school based in part on the issues you 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.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 5/10/2019
--	-------------------

Submit this form and any additional documents you believe will help us review your application by email to BorrowerDefense@ed.gov or by mail to: U.S. Department of Education - Borrower Defense to Repayment, PO Box 42633, Monticello, KY 42633.

PRIVACY ACT NOTICE

Information required by subsection (e)(3) of the *Privacy Act of 1974*, as amended (*Privacy Act*) (5 U.S.C. 552a(e)(3)) requires the following notice be provided to you:

The authorities for collecting the requested information from and about you are Section 455(h) of the *Higher Education Act of 1965*, as amended (*HEA*) (20 U.S.C. 1087e(h)) and 34 C.F.R. § 685.206(c) and the authorities for collecting and using your Social Security Number (SSN) are the same but also include 31 U.S.C. 7701(b). The primary purpose of the information collected is for the use and administration of the U.S. Department of Education's office of Federal Student Aid (ED/we) for borrower defense to loan repayment program. The information you provide ED on this form and your SSN are voluntary, but you may need to provide the requested information on this form, including your SSN and/or a Federal Student Aid ID (FSA ID) that provides ED your verified SSN and other individual information pertaining to a student's or parent's Student Financial Assistance Programs account(s), for ED to process or complete our review of your borrower defense to loan repayment application. You may submit a form without your SSN or an FSA ID by filling out a form and sending it to ED via email or physical mail because disclosure of the information requested on this form is voluntary. However, without providing all the requested information on this form, ED may not be able to conduct a full investigation and complete the review of your application.

We use the information that you provided on this form including your name, SSN, date of birth, address, email address, telephone number(s), and / or an FSA ID, to receive, review, evaluate, and process requests for relief under the borrower defense to loan repayment regulations, to render decisions on the merits of such requests for relief, and, where requests for borrower defense to loan repayment are successful, to determine the relief that is appropriate to borrowers under the circumstances as well as to initiate appropriate proceedings to require schools whose acts or omissions resulted in the successful defenses against repayment to pay ED the amounts of the loans that apply to the defenses. Without your consent, ED may disclose the information that you provided and as otherwise allowed by the *Privacy Act*, pursuant to the routine uses identified in the system of records notice (SORN) entitled "Customer Engagement Management System (CEMS)" (18-11-11) and published in the Federal Register as [83 FR 27587-27591 \(June 13, 2018\)](#). These routine uses include, but are not limited to, a routine use that permits ED to disclose your information to foreign agencies, Federal agencies, State agencies, Tribal, or local agencies, accreditors, schools, lenders, guaranty agencies, servicers, and private collection agencies when further information is relevant to ED's resolution of your complaint, request, or other inquiry, tracking your application or your inquiry, and, where a request for borrower defense to loan repayment is successful, to determine the relief that is appropriate under the circumstances as well as to initiate the appropriate proceeding to require the school whose acts or omissions resulted in the successful defense against loan repayment to pay ED the amount of the loan that apply to the defenses. We may use your information for reporting, analyzing the data to make recommendations in student financial assistance programs, and assisting in the informal resolution of disputes. Disclosure of relevant information also may be made to the responsible foreign, Federal, State, Tribal or local agencies charged with investigating or prosecuting a violation or potential violation of law in the event that information indicates, either on its face or in connection with other information, a violation or potential violation of any applicable statute, regulation, or order of a competent authority.

In the event of litigation or alternative dispute resolution (ADR) involving ED or that we have an interest in and if that a party is either any component of ED, any ED employee in his or her official capacity, any ED employee in his or her individual capacity where representation for the employee has been requested or has been agreed to by ED or the Department of Justice (DOJ), or the United States where ED determines that the litigation is likely to affect ED or any of its components, we may disclose your information to DOJ, a court, adjudicative body, a person or an entity designated by ED or otherwise empowered to resolve or mediate disputes, or a counsel, party, representative, or witness if the disclosure is relevant and necessary to the litigation or ADR. ED also may disclose your information to DOJ to the extent necessary for obtaining DOJ's advice on any matter relevant to an audit, inspection, or other inquiry. We may send information to members of Congress if you ask them to help you with federal student aid or Student Financial Assistance Programs account(s) questions. Disclosures may be made to our contractors for the purpose of performing any programmatic function that requires disclosure of records. As part of such a contract, we will require the contractor to maintain safeguards to protect the security and confidentiality of the records that are disclosed to the contractor. If a record is relevant and necessary to a borrower complaint regarding participants in any Federal Student Financial Assistance Programs under title IV of the *HEA*, ED may disclose a record only during the course of

processing, reviewing, investigating, fact-finding, or adjudicating the complaint to: any party to the complaint; the party's counsel or representative; a witness; or a designated fact-finder, mediator, or other person designated to resolve issues or decide the matter. ED also may disclose records to the DOJ or Office of Management and Budget (OMB) if ED concludes that disclosure is desirable or necessary in determining whether particular records are required to be disclosed under the *Freedom of Information Act (FOIA)* or the *Privacy Act*. ED may disclose your information to appropriate agencies, entities, and persons when ED suspects or has confirmed that there has been a breach of the system maintaining your information; which poses a risk of harm to individuals, ED (including its information systems, programs, and operation), the Federal agencies, or national security and the disclosure made to such agencies, entities, and persons is reasonably necessary to assist ED's efforts to respond to the suspected or confirmed breach or to prevent, minimize, or remedy such harm. ED also may disclose your information to another Federal agency or Federal entity, when ED determines that your information is reasonably necessary to assist the recipient agency or entity in responding to a suspected or confirmed breach or preventing, minimizing, or remedying the risk of harm to individuals, the recipient agency or entity (including its information systems, programs, and operations), the Federal agencies, or national security, resulting from a suspected or confirmed breach.

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 BorrowerDefense@ed.gov directly.

Exhibit B

From:

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]



[Redacted]

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

From: **U.S. Department of Education** <noreply@studentaid.gov>

Date: Fri, Oct 23, 2020 at 9:01 AM

Subject: Your Incomplete Borrower Defense Application is Expiring

To: <[Redacted]>

[Click here to view this email as a web page.](#)

Seal of the U.S. Department of Education

Dear Borrower:

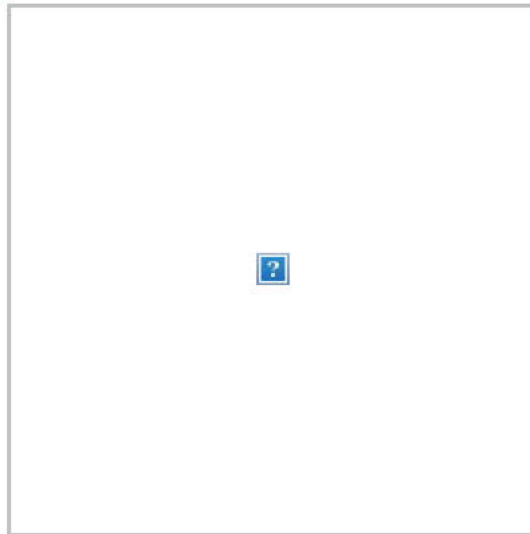
This is a courtesy reminder that your borrower defense application is incomplete.

Incomplete applications must be submitted by 11:59 p.m. Eastern time on November 7, 2020. Due to system improvements, incomplete applications that are not submitted by November 7, 2020 will be removed. You can start and submit a new application any time after November 7, 2020 by visiting borrowerdischarge.ed.gov.

If you have questions, you may call our borrower defense hotline at 1-855-279-6207. Representatives are available Monday through Friday from 8 a.m. to 8 p.m. Eastern time.

Sincerely,

U.S. Department of Education (ED)
Federal Student Aid
Borrower Defense Unit



830 First Street, NE, Washington, D.C. 20202
StudentAid.gov/borrower-defense

Exhibit 32



U.S. DEPARTMENT OF EDUCATION

BORROWER DEFENSE TO REPAYMENT APPLICATION

OMB Number: 1845-0163
Form Approved
Expiration Date: 11/30/2023

INSTRUCTIONS

Under the Borrower Defense to Repayment provision of law, certain conduct by a school you attended might make you eligible to receive a discharge of some or all of your federal student loans. The type of conduct that might make you eligible for student loan relief and the process by which the Department of Education will review your claim may differ based upon when you took out your loan. In general, loans taken out or consolidated prior to June 30, 2017 will be evaluated under one set of regulations, while those taken or consolidated between July 1, 2017 and June 30, 2020 will be evaluated under a second set of regulations, and those taken or consolidated after July 1, 2020 will be evaluated under a third set of regulations. For that reason, in completing this application you may be asked different questions about different loans or may receive a different determination regarding your eligibility for loans taken or consolidated at different points in time.

The most common types of conduct that might make a borrower eligible for loan relief through borrower defense to repayment discharge are misrepresentations of the truth made by the school or its representatives during their efforts to recruit you to enroll at the school or to continue your enrollment at the school. These misrepresentations typically take the form of untruthful representations of the school's selectivity in admitting students, its rankings as compared to other schools, the job placement and earnings outcomes of its prior graduates, or the likelihood that its credits will be accepted by another school or that it will accept credits from other schools.

There are other kinds of experiences that may leave a student dissatisfied with their educational choices; however, these experiences do not make a borrower eligible for federal student loan relief under the borrower defense to repayment provision. Examples of such experiences that would likely not make a borrower eligible for relief include, but are not limited to:

- Dissatisfaction with the school's program or classes, the grades a student received, or the perceived teaching skills of otherwise qualified instructors;
- Disappointment with the school's housing or facilities, availability of on-campus housing, parking availability, the performance of a school's athletic teams, the availability of or access to student activities on campus, or campus eating facilities, food quality or meal plans;
- A student's inability to live in their dormitory of choice, enroll in the program of their choice *unless otherwise guaranteed admission to the program), or the departure of a distinguished faculty member under whom the student wished to study;
- Informal comments made by other students who are or in the past were enrolled at the school, but who are not spokespeople for the school and are not participating in school-sponsored student recruitment activities;
- General findings of a school's non-compliance with certain U.S. Department of Education's rules for administering Federal Aid;
- Violations of local, state, or federal laws unrelated to the making of a Federal student loan, such as those that govern truth in advertising or misrepresentation;
- Personal injury, loss of property, sexual harassment or other violations of law or civil rights; or
- Academic disputes and disciplinary matters.

It is also important to understand that to be eligible for full or partial federal student loan relief through borrower defense to repayment, you must also have suffered monetary harm. The act of taking a loan or holding student debt is not, by itself, considered to be monetary harm. Instead, the Department compares earnings of prior graduates of your program to graduates of other similar programs and makes a determination of monetary harm, if the earnings of graduates of your program are below the range of normal variation of earnings among graduates of other similar programs. The data used to calculate earnings for purposes of determining monetary harm are based on data provided by a Federal agency, such as the Internal Revenue Service or in some instances, the Social Security Administration.

If you believe you are eligible for borrower defense to repayment relief, please complete this application.

When answering questions on this application, please be as detailed as possible. While you are not required to submit documentation with your application to be considered for discharge, we recommend that you do so.

SECTION 1: BORROWER INFORMATION

Please provide contact information for the borrower:

First Name Middle Name Last Name

Date of Birth (mm/dd/yyyy) Social Security Number Telephone Number

Email Address

Street Address City State Zip Code

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):

If yes, please enter the student's Social Security Number:

SECTION 2: SCHOOL INFORMATION

School Name:

Campus Name (if you attended a multi-campus system or school):

Campus Location (City, State):

In what state(s) did you live during the enrollment period that is the subject of this claim, and when did you live in each state listed (month, year to month, year)?

Enrollment Dates at this school (month, year to month, year). (If you have multiple enrollments at the school, please list all that are the subject of this claim):

Are you still enrolled at this school? Yes No

Did you enroll at the school subsequent to the enrollment which is the subject of this claim? If so, when?

Are the enrollment dates listed above approximate or exact? Approximate Exact

Program Name or Major (e.g. Engineering, Law, Nursing).

Credential/Degree Sought (e.g. Certificate, Diploma, Associates, Bachelors, Masters).

If you are seeking relief for multiple programs, please submit a separate application for each program.

Current Enrollment Status at school listed above:

Graduated Transferred Out Withdrew Attending

Note: if you are enrolled at this school, indicate that you are "attending" even if at the time you complete this application you are on a scheduled break, an approved leave of absence, or have decided to not attend classes during the current term, but plan to resume attendance in the near future.

SECTION 3: OTHER REFUNDS, REMEDIES, LOAN REDUCTION OR TUITION RECOVERY REQUESTS OR ACTIONS:

Have you made any attempt, other than submitting this application, to recover tuition or fees that you paid to your school or to have your student loans forgiven (for example, submitting a closed school loan discharge application to the U.S. Department of Education or seeking relief as part of a class action lawsuit or other settlement)?

Yes No

If yes, please describe these other request(s), and attach any documentation about the requests, if available.

Have you received financial relief as a result of any of these attempts? Yes No

If so, how much relief did you receive?

Have you been denied financial relief for any of the attempts you have made or that were made by others on your behalf?

Yes No

If so, which ones and why?

Have you been, or are you currently in, arbitration with the school that is the subject of this application?

Yes No

If yes, what was the date that a written request for arbitration was filled, by either yourself or the school?

Documentation: Please attach any relevant documents related to the arbitration:

- Transcripts
- Enrollment agreements
- Promotional materials from your school
- Communications with school officials or employees
- Student Manual
- Course Catalog
- Legal documents
- Findings or determinations made by government entities
- Any other documentation that you believe is related to the arbitration.

SECTION 4 - CONDUCT THAT RESULTS IN ELIGIBILITY FOR BORROWER DEFENSE TO REPAYMENT RELIEF

ADMISSIONS SELECTIVITY

Did your school misrepresent or fail to tell you important information about their admissions practices or admissions selectivity?

Examples of such behavior include, but are not limited to misrepresenting: the average grade point average or entrance exam scores of current students; the percentage of applicants who were accepted by the school; the percentage of applicants who submitted standardized test scores or met other admissions criteria; or the ranking of the school or program relative to other schools or programs. Please select all that apply:

- My school misrepresented the selectivity of the school, meaning the percentage of applicants who are admitted or denied admission to the school or their qualifications (such as test scores, GPAs, or prior experience).
- My school claimed to be an open-enrollment school, but failed to disclose that some programs are not open enrollment and instead have entrance requirements, such as minimum GPA, test scores, or volunteer experience in the field that limit admissions to the program.
- My school made a misrepresentation concerning its criteria for admission, meaning the basis upon which a school determines who it will admit.
- My school made a misrepresentation concerning the ranking of the school or a program offered by the school.
- Other, please identify:

Per item selected above:

Please describe your communication with the school. Please describe in detail what the school told you, or failed to tell you, and why you believe it was a misrepresentation.

How did the school communicate with you about its admission process? Please select all that apply:

- In person
- Online
- Over the phone
- Over email
- TV advertisements
- Written brochures
- Other, please identify:

Per the item above selected:

Please describe how the school communicated with you.

Who at the school provided you with the allegedly misrepresented information? If known, please provide the names and titles of these individuals.

When did you discover that the information that the school provided was inaccurate?

Was the alleged misrepresentation the basis of or pivotal to your decision to attend the school?

- Yes No

Please explain.

Documentation: Please attach any relevant documents that support these allegations including:

- Transcripts
- Enrollment agreements
- Promotional materials from your school
- Communications with school officials or employees
- Student Manual
- Course Catalog
- Legal documents
- Findings or determinations made by government entities
- Any other documentation you believe supports your application.

REPRESENTATIONS TO THIRD PARTIES

Did your school provide misleading or incorrect data about the school's admissions requirements, selectivity, or student outcomes to an accreditor or an organization that ranks or rates schools of higher education?

Please select all that apply:

- My school misrepresented information about itself or enrolled students to a ranking organization, such as *U.S. News and World Report* or *Barron's Profile of American Colleges*.
- My school misrepresented information about itself or enrolled students to an accrediting agency.
- My school misrepresented information about itself or enrolled students to a state higher education authorizing agency such as the New York State Department of Education, Office of College and University Evaluation or the Illinois Board of Higher Education.
- My school misrepresented information about itself or enrolled students to a Federal agency, such as the U.S. Department of Veterans Affairs or the the U.S. Department of Education.
- Other, please identify:

When did you discover that the information that the school provided was inaccurate?

Please explain:

Was the alleged misrepresentation the basis of or pivotal to your decision to attend the school?

- Yes No

Please explain.

Documentation: Please attach any relevant documents that support these allegations including:

- Transcripts
- Enrollment agreements
- Promotional materials from your school
- Communications with school officials or employees, or third party to which the information was reported
- Student Manual
- Course Catalog
- Legal documents
- Findings or determinations made by government entities
- Copies of the information that was reported to a third party and that you saw
- Any other documentation you believe supports your application.

URGENCY TO ENROLL

Urgency to enroll is not itself a grounds for Borrower Defense to Repayment discharge, but can be considered as evidence supporting the reasonableness of a borrower's reliance on a misrepresentation. Thus applicants completing this section must also make a separate allegation of school misconduct to be considered for Borrower Defense to Repayment discharge.

Did your school tell you that you had to enroll right away (such as the same day you contacted or visited the school) or you would miss out on an enrollment spot or scholarship opportunity?

Yes No

If so, was that false information?

Yes No

If yes, please explain.

Who at the school told you that you had to enroll on the spot or on the same day as your visit or inquiry? If known, please provide their names and titles of these individuals.

How did the school communicate with you about its admission process? Please select all that apply:

- In person
- Online
- Over the phone
- Over email
- TV advertisements
- Written brochures
- Other, please identify:

Per item above selected:

Please describe how the school communicated with you.

When did you discover that the information that the school provided was inaccurate?

Please explain.

Was the alleged misrepresentation the basis of or pivotal to your decision to attend the school?

Yes No

Please explain.

Documentation: Please attach any relevant documents that support these allegations including:

- Transcripts
- Enrollment agreements
- Promotional materials from your school
- Communications with school officials or employees
- Student Manual
- Course Catalog
- Legal documents
- Findings or determinations made by government entities

EDUCATIONAL SERVICES

Did the school misrepresent or fail to tell you important information about the availability of educational opportunities or support services provided by the school? Please select all that apply:

- My school misrepresented the availability of internships or externships.
- My school misrepresented the qualifications of its faculty.
- My school misrepresented the services that would be provided by its career services staff or department.
- My school misrepresented how my course of study would be taught (for example, ground-based versus online).
- My school misrepresented the prerequisites required for my course of study.
- My school misrepresented how often required courses would be available or when those courses would be scheduled (i.e. you were promised you could complete the program by enrolling on weekends, and then you learned that a required course was available only on weekdays during regular business hours when you are working)
- My school misrepresented the number of credits required to graduate.
- My school told me I would be able to graduate in a certain amount of time, but then did not offer enough sections of required classes so that I could complete the program on time.
- Other, please identify:

Per item selected, above:

Please describe how the school communicated with the school. Please describe in detail what the school told you, or failed to tell you, and why you believe it was a misrepresentation.

How did the school communicate with you about its educational services? Please select all that apply:

- In person
- Online
- Over the phone
- Over email
- TV advertisements
- Written brochures
- Other, please identify:

Per item above selected:

Please describe how the school communicated with you.

Who at the school provided you with the allegedly misrepresented information? If known, please provide the names and titles of these individuals.

When did you discover that the information that the school provided was inaccurate?

Please explain.

Was the alleged misrepresentation the basis of or pivotal to your decision to attend the school?

Yes No

Please explain.

Documentation: Please attach any relevant documents that support these allegations including:

- Transcripts
- Enrollment agreements
- Promotional materials from your school
- Communications with school officials or employees
- Student Manual
- Course Catalog
- Legal documents
- Findings or determinations made by government entities
- Any other documentation you believe supports your application.

EMPLOYMENT PROSPECTS

Did your school misrepresent employment outcomes that would be available to you or the employment outcomes of prior graduates? Please select all that apply:

- My school did not fulfill its promise that I would find future employment.
- My school misrepresented its job placement rates.
- My school misrepresented the demand for graduates in my field.
- My school misrepresented its partnerships with employers.
- My school misrepresented my eligibility for a certification or a licensure in my field of study.
- My school exaggerated the earnings of prior graduates or my likely earnings after graduation.
- My school misrepresented that it was accredited when it was not.
- My school misrepresented that my program had the accreditation necessary to qualify graduates for licensure or certification when it did not.
- My school failed to tell me that my programs did not have the accreditation necessary to qualify graduates for certification or licensure.
- Other, please identify:

Per item selected, above:

Please describe how the school communicated with the school. Please describe in detail what the school told you, or failed to tell you, and why you believe it was a misrepresentation.

How did the school communicate with you about your employment prospects? Please select all that apply:

- In person
- Online
- Over the phone
- Over email
- TV advertisements
- Written brochures
- Other, please identify:

Per item above selected:

Please describe how the school communicated with you.

Who at the school provided you with the allegedly misrepresented information? If known, please provide the names and titles of these individuals.

Please provide information about the difficulties you have had getting a job in your field of study that lead you to believe that the school misrepresented the employment outcomes or earnings of past graduates or your likely employment outcomes or earnings.

When did you discover that the information that the school provided was inaccurate?

Please explain.

Was the alleged misrepresentation the basis of or pivotal to your decision to attend the school?

- Yes No

Please explain.

Documentation: Please attach any relevant documents that support these allegations including:

- Transcripts
- Enrollment agreements
- Promotional materials from your school
- Communications with school officials or employees
- Student Manual
- Course Catalog
- Legal documents
- Findings or determinations made by government entities
- Any other documentation you believe supports your application.

PROGRAM COST AND NATURE OF LOAN

Did the school mislead you, or fail to tell you, important information about your program cost or the nature of your loan? Please select all that apply:

- My school told me I was receiving only grants and scholarships, but I found out later that some or all of those funds were loans.
- My school offered me a payment plan without telling me that the plan would convert to a loan without accurately disclosing the terms of the payment plan or resulting loan.
- My school misrepresented the repayment terms or total cost of loans it provided to me or that were provided to me by a lender recommended by the school.
- My school misrepresented the overall cost of my program.
- My school misrepresented what costs were or were not included in the published tuition and fees.
- My school misrepresented the cost of living in campus-owned or campus-operated housing.
- My school offered me a full scholarship when admitting me to the school, but then reduced the scholarship amount or failed to renew the scholarship even though I met the requirements of the scholarship, such as by maintaining a certain GPA, enrolling in a particular program, performing required community or volunteer service, or some other criteria that I satisfied.
- Other, please identify:

Per item selected, above:

Please describe your communication with the school. Please describe in detail what the school told you, or failed to tell you, and why you believe it was a misrepresentation.

How did the school communicate with you about your program cost and the nature of your loan? Please select all that apply:

- In person
- Online
- Over the phone
- Over email
- TV advertisements
- Written brochures
- Other, please identify:

Per item above selected:

Please describe how the school communicated with you.

Who at the school provided you with the allegedly misrepresented information? If known, please provide the names and titles of these individuals.

When did you discover that the information that the school provided was inaccurate?

Please explain.

Was the alleged misrepresentation the basis of or pivotal to your decision to attend the school?

Yes No

Please explain.

Documentation: Please attach any relevant documents that support these allegations including:

- Transcripts
- Enrollment agreements
- Promotional materials from your school
- Communications with school officials or employees
- Student Manual
- Course Catalog
- Legal documents
- Findings or determinations made by government entities
- Any other documentation you believe supports your application.

TRANSFERRING CREDITS

Did your school make a misrepresentation to you about the likelihood of credits earned at the school being accepted by other schools as transfer credits or about its likelihood to give you transfer credit for courses or work experiences completed elsewhere? Please select all that apply:

- My school told me that my credits were transferrable to a specific school, but they were not.
- My school told me credits earned at the school were generally transferrable to other schools, but they were not.
- My school told me it would accept credits earned elsewhere if I enrolled, but then, after I enrolled, it told me that it would not accept some or all of my transfer credits.
- My school told me they would accept my credits, but did not inform me until after I enrolled that those credits would not be counted toward my major.
- Other, please identify:

Per item selected, above:

Please describe your communication with the school. Please describe in detail what the school told you, or failed to tell you, and why you believe it was a misrepresentation.

How did the school communicate with you about your program cost and the nature of your loan? Please select all that apply:

- In person
- Online
- Over the phone
- Over email
- TV advertisements
- Written brochures
- Other, please identify:

Per item above selected:

Please describe how the school communicated with you:

Who at the school provided you with the allegedly misleading information? If known, please provide the names and titles of these individuals.

When did you discover that the information that the school provided was inaccurate?

Please explain:

Documentation: Please attach any relevant documents that support these allegations including:

- Transcripts
- Enrollment agreements
- Promotional materials from your school
- Communications with school officials or employees
- Student Manual
- Course Catalog
- Legal documents
- Findings or determinations made by government entities
- Any other documentation you believe supports your application.

CAREER SERVICES

Did your school make a misrepresentation to you about the scope and availability of career services support it would provide? Please select all that apply:

- My school failed to provide the career services assistance it promised (including, but not limited to: resume writing help, mock interviews, and responding to job listings)
- My school promised that it would find me a job when I graduated but it did not.
- Other, please identify:

Per item selected, above:

Please describe your communication with the school. Please describe in detail what the school told you, or failed to tell you, and why you believe it was a misrepresentation.

How did the school communicate with you about your program cost and the nature of your loan? Please select all that apply:

- In person
- Online
- Over the phone
- Over email
- TV advertisements
- Written brochures
- Other, please identify:

Per item selected, above:

Please describe how the school communicated with you:

Who at the school provided you with the allegedly misrepresented information? If known, please provide the names and titles of these individuals.

How were you financially affected by the misrepresentation?

When did you discover that the information that the school provided was inaccurate?

Please explain:

Was the alleged misrepresentation the basis of or pivotal to your decision to attend the school?

Yes No

Please explain:

Documentation: Please attach any relevant documents that support these allegations including:

- Transcripts
- Enrollment agreements
- Promotional materials from your school
- Communications with school officials or employees
- Student Manual
- Course Catalog
- Legal documents
- Findings or determinations made by government entities
- Any other documentation you believe supports your application.

JUDGMENT

Note: This section only applies to borrowers who receive a Direct Loan, including a Direct Consolidation Loan, on or after July 1, 2017 and prior to July 1, 2020.

Did you successfully file suit and obtain one or more nondefault, contested judgments against your school in a Federal or State court or from a Federal or State administrative tribunal or did you benefit from a government enforcement action or from a nondefault, contested judgment that arose from your participation in class action litigation?

Yes No

Have you received the full amount awarded in the judgment or judgments?

Yes No

If not, what is the outstanding balance of the judgment or judgments owed to you?

Please attach the judgment or judgments and all relevant documents relating to your judgment or judgments.

BREACH OF CONTRACT

Note: This section only applies to borrowers who receive a Direct Loan, including a Direct Consolidation Loan, on or after July 1, 2017 and prior to July 1, 2020.

Did you ever enter into a contract with your school (e.g. enrollment agreement or other agreement)?

Yes No

Did your school fail to perform any obligations under the contract? For example, your school may have breached a contract with you if they denied you the right to defend yourself against an accusation of a Title IX violation (sexual advancement/misconduct) based on your school's disciplinary policy.)

Yes No

If so, please provide a copy of the contract.

State when the school failed to perform any obligation(s) of that contract.

Please explain:

Provide a detailed description why you believe the school breached the contract.

OTHER

Did your school make a misrepresentation to you, or fail to tell you, important information other than what you have already alleged in this application?

Yes No

Please describe your communication with the school. Please describe in detail what the school told you, or failed to tell you, and why you believe it was a misrepresentation.

How did the school communicate with you? Please select all that apply:

- In person
- Online
- Over the phone
- Over email
- TV advertisements
- Written brochures
- Other, please identify:

Per item selected, above:

Please describe how the school communicated with you:

Who at the school provided you with the allegedly misrepresented information? If known, please provide the names and titles of these individuals.

When did you discover that the information that the school provided was inaccurate?

Please explain:

Was the alleged misrepresentation the basis of or pivotal to your decision to attend the school?

Yes No

Please explain:

Documentation: Please attach any relevant documents that support these allegations including:

- Transcripts
- Enrollment agreements
- Promotional materials from your school
- Communications with school officials or employees, or third party to which the information was reported
- Student Manual
- Course Catalog
- Legal documents
- Findings or determinations made by government entities
- Copies of the information that was reported to a third party and that you saw
- Any other documentation you believe supports your application.

SECTION 5: FINANCIAL HARM

Note: This section only applies to borrowers who receive a Direct Loan, including a Direct Consolidation Loan, on or after July 1, 2020.

You are eligible to receive full or partial loan discharge as a result of an eligible borrower defense claim only if you have suffered financial harm as a result of your school's misrepresentation. We can only discharge federal student loans, and the amount of a discharge that you may be eligible to receive cannot be more than what you borrowed. For example, we cannot consider private student loans you may have borrowed. Financial harm does not include:

- Nonmonetary loss, such as personal injury, inconvenience, aggravation, emotional distress, pain and suffering, punitive damages, or opportunity costs.
- The act of taking out a federal student loan or merely having federal student loan debt.
- Your voluntary decision to pursue less than full-time work.
- Your decision to not work.
- Your decision to voluntarily change occupations or pursue a different line of work.
- Payments you made other than through the use of federal student loans.

What is the total monetary loss associated with your federal student loans that you have incurred due to your school's alleged misrepresentation?

Please note that you are not required to complete this field, and that the Department will not limit the amount you are owed to the amount you reported in this field. The information you provide helps us review financial harm, but the Department also considers published earnings information from prior graduates to determine whether or not you were financially harmed, and how much harm you incurred. If you complete this field, you may, but are not required, to include the amount of your federal student loans (the Department has this information already).

Please explain how you determined that amount:

For which jobs did the program say it would prepare you, if any?

When and how did the school provide you with this information?

Have you actively pursued employment in the field for which your education was intended to prepare you?

Yes No

If yes, list jobs in your field for which you applied, and the date on which you applied for each, as well as any reason you may have been given for not being selected for that or those jobs. You may limit the list to jobs for which you have applied during the most recent year.

Job Title	Date Applied	Reason for Not Being Selected for the Position

If yes, please include documents that demonstrate this pursuit. These may include:

- Job application confirmation emails
- Correspondence with potential employers
- Registration at job fairs
- Enrolling with a job recruiter
- Attendance at a resume workshop

Have you failed to meet other requirements or qualifications for employment in your field of study for reasons unrelated to your school's misrepresentation such as, but not limited to, your ability to pass a drug test, satisfy driving record requirements, or meet health qualifications?

Yes No

If yes, please explain:

SECTION 6: FORBEARANCE AND STOPPED COLLECTIONS

If you are not currently in default on any Federal student loan, you may request **forbearance** status on the Federal student loans that are the subject of this application 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, while your application for a borrower defense discharge is pending with the U.S. Department of Education. 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 stopped collections status on the Federal student loans that are the subject of this application while your application is under review. "Stopped collections status" means that the Federal government or debt collection companies will not attempt to collect on the defaulted, including efforts to withhold money from your wages or Federal income tax refunds, while your borrower defense application is pending with the U.S. Department of Education.

If you have more questions about forbearance or stopped collections, visit [StudentAid.gov/borrower-defense](https://studentaid.gov/borrower-defense) or contact your servicer. If you do not know who your servicer is, please visit [StudentAid.gov/aid-summary](https://studentaid.gov/aid-summary) or call 1-800-4-FED-AID.

Interest will continue to accumulate on all Federal student loans regardless of their status, 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, and outstanding interest may capitalize (meaning that they will be added to your principal balance). If you wish to make interest payments while your loans are in a forbearance or stopped collections status, please contact your servicer.

You do not have to place your loans in forbearance or stopped collections to apply for borrower defense relief. Instead, you may opt to continue making payments on your loans, especially if you are in a repayment program like loan rehabilitation to remove your loans from default. If you received loans for attendance at a school for which you are not filing a claim, you still must repay those loans.

You can learn more about repayment options at [StudentAid.gov/manage-loans](https://studentaid.gov/manage-loans).

Are you in default on any Federal student loans?

If the answer is no, do you wish to request forbearance on the loan(s) for which you have filed a borrow defense application?

Yes, to be placed in forbearance. No.

If your answer is yes, do you wish to request stopped collections status?

Yes No.

If you do not select one of the options above and you are not in default on any Federal student loan, the U.S. Department of Education will automatically place the Federal student loan(s) into forbearance that is the subject of your borrower defense application pending the Department's review of the application.

If you do not select one of the options set forth above and you are in default, the Department will place into stopped collections status the Federal student loan(s) that is the subject of your borrower defense application pending the Department's review of the application.

The Department will also make these requests to commercial holders of Federal Family Education Loan (FFEL) program loans not held by the Department.

SECTION 7. CERTIFICATION

By signing this attestation I certify that:

All of the information that 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 additional information that is reasonably available to me that will verify the accuracy of my completed attestation.

I also 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 2 above.

I certify that I have not received a refund, tuition recovery, settlement, or other financial retribute to repay the loans that are the subject of this borrower defense to repayment claim.

I certify that I have accurately reported other efforts I have made to receive loan relief, including by filing suit against the school, participating in a class action suit, entering into arbitration, applying to a tuition recovery fund, or similar.

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 transferring my interest 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 financial 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.

Any person who knowingly makes a false statement or misrepresentation on this form or on any accompanying document is subject to penalties that may include fines, imprisonment, or both, under the U.S. Criminal Code and 20 U.S.C. 1097. I sign this application under penalty of perjury.

I understand that in the event that I receive a 100 percent discharge of my loan balance for which the defense to repayment application has been submitted, the school may, if not prohibited by other applicable law, refuse to verify or to provide an official transcript that verifies my completion of credits or a credential associated with the discharged loan.

I understand that, should the Department receive any documentation from the school, in response to the Department's request for records and evidence, the Department will provide me with those documents as well as any evidence otherwise in the possession of the Department. If my application is based on a loan that I received on or after July 1, 2020, then I further understand that my application and supporting evidence will be sent to my school, and I will have a time-limited opportunity to review and respond to any evidence that my school submits in response to my application.

I agree to allow the school that is the subject to this defense to repayment application to provide the Department with items from my student educational record relevant to this defense to repayment application.

Signature	Date
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Submit this form and any additional documents you believe will help us review your application by email to BorrowerDefense@ed.gov or by mail to: U.S. Department of Education, PO Box 1854, Monticello, KY 42633. If you have questions while your application is pending you may contact the Department at: 1-855-279-6207.

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 1845-0163. Public reporting burden for this collection of information is estimated to average .5 hours 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 BorrowerDefense@ed.gov directly.

Exhibit 33



U.S. DEPARTMENT OF EDUCATION APPLICATION FOR BORROWER DEFENSE TO LOAN REPAYMENT

OMB Number: 1845-0146
Expiration Date: 06/30/2023

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 BorrowerDefense@ed.gov or mail to US Department of Education - Borrower Defense to Repayment, PO Box 1854, Monticello, KY 42633.

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:

*Name (<i>First, Middle, Last</i>)		*Date of Birth (<i>mm/dd/yyyy</i>)	*Social Security Number (<i>Last Digits</i>)	
*Telephone Number	*Email Address			
*Street Address		*City	*State	*Zipcode

*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*):

*If yes, please enter the student's Social Security Number (*last digits*):

SECTION II: SCHOOL INFORMATION

*School

Campus (*including on line campuses for distance education borrowers*)

*Location (*City, State*)

* Enrollment Dates at this school:

*From (*month/year*):

*To (*month/year*):

If you are still attending this school/campus, please indicate by checking the box.

Check if the enrollment dates above 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.

*Program Name or Major (e.g. Nursing, Medical Assistant, Paralegal).

Credential/Degree Sought (e.g. Certificate, Diploma, Associates, Bachelors, Masters).

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

Graduated Transferred Out Withdrew Attending

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

*Did you choose to enroll in your school based in part on the issues you describe above?

Yes No

PROGRAM COST AND NATURE OF LOAN

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.

*Did you choose to enroll in your school based in part on the issues you 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.

*Did you choose to enroll in your school based in part on the issues you 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.

*Did you choose to enroll in your school based in part on the issues you 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.

*Did you choose to enroll in your school based in part on the issues you 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 admission 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.

*Did you choose to enroll in your school based in part on the issues you 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?

Yes No

Is there some other reason you feel your school misled you?

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.

*Did you choose to enroll in your school based in part on the issues you 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.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
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Submit this form and any additional documents you believe will help us review your application by email to BorrowerDefense@ed.gov or by mail to: U.S. Department of Education - Borrower Defense to Repayment, PO Box 42633, Monticello, KY 42633.

PRIVACY ACT NOTICE

Information required by subsection (e)(3) of the *Privacy Act of 1974*, as amended (*Privacy Act*) (5 U.S.C. 552a(e)(3)) requires the following notice be provided to you:

The authorities for collecting the requested information from and about you are Section 455(h) of the *Higher Education Act of 1965*, as amended (*HEA*) (20 U.S.C. 1087e(h)) and 34 C.F.R. § 685.206(c) and the authorities for collecting and using your Social Security Number (SSN) are the same but also include 31 U.S.C. 7701(b). The primary purpose of the information collected is for the use and administration of the U.S. Department of Education's office of Federal Student Aid (ED/we) for borrower defense to loan repayment program. The information you provide ED on this form and your SSN are voluntary, but you may need to provide the requested information on this form, including your SSN and/or a Federal Student Aid ID (FSA ID) that provides ED your verified SSN and other individual information pertaining to a student's or parent's Student Financial Assistance Programs account(s), for ED to process or complete our review of your borrower defense to loan repayment application. You may submit a form without your SSN or an FSA ID by filling out a form and sending it to ED via email or physical mail because disclosure of the information requested on this form is voluntary. However, without providing all the requested information on this form, ED may not be able to conduct a full investigation and complete the review of your application.

We use the information that you provided on this form including your name, SSN, date of birth, address, email address, telephone number(s), and / or an FSA ID, to receive, review, evaluate, and process requests for relief under the borrower defense to loan repayment regulations, to render decisions on the merits of such requests for relief, and, where requests for borrower defense to loan repayment are successful, to determine the relief that is appropriate to borrowers under the circumstances as well as to initiate appropriate proceedings to require schools whose acts or omissions resulted in the successful defenses against repayment to pay ED the amounts of the loans that apply to the defenses. Without your consent, ED may disclose the information that you provided and as otherwise allowed by the *Privacy Act*, pursuant to the routine uses identified in the system of records notice (SORN) entitled "Customer Engagement Management System (CEMS)" (18-11-11) and published in the Federal Register as [83 FR 27587-27591 \(June 13, 2018\)](#). These routine uses include, but are not limited to, a routine use that permits ED to disclose your information to foreign agencies, Federal agencies, State agencies, Tribal, or local agencies, accreditors, schools, lenders, guaranty agencies, servicers, and private collection agencies when further information is relevant to ED's resolution of your complaint, request, or other inquiry, tracking your application or your inquiry, and, where a request for borrower defense to loan repayment is successful, to determine the relief that is appropriate under the circumstances as well as to initiate the appropriate proceeding to require the school whose acts or omissions resulted in the successful defense against loan repayment to pay ED the amount of the loan that apply to the defenses. We may use your information for reporting, analyzing the data to make recommendations in student financial assistance programs, and assisting in the informal resolution of disputes. Disclosure of relevant information also may be made to the responsible foreign, Federal, State, Tribal or local agencies charged with investigating or prosecuting a violation or potential violation of law in the event that information indicates, either on its face or in connection with other information, a violation or potential violation of any applicable statute, regulation, or order of a competent authority.

In the event of litigation or alternative dispute resolution (ADR) involving ED or that we have an interest in and if that a party is either any component of ED, any ED employee in his or her official capacity, any ED employee in his or her individual capacity where representation for the employee has been requested or has been agreed to by ED or the Department of Justice (DOJ), or the United States where ED determines that the litigation is likely to affect ED or any of its components, we may disclose your information to DOJ, a court, adjudicative body, a person or an entity designated by ED or otherwise empowered to resolve or mediate disputes, or a counsel, party, representative, or witness if the disclosure is relevant and necessary to the litigation or ADR. ED also may disclose your information to DOJ to the extent necessary for obtaining DOJ's advice on any matter relevant to an audit, inspection, or other inquiry. We may send information to members of Congress if you ask them to help you with federal student aid or Student Financial Assistance Programs account(s) questions. Disclosures may be made to our contractors for the purpose of performing any programmatic function that requires disclosure of records. As part of such a contract, we will require the contractor to maintain safeguards to protect the security and confidentiality of the records that are disclosed to the contractor. If a record is relevant and necessary to a borrower complaint regarding participants in any Federal Student Financial Assistance Programs under title IV of the *HEA*, ED may disclose a record only during the course of

processing, reviewing, investigating, fact-finding, or adjudicating the complaint to: any party to the complaint; the party's counsel or representative; a witness; or a designated fact-finder, mediator, or other person designated to resolve issues or decide the matter. ED also may disclose records to the DOJ or Office of Management and Budget (OMB) if ED concludes that disclosure is desirable or necessary in determining whether particular records are required to be disclosed under the *Freedom of Information Act (FOIA)* or the *Privacy Act*. ED may disclose your information to appropriate agencies, entities, and persons when ED suspects or has confirmed that there has been a breach of the system maintaining your information; which poses a risk of harm to individuals, ED (including its information systems, programs, and operation), the Federal agencies, or national security and the disclosure made to such agencies, entities, and persons is reasonably necessary to assist ED's efforts to respond to the suspected or confirmed breach or to prevent, minimize, or remedy such harm. ED also may disclose your information to another Federal agency or Federal entity, when ED determines that your information is reasonably necessary to assist the recipient agency or entity in responding to a suspected or confirmed breach or preventing, minimizing, or remedying the risk of harm to individuals, the recipient agency or entity (including its information systems, programs, and operations), the Federal agencies, or national security, resulting from a suspected or confirmed breach.

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 .5 hours 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 BorrowerDefense@ed.gov directly.

Exhibit 34

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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 JENNIFER LEZAN

I, Jennifer Lezan, 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 the Illinois Institute of Art Chicago and Illinois Institute of Art Schaumburg (“Ai”) (owned by Education Management Corporation / Dream Center Education Holdings).
3. In 2018, I submitted a borrower defense application to the United States Department of Education, asking for these loans to be cancelled. I am unable at this time to locate a copy of my original application. In my application, I included evidence of misconduct that I had gathered myself and that other students of Ai had found.
4. On August 6, 2020, I received correspondence from the Department of Education, stating that my claim had been denied. A copy of that correspondence is attached as Exhibit A.

- 1 5. On October 1, 2020, I participated in the Zoom chat for the class hearing in this case. In
2 that chat, I expressed that the denial letter another class member read aloud was identical
3 to the denial letter I had received, as had many other former Ai students.
- 4 6. For most of the time between when I submitted my application for loan cancellation and
5 when I received the notification of denial, my loans were in forbearance.
- 6 7. I did get unexpectedly removed from forbearance in the summer of 2019, and I had to go
7 through an extended process of calling the Department of Education and signing new
8 documents to get my forbearance restored. I was told that there was some sort of “glitch
9 in the system” that affected many people with pending borrower defense applications.
10 This was a long and frustrating process because most of the people at the Department
11 who I spoke to on the phone didn’t understand my problem or know who to send me to
12 for help.
- 13 8. As of now, my loans are still in forbearance due to the CARES Act, which extended
14 forbearance for student loans through January 2021. However, if CARES Act
15 forbearance is not extended, I will suffer serious financial hardship.
- 16 9. With accrued interest, my student loans currently total over \$180,000. If I have to go into
17 repayment, I will re-apply for income-based repayment (“IBR”), but I don’t know if I
18 will qualify or what my monthly payment would be. The IBR process is also complicated
19 and intimidating. Based on my experiences with the Department of Education, I do not
20 necessarily trust them to treat my IBR application fairly.
- 21 10. If I cannot get a zero monthly payment through IBR, I simply would not be able to pay
22 my loans. I am currently employed as an adjunct professor with a very low salary and no
23 benefits, and I have two daughters to support.
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1 11. I do not understand whether the Department looked at the evidence that I submitted, and I
2 do not understand how the evidence I did submit was not enough. My application
3 contains details about my experience and publicly available information about Ai’s use of
4 high-pressure and deceptive practices.

5
6 12. There have already been findings of fraud against Ai and its parent companies from
7 government investigations, including the Department of Justice. Multiple Ai campuses
8 have been closed down nationwide. The Attorney General in Illinois is still investigating
9 Ai for misrepresentations regarding gainful employment. I do not understand how the
10 Department of Education could conclude that there was no misconduct when these facts
11 are already publicly known.

12
13 13. I am frustrated that the denial I received seems to have been a “rubber stamp” denial, as a
14 representative could not possibly have thoroughly reviewed the information I provided.

15 14. The fact that Department of Education delayed my borrower defense application for three
16 years and then issued this vague, incomplete denial has caused me, and is causing me,
17 financial and emotional harm.

18 15. I applied to Ai as a first-generation Latina college student. Now, years later, I know that
19 their claims of 98% job placement and high salaries should have been a red flag, but at
20 the time I wasn’t in a position to know better.

21
22 16. I graduated from Ai in 2008. For the first 3-4 years afterward, I was constantly battling
23 with loan servicers; they were asking for payments the size of a home mortgage, when I
24 was 20 years old, underemployed, and had a 1-year-old child. I was not told about IBR,
25 and instead they would push forbearance, where more interest would accrue. I was
26 working multiple jobs just to survive.

1 17. I suffer from anxiety and PTSD due to trauma I experienced in childhood and in my first
2 marriage, so having to deal with student loan collections on top of these difficulties was
3 emotionally overwhelming.

4 18. I've faced backlash from people who think I "just don't want to be responsible" because
5 I've tried to get my student loan debt cancelled. Even though I know it's not true, it is
6 still emotionally difficult to face these kinds of attitudes.

7 19. Eventually, with hard work, I was able to turn many of my feelings of sadness,
8 embarrassment, and fear into anger and a determination do something to help others who
9 faced my same situation.

10 20. I am now an adjunct professor of marketing and graphic design & illustration at Southern
11 New Hampshire University. I dedicate a lot of time to talking to my students about their
12 student loan debt, such as how to consolidate loans and their options through community
13 college.

14 21. In order to get the job I have now, I had to take on more debt to go to graduate school.
15
16 When I applied to graduate programs, I had to take extra steps to prove that I was capable
17 of doing the work because I had a for-profit school degree.

18 22. Even though I'm glad to be able to help others learn more about student debt, I feel
19 frustrated that this work falls to me, a person who was defrauded, instead of the
20 government using its power to help fix the problem of predatory for-profit colleges. In
21 fact, my experience has shown me that it's the opposite – between the Department's
22 delays and its rubber-stamp claim denials, I feel like our government is having a hand in
23 corruption, and aiding the people who want to take advantage of vulnerable students.
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1 23. When I've talked with other people in my same situation, I've heard many of them talk
2 about being suicidal because of their experiences with predatory student loan debt. I felt
3 that way sometimes when I was in my 20s, because if you think there's nothing you can
4 do, you question what's the point of trying. I'm angry and mournful that young people
5 are still being made to feel that way because of a broken system, especially young people
6 of color, who are even more at risk of being taken advantage of.

7
8 24. I have two daughters, and they don't deserve this fate. They deserve to get a higher
9 education and create opportunities to do good for the world and themselves. But because
10 of my student loan debt, I can't save money for them. I can't buy a house or car because
11 of my debt-to-income ratio.

12
13 25. Even though I love teaching, my experience with my borrower defense application
14 sometimes makes me feel like just another part of a broken system.

15
16 26. I know there are thousands of people with experiences like mine. Through this lawsuit,
17 we have learned that so many of us got "copy and paste" denials of our borrower defense
18 applications, with just the name of the school changed. I simply cannot believe that these
19 denials were the product of due diligence and good faith. It is so frustrating to see that,
20 while we are just trying to make a living and care for our families, the government
21 agency that is supposed to protect students and borrowers is not taking us seriously.

22
23 27. The denial notice states that I may ask for reconsideration. I am not sure what this means,
24 nor what information I would need to provide to be reconsidered. I have not filed for
25 reconsideration.

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27 28. I have considered challenging the denial of my application in court, but I cannot afford a
28 lawyer to do so.

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

Executed on: October 28, 2020
Naperville, Illinois


Jennifer M. Lezan (Oct 28, 2020 17:46 CDT)

Jennifer Lezan

Exhibit A

[REDACTED]

[REDACTED]

[REDACTED]

From: Borrower Defense <borrowerdefense@ed.gov>

Date: Thu, Aug 6, 2020 at 10:31 AM

Subject: Borrower defense discharge ineligibility information for you [

To: [REDACTED]



8/6/2020

Borrower Defense Application #: [REDACTED]

Dear Jennifer Lezan:

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 Illinois Institute of Art (The). “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 Illinois Institute of Art (The). 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 Illinois Institute of Art (The) engaged in misconduct related to Employment Prospects. This allegation fails for the following reason(s): Insufficient Evidence.

Your claim for relief on this basis therefore is denied.

Allegation 2: Program Cost and Nature of Loans

You allege that Illinois Institute of Art (The) engaged in misconduct related to Program Cost and Nature of Loans. This allegation fails for the following reason(s): Insufficient Evidence.

Your claim for relief on this basis therefore is denied.

Allegation 3: Transferring Credits

You allege that Illinois Institute of Art (The) 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 Illinois Institute of Art (The) engaged in misconduct related to Career 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 5: Educational Services

You allege that Illinois Institute of Art (The) 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 Illinois Institute of Art (The) 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 Illinois Institute of Art (The) 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:

IA Attorney General's Office

IL Attorney General's Office

CO Attorney General's Office

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

Senate Hearing Testimony of EDMC career services adviser before the Committee on Health, Education, Labor, and Pensions (September 30, 2010)

Materials, including publicly available securities filings, prepared by Education Management Corporation

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 [XXXXXXXXXX]"

to 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. 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 to find your servicer and view your federal loan information.

Sincerely,

U.S. Department of Education
Federal Student Aid



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JENNIFER M. VEGUILLA-LEZAN
Illustration | Digital Media | Educator
[PORTFOLIO](#) | [THE MAKE & CREATE PODCAST](#)



Exhibit 35

Borrower Defense – Summary of Notice to Schools Process

1. BD does a preliminary overview of the applications from borrowers who attended ABC to get a sense of the nature of the allegations commonly asserted against the school and generally, a sampling of the evidence that the borrowers are providing, if any, in support of their claims. Additionally, we determine whether there are findings against the school by the Department and whether there is potentially relevant evidence in the Department's possession that must be considered. We also determine whether the school is open or closed and, if closed, whether there is a letter of credit that may be used to collect against the school for any approved BD applications.
2. After that preliminary overview, we make a determination as to whether to send a notice to the school. Since notice to the school creates additional burdens on the school and also delays the adjudication process, the preliminary review is intended to eliminate unnecessary notices to schools where there is no evidence for the school to refute (and, therefore, no benefit to the school in receiving the notice). However, notice will be sent to any school where there is evidence and, therefore, at least a possibility of approval, so that the school can respond and provide evidence to refute the borrowers' allegations:
 - a. **No Notice:**
 - i. If the preliminary overview leads to the conclusion that the school is closed and does not have a letter of credit or other assets available (*e.g.*, an open affiliated school with common ownership), there would be nobody to put on notice.
 - ii. If the preliminary overview leads to the conclusion that there is no evidence in the Department's possession relating to the school, there is no evidence to refute.
 1. Exception: If an individual borrower provides evidence that supports his or her application, we would then send notice to the school and the application would be set aside so that the school's response and evidence, if any, can be considered with the borrower's evidence in adjudicating the application.
 - iii. If there are 2,000 applications from borrowers who attended ABC, and the preliminary overview leads to the conclusion that there is no evidence in the Department's possession relating to ABC borrowers other than, for example, 300 borrowers who attended the medical assisting program between 2010 and 2014, there is no evidence to refute for the 1,700 borrowers who did not attend the medical assisting program between 2010 and 2014. Therefore, we would proceed as follows:
 1. Notices would be sent to the school regarding the 300 borrowers who attended the medical assisting program between 2010 and 2014 (see section (b) below);
 2. Notices would not be sent to the school regarding the applications of the other 1,700 borrowers.
 - a. Exception: If an individual borrower provides evidence that supports his or her application, we would then send notice to the school and the application would be set aside so that the school's response and evidence, if any, can be considered with the borrower's evidence in adjudicating the application.

- b. Notice required:**
 - i. If there are ED findings against the school, we would send notices to the school for any applications of borrowers potentially covered by the findings;
 - ii. If the Department is in possession of evidence potentially relevant to multiple borrowers (by campus, program, attendance dates, etc.). we would send notice to the school for any applications for which the evidence is potentially probative of the borrower allegations.
 - iii. If an individual borrower provides evidence that supports his or her own application, we would then send notice to the school.
3. Regular School Notice Process: Where notice is required regarding the application(s) of an individual borrower or small group of borrowers, the attached "School Notice Template" would be sent to the school. The email is sent through the BD platform so that it can be tracked and associated to the borrower's application.
4. Advance Notice: Additionally, if we have many applications relating to a school and for which notice is required, we also will send an "Advance Notice Letter," a draft of which also is attached. This letter would be sent first so that the school is aware that they are about to receive numerous applications. It also advises the school of the nature of any common allegations so that the school can begin to consider a response.
5. School Response: Schools have two different options for responding to the borrower defense applications.
 - a. Borrower-Specific: If the school wishes to respond to an individual borrower's allegations, the school can respond by replying to the School Notice email. Any response or evidence attached to the email will be attached to the borrower's case.
 - b. General Response: Additionally or alternatively, if the school wishes to respond generally and/or provide evidence that would be applicable to many or all borrowers who filed applications relating to the school, we have a SharePoint site set up for the school to access and load its responsive documents. The response and evidence would be considered with respect to all applications to which the response and evidence is relevant, regardless of whether an individual borrower is specifically identified.
6. Finally, if borrower requests reconsideration of a denied claim because his or her school was not notified, we will send a notice to the school and reconsider the claim in light of the school's response. (This is per OGC to avoid litigation on the off chance that a borrower takes the position that the school would have provided evidence that corroborates a claim that otherwise would be denied).

Exhibit 36

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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 REBEKAH NORTON

I, Rebekah Norton, 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 (“Brooks”), which was owned by Career Education Corporation (“CEC”).
3. On November 3, 2016, 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. After my initial application, I sent voluminous follow-up materials to support my application, including a full flat rate postal box of documents providing information on additional lawsuits and findings against CEC related to fraudulent practices. In fact, I submitted additional materials to the Department of Education to support my application in May 2020, just two months before I received a denial notice. A copy of the email confirming receipt is attached as Exhibit B.

- 1 5. While my borrower defense application was pending for years, I had to spend a lot of
2 time on phone calls with the Department of Education and my servicer to get my
3 administrative forbearance in place and keep it in place. At one point, my servicer told
4 me that the Department wasn't giving it the right information to stay in forbearance, and I
5 had to deal with months of collection calls.
- 6
7 6. On July 10, 2020, I received correspondence from the Department of Education, stating
8 that my claim had been denied. A copy of that correspondence is attached as Exhibit C. I
9 read this denial notice into the public record during the October 1, 2020 class hearing in
10 this case.
- 11
12 7. Mysteriously, the electronic documentation that the Department had eventually sent to
13 confirm that I was entitled to forbearance status disappeared from the "inbox" of my
14 online account with my servicer just two weeks before I got the denial letter.
- 15
16 8. My loans are still in forbearance due to the CARES Act, which extended forbearance for
17 federal student loans through January 2021. However, if CARES Act forbearance is not
18 extended, I will suffer extreme financial hardship.
- 19
20 9. I borrowed approximately \$72,000 to attend Brooks. But in order to be eligible for the
21 job I have now, I needed additional education, and Brooks credits were not transferrable,
22 so I had to borrow an additional \$20,000. With accrued interest, my total federal student
23 loans are now over \$170,000. The monthly amount of my student loan payments would
24 be more than the monthly mortgage on my family's home. There is no way that my
25 family can come up with that kind of money. We won't be able to pay our other bills,
26 including the daycare we pay for just so that I can go to work.

1 10. I'm also extremely concerned about what would happen if the Department of Education
2 contacts my current employer to garnish my wages.

3 11. In the past, I've been denied job opportunities when potential employers checked my
4 credit and saw my debt-to-income ratio caused by the amount of student loans that I
5 owed. I failed background checks for state and county jobs because my debt-to-income
6 ratio supposedly made me "vulnerable to inappropriate relationships." Other employers
7 have said that they liked me as an applicant but HR would think that I'm irresponsible.
8

9 12. These employment challenges are just one example of the hardships I've experienced,
10 and fear I will continue to experience, because of the Department of Education's delay in
11 fairly resolving my borrower defense application.
12

13 13. I have also suffered in my ability to provide for my family. I have four children, two of
14 whom have special needs. My oldest daughter has finished college, and was not able to
15 take out parent loans to support her education because of my own student loan debts. I
16 have private student loans that are in default (my federal loans have been in default
17 before, but they were not in default at the time I entered forbearance based on my
18 borrower defense application).
19

20 14. I am 45 years old and have been unable to contribute to a retirement fund. I fear now that
21 I will have to work until the day I die because of my student loan debt.

22 15. I have been denied loans for vehicles. If I did take out a vehicle loan, the interest rate
23 would be higher than on a credit card. To this day, I drive a car that is not registered in
24 my own name.
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1 16. I can't rent my own apartment or buy a home. I had to sign away my ownership interest
2 in the house that my husband and I have lived in for over a decade because of my bad
3 credit.

4 17. I don't include my Brooks degree on my resumé if at all possible, because I've been
5 mocked professionally for it.

6 18. Because I was defrauded by Brooks, and because the Department has refused to fairly
7 consider my application for borrower defense, my financial life had been destroyed. This
8 situation had stopped me from participating in normal parts of life that other people can. I
9 feel like a child who can't venture out on my own. I have worked so hard in my life, but I
10 don't have same freedoms as normal people.

11 19. Even worse is the toll this has taken on my family relationships. Financial issues have
12 threatened my marriage. Other members of my family who provided financial support for
13 me lost faith in me. I come from a military family that believes in "pull yourself up by
14 your bootstraps." I suffer knowing that they assume I just wasn't trying hard enough, or
15 that I was too stupid to ask the right questions. It has seriously affected my self-esteem to
16 have everyone say, "Why didn't you know?"

17 20. In truth, when I did ask questions about my education I was provided with false
18 information. In other cases, I just didn't know what questions to ask. For instance, as a
19 young single mother seeking a college degree, I didn't understand the different kinds of
20 accreditation that would make it so that my Brooks degree wouldn't qualify me for a job
21 that required a bachelors' degree. My grandparents, who helped support me during those
22 years, also weren't in a position to understand these kinds of technical issues. I just
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1 wanted to provide for my daughter; my mother had recently died; and Brooks' career
2 salary bait made me think I could raise my daughter by pursuing this degree.

3 21. At Brooks, the instructors would say that this is "good debt" because it's investing in
4 your future, and you need to do whatever it takes to get an education. I didn't understand
5 (and most students there didn't understand either) that we were maxing out our student
6 loan eligibility and that these debts couldn't be paid off with the actual income people
7 would make after graduation. By the time everyone found out it was a useless degree, we
8 either couldn't go back to school because we'd maxed out our loans, or we'd have to pay
9 for another private college for another degree and take on more debt (if another school
10 would even admit us).

11
12 22. I was in a pit of depression for years because of my student loan debt. My car was
13 repossessed, and I had to work in a string of minimum-wage jobs. This was humiliating
14 to me after I had been at the top of my class and had always seen myself as a go-getter
15 and an achiever.

16
17 23. The opportunity to apply for borrower defense gave me some hope. I believed, naively,
18 that my government would do the right thing. I provided so much information that was so
19 clear, I believed it would be impossible to deny what happened to myself and other CEC
20 students – that this company was feeding off of vulnerable people. I thought our
21 government would do what they're supposed to do: correct this injustice and prevent it
22 from happening again to others.

23
24 24. I didn't expect that just because I had submitted an application that it would necessarily
25 be fully approved, but I felt confident in the accuracy and thoroughness of the
26 information I'd provided. As just one example, I was able to provide a form where the
27

1 Brooks career center literally crossed out information that I'd written down in order to
2 make my file falsely show that I was a placement of theirs. The fraud was clear.

3 25. When I finally received my denial notice after years of waiting for a decision, I didn't
4 understand it because it was confusing and vague. There was no explanation of why my
5 claim was denied.

6
7 26. I do not understand whether the Department looked at the evidence that I submitted, and I
8 do not understand how the evidence I did submit was not enough to make out a borrower
9 defense claim. My application contains details about my experience and evidence of
10 publicly available information about Brooks' and CEC's use of high-pressure and
11 deceptive practices.

12
13 27. It was so disheartening to see that the denial notice only referenced two articles when I
14 sent literally pounds of information in support of my application. I felt deflated because
15 the denial seemed arbitrary and dismissive of my efforts to convey how we were wronged
16 as borrowers and what it was like to be taken advantage of. I felt like I had been tricked,
17 because the Department of Education is supposed to be set up to review these problems,
18 and the problems are not being taken seriously.

19
20 28. Instead, they just let CEC change its name and continue to grift vulnerable people. I feel
21 now, not just that I was wronged, but that my own government has endorsed this
22 fraudulent behavior. It's like they are saying that those of us who were victimized don't
23 matter, and it's okay to destroy lives if the victims just weren't "smart enough" to figure
24 out they were being taken advantage of.

25
26 29. The denial notice states that I may ask for reconsideration, but I am not sure what this
27 means, nor what information I would need to provide to be reconsidered. I have not filed
28

1 for reconsideration because I'm too scared to continue interacting with the Department of
2 Education. I don't feel justice could be had with them.

3 30. The notice did not say that I had a right to go to court.

4 31. I have thought about getting an attorney to represent me in my student loan case, but I
5 can't get one – not just because I can't afford it, but because it doesn't exist. Nobody
6 wants to take on the Department of Education.
7

8 32. This experience will haunt me forever. I worked full time the entire time I was at Brooks,
9 and I missed out on 3 years of spending time with my daughter – all for nothing. This
10 experience has even had a negative emotional impact on my ability to enjoy photography,
11 which I went to Brooks to study. This activity that I gave so much time, energy, and
12 effort to is now a source of pain.
13

14
15 I swear under penalty of perjury that the foregoing is true.

16 Executed on: October 29, 2020

17 Camarillo, California

18 
19 Rebekah S. Norton (Oct 29, 2020) 10/29/2020

20 Rebekah Norton
21
22
23
24
25
26
27
28

Exhibit A

Borrower Defense to Repayment Application

Brooks Institute of Photography (BIP) & Brooks Institute (BI)

Pursuant to 20 U.S.C. § 1087e(h), 34 C.F.R. § 685.206(c)(1), and Master Promissory Note (MPN) under the William D. Ford Federal Direct Loan (Direct Loan) Program and Federal Family Education Loan (FFEL) Program As detailed below, I, **Rebekah Norton**, am hereby applying for a full discharge of my federal student loans according to the "Defense to Repayment" provisions of the Higher Education Act and promulgating regulations.

Section 1: Borrower Information

SSN

[REDACTED]

Name

Rebekah Ann Norton

Address

[REDACTED]

City

[REDACTED]

State

[REDACTED]

Zip Code

[REDACTED]

Telephone

[REDACTED]

Telephone

N/A

Email

[REDACTED]

Borrower is

Employed

In field of study

Out of field of study

Unemployed

Loan Servicer

DEPT OF ED/FEDLOAN SERVICING (PHEAA)

PO BOX 530210

ATLANTA, GA 30353-0210

800-699-2908

Section 2: School Information

School Name (The school changed its name)

Brooks Institute of Photography (BIP)

801 Alston Road

Santa Barbara, CA 92108

AND

Section 2: School Information Continued...

Brooks Institute of Photography (BIP)

321 Alameda Padre Serra
Santa Barbara, CA 93103-1809

AND

Brooks Institute (BI)

5301 N Ventura Ave.
Ventura, CA 93001

Dates of Attendance From September 1999 To August 2002

Name of program

Undergraduate Still Photography

Type of Credential

Bachelor degree

Status

Completed

Withdrew

Section 3: Illegal Conduct of School

I assert that certain acts and omissions by **Brooks Institute of Photography, Santa Barbara CA and Brooks Institute, Ventura CA** and/or its agents/representatives give me a defense to repayment of my federal student loan(s) under state and federal law and the terms of my federal student loan agreement(s).

The illegal conduct by Brooks Institute of Photography, Santa Barbara CA and Brooks Institute, Ventura CA includes:

Misleading me about how this program would affect my job prospects, including:

Citing false and/or misleading job placement statistics and salary information to convince me to enroll in Brooks Institute of Photography, Santa Barbara CA

Explain:

The school's job placement rate in writing that had always been provided to myself and other students was 87%, as noted on page 34 of the 1999 catalog (see attached supplemental documentation, copy of full catalog available upon request). My recollection was that of even higher promises verbally being over 90% every time the admissions office and counselors would discuss it. This was also the main claim in the 2005 lawsuit Nilsen

and Limon brought by the Braun law group, which claimed that the school promised a 98% placement rate and starting salaries of over \$75,000.

My specific recollection was that both Inge Kautzmann, who was the director of admissions at the time my application was submitted and when I signed my initial tuition agreement, and counselor Daisy Moschitto, had reiterated numerous times verbally, as did other staff members in career services, and even the general education teaching staff, that there was "guaranteed job placement" and that the previous years' graduating classes never had less than an 85%-95% employment rate in the field of photography.

The numerous in-person as well as over the phone discussions I had with both Inge and Daisy continually promised and reassured me that immediately out of school I could expect to make at \$50,000 a year and that most students made immediately after graduation earned between \$50,000 and \$70,000. That salary number was significant to me at the time and always remained engrained in my memory because my close friend had recently begun teaching full time at a public school and he was earning slightly over \$40,000 at the time and I was impressed that my all but guaranteed earning potential was higher than his current salary. Entering Brooks as a non-traditional student who had completed all general education requirements needed to enter a public and WASC accredited university, I had the opportunity to pursue other college options as well as the need since I was a mother of a 4 year old daughter. I was still a single mother when I applied to Brooks and my earnings potential was essential for the livelihood for myself and my daughter and was not something I was able to gamble with. I was provide reassurance over and over of the high numbers and received continued promises of employment rates, placements through career services, and my ability to pay on the loans I would need to take out for the high rate of tuition noting over and over that the prestige and name of the school would guarantee me full time employment, with their guidance and assistance, upon completion of their bachelors program. As a responsible parent and adult, I never would have enrolled at this school had not been able meet salary requirements that would allow me to financially provide for my child while also paying for the debt I was incurring in school to obtain said degree, and the promises and guarantees made to me over and over that the job placement and minimum salaries earned by Brooks alumni would be sufficient to do so. Instead my independent income was below poverty level at graduation and has been until just this year, 14 years later.

The career planning exit interview (see attached supplemental forms) which was required by all students to be completed and submitted to the office of career services prior to receiving our degree had multiple choice options for selection of pre-determined denominations noting "current salary range". I had selected the box that was \$21,000-\$24,000. I had also indicated in the selected box that I was actively seeking new employment and that I had been working at that current job since December of 2000, approximately less 1/3 of the way through my tenure as a Brooks student. In the section provided for me to fill in the blank I wrote: "Film Sales" as I was working retail sales at the film counter at a local camera shop, Samy's Camera. I was a cashier that sold film at a retail job that I had obtained independently without assistance from anyone at Brooks, and certainly was not considered to be "in the industry" as a retail sales employee. I had stated my Salary desired to be "\$35,000 yr (negotiable...I'm starving)" as at the last month of school it had been made apparent in the lack of action, assistance, and interest of the school the \$50,000 a year or higher rate of pay I had been promised at admission and throughout my course of studies was not going to be attainable upon graduation that month nor shortly thereafter.

When I requested a copy of my file from the school in or around 2005 I received a copy of the afore mentioned exit interview and attached to the top of it was a form hand written and completed by Dave Oldrich, as identified by his initial D (how he had signed off on all of his forms I had witnessed previously) on the line reading "verified by". When looking at the form it appears that it was either meant to be completed by the student, and clearly was not as it was the same hand writing as the verifying personnel and attached to the document handwritten by me; either there had been original one I do not recollect that had been replaced by this document that was completed by Mr. Oldrich, or it was never provided to me nor perhaps other students.

The information on the form reported my current employer as Samy's Camera, accurate and the same as what I had reported on my attached form. Most of the rest of the document was completed with false information, again written by someone other than myself, and stapled to the top of the documentation I provided, noting it's inaccurate and dishonest reporting. On the line that stated "Your Title" Mr. Oldrich had begun to write what looks to be the partial words "Cust Se" and a line had been drawn through it and the words next that were "Lab Mgr". I am assuming that he was intending to write Customer Service and changed his mind. Samy's Camera in Santa Barbara, CA did not have a Lab for anyone to manage. Additionally, the falsified information provided on the next line of "Start Date" the date of 4-1-02 was filled in, when my document clearly noted my employment at Samy's Camera for my retail sales job began on 12-00, which of course can be corroborated by my federal tax forms and the FASFA forms I filled out each year as well. The next line "Annual Salary" reported "\$27,000" when I had clearly stated my salary at the time was in the range of \$21,000-\$24,000, and was on the lower end of the report. The next line was truthful in that "Basic Duties" was reported as "Cust Service / Film Sales". One can assume that by changing the information and title I was being reported as a "Lab Manger" as working in the industry, though even with the falsified over estimation of my salary I would have been earning almost half of what had been guaranteed to me to be a minimum salary upon graduation.

X Misleading me about the type of job placement assistance the school intended to provide me.

Explain:

As noted above throughout the application and admissions process the job placement rate and promises of assistance directly from the school through it's claimed "Strong Alumni Network", working professors, and The Placement Office. The Placement Office was re-named Career Services in 2000 or 2001, I can't recall which, but upon my application and admissions process it was called The Placement Office.

The misrepresentation was not limited to pre-enrollment as it continued well in to the first year of instruction as well and also included misleading information from the teaching staff. The professors that were encountered 1st year of school were not the professors who taught classes to the students the last year of school. The professors that taught the incoming students continually discussed, in class during course work and lectures, that there would be job fairs, other networking events with Alumni and other industry professionals, and by leaving good impressions without allegedly well connected professors throughout our 3 years we would be connected to employers seeking out the skill set we were being taught. Even the teaching staff promised of assistance and opportunities and reminded us to connect with The Placement Office (noted later as being called Career Services) our last year of classes to make sure we could take advantage of all of the opportunities that we were told flooded the school by industry employers who were desperate for Brooks students to work for them.

Not only were there no job fairs, no networking events but there was no REAL Career Services office. There was no job placement, no assistance or support, nor guidance provided, but the career services the admissions representatives and counselors touted was only that in title. The office was run by one man, the above mentioned Dave Oldrich. Mr. Oldrich had no experience in, understanding of, nor connections in the industry but was a retired military recruiter. When I did go to his office I asked if he could provide any leads or job interview possibilities and he offered no leads, no opportunities, job searching tools, no ideas, or even a name of any alumni need even a low paying assistant for a day. Instead he did to me what he would do to all the other students who attempted to elicit help from him, he would point at the bulletin board hanging in the hallway across from his office door. The bulletin board never had anything more than minimum wage customer service or childcare help wanted ads posted from local food service and/or families in search of inexpensive labor. The last 7 week session I completed (as the school ran in sessions not in trimesters nor semesters) before graduating I made my final attempt, out of desperation, to elicit help from the Career Services office. After entering Mr. Oldrich's office I received the then familiar silent point to the bulletin board, and I tearfully asked him why he felt it was acceptable to pretend he was offering any assistance to students by posting on the bulletin board that month which was for a local ice cream shop or if he had enjoyed humiliating us. I furthered that as a mother of a 7 year old child, who was graduating at the top of my class, having received awards and nominates for honors from my photography professors, and who also had incurred tens of thousands of dollars in student loan debt, it was fair of me to desire the help promised me from Career Services. He made no response that I recall, just a smirk as I walked away helpless and in tears. I will never forget the desperation nor humiliation of that day in August of 2002.

X Other false/misleading conduct relating to job prospects.

Explain:

See above for inclusion of the falsified documents of my employment at graduation information as reported as "working in industry" for future students.

Misleading me about the quality of the program, including:

X The fact that my program lacked the required accreditation to allow me to work in my field and/or transfer my credits to another college.

Explain: Approximately half way through my course of studies, and this is a 14 year old recollection so I may be off by a few months, school administrators notified the students, staff, and faculty that they were in the last stages of the process of regaining the WASC accreditation, understanding now that again it was deception on the school's part, and stating their belief at the start of each and every registration period (every 6-8 weeks depending on student's scheduling availability) that the WASC accreditation could be achieved prior to my graduation date. And of course by my last session making promises it would be done shortly thereafter and would be retro-active making my Bachelor's under the umbrella of their new accreditation. There were auditors that sat in classes and we were told to behave and ask specific questions. The faculty often taught different lesson plans that were incongruent to what we had been learning the weeks before as well as after while the auditor was present in the back of the classroom. The hope that our degree would be considered more legitimate academically (as at this juncture and that far in I had looked in to transferring and found out

that I would have had to start all over to achieve a degree at a different college as the units and coursework were considered academically legitimate and were more of a “trade school” courses) and eligible for a higher accreditation kept the staff, faculty, and students in line out of desperation to not make matters worse for our financial and potential academic futures.

Of course it’s not to be overlooked that during my initial application and admissions process whenever questions about transferring coursework/credits to another college would arise Daisy Moschitto would switch the conversation around to either address the coursework from my previous years at community college IN to Brooks or she would state, “Most colleges will accept our classes but each school can have different class requirements which might make you repeat a class or two” always skirting the issue and deceptively acting as though there would be a possibility for transferring but also following it up with dismissive statements that reassured me of a high completion rates and no need to worry about transferring because that’s just for students who aren’t able to “hack it” to worry about and her assurance that I would do very well at their school.

X Other false/misleading conduct relating to the quality of the program.

Explain: In the recruitment catalogs, on the campus/facility tours, and when talking with Daisy Moschitto and Inge Kautzmann class sizes were promised to be small, providing historical data that graduating class sizes, again noted in the 1999 catalog in the employment outlook statistics (same copied document attached) as noting there had been 44 graduates in the Bachelors of Arts program the previous year. I was told, as were my peers whom I talked with at the time of admission, that only the most elite of students would be accepted to the school, once again noting how that tied in hand in hand with job placement as it was “the cream of the crop” only who attended and that there high academic standards and general education requirements in place to assure only students with academic maturity were participating in the same classes, as they were alleged to be intimate in size, citing often less than 15 people in a classroom. This was also false and the class size was over doubled as we were welcomed the first day on campus as “the largest class ever to attend Brooks”. That many students straight out of high school had been accepted and would be required to take some classes at the local community college for the general education requirements but that they were going to work on getting more general education instruction held on campus as well.

Misleading me about how I would pay for the program, including:

X Misleading me about the true cost of the program.

Explain:

It is important to first not that while I received loans and grants I still had to maintain a full time job, which I did throughout the entire 3 years, in order to meet my monthly needs for housing food etc.

The 1999 catalog lists the cost of attendance in a very deceptive way. First and simply the estimate for tuition costs and supplies is not only underestimated dramatically but it is also done in a format a-typical of usual student budget lists. This alone seems very bizarre that there was never a list provided to myself or other

students that broke down the annual costs in a way that has been standard in the education-industry. Usually the breakdown of total cost of school is done annually and listed like a list, such as:

Tuition	\$amount
Room and Board	\$amount
Incidentals & Travel expenses	\$amount
Insurance	\$amount
Total average cost per year	\$amount

Brooks instead does not ever provide any form of list either within their catalog nor when applying for admissions nor financial aid and the only way to ascertain it, as no one at the school ever provided a straight answer always stating something to the effect of “we can’t give accurate answers because each class has different costs associated with it”.

Brooks reported the costs in a way that is not a list nor did it have all of the pertinent information available for reference next to each other in the catalog. The potential and/or current student would have to piece-meal the information together and calculate the math themselves.

On Page 21 of the 1999 catalog, which is entitled tuition and expenses, it refers you to the 7 week sessions and the current tuition of \$2500, which was I did start at when I enrolled. After several it states that any change in tuition/fees will be announced at least 30 days prior to inception. Without accounting for any increase in tuition a student then would have to turn to page 4 of the catalog to see how many sessions would be paid for and do the math that way. Per that catalog and calculation the tuition would have been 18 sessions and totally approximately \$48,120 without lab fees etc. But again, the only way to know the tuition except for in increments of the first 7 week session, is to turn from page 21 to page 4.

Page 21 also notes that the cost of supplies “averages about \$500 per month, the amount varies with course requirements and individual student use” and states that there are used equipment packages starting at \$1500, which was not the case. Neither of the local supplying retailers had used packages available prior to or after the start of the first session and that the new equipment package started at \$2800 which was also a gross underestimation by well over \$1000.

Tuition Costs

Sept 99-Dec 99	\$5, 150
Jan 00-Dec 00	\$15, 510
Jan 01-Dec 01	\$16, 320
Jan 02-Aug 02	\$11, 420
Total for Tuition only:	\$48,400

Supplies and Materials

\$2800 Brooks’ estimate for 1st session fees for basic equipment package

\$500 per month \$18,000

Total

Housing without meals etc.

1999 Catalog stated “\$800 starting cost for 2 bedroom apartment” x36 months = \$28,800

And "\$650 starting cost for 1 bedroom apartment" x36 months = \$23,400

However, part of the acceptance letter packet included an additional letter, see supplemental attachments, welcoming students to Brooks and the 3rd paragraph reads "a one-bedroom apartment at about \$800. A two-bedroom apartment will begin at approximately \$1200" which was also an intentional underestimation as Santa Barbara California rent was substantially higher than that and I was forced to commute from 30 miles south to find a more affordable apartment in Ventura that was \$950.

Subsidized Federal Student Loans Received:

Sept 99-April 00	\$2, 625
April 00-Dec 00	\$3, 500
Jan 01-Aug 01	\$5, 500
Sept 01-April 02	\$5, 500
April 02-Aug 02	\$2,750
Total for Subsidized:	\$19,875

UnSubsidized Federal Student Loans Received:

Sept 99-April 00	\$4, 000
April 00-Dec 00	\$4, 000
Jan 01-Aug 01	\$5, 000
Sept 01-April 02	\$5, 000
April 02-Aug 02	\$2,500
Total for UnSubsidized:	\$20,500

Pel Grant

1999-2000	\$2,675
2000-2001	\$1,050
2001-2002	Not Awarded Unknown as to why
2002	\$313 Grant Disbursed vs. Grant Awarded \$2,350
Total Pel Grants received:	\$4038

SEOG Grant

1999-2000	\$500
2000-2001	\$500
2001-2002	\$500
2002-2003	\$500
Total SEOG Grants received:	\$2000

Cal Grant

1999-2000	\$11,775
2000-2001	\$9,708
2001-2002	\$7,834
2002-2003	\$4,248 And received a demand letter for return of \$ 2355 of it, stating Brooks had issued a check to me in error (see attached supplemental documents) – I have no recollection of whether or not I had received an refund check from them in that amount but he stated amount and the letter had been sent to me almost a year after graduation.

Total Cal Grants received: \$33,565

All Grants received in total: \$39,603

Total Tuition:	\$48,400
Total Materials Per Brooks' Estimate:	\$18,000
Housing Per Brooks' addendum Estimate:	\$28,800
*note without board	Missing from Brooks' estimate
Personal and Transportation expenses	Missing from Brooks' estimate
Insurance/Medical/Auto /Photographic Equip	Missing from Books' estimate
*welcome letter noted need for insuring equipment as well as vehicle	

TOTAL EXCLUDING THE NOTED MISSING NECESSARY STUDENT BUDGET/NEED REQUIREMENTS: \$95,200

Noting what wasn't included that is typically in college financial aid estimates is an additional \$ 21,600

- 3 years of board (meals and not including my own childcare needs that were several thousands of dollars each year) at a conservative estimate of \$2800 per year individually would be an additional \$8400
- 3 years of personal incidentals and transportation expenses (not including a car payment) at an average of \$3,000 per year would be an additional \$9,000
- insurance for 3 years average of \$1400 (medical for myself only, not including my child) per year for all 3 types of insurance an additional \$4200

Making:

TOTAL COST OF \$116,800

- utilizing their purposefully deflated estimates and approximates on supplies and materials, housing etc...

Total Federal Loans:	\$40,375
Private Loans	\$11,000
Total Grants	\$39, 603

Total Fin Aid Received \$90,978

Brook's conservative estimate with the omissions of noted missing standard common practice allocation of student financial need was:

- Total cost \$95,200
- Leaving me with an additional unmet need of \$4,222

With the conservative estimate that DID include the room and board typically in student financial aid budgeting as, I was required to provide the information and demonstrate said need to be eligible for the amount of loans I acquired – but not including that of childcare need for an additional bedroom allowance and my daughter's extensive medical expenses my 3rd year in school:

- Total cost \$116,800
- Leaving me with an additional unmet need of \$25,822 (without the multi-thousand dollars of real actual figures and need)

As noted earlier the deception of what was needed financially to attend was done in a sneaky and misleading way and the estimates provided were GROSSLY misrepresented. The original cost of standard equipment was significantly more than the stated \$2800 and the monthly supplies fees were thousands of dollars more per year than estimated. My father and grandfather and extended family members had to come to my aid financially numerous times in order for this deficiency to be met.

I want to reiterate the TOTAL underestimated intentionally deflated amount by Brooks still had an unmet need of thousands of dollars while I was maxing out on federal student loans and receiving grants and working full time trying to stay afloat.

X Misleading me about whether I would have to borrow money to attend, Brooks Institute of Photography, Santa Barbara CA / Brooks Institute, Ventura CA, rather than having it paid for entirely in grants.

Explain:

Verbally I had been reassured numerous times by admissions representatives as well as financial aid that I would be eligible for substantial grants and gift aid that would cover a significant amount of my financial need. One of the grants I was awarded, Cal-Grant for the first year I attended I received a CAR program award letter from the California Student Aid Commission dated on 7/15/99 that stated it had awarded me the Cal Grant A award in the amount of \$14,130. When I arrived at Brooks the financial aid award letter given to me and dated on 9/15/99 notes my award of only \$11,775 from Cal Grant, which I was not notified of the change until I had already begun classes as they did not provide us our financial aid awards until the first day of school. The office had been in contact with me previously but did not notify me that I would be taking out additional loans due to a decrease in Grants until I was already attending class. Both documents are attached in supplemental documentation.

X Misleading me about the amount of student loans I was borrowing.

Explain:

When I was told that the amount of loans I was allowed to take out would cover the cost it was always masked in sessions. There were never totals provided and when we asked about annual rates we were always told that the fee schedule wasn't broken down that way and that we would have calculate it out in weeks while our loans were disbursed as though we were in a trimester program. No one would have give us actual figures.

X Misleading me about the terms of repayment on my federal student loans, including what my monthly payments would be.

Explain:

When exploring the federal student loan .gov sites the month prior to graduation I plugged what I owed and the 8.25% interest in to the loan payment calculator linked from finaid.org. It generated the payment information and also stated that I would need an estimated annual salary of at least \$59, 425.50 to be able to afford to repay the loan if I would be able to pay 10% of my gross monthly income. It noted also that if I were to pay 15% of my income I would need at least \$39, 616.80 as a minimum annual salary and that I “may experience some financial difficulty”. The latter figure was almost double the amount I made my first year out Brooks and it didn’t get any better. I brought this information with me for my appointment for the exit process with Brooks’ financial aid department where they continually assured me that I could defer my loans with both the federal and private loans until I was able to find employment that was conducive to the inflated payment in proportion to my income specifically highlighting I could go without making payments as long as I needed to until I found a better paying job.

X Other false/misleading conduct in relation to financial aid.

Explain:

Also during my exit process with Brooks’ financial aid department, while I sat in the office terrified and not knowing what to do, I noted that I had no job prospects and was still making approximately \$1700 a month before taxes at my retail sales job, while also supporting my daughter. I had just learned that my student loan payment to the federal loans alone would be \$495 per month and that Sallie Mae private loan was going to be almost \$200 per month. \$700 dollar per month in student loans was close to half of my monthly income.

The school informed me that I really only had 2 options and encouraged me to do the latter. I could defer the loans initially and stated I could do so for up to 3 years, or I could apply to Brooks’ graduate program, where I could receive my Master’s Degree and defer payments without accruing interest while in school and continue to hunt for a job. I was terrified I wouldn’t be able to make the \$495 per month payments and their solution was for me to provide MORE money to the school and take on MORE debt.

The school also assured me that I would be able to defer my private loan with Sallie Mae, which became Navient, and stated that because it was a private loan instead of federal that I would be able to negotiate a lower payment. Neither of those statements were true. I was unable to defer with the private SallieMae loan, after the initial 3 months post graduation, they refused options for lowering payments due to income, and I entered into default, my loan was sold to a collections agency in less than a year’s time, where it continues to be sold to differing agencies year after year. My initial private student loan, that would not allow for lower minimum payments, was for \$11,000 and currently is owned by Northstar Location Services and has a balance owed on it of \$47, 867.47 which the entire balance has been demanded of me, in full, by each company the loan has been sold to for the last 13 years. This loan has continued to impair my ability to obtain jobs I have applied for and could have been avoided all together if the financial aid office at Brooks met ethical standards and has been honest in disclosing the significant difficulty repayment would be, instead of stating it would be the same repayment options offered to me as the federally backed loans.

I was part of the Mark Nilsen, Zoe Curylo and Amanda Johnson On Behalf of Themselves And All Other Similarly Situated, lawsuit **and I accepted the settlement offer.**

Plaintiffs

vs.

Career Education Corporation (CEC)

Brooks Institute of Photography

Defendants

X I do not have a recollection of being included but I do have documentation received from the lawsuit showing the claims against the school. I have significant amounts of documents and/or data and have included a few pieces here. Please let me know if you need the additional documents. Reproduction cost is very high.

X I was part of the Mark Nilsen, Zoe Curylo and Amanda Johnson On Behalf of Themselves And All Other Similarly Situated, lawsuit **and I believe, to the best of my knowledge, that I recused myself from the Class and settlement offer.** *I state I believe in that I have no recollection of receiving payment and my recollection was that I did so in order to reserve the right to potentially pursue SallieMae for the fraud, crime and harm committed in conjunction with their Private Loans, Financial Aid office kick-backs, disregard and elimination of content stated in Promissory Note, radical increase of percentage rate after six month grace period, repayment demands/bills sent to students for several thousand dollars, demands for payment in full, harassment of borrowers employer/s, family members and friends, refusal to allow payment to defer or forebear due to economic hardship after initial 6 months post-graduation, refusal to provide documentation of their demands and/or promises when asked and lack of real attempt to find a solution for repayment to SallieMae as they would not negotiate anything and would only accept the payment they established without options.*

Plaintiffs

vs.

Career Education Corporation (CEC)

Brooks Institute of Photography

Defendants

X I have significant amounts of documents and/or data and have included a few pieces here. Please let me know if you need the additional documents. I was one of the students deposed, for several hours and questioned by Brooks/CEC attorneys repeatedly regarding the false job placement rates and the inflated employment statistics. I contacted the attorney's office while preparing this document, by email as well as phone, and did not receive a response from him nor his office staff regarding my deposition nor the status of whether or not I had indeed recused myself, as again I have not recollection of receiving any more than reimbursement of little more than \$100 for travel and reproduction expenses.

Furthermore, the long history of systematic illegal activity and inadequate programs created a high likelihood that school's reputation would be irreparably damaged to the point where the degrees they issued would be worthless. **Brooks Institute of Photography, Santa Barbara CA /Brooks Institute, Ventura CA** never notified me, or otherwise made me aware that that my degree would be worthless due to misconduct.

Because of this conduct, I have suffered injury, including:

X Federal student loan debt, which has caused me stress, forced me to divert funds from other aspects of my life and otherwise unduly burdened me.

Explain:

The extent to which this has harmed me and my family is far reaching and the reality I face on a daily basis. I am financially destroyed and because I was not provided with a skill set nor actual degree that would allow for repayment of debt that high, I have been unable to provide for myself in the way that most adults my age can and do. I am 41 years old and unable to contribute to any retirement fund, I am limited to employment opportunities due to the debt to income ratio I have making me incompatible for county and state job employment opportunities. I was limited due to the accreditation to attending an additional proprietary school as other schools would not accept the degree so the debt I incurred was even higher.

I am unable to purchase a home as I am ineligible due to the debt ratio to my income and I cannot finance my own vehicle as the interest rate is higher than that of a credit card so I am required to drive a vehicle completely financed in my husband's name and have no ownership of any property.

I was unemployed in 2005 and applied for disability due to the emotional distress the financial ruin on my debt load has caused me. During that time the I had also defaulted on my federal loans, having exhausted my deferment/forbearance opportunities. I was able to consolidate in a forgiveness student loan through William D. Ford and the interest I had accrued was so high what had been over \$40,000 of student loan debt then became over \$60,000. It has been insurmountable.

X A difficult time finding employment, either in the field I went to school for or otherwise.

Explain: It was impossible finding employment in the field of study from Brooks. I spent years worker vigilantly, I knocked on doors and entered studios of famous photographers and other companies that others didn't have the ability or tenacity to even call and yet I was unable to find employment. Often mocked by industry professionals and told things like "How much did you spend to be an lowly assistant your whole life" "Brooks makes the best assistants, but you'll never be a photographer". Some of the best people I knew who continued to work ended up filing bankruptcy and over a decade later are still forced to live with their parents in their 30s and 40s because of their lack of ability to financially support themselves from their Brooks education.

I returned to school to enter a different field and this is the first year of my life I will make over \$30,000. Still not achieving what I was begging for on my exit paper for Career Services, a salary of \$35,000 when I had been promised a starting minimum of \$50,000.

X Other injury, including pain and suffering.

Explain:

This question is what took me weeks to complete my application. There isn't a facet of my life that Brooks has not created pain and suffering in. This was painful to revisit and reopen the wound as Brooks has literally financially destroyed me. That's not an exaggeration, complete financial destruction that feels impossible to repair.

More than the financial decimation it destroyed my self-worth and self-esteem for years, and is still something I struggle with. I have so much regret and remorse and self-loathing for the way I was deceived. The humiliation of being so foolish and not knowing what questions to ask or understanding how things should be presented and what I should have known to inquire about as I was the first person in my immediate family to graduate from college. The feeling of worthlessness from failing at something that I was so passionate about that I moved my child to a different city, away from our extended family because I believed, and the faculty who were trusted and touted professionals, reassured me I that was "so amazing and talented". I was unable to achieve the dream of working in the industry, and that dream cost me tens of thousands of dollars and excruciating pain and distress, and truly continues to as the emotional destruction and stress and anxiety it has caused me has haunted me for 14 years now.

It strained and/or severed multiple relationships with my extended family members as I had a received financial assistance and their emotional support during my 3 years of attendance. I had made them the same promises that were made to me, that I would be employed in a lucrative career because I was made to believe it was a guarantee. And when I was unable to produce those promises and I continued to not only work at a sales counter, but actually become in MORE need of assistance financially due to my huge debt incurred they questioned my ability, my perseverance, and my integrity when none of those things had anything to do with it.

My husband and I feel the financial constraints of my poor decision to attend on a daily basis. There have been numerous times it has been the cause for us to doubt the longevity of our marriage, and who can blame anyone for wanting to be rid of the financial albatross that my Brooks student loan debt began. It is now a mountain of money owed that I will never be able to reach the top of. Though I have tried to forgive myself for not understanding I was being deceived I have to remember I was young, impressionable, and school was invested in sales and spinning the truth, not academics not launching the careers of the numerous hopeful artists that applied who were dreamers that didn't know they were being lied to. I was young foolish artist and today I am very financially poor woman with a useless bachelor's degree and a mile of paperwork demanding private loans be paid.

Section 4: Defense To Repayment of Federal Student Loans

The above conduct gives rise to a cause or causes of action under California law, which relate(s) directly to my loan and/or the provision of educational services for which the loan was given, including:

**California EDUCATION CODE
SECTION 94928-94929.9**

94928. As used in this article, the following terms have the

following meanings:

(a) "Cohort population" means the number of students that began a program on a cohort start date.

(b) "Cohort start date" means the first class day after the cancellation period during which a cohort of students attends class for a specific program.

(c) "On-time graduates" means the number of students who complete a program within 100 percent of the published program length. An institution may separately state completion information for students completing the program within 150 percent of the original contracted time, but that information may not replace completion information for students completing within the original scheduled time. Completion information shall be separately stated for each campus or branch of the institution.

(d) "Graduates available for employment" means the number of graduates minus the number of graduates unavailable for employment.

(e) (1) "Graduates employed in the field" means graduates who are gainfully employed in a single position for which the institution represents the program prepares its graduates, beginning within six months after a student completes the applicable educational program. For occupations for which the state requires passing an examination, the period of employment shall begin within six months of the announcement of the examination results for the first examination available after a student completes an applicable educational program.

(2) The bureau shall define by July 1, 2014, specific measures and standards for determining whether a student is gainfully employed in a full-time or part-time position for which the institution represents the program prepares its graduates, including self-employment or conducting freelance work, and may set the standards for the hours per week and duration of employment and utilize any job classification methodology the bureau determines appropriate for this purpose, including, but not limited to, the United States Department of Labor's Standard Occupational Classification codes.

(3) This subdivision shall not prohibit the bureau from authorizing an institution to aggregate single positions held by a graduate for purposes of meeting the hours per week standards established by the bureau.

(f) "Graduates unavailable for employment" means graduates who, after graduation, die, become incarcerated, are called to active military duty, are international students that leave the United States or do not have a visa allowing employment in the United States, or are continuing their education at an accredited or bureau-approved postsecondary institution.

(g) "Students available for graduation" means the cohort population minus the number of students unavailable for graduation.

(h) "Students unavailable for graduation" means students who have died, been incarcerated, or called to active military duty.

94929. (a) An institution shall annually report to the bureau, as part of the annual report, and publish in its School Performance Fact

Sheet, the completion rate for each program. Except as provided in subdivision (b), the completion rate shall be calculated by dividing the number of on-time graduates by the number of students available for graduation.

(b) In lieu of calculating graduation data pursuant to subdivision (a), an institution may report graduation data reported to, and calculated by, the Integrated Postsecondary Education Data System of the United States Department of Education.

94929.5. (a) An institution shall annually report to the bureau, as part of the annual report, and shall publish in its School Performance Fact Sheet, all of the following:

(1) The job placement rate, calculated by dividing the number of graduates employed in the field by the number of graduates available for employment for each program that is either (1) designed, or advertised, to lead to a particular career, or (2) advertised or promoted with any claim regarding job placement.

(2) The license examination passage rates for the immediately preceding two years for programs leading to employment for which passage of a state licensing examination is required, calculated by dividing the number of graduates who pass the examination by the number of graduates who take the licensing examination the first time that the examination is available after completion of the educational program. The institution shall use state agency licensing data to calculate license examination passage rates. If those data are unavailable, the institution shall calculate the license examination passage rate in a manner consistent with regulations adopted by the bureau.

(3) Salary and wage information, consisting of the total number of graduates employed in the field and the annual wages or salaries of those graduates stated in increments of five thousand dollars (\$5,000).

(4) If applicable, the most recent official three-year cohort default rate reported by the United States Department of Education for the institution and the percentage of enrolled students receiving federal student loans.

(b) Nothing in this section shall limit the bureau's authority to collect information from an institution to comply with this section and ensure, by regulation and other lawful means, that the information required by this section, and the manner in which it is collected and reported, is all of the following:

(1) Useful to students.

(2) Useful to policymakers.

(3) Based upon the most credible and verifiable data available.

(4) Does not impose undue compliance burdens on an institution.

(c) Data and information disclosed pursuant to paragraphs (1) to (3), inclusive, of subdivision (a) is not required to include students who satisfy the qualifications specified in subdivision (d) of Section 94909, but an institution shall disclose on its fact sheet and to the bureau whether its data, information, or both, excludes any students pursuant to this subdivision.

94929.7. (a) The information used to substantiate the rates and information calculated pursuant to Sections 94929 and 94929.5 shall do both of the following:

(1) Be documented and maintained by the institution for five years from the date of the publication of the rates and information.

(2) Be retained in an electronic format and made available to the bureau upon request.

(b) An institution shall provide a list of employment positions used to determine the number of graduates employed in the field for purposes of calculating job placement rates pursuant to this article.

(c) The bureau shall identify the specific information that an institution is required to document and maintain to substantiate rates and information pursuant to this section.

94929.8. (a) On or before January 1, 2011, and pursuant to Section 94877, the bureau shall establish, by regulation, a uniform method for institutions to obtain statistically valid, current, and representative data to comply with this article.

(b) A violation of the regulations adopted pursuant to subdivision (a) is a material violation of this chapter.

94929.9. (a) The bureau shall consider the graduate salary and other outcome data and reporting requirements that are utilized by the United States Department of Education, the Student Aid Commission, accrediting agencies, and student advocate associations. The bureau shall consider the reporting requirements of public postsecondary institutions in California to evaluate the feasibility of adopting these reporting requirements for private postsecondary institutions. The bureau shall make recommendations to the Legislature, on or before December 31, 2016, on how reporting requirements under this chapter should be altered to ensure accurate, useful, and consistent reporting by private postsecondary institutions to the bureau and students.

(b) The bureau is authorized to enter into a personal services contract with an appropriate independent contractor to assist in the evaluation required by subdivision (a). In this connection, the Legislature finds, pursuant to Section 19130 of the Government Code, that this is a new state function.

(c) (1) A report to be submitted to the Legislature pursuant to subdivision (a) shall be submitted in compliance with Section 9795 of the Government Code.

(2) Pursuant to Section 10231.5 of the Government Code, this section is repealed January 1, 2017.

Common law action for Fraudulent Misrepresentation;
and/or common law action for Fraudulent Concealment.

Additionally, the above conduct violates federal law, including:

1. The Federal Trade Commission Act and Federal Trade Commission regulations, which prohibit “a school, in promoting a course of training, to misrepresent the availability of employment after graduation from a course, the success that the member graduates have realized in obtaining such employment, or the salary that the member’s graduates will receive in such employment.” 16 C.F.R. § 254.4(d).
2. Title IV of the Higher Education Act and Amendments, and Department of Education regulations, which prevent schools from participating in Title IV programs from committing “substantial misrepresentation” in interactions with students and prospective students.

Section 5: Requested Relief

Therefore, I request that the Servicer and/or Department of Education take the following steps:

1. Cancel any remaining principal, interest, fees and costs associated with my federal student loans, borrowed to attend
X Brooks Institute of Photography, Santa Barbara CA
X Brooks Institute, Ventura CA
2. Cease any collection actions against me in relation to my federal student loans, borrowed to attend
X Brooks Institute of Photography, Santa Barbara CA
X Brooks Institute, Ventura CA
3. Return any sums paid, whether voluntarily or involuntarily, toward my federal student loans, borrowed to attend
X Brooks Institute of Photography, Santa Barbara CA
X Brooks Institute, Ventura CA
4. Remove any adverse reports related to my federal student loans, borrowed to attend School, from all consumer credit reporting agencies.
X Brooks Institute of Photography, Santa Barbara CA
X Brooks Institute, Ventura CA
5. Restore my eligibility to receive funds under Title IV, including by restoring any portions of my lifetime eligibility for Pell Grants and federal student loans previously used in order to attend
X Brooks Institute of Photography, Santa Barbara CA
X Brooks Institute, Ventura CA

I request a notification of a hearing or a determination of my asserted defense to repayment within thirty (30) days, in writing. Should you deny any or all of my defense, please inform me of the process for appealing this decision, in writing. I reserve the right to submit supplementary information in support of this application.

Section 6: Borrower Acknowledgment, Certifications, Assignment, And Authorization

I acknowledge that any person who knowingly makes a false statement or misrepresentation on this form or any accompanying document is subject to penalties that may include fines, imprisonment, or both, under the U.S. Criminal Code and 20 U.S.C. § 1097.


I certify, under penalty of perjury, that all of the information I have provided on this form and in any accompanying documentation is true and accurate to the best of my knowledge and belief.

I certify that I will provide, upon request, testimony, a sworn statement, or other documentation reasonably available to me that demonstrates to the satisfaction of the Department that I meet the qualifications for defense to repayment of my student loans.

I certify that, if my defense is successful, upon request I will provide assistance and cooperation to the U.S. Department of Education (the Department) in any proceedings or enforcement actions against the school related to my defense or the conduct asserted herein.

I hereby assign and transfer to the U.S. Department of Education (the Department) any right to a refund on the amount discharged that I may have received from the school and/or any owners, affiliates, or assignees of the school, and from any third party that may pay claims for a refund because of the actions or omissions of the school, up to the amount discharged by the Department on my loan(s).

I authorize the loan holder to which I submit this request (and its agents or contractors) to contact me regarding my request or my loan(s), including repayment of my loan(s), at the number that I provide on this form or any future number that I provide for my cellular telephone or other wireless device using automated telephone dialing equipment or artificial or prerecorded voice or text messages.

Borrower's Signature  **Date** 11/1/16

- Attachments :
- Diploma
- Transcript
- Brooks' Career Planning Exit Interview & Employment Information
- Page 34 of Brooks 1999 Catalog re: Employment
- Page 21 of Brooks 1999 Catalog re: Tuition and materials fees
- Page 4 of Brooks 1999 Catalog re: Academic Calendar / session breakdown – every 7 weeks
- Page 32 of Brooks 1999 Catalog re: Housing Costs & Necessity of Independent Vehicle
- Welcome letter from Brooks noting average cost for Housing and requirement for Vehicle
- California Aid Report (CAR)
- 1999-00 Financial Aid Award Letter
- Brooks Institute Welcome Letter
- Brooks Letter requesting return of CalGrant monies
- Annual Enrollment Agreements
- Federal Student Loan Payment Schedule
- Wells Fargo Account Statement for 1st payment due, 6 months post Graduation
- Lawsuits from California courts in 2005

BROOKS INSTITUTE

has conferred the

BACHELOR *of* ARTS DEGREE
in PROFESSIONAL PHOTOGRAPHY

upon

Rebekah Ann Norton

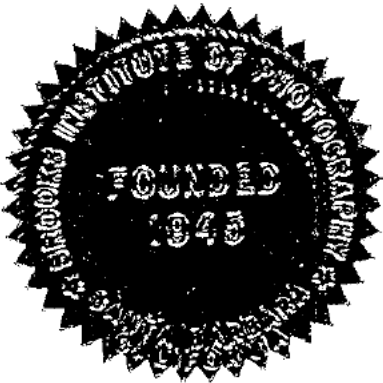
who has honorably fulfilled the requirements prescribed by the Institute for that degree
with a major in


COMMERCIAL / ADVERTISING & PORTRAITURE

Given under our hand and seal

this 30 day of August, 20 02

in the city of Santa Barbara, California




PRESIDENT


ACADEMIC DEAN

Rebekah Ann Norton [REDACTED] [REDACTED] BA Professional PhotCOM/ADV

TRANSFER CREDIT

ENG184	English Composition	3.00	T
ENG385	Journalism	3.00	T
PSY187	Theories of Personality	3.00	T
CUL188	Cultural Studies 1	3.00	T
ENG280	Advanced English Composit	3.00	T
MAT181	Math	3.00	T
TOTALS:		18.00	

Session 149	09/07/1999 - 10/22/1999				
FP1	Fundamentals Photograph	6.00	6.00	B 3.06	18.36
DE1	Design	3.00	3.00	A 4.00	12.00
Session Totals:		9.00	9.00	3.373	30.36

Session 150	11/01/1999 - 12/17/1999				
FC1	Film And Culture	3.00	3.00	A 4.00	12.00
BA2	Basic Photographic Fund	6.00	6.00	A- 3.70	22.20
Session Totals:		9.00	9.00	3.800	34.20

Honor Roll

Session 151	01/10/2000 - 02/25/2000				
PHO103	Intermediate Principles	6.00	6.00	B+ 3.42	20.52
SCI182	Science	3.00	3.00	B 3.17	9.51
Session Totals:		9.00	9.00	3.337	30.03

Session 152	03/06/2000 - 04/21/2000				
ACC381	Accounting	3.00	3.00	A- 3.74	11.22
PHO200	Lighting Theory	6.00	6.00	B 3.00	18.00
Session Totals:		9.00	9.00	3.247	29.22

Session 153	05/01/2000 - 06/16/2000				
BUS480	Business Law	3.00	3.00	A 4.00	12.00
PHO201	Lighting People	6.00	6.00	A- 3.70	22.20
Session Totals:		9.00	9.00	3.800	34.20

Honor Roll

Session 154	07/10/2000 - 08/25/2000				
PHO202	Lighting Studio	6.00	6.00	A 3.75	22.50
Session Totals:		6.00	6.00	3.750	22.50

Honor Roll

Rebekah Ann Norton

07/05/2001

[REDACTED]

Rebekah Ann Norton [REDACTED] [REDACTED] BA Professional PhotCOM/ADV

Session 155	09/05/2000 - 10/20/2000					
PHO203	Advanced Photography	6.00	6.00	A-	3.75	22.50
Session Totals:		6.00	6.00		3.750	22.50
	Honor Roll					

Session 156	11/06/2000 - 12/22/2000					
PSY285	Psychology of Mass Comm	3.00	3.00	A	4.00	12.00
DIM253	Digital Imaging	6.00	6.00	A-	3.90	23.40
Session Totals:		9.00	9.00		3.933	35.40
	Honor Roll					

Session 157	01/08/2001 - 02/23/2001					
PHO231	Color Printing Methods	6.00	6.00	A-	3.73	22.38
BUS282	Basic Business	3.00	3.00	A	4.00	12.00
Session Totals:		9.00	9.00		3.820	34.38
	Honor Roll					

Session 158	03/05/2001 - 04/20/2001					
SPE283	Speech	3.00	3.00	A-	3.85	11.55
POR241	Professional Portrait F	6.00	6.00	B	3.00	18.00
Session Totals:		9.00	9.00		3.283	29.55

Session 159	05/07/2001 - 06/22/2001					
MPV161	Video Production	6.00	6.00	A-	3.80	22.20
FIN382	Finance	3.00	3.00	A	4.00	12.00
Session Totals:		9.00	9.00		3.800	34.20
	Honor Roll					

Session 160	07/16/2001 - 08/31/2001					
ADV311	Commercial Photo 1	6.00	0.00			0.00
Session Totals:		0.00	0.00			0.00

 cgPA: 3.619 Credit Earned: 111.00 Quality Points: 336.54
 Status: ** Active

-----NO ENTRIES BELOW THIS LINE-----

Rebekah Ann Norton
[REDACTED]

07/05/2001

Rebekah Ann Norton [REDACTED] [REDACTED] BA COM/ADV
Professional Phot& POR

Session 163	01/07/2002 - 02/22/2002					
MRK284	Marketing	3.00	3.00	A	4.00	12.00
POR299	Beyond Portraiture	6.00	6.00	A	4.00	24.00
Session Totals:		9.00	9.00		4.000	36.00
	Honor Roll					

Session 164	03/04/2002 - 04/19/2002					
POR242	Intermediate/Advanced P	6.00	6.00	A-	3.70	22.20
Session Totals:		6.00	6.00		3.700	22.20

Session 165	05/06/2002 - 06/21/2002					
ADV313	Advanced Advertising 1	6.00	6.00	A	4.00	24.00
Session Totals:		6.00	6.00		4.000	24.00
	Honor Roll					

Session 166	07/15/2002 - 08/30/2002					
ADT492	Advanced Topics	6.00	6.00	A	4.00	24.00
Session Totals:		6.00	6.00		4.000	24.00
	Honor Roll					

 cGPA: 3.649 Credit Earned: 159.00 Quality Points: 514.44
 Status: ** Graduated 08/30/2002

-----NO ENTRIES BELOW THIS LINE -----

Rebekah Ann Norton

09/17/2002

[REDACTED]

Employment Information

Name REBEKAH ALTON Graduation Date Aug 02
Major COMM / PDR
Company Name SANYS Department _____
Street 910 E HALEY
City SANTA BARBARA State CA ZIP 93001
Telephone 963-7269 E-Mail _____
Your Title ~~Cust Serv~~ CAB ^{Mgr} Start Date 4-1-02 Annual Salary 27,000
Basic Duties Cust service / pitch Sales
Supervisor Name/Title JUSTIN WHEELER

Career Services use only	
Verification <u>D</u>	Date <u>9-2-02</u>
Comments _____	

Career Planning Exit Interview

Name: Norton, Rebekah Ann S. Graduation Date 08 / 02
Last First Middle Initial Month Year

Address: [Redacted] [Redacted] [Redacted] [Redacted]
Street City State Zip Code

Phone: [Redacted] Fax: N/A Email: [Redacted]

Alternate Contact Name: N/A Phone: _____
Last First

Alternate Contact Address: _____
Street City State Zip Code

I understand that Career Services is not solely responsible for my future employment after graduation and I must actively seek employment in order to be properly assisted by them.

Current Employer: Sony's Camera Supervisor: Justin Wheeler

Address: 910 E. Haley, Santa Barbara, CA 93001
Street City State Zip Code

Your Job Title: Film Sales Employer's Phone: (805) 963-7269 Start Date: 11-00

Do you have benefits at current employer? Yes No _____
After graduation I am planning to:
Stay at current employer _____
Actively seek new employment

Current salary range (check one):
Less than \$15,000 _____
\$15,000 - \$18,000 _____
\$18,000 - \$21,000 _____
\$21,000 - \$24,000
\$24,000 - \$27,000 _____
\$27,000 - \$30,000 _____
\$30,000 - \$33,000 _____
\$33,000 - \$35,000 _____
\$35,000 - \$38,000 _____
\$38,000 - \$41,000 _____
\$41,000 - \$44,000 _____
\$44,000 - \$47,000 _____
\$47,000 - \$50,000 _____
\$50,000 - \$53,000 _____
\$53,000 - \$56,000 _____
\$56,000 - \$59,000 _____
\$59,000 - \$62,000 _____
Greater than \$62,000 _____

If you are not currently employed, list the specific job you would like and the location you wish to work: Los Angeles

area ... assisting in commercial / celebrity
(editorial too)

photographer Salary desired: \$35,000/yr

(negotiable ... I'm starving!)

Career Services Use Only
initial: _____ Date: _____

The Student Right-to-Know and Campus Security Act

The Student Right-to-Know and Campus Security Act requires institutions to disclose the following information to all students and potential students. (In accordance with CEC 94312(h)(8), 94312(i)(1), (3) regulations)

Campus Security Policy and Procedures

Our policy is to provide a safe, comfortable environment for both students and employees.

There are three separate campuses comprising Brooks Institute of Photography. Each has separate security procedures based on campus activities as well as blanket procedures for the whole school.

There are no on-campus living quarters for students at Brooks Institute of Photography. Therefore, all security procedures are designed for work, study and classroom facilities only.

All campuses are closed to students and employees by 12:00 a.m. each evening, (exceptions are made through the campus administrator's office under special circumstances). Guidelines and campus passes for use of specific areas are available from department heads or the campus administrator.

All parking lots, entrances, and hallways are provided with adequate lighting systems. Many lights are automatic, motion sensitive light systems. All exterior lab, office and classroom doors are equipped with locks. Some areas have electronic keypad access. Some areas of the Jefferson Campus are covered by video surveillance cameras. Gated access is provided on the Montecito and Jefferson campuses. All crimes, incidents, and emergencies are reported in writing to the campus administrator and other appropriate administrators through the *Emergency and Crime Information Report*.

Procedures for dealing with students and employees convicted of crimes are covered in the school catalog and employee's handbook respectively. Victims of crimes are referred to the school counselor for consultation and referral as necessary.

Campus Crime Report

The incident of crime on Brooks Institute of Photography campuses has traditionally been very low. The following statistics have been reported between July 1997 and May 1998:

- Three reports of petty theft
- One report of a hit and run accident involving a motor vehicle.

Completion Rates - Bachelor of Arts program

For the period beginning January 10, 1994 and ending December 16, 1994 a total of 139 students enrolled in the introductory photography class, Fundamentals of Photography (101). (Students enrolled as Pre-Grads, or Special Status are not included in this data.) Of these 139 students, 64 (46%) completed the program and graduated between January and December 1997; 4 (3%) are still attending.

A student may complete the B.A. program in 3 years with the necessary prerequisites, however, students may take up to 4.5 years to complete the B.A. program.

Completion Rates - Diploma program

For the period beginning January 10, 1994 and ending December 16, 1994 a total of 19 students enrolled in the introductory photography class, Fundamentals of Photography (101). (Students enrolled as Pre-Grads or Special Status are not included in this data).

Of these 19 students, 7 (37%) completed the program and graduated between January and December 1997.

A student may complete the Diploma program in 3 years with the necessary prerequisites, however, students may take up to 4.2 years to complete the Diploma program.

Completion Rates - Graduate program

A total of 7 students entered the Graduate program in January and September 1994. Of these 7, 3 students (43%) graduated between January and December 1997; 4 students (57%) have completed all

course work and are continuing work on their thesis or project.

The Graduate program is designed to be completed in three years; one year to complete course work and two years to complete the thesis/project. However, a student may take up to 4.5 years to complete the program.

Employment Outlook

A survey of graduates from the academic year 1997/1998 has shown the following: of the 44 graduates from the Bachelor of Arts degree program eligible to work in the United States, 38 (87%) were employed in their field; of the 7 graduates from the Diploma program eligible to work in the United States, 5 (72%) were employed in their field; and of the 7 graduates from the Graduate program eligible to work in the United States, 6 (86%) were employed in their field.

Brooks Institute Alumni Association

As students progress through their program of study, they will come to recognize the many contributions which alumni make to their education, and to the general welfare of the Institute. Many alumni contribute their time and talents to appear on campus for seminars, lectures, and programs which are part of the educational program. Alumni are continually publicizing Brooks Institute, hiring graduates and advising on matters of curriculum and expectations in the profession. Nearly all are acting ambassadors of the Institute and are instrumental in encouraging prospective students to obtain the finest professional education possible at this Institute.

Alumni of Brooks Institute may be found all over the world successfully engaged in rewarding careers. The goals of the Alumni Association are to give service and to promote the general welfare of the profession.

Tuition and Expenses - Undergraduate

Tuition

Undergraduate tuition at Brooks Institute is based on a fifteen week trimester consisting of two seven-week sessions and one transition week. A student is permitted to take 12 to 18 credits per trimester. Tuition is currently \$2500.00 plus a non-refundable \$75.00 lab fee, per each seven week session. (See *Tuition Addendum for updated tuition information or contact the Admissions Office. Availability of financial aid may be determined by contacting the Financial Aid Office.*) Tuition payment is required at time of registration.

All entering students must pay their first trimester's tuition of \$5000.00 plus non-refundable lab fees of \$150.00. The tuition due date for all incoming new students is thirty days prior to the start of class. Any funds placed on a student's account are accepted for tuition/lab fee purposes only, credit balances on account are not permitted. All financial aid check(s) received will first be applied to any outstanding tuition.

Payment programs on a per session or annual basis may be arranged with the Accounting Office. These plans are sponsored by Brooks Institute of Photography. Failure to meet the terms of these plans will result in a non-registered status.

Tuition per session is the same for the degree and diploma programs, however, a few specialized courses do require nominal additional fees. After the initial registration, tuition and lab fees cover the full cost of registration and instruction in the Institute's resident programs.

Tuition is required at the time of registration (see *Calendar of Events for Registration dates, page 30*). Grant or loan checks cannot be released until students have actually started classes, or before the first day of the loan period. *Students should not depend solely on grant or loan checks for tuition*

payments, especially the first trimester's tuition, which is required 30 days prior to the entrance date.

The institute reserves the right to make changes in its regulations, tuition, lab fees, and course offerings. Any change in tuition / fees will be announced at least 30 days prior to inception.

Equipment and Supplies

Used equipment packages start from about \$1,500. Used equipment can usually be purchased from the graduating students. New equipment packages start from about \$2,800. Supply lists are provided by each instructor at the beginning of each course. A supply list for the first course is available upon request from the Admissions Office. While supplies average about \$500 per month, the amount varies with course requirements and individual student use.

The following is a general list of equipment required for both Still Photography and Motion Picture majors enrolled in the first photographic course (Fundamentals of Photography 101), unless otherwise indicated:

- 35mm manually adjustable camera with interchangeable lens capability
- Tripod sufficient to support 4x5 camera (Motion Picture students need to support 35mm camera)
- Incident light meter
- Cable release (minimum length 20")
- Magnifier 4x or 8x
- Dial thermometer (type that can be recalibrated)
- Three graduated cylinders (size dependent on tank capacity)
- One graduated cylinder (1-2 ounces and also calibrated in millimeters)

- One 16 ounce invertible stainless steel film processing tank
- Two 35mm stainless steel processing reels

The following items are required for Still majors *but not required for Motion Picture majors:*

- 4x5 studio view camera and case
- 210mm lens with lens board to fit 4x5 camera
- Polaroid back for 4x5 camera
- 4x5 sheet film holders (minimum 6)
- Film holder cleaning brush
- Focusing cloth for 4x5 camera

The following items are required for Motion Picture and Digital Media majors *but not required for other still majors:*

- 16mm, 1200' split reels (minimum 2)
- 16mm film splicer for work print

Undergraduate Academic Calendar

Entrance Dates

Each trimester is composed of two seven-week sessions with a transition week between each session. During transition week, students are given an assignment to be completed by the first day of their next class. There is usually a three or four week break in mid-summer, and two or three weeks in the winter as indicated. Students may enter the Institute six times per year on the entry dates shown below, with a few exceptions. Motion Picture/Video majors should enter in January, April, and September, and some upper division courses are not offered every session.

1999	January 11 to February 26	1	March 8 to April 23	1	May 3 to June 18	3	July 12 to August 27	1	September 7 to October 22	1	November 1 to December 17	3
2000	January 10 to February 25	1	March 6 to April 21	1	May 1 to June 16	3	July 10 to August 25	1	September 5 to October 20	1	October 30 to December 15	3
2001	January 8 to February 23	1	March 5 to April 20	1	April 30 to June 15	4	July 16 to August 31	1	September 10 to October 26	1	November 5 to December 21	2
2002	January 7 to February 22	1	March 5 to April 19	1	April 29 to June 14	4	July 15 to August 30	1	September 9 to October 25	1	November 4 to December 20	2

Handwritten annotations:
 - Above 1999: 1 above Nov-Dec, 3 above Jan-Feb, 3 above Jul-Aug, 1 above Sep-Oct.
 - Between 1999-2000: 2 above Jan-Feb, 3 above Jul-Aug, 4 above Sep-Oct.
 - Between 2000-2001: 5 above Jan-Feb, 6 above Jul-Aug, 7 above Sep-Oct.
 - Between 2001-2002: 8 above Jan-Feb, 2, 750 above Mar-Apr, 2, 2001, 2002 above Apr-May.

Undergraduate Curriculum

Brooks Institute operates on a trimester basis and offers a three-year program leading to a Bachelor of Arts Degree in Professional Photography. Students may take up to four and one-half years to complete the program. The carefully structured curriculum has been developed to be responsive to the expanding needs of the photographic and motion picture industry. A continuous dialog with Brooks' alumni and other successful professionals provides valuable information concerning current trends and potential future developments within the broad spectrum of photographic/filmmaking careers.

The first half of the program, Lower Division, consists of training considered to be the foundation of career specialization. Fundamental photography and general education courses are taken concurrently to broaden the overall development of the individual, and direction is offered for the eventual selection of a photographic/filmmaking major.

The Upper Division of the program focuses attention on the student's selected major and specific career objectives. Career-oriented photographic/filmmaking courses are complemented by a variety of business courses to complete the framework for a successful career in photography or film.

In addition to the Bachelor of Arts Program, a three-year Diploma Program is offered. Both Programs are available to international students depending on their qualifications. A Master of Science Degree in Professional Photography is also offered (see Graduate Program, page 23).

Facilities and Services

Facilities include classrooms, studios, laboratories, library, and galleries for student and professional exhibits.

Each of the school's three campuses is fully equipped with a wide variety of photographic equipment and facilities. The audio-visual, motion picture and video departments have complete editing, sound recording, and ancillary facilities. The still photography labs have a total of seventy-one cubicles for enlarging black and white photographs, and twenty-five enlargers and printers for color. Studios, with a total coverage of over 8,000 square feet, are equipped with tungsten and/or electronic light sources. They can accommodate approximately twenty set-ups at any given time. Still and motion picture check-out facilities provide equipment for on and off campus use by students.

The largest studio facility is a modern working environment which enables upper division students to work in a commercial studio or stage, suitable for large-set photography. Our digital imaging laboratory incorporates Power Macintosh and Pentium computers networked to a variety of scanners and printers. CD's and photographic quality prints can be produced for class assignments and projects. Multimedia and animation represents an area of rapid growth and exciting software applications. Computer labs are also available for writing and business applications, as well as Web browsing and video digital post-production.

Library

Brooks Institute has an excellent library geared toward photographic education. It contains approximately 7000 books and 35,000 journals and technical publications. Current photographic journals, not otherwise indexed, are indexed at the library for the benefit of the students. In addition to photography, the library includes material on advertising, art, business management, marketing, digital imaging and graphics pertaining to photography.

While this facility is primarily for Brooks Institute students, (only enrolled students may borrow) the

public is welcome to use its resources for research. Visuals are continually being added. The library is open Monday through Friday and specific Saturdays when the Institute is in session.

Galleries

Brooks Institute's galleries reflect the diversity of the photographic medium. Exhibits rotate regularly featuring student, alumni and faculty work, internationally known professional photographers and research studies.

Photographic Competitions

Students are encouraged to enter photographic competitions held throughout the country. Brooks' students have an excellent record in competitions, including those held by the Professional Photographers of America, Hasselblad, Kodak, American Photo, AMI, CPOY, regional photographic associations, magazines, and the Santa Barbara community.

Advisement Requirements & Counseling:

Initial information about the curriculum and the Institute's policies is provided by the Admissions Office Staff.

Faculty serve as program advisors to students about photographic studies and career opportunities. Students are assigned a faculty advisor during their first year of study. Students are required to meet with their assigned faculty advisor prior to programming a major course of study.

The Counselor is available for consultation about personal growth and academic concerns.

Insurance

It is recommended that students insure all photographic equipment either before or upon arrival in Santa Barbara. Verification of adequate coverage, with an insurance agent, is also recommended.

An insured automobile is necessary for travel to and between campuses, and for transporting equipment to assignment locations. The State of California requires registration of automobiles and

adequate vehicle insurance. Proof of insurance must be carried in the vehicle. Vehicles must be registered with the state when a person has resided here for 20 days. This law applies to students and to parents who provide vehicles for students attending schools in California. Upon arrival in Santa Barbara, students should contact the Department of Motor Vehicles for current information. Students are required to have a valid California Driver's License. International students must apply for a social security number first. Applications may be obtained from the Admissions Office. Processing takes about two weeks.

The Institute makes no provisions for medical insurance for its students.

Housing

Brooks Institute has no on-campus housing. The Student Services Office maintains housing lists of current vacancies to assist students after they arrive. Furnished rooms, with kitchen privileges, start at approximately \$400 per month. Studio apartments start at \$550, while one-bedroom apartments start at about \$650. Shared rental is usually about \$400 per month. Two bedroom apartments start at about \$800. Applicants should arrive at least two weeks before their starting date to find housing.

Applicants should also plan for additional living costs and personal expenses.

Meal Service

Refreshments and snacks can be obtained on each campus. The Institute has no provisions for serving complete meals.

Parking

Student parking is provided at all three campuses and there is no registration or fee required. We encourage car pooling to improve local air quality and conserve fuel.

Disabled Students

Brooks Institute of Photography reviews applicants with learning and/or psychological challenges on a case by case basis. It is in this

Brooks Institute of Photography

A World Leader in Professional Photographic Education.

WELCOME TO BROOKS INSTITUTE OF PHOTOGRAPHY

Congratulations on your acceptance to Brooks Institute!

We are sure that you have many questions about making the move to Santa Barbara. Relocating is not always easy, so we would like to provide some information that should help to make your transition into student life here as smooth as possible.

The campuses of Brooks Institute are located some distance apart, and students attend classes in more than one location. Some of your photographic/film assignments may require you to travel out of town. Furthermore, you will need to transport your equipment to campus and to assignment locations. A car is essential. If you are planning to purchase a car here in Santa Barbara, be sure to allow enough time to complete the transaction before your first day of class. If you are from out of state, check with the Department of Motor Vehicles about registering your car. The local number is 805-963-9741. We also suggest that you check with your insurance company about car and photographic equipment insurance.

Our housing office maintains a file of current vacancies in the area. These listings may be sent to you, upon request only. They are also available to you at the Montecito campus when you arrive to register for classes. The following will give you an idea of typical costs: A room in a private home with kitchen privileges will start around \$500 and a One-bedroom apartment at about \$800. A Two-bedroom apartment will begin at approximately \$1200. Allow yourself at least three to four weeks to find housing and get settled. If you do not have family or friends in the area, you may wish to make reservations with a motel on our list.

BROOKS INSTITUTE OF PHOTOGRAPHY
 801 Alston Rd
 Santa Barbara, CA 93108

FINANCIAL AID AWARD LETTER FOR 1999-00
 09/15/99

We are pleased to offer, subject to the terms and conditions described in this letter, the following financial assistance for the 99-00 Award Year.

REBEKAH A COHO

SSN: [REDACTED]

[REDACTED]

TYPE	PROGRAM	AMOUNT
Grants:	Federal Pell:	\$ 2,675
	FSEOG:	500
Loans:	FFEL Sub:	2,625
	FFEL Unsub:	4,000
Other:	GRANT:	11,775
Total All Programs:		\$ 21,575

FEDERAL PELL			FSEOG			FEDERAL PERKINS		
PERIOD	AMOUNT	DISB DATE	PERIOD	AMOUNT	DISB DATE	PERIOD	AMOUNT	DISB DATE
1st Payment	\$ 668 .00	09/07/99	1st Payment	\$ 125 .00	09/07/99			
2nd Payment	\$ 669 .00	11/01/99	2nd Payment	\$ 125 .00	11/01/99			
3rd Payment	\$ 669.00	01/10/00	3rd Payment	\$ 125.00	01/10/00			
4th Payment	\$ 669.00	03/06/00	4th Payment	\$ 125.00	03/06/00			

COMMENTS:

California Aid Report (CAR) Cal Grant Programs



The California Student Aid Commission is pleased to make this offer of Cal Grant assistance to you. Please read all of the information provided and follow the instructions both on this report and in the enclosed New Recipient Cal Grant Reference Manual.

<ul style="list-style-type: none"> • REBEKAH A COHO • [REDACTED] • [REDACTED] 	Date 7/15/99 Grant ID number [REDACTED] Social Security number [REDACTED] Academic year 1999-00 GPA 3.63
--	---

Eligibility Information

School choice	Cal Grant A	Cal Grant B	Cal Grant C
BROOKS INSTITUTE	\$14,130	SEE CODE #10	SEE CODE #74

- **Award Information** -- The data provided above is a best estimate of the Cal Grant you may receive based on current state funding. Availability of funding is subject to change. You are responsible for reading your New Recipient Cal Grant Reference Manual.
- **Information Change/Correction** -- If the school you plan to attend is not the first school listed above, you must inform the Commission. If the school is not listed, submit this CAR to the Financial Aid Office and notify the Commission by completing and returning the enclosed Recipient Change Form.
- **Non-Award Definitions** -- These can be found in the enclosed New Recipient Cal Grant Reference Manual.
- **Cal Grant Status** -- Enrollment of at least half-time is required to retain your grant. If you do not meet this requirement, contact the Commission and request a Leave of Absence.
- **Community College (CC) Reserve Grant** -- If the Cal Grant A above is a CC Reserve award, your award will be held in reserve for up to two years until you attend a four-year/private two-year school. See page 8 of the manual under CC Reserve for more information.
- **Cal Grant B Community College (CC) Grant** -- If the Cal Grant B designated above is a CC Grant, it will not be possible for you to use your grant at a four-year/private two-year school during the above academic year. If you attend a four-year/private two-year school at any time during the above academic year, you must notify the Commission. Your award will be held for you until the following academic year.
- **Cal Grant B Award Recipients** -- Students who have already completed more than one full-time semester, two full-time quarters, 4 1/2 months at a vocational/technical college or more than 16 part-time college units prior to the June 30th preceding the award year are not eligible for award activation. If you have completed more than these amounts, you must notify the Commission on the enclosed Recipient Change Form.
- **Eligibility** -- The school which you attend is required to confirm your continued eligibility prior to payment of this award.
- **Information Disclosure** -- Information for students eighteen (18) years of age or older will not be released to parents without written authorization.
- **Indefault** -- If the Default Status box is marked below, information received from the United States Department of Education indicates you are in default on a student loan or owe a refund on an educational grant. Your school must certify that you have made satisfactory repayment arrangements prior to your receipt of Cal Grant funds.

School Use Only

	Commission records		Commission records
Education level; Verify <input checked="" type="checkbox"/> Yes	2	Remaining Cal Grant eligibility	300.00 %
Housing status	OFF CAMPUS	Dependency status	INDEPENDENT
Family contribution	\$ 427	Default Status	

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G-16 (3/99) SACARG

Brooks Institute of Photography

A World Leader in Professional Photographic Education

April 24, 2003

Rebekah Ann Norton


Dear Rebekah:

During a routine reconciliation of our accounts on April 22, 2003 we discovered an administrative error on our part relating to your account at Brooks Institute. On September 17, 2002 we applied by mistake to your account \$2,355.00 in Cal Grant funds you were not eligible for (because it was after you had already graduated). We have now refunded those funds from your account to correct the mistake. The correction of our error means that you now have an outstanding balance on your account in the amount of \$2,355.00. You can make arrangements with the Student Accounts Office to pay this balance by calling (888) 304-3456, ext. 7605. Please contact the Financial Aid Office at (888) 304-3456, ext. 7631 if you have any questions regarding this matter. We truly apologize for any inconvenience this may cause.

Sincerely,



Stacey Eymann
Assistant Director of Financial Aid
Brooks Institute of Photography

Registration Form and Enrollment Agreement

Entering Session: September 1999

Student Name: Rebekah Norton ID # [redacted]

Address [redacted] Telephone (805) [redacted]

- Bachelor of Arts Diploma Pre-Graduate
 Graduate (MS) Special Status

New Course(s)	Tuition & Fees	Length of Term
Fundamentals of Photo B Design B	\$2500	September 7, 1999 to October 22, 1999
Basic Photo general Education Course	\$2500	November 1, 1999 to December 17, 1999
Lab Fees	\$150	Non-refundable
Total Paid	\$2575	8/5/99

If you fail to attend the above New Course(s) for which you have registered, you will receive a WF for each course. "Tuition and Fees" represents the total amount for all fees, charges and services the student is obligated to pay for the new course(s) of instruction. "New Course(s)"; the name, description and number of hours required to complete the New Course(s) indicated above are set forth in the Institute's current catalog, which is incorporated herein by reference.

Verify all information on this sheet. If any information is incorrect, or if you wish to change your schedule, you must see the Registrar, if after the term has commenced, and the Admissions Office if prior to the start of class.

Buyer's Right to Cancel: The student has the right to cancel this enrollment agreement and obtain a refund in accordance with Brooks Institute's Refund Policy by giving written notice to the Registrar's Office - Jefferson Campus, 1321 Alameda Padre Serra, Santa Barbara CA 93103.

This agreement is a legally binding instrument when signed by the student and accepted by the school. The Consent and Release and Refund Policy form is incorporated herein and made a part of this Agreement by this reference. A copy of this agreement may be obtained upon request to the Registrar's Office. **Any questions or problems concerning this school which have not been satisfactorily answered or resolved by the school should be directed to the Bureau for Private Postsecondary & Vocational Education. 1027 10th St. 4th Flr. Sacramento CA 93814, (916) 445-3427.**

My signature below certifies that I have read, understood, and agreed to my rights and responsibilities, and that the institute's cancellation and refund policies have been clearly explained to me.

Student Signature [Signature] Date 8/27/99

Admissions Authorization Signature [Signature] Date 8/27/99

Student Enrollment Agreement

BROOKS INSTITUTE OF PHOTOGRAPHY (the Institution)
 Montecito Facility - 801 Alston Road, Santa Barbara, CA 93108 (mailing address)
 Jefferson Facility - 1321 Alameda Padre Serra, Santa Barbara, CA 93103
 Media Center - 1722 State Street, Santa Barbara, CA 93101
 (805) 966-3888/(888) 304-3456

Rebekah Ann S. Norton

Student's Name (the Student) _____ Student's Social Security Number _____
 _____ State _____ Zip Code _____

 Date of Birth (Month, Date, Year) _____ Country of Citizenship USA

EDUCATIONAL OBJECTIVE:

Bachelor of Arts Degree Program Diploma Program Other _____

18 Sessions/ 153 Semester Credits _____ Sessions/ _____ Semester Credits _____ Session(s)/ _____ Semester Credits

Program Start Date Sept. 6, 1999 Scheduled Completion Date August 30, 2002

SCOPE OF THIS AGREEMENT:

This Enrollment Agreement covers enrollment in 3-9 semester credits in each of 6 (six) Session(s) beginning on 3-6-00 and ending on 2-23-01

TOTAL TUITION AND FEES COVERED BY THE TERMS OF THIS AGREEMENT:

	Session 1	Session 2	Session 3	Session 4	Session 5	Session 6	Registration Fee Non-refundable	Academic Year
TUITION	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500		NA
LAB FEES non-refundable	\$85	\$85	\$85	\$85	\$85	\$85		
TOTAL DUE	\$2,585	\$2,585	\$2,585	\$2,585	\$2,585	\$2,585		\$15,510
Payment Due Date	2-18-00	4-14-00	6-9-00	8-18-99	10-13-00	12-15-00		
THE STUDENT IS RESPONSIBLE FOR THIS AMOUNT →							BALANCE DUE	\$15,510

MY SIGNATURE BELOW CERTIFIES THAT I HAVE READ, UNDERSTOOD, AND AGREED TO MY RIGHTS AND RESPONSIBILITIES, AND THAT THE INSTITUTION'S CANCELLATION AND REFUND POLICIES HAVE BEEN CLEARLY EXPLAINED TO ME.

Signature of Student [Signature] Date 1-28-00
 Signature of Institutional Representative [Signature] Date 1-28-00
 Signature of Parent/Guardian (required only for minor applicants) _____ Date _____

Any questions or problems concerning this school which have not been satisfactorily answered or resolved by the school should be directed to the Bureau for Private Postsecondary and Vocational Education, 1027 10th Street, 4th Floor, Sacramento, CA 95814. (916) 445-3427

THIS AGREEMENT IS LEGALLY BINDING WHEN IT IS SIGNED BY THE STUDENT (AND PARENT/GUARDIAN, IF APPLICABLE) AND ACCEPTED BY THE INSTITUTION.

ACCEPTED BY: [Signature] Date 1-28-00 Student's Brooks ID 20238
 Signature of Authorized Institutional Official Date Student's Brooks ID

Student Enrollment Agreement

BROOKS INSTITUTE OF PHOTOGRAPHY (the Institution)
 Montecito Facility - 801 Alston Road, Santa Barbara, CA 93108 (mailing address)
 Jefferson Facility - 1321 Alameda Padre Serra, Santa Barbara, CA 93103
 Media Center - 1722 State Street, Santa Barbara, CA 93101
 (805) 966-3888/(888) 304-3456

Student's Name (the Student) Rebekah Ann Norton [Redacted]
 Student's Mailing Address [Redacted] St. [Redacted] [Redacted]
 City [Redacted] State [Redacted] Zip Code [Redacted]
 Date of Birth (Month, Date, Year) [Redacted] Country of Citizenship USA

EDUCATIONAL OBJECTIVE:

Bachelor of Arts Degree Program Diploma Program Other _____
 _____ Sessions/ _____ Semester Credits _____ Sessions/ _____ Semester Credits _____ Session(s)/ _____ Semester Credits
 Program Start Date _____ Scheduled Completion Date _____

SCOPE OF THIS AGREEMENT:

This Enrollment Agreement covers enrollment in 3-9 semester credits in each of _____ Session(s) beginning on _____ and ending on _____

TOTAL TUITION AND FEES COVERED BY THE TERMS OF THIS AGREEMENT:

	158	159	160	161	162	163	Academic Year	
	Session 1	Session 2	Session 3	Session 4	Session 5	Session 6	N/A	
TUITION	2,625.00	2,625.00	2,625.00	2,625.00	2,625.00	2,625.00		
ACTIVITY FEE non-refundable	85.00	85.00	100.00	100.00	100.00	100.00		
TOTAL DUE	2,710.00	2,710.00	2,725.00	2,725.00	2,725.00	2,725.00		16,320.00
Payment Due Date	2-16-01	4-13-01	6-15-01	8-24-01	10-19-01	12-13-01		
THE STUDENT IS RESPONSIBLE FOR THIS AMOUNT → BALANCE DUE								16,320.00

MY SIGNATURE BELOW CERTIFIES THAT I HAVE READ, UNDERSTOOD, AND AGREED TO MY RIGHTS AND RESPONSIBILITIES, AND THAT THE INSTITUTION'S CANCELLATION AND REFUND POLICIES HAVE BEEN CLEARLY EXPLAINED TO ME.

Signature of Student [Signature] Date 2/12/01
 Signature of Institutional Representative _____ Date 2-12-01
 Signature of Parent/Guardian (required only for minor applicants) _____ Date _____

Any questions or problems concerning this school which have not been satisfactorily answered or resolved by the school should be directed to the Bureau for Private Postsecondary and Vocational Education, 1027 10th Street, 4th Floor, Sacramento, CA 95814. (916) 445-3427

THIS AGREEMENT IS LEGALLY BINDING WHEN IT IS SIGNED BY THE STUDENT (AND PARENT/GUARDIAN, IF APPLICABLE) AND ACCEPTED BY THE INSTITUTION.

ACCEPTED BY: [Signature] Date 2-12-01 # 20238
 Signature of Authorized Institutional Official _____ Date _____ Student's Brooks ID _____

BROOKS INSTITUTE OF PHOTOGRAPHY (the Institution)

Montecito Facility - 801 Alston Road, Santa Barbara, CA 93108 (mailing address)
 Jefferson Facility - 1321 Alameda Padre Serra, Santa Barbara, CA 93103
 State Street Facility - 1722 State Street, Santa Barbara, CA 93101
 Ventura Facility - 5301 N. Ventura Blvd., Ventura CA 93001
 (805) 966-3888/(888) 304-3456

Student's Name (the Student) Kebekeh Ann Norton Student's Social Security Number [REDACTED] Student's Home Phone [REDACTED]
 Student's Mailing [REDACTED] City Ven State [REDACTED] Country USA Zip Code [REDACTED]
 Date of Birth (Month, Date, Year) [REDACTED] Country of Citizenship USA

EDUCATIONAL OBJECTIVE BEGINNING 9/7/99:

- Bachelor of Arts Degree Program (18 Session/159 Semester Credits)
 - Film and Video Production
 - Professional Photography
 - Visual Journalism
- Associate of Arts Degree Program (8 Sessions/72 Semester Credits)
 - Visual Journalism
- Diploma Program (17 Sessions/108 Semester Credits)
 - Film and Video Production
 - Professional Photography
- Pre-Grad Studies (in preparation for the MS Degree)
 - Sessions/ Semester Credits

SCOPE OF THIS AGREEMENT:

This Enrollment Agreement covers enrollment in 3-9 semester credits in each of 4 Session(s) beginning on 3/4/02 and ending on 10/25/02

TOTAL TUITION AND FEES COVERED BY THE TERMS OF THIS AGREEMENT:

	Session 1	Session 2	Session 3	Session 4	Session 5	Session 6	Academic Year
							Application Fee \$
							Registration Fee non-refundable \$
TUITION	\$2,755	\$2,755	\$2,755	\$2,755	\$2,755	\$2,755	\$17,130.00
ACTIVITY FEES Non-refundable	\$100	\$100	\$100	\$100	\$100	\$100	
TOTAL	\$2,855	\$2,855	\$2,855	\$2,855	\$2,855	\$2,855	
Payment Due Date	2-15-02	4-12-02	6-14-02	8-23-02	10-18-02	12-13-02	
Annual Tuition and Fees							

MY SIGNATURE BELOW CERTIFIES THAT I HAVE READ, UNDERSTOOD, AND AGREED TO MY RIGHTS AND RESPONSIBILITIES, AND THAT THE INSTITUTION'S CANCELLATION AND REFUND POLICIES HAVE BEEN CLEARLY EXPLAINED TO ME.

Signature of Student [Signature] Date 2/4/02
 Signature of Parent/Guardian (Required only for minor applicants) [Signature] Date 2/4/02
 Signature of Institutional Representative [Signature] Date 2/4/02

Any questions or problems concerning this school which have not been satisfactorily answered or resolved by the school should be directed to the Bureau for Private Postsecondary and Vocational Education, 400 R Street, Suite 500, Sacramento, CA 95814. (916) 445-3427

THIS AGREEMENT IS LEGALLY BINDING WHEN SIGNED BY THE STUDENT (AND PARENT/GUARDIAN, IF APPLICABLE) AND ACCEPTED BY THE INSTITUTION.

ACCEPTED BY: [Signature] Date 2/4/02 Student's Brooks ID 20238
 Signature of Authorized Institutional Official



The Smart Student Guide to Financial Aid



[Site Map](#) [About FinAid](#)

Loans

Loan Payments Calculator

Scholarships

Military Aid

Other Types of Aid

Financial Aid Applications

Answering Your Questions

Calculators

Beyond Financial Aid

Loan Balance: \$40,375.00
 Loan Interest Rate: 8.25%
 Loan Term: 10 years
 Minimum Payment: \$50.00
 Monthly Loan Payment: \$495.21
 Number of Payments: 120
 Cumulative Payments: \$59,425.20
 Total Interest Paid: \$19,050.20

SEARCH

Note: The monthly loan payment was calculated at 119 payments of \$495.21 plus a final payment of \$495.21 .

It is estimated that you will need an annual salary of at least \$59,425.20 to be able to afford to repay this loan. This estimate assumes that 10% of your gross monthly income will be devoted to repaying your student loans. If you use 15% of your gross monthly income to repay the loan, you will need an annual salary of only \$39,616.80 , but you may experience some financial difficulty.

These results assume that the student is paying the interest charges on any unsubsidized loans and is not capitalizing the interest while in school. If the student is capitalizing the interest, the cumulative payments and total interest charges will be higher than shown here.

Payment Schedule

Payment Number	Payment	Interest	Principal	Cumulative Interest	Cumulative Principal	Cumulative Remaining Balance
1	\$495.21	\$277.58	\$217.63	\$277.58	\$217.63	\$40,157.37
2	\$495.21	\$276.08	\$219.13	\$553.66	\$436.76	\$39,938.24
3	\$495.21	\$274.58	\$220.63	\$828.24	\$657.39	\$39,717.61
4	\$495.21	\$273.06	\$222.15	\$1,101.29	\$879.55	\$39,495.45
5	\$495.21	\$271.53	\$223.68	\$1,372.83	\$1,103.22	\$39,271.78
6	\$495.21	\$269.99	\$225.22	\$1,642.82	\$1,328.44	\$39,046.56
7	\$495.21	\$268.45	\$226.76	\$1,911.26	\$1,555.21	\$38,819.79
8	\$495.21	\$266.89	\$228.32	\$2,178.15	\$1,783.53	\$38,591.47
9	\$495.21	\$265.32	\$229.89	\$2,443.47	\$2,013.42	\$38,361.58
10	\$495.21	\$263.74	\$231.47	\$2,707.20	\$2,244.90	\$38,130.10
11	\$495.21	\$262.14	\$233.07	\$2,969.35	\$2,477.96	\$37,897.04

12	\$495.21	\$260.54	\$234.67	\$3,229.89	\$2,712.63	\$37,662.37
13	\$495.21	\$258.93	\$236.28	\$3,488.82	\$2,948.91	\$37,426.09
14	\$495.21	\$257.30	\$237.91	\$3,746.12	\$3,186.82	\$37,188.18
15	\$495.21	\$255.67	\$239.54	\$4,001.79	\$3,426.36	\$36,948.64
16	\$495.21	\$254.02	\$241.19	\$4,255.81	\$3,667.55	\$36,707.45
17	\$495.21	\$252.36	\$242.85	\$4,508.18	\$3,910.39	\$36,464.61
18	\$495.21	\$250.69	\$244.52	\$4,758.87	\$4,154.91	\$36,220.09
19	\$495.21	\$249.01	\$246.20	\$5,007.88	\$4,401.11	\$35,973.89
20	\$495.21	\$247.32	\$247.89	\$5,255.20	\$4,649.00	\$35,726.00

Payment Number	Payment	Interest	Principal	Cumulative Interest	Cumulative Principal	Remaining Balance
21	\$495.21	\$245.62	\$249.59	\$5,500.82	\$4,898.59	\$35,476.41
22	\$495.21	\$243.90	\$251.31	\$5,744.72	\$5,149.90	\$35,225.10
23	\$495.21	\$242.17	\$253.04	\$5,986.89	\$5,402.94	\$34,972.06
24	\$495.21	\$240.43	\$254.78	\$6,227.33	\$5,657.71	\$34,717.29
25	\$495.21	\$238.68	\$256.53	\$6,466.01	\$5,914.24	\$34,460.76
26	\$495.21	\$236.92	\$258.29	\$6,702.93	\$6,172.53	\$34,202.47
27	\$495.21	\$235.14	\$260.07	\$6,938.07	\$6,432.60	\$33,942.40
28	\$495.21	\$233.35	\$261.86	\$7,171.42	\$6,694.46	\$33,680.54
29	\$495.21	\$231.55	\$263.66	\$7,402.97	\$6,958.12	\$33,416.88
30	\$495.21	\$229.74	\$265.47	\$7,632.72	\$7,223.58	\$33,151.42
31	\$495.21	\$227.92	\$267.29	\$7,860.63	\$7,490.88	\$32,884.12
32	\$495.21	\$226.08	\$269.13	\$8,086.71	\$7,760.01	\$32,614.99
33	\$495.21	\$224.23	\$270.98	\$8,310.94	\$8,030.99	\$32,344.01
34	\$495.21	\$222.37	\$272.84	\$8,533.30	\$8,303.84	\$32,071.16
35	\$495.21	\$220.49	\$274.72	\$8,753.79	\$8,578.56	\$31,796.44
36	\$495.21	\$218.60	\$276.61	\$8,972.39	\$8,855.17	\$31,519.83
37	\$495.21	\$216.70	\$278.51	\$9,189.09	\$9,133.68	\$31,241.32
38	\$495.21	\$214.78	\$280.43	\$9,403.88	\$9,414.10	\$30,960.90
39	\$495.21	\$212.86	\$282.35	\$9,616.73	\$9,696.46	\$30,678.54
40	\$495.21	\$210.91	\$284.30	\$9,827.65	\$9,980.75	\$30,394.25

Payment Number	Payment	Interest	Principal	Cumulative Interest	Cumulative Principal	Remaining Balance
41	\$495.21	\$208.96	\$286.25	\$10,036.61	\$10,267.00	\$30,108.00
42	\$495.21	\$206.99	\$288.22	\$10,243.60	\$10,555.22	\$29,819.78
43	\$495.21	\$205.01	\$290.20	\$10,448.61	\$10,845.42	\$29,529.58
44	\$495.21	\$203.02	\$292.19	\$10,651.63	\$11,137.61	\$29,237.39
45	\$495.21	\$201.01	\$294.20	\$10,852.63	\$11,431.82	\$28,943.18
46	\$495.21	\$198.98	\$296.23	\$11,051.62	\$11,728.04	\$28,646.96
47	\$495.21	\$196.95	\$298.26	\$11,248.57	\$12,026.30	\$28,348.70
48	\$495.21	\$194.90	\$300.31	\$11,443.46	\$12,326.62	\$28,048.38
49	\$495.21	\$192.83	\$302.38	\$11,636.30	\$12,628.99	\$27,746.01
50	\$495.21	\$190.75	\$304.46	\$11,827.05	\$12,933.45	\$27,441.55
51	\$495.21	\$188.66	\$306.55	\$12,015.71	\$13,240.00	\$27,135.00
52	\$495.21	\$186.55	\$308.66	\$12,202.26	\$13,548.66	\$26,826.34
53	\$495.21	\$184.43	\$310.78	\$12,386.69	\$13,859.44	\$26,515.56
54	\$495.21	\$182.29	\$312.92	\$12,568.99	\$14,172.35	\$26,202.65
55	\$495.21	\$180.14	\$315.07	\$12,749.13	\$14,487.42	\$25,887.58

56	\$495.21	\$177.98	\$317.23	\$12,927.11	\$14,804.65	\$25,570.35
57	\$495.21	\$175.80	\$319.41	\$13,102.91	\$15,124.06	\$25,250.94
58	\$495.21	\$173.60	\$321.61	\$13,276.51	\$15,445.67	\$24,929.33
59	\$495.21	\$171.39	\$323.82	\$13,447.90	\$15,769.49	\$24,605.51
60	\$495.21	\$169.16	\$326.05	\$13,617.06	\$16,095.54	\$24,279.46

Payment Number	Payment	Interest	Principal	Cumulative Interest	Cumulative Principal	Remaining Balance
61	\$495.21	\$166.92	\$328.29	\$13,783.98	\$16,423.83	\$23,951.17
62	\$495.21	\$164.66	\$330.55	\$13,948.64	\$16,754.38	\$23,620.62
63	\$495.21	\$162.39	\$332.82	\$14,111.04	\$17,087.19	\$23,287.81
64	\$495.21	\$160.10	\$335.11	\$14,271.14	\$17,422.30	\$22,952.70
65	\$495.21	\$157.80	\$337.41	\$14,428.94	\$17,759.71	\$22,615.29
66	\$495.21	\$155.48	\$339.73	\$14,584.42	\$18,099.44	\$22,275.56
67	\$495.21	\$153.14	\$342.07	\$14,737.56	\$18,441.51	\$21,933.49
68	\$495.21	\$150.79	\$344.42	\$14,888.36	\$18,785.92	\$21,589.08
69	\$495.21	\$148.42	\$346.79	\$15,036.78	\$19,132.71	\$21,242.29
70	\$495.21	\$146.04	\$349.17	\$15,182.82	\$19,481.88	\$20,893.12
71	\$495.21	\$143.64	\$351.57	\$15,326.46	\$19,833.45	\$20,541.55
72	\$495.21	\$141.22	\$353.99	\$15,467.69	\$20,187.43	\$20,187.57
73	\$495.21	\$138.79	\$356.42	\$15,606.47	\$20,543.86	\$19,831.14
74	\$495.21	\$136.34	\$358.87	\$15,742.81	\$20,902.73	\$19,472.27
75	\$495.21	\$133.87	\$361.34	\$15,876.69	\$21,264.06	\$19,110.94
76	\$495.21	\$131.39	\$363.82	\$16,008.07	\$21,627.89	\$18,747.11
77	\$495.21	\$128.89	\$366.32	\$16,136.96	\$21,994.21	\$18,380.79
78	\$495.21	\$126.37	\$368.84	\$16,263.33	\$22,363.05	\$18,011.95
79	\$495.21	\$123.83	\$371.38	\$16,387.16	\$22,734.43	\$17,640.57
80	\$495.21	\$121.28	\$373.93	\$16,508.44	\$23,108.36	\$17,266.64

Payment Number	Payment	Interest	Principal	Cumulative Interest	Cumulative Principal	Remaining Balance
81	\$495.21	\$118.71	\$376.50	\$16,627.15	\$23,484.86	\$16,890.14
82	\$495.21	\$116.12	\$379.09	\$16,743.27	\$23,863.95	\$16,511.05
83	\$495.21	\$113.51	\$381.70	\$16,856.78	\$24,245.65	\$16,129.35
84	\$495.21	\$110.89	\$384.32	\$16,967.67	\$24,629.97	\$15,745.03
85	\$495.21	\$108.25	\$386.96	\$17,075.92	\$25,016.93	\$15,358.07
86	\$495.21	\$105.59	\$389.62	\$17,181.50	\$25,406.56	\$14,968.44
87	\$495.21	\$102.91	\$392.30	\$17,284.41	\$25,798.86	\$14,576.14
88	\$495.21	\$100.21	\$395.00	\$17,384.62	\$26,193.86	\$14,181.14
89	\$495.21	\$97.50	\$397.71	\$17,482.12	\$26,591.57	\$13,783.43
90	\$495.21	\$94.76	\$400.45	\$17,576.88	\$26,992.02	\$13,382.98
91	\$495.21	\$92.01	\$403.20	\$17,668.89	\$27,395.22	\$12,979.78
92	\$495.21	\$89.24	\$405.97	\$17,758.12	\$27,801.20	\$12,573.80
93	\$495.21	\$86.44	\$408.77	\$17,844.57	\$28,209.96	\$12,165.04
94	\$495.21	\$83.63	\$411.58	\$17,928.20	\$28,621.54	\$11,753.46
95	\$495.21	\$80.81	\$414.40	\$18,009.01	\$29,035.94	\$11,339.06
96	\$495.21	\$77.96	\$417.25	\$18,086.96	\$29,453.20	\$10,921.80
97	\$495.21	\$75.09	\$420.12	\$18,162.05	\$29,873.32	\$10,501.68
98	\$495.21	\$72.20	\$423.01	\$18,234.25	\$30,296.33	\$10,078.67
99	\$495.21	\$69.29	\$425.92	\$18,303.54	\$30,722.25	\$9,652.75

Payment Number	Payment	Interest	Principal	Cumulative Interest	Cumulative Principal	Remaining Balance
100	\$495.21	\$66.36	\$428.85	\$18,369.90	\$31,151.10	\$9,223.90
101	\$495.21	\$63.41	\$431.80	\$18,433.32	\$31,582.89	\$8,792.11
102	\$495.21	\$60.45	\$434.76	\$18,493.76	\$32,017.66	\$8,357.34
103	\$495.21	\$57.46	\$437.75	\$18,551.22	\$32,455.41	\$7,919.59
104	\$495.21	\$54.45	\$440.76	\$18,605.67	\$32,896.17	\$7,478.83
105	\$495.21	\$51.42	\$443.79	\$18,657.08	\$33,339.97	\$7,035.03
106	\$495.21	\$48.37	\$446.84	\$18,705.45	\$33,786.81	\$6,588.19
107	\$495.21	\$45.29	\$449.92	\$18,750.74	\$34,236.73	\$6,138.27
108	\$495.21	\$42.20	\$453.01	\$18,792.94	\$34,689.74	\$5,685.26
109	\$495.21	\$39.09	\$456.12	\$18,832.03	\$35,145.86	\$5,229.14
110	\$495.21	\$35.95	\$459.26	\$18,867.98	\$35,605.12	\$4,769.88
111	\$495.21	\$32.79	\$462.42	\$18,900.77	\$36,067.54	\$4,307.46
112	\$495.21	\$29.61	\$465.60	\$18,930.39	\$36,533.13	\$3,841.87
113	\$495.21	\$26.41	\$468.80	\$18,956.80	\$37,001.93	\$3,373.07
114	\$495.21	\$23.19	\$472.02	\$18,979.99	\$37,473.95	\$2,901.05
115	\$495.21	\$19.94	\$475.27	\$18,999.93	\$37,949.22	\$2,425.78
116	\$495.21	\$16.68	\$478.53	\$19,016.61	\$38,427.75	\$1,947.25
117	\$495.21	\$13.39	\$481.82	\$19,030.00	\$38,909.57	\$1,465.43
118	\$495.21	\$10.07	\$485.14	\$19,040.07	\$39,394.71	\$980.29
119	\$495.21	\$6.74	\$488.47	\$19,046.81	\$39,883.18	\$491.82
120	\$495.21	\$3.38	\$491.82	\$19,050.20	\$40,375.00	\$0.00

Loan Balance:

Interest Rate:

Loan Term (Years):

Minimum Payment:

Print payment schedule? Yes No

CALCULATE

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**WELLS
FARGO**

Education Financial Services
P.O. Box 5185
Sioux Falls, SD 57117-5185
Email: studentloans@wellsfargoefs.com
800-658-3567

Account Statement

03/12/2003

000627-00627-0500-4
REBEKAH A. NORTON

Account Number [REDACTED]

Questions? Call us at 800-658-3567
Email: studentloans@wellsfargoefs.com

Account Activity	
Last Payment Received	
Transaction Date	
Applied to Principal	
Applied to Interest	
Applied to Fees	
Current Principal Balance	\$42,520.62

Current Payment Due	
Due Date	04/01/2003
Current Payment Amount	\$431.71
Amount Past Due	\$0.00
Late Fees	\$0.00
Total Due	\$431.71

This statement is current as of the date above. If you recently sent a payment, we may not have credited it to your account when the statement was printed.

Partial payments will not advance your due date. Full payments in excess of your monthly payment will advance your due date unless you inform Wells Fargo Education Financial Services to do otherwise.

News From Wells Fargo

Don't have Direct Deposit yet? Ask for it today and have more time for other important things. With Direct Deposit your check is automatically deposited into your account, saving you time by allowing you to avoid teller and ATM lines. And it's absolutely free. Ask for details on whether your regularly received checks may be direct deposited. Just stop by any branch, or call 1-800-869-3557.

REBEKAH A. NORTON
[REDACTED]

PLEASE RETURN THIS PORTION WITH YOUR PAYMENT

Account Number	Due Date	Total Amount Due	Amount Enclosed
[REDACTED]	04/01/2003	\$431.71	

Please do not apply excess payment to advance my due date.

Please make check or money order payable to:
Wells Fargo Education Financial Services
P.O. Box 5151
Sioux Falls, SD 57117-5151

Change of name, address, or telephone number?

Name	Telephone Number	
Address	Apt. #	
City	State	Zip Code

55649054899999000431710401031

02/04/2005 14:07 3184427756

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PAGE 04/22

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FILED
 SUPERIOR COURT of CALIFORNIA
 COUNTY of SANTA BARBARA

FEB 04 2005

GARY M. BLAIR, Executive Officer
 BY *Merilee A. Jay*
 Merilee A. Jay, Deputy Clerk

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
 FOR THE COUNTY OF SANTA BARBARA**

BY "FAX"

15 MARK NILSEN and ANTONIO LIMON On
 16 Behalf of Themselves And All Others Similarly
 17 Situated,

Plaintiffs,

vs.

19 CARER EDUCATION CORPORATION,
 20 BROOKS INSTITUTE OF PHOTOGRAPHY,
 21 GREG STRICK and DOES 1 through and
 22 including 100,

Defendants.

CASE NO.: 1165597

CLASS ACTION

COMPLAINT FOR DAMAGES AND
EQUITABLE RELIEF

JURY TRIAL DEMANDED

Assigned To:
Dept:

COMPLAINT FOR DAMAGES AND EQUITABLE RELIEF

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1 Plaintiffs, by their attorneys, allege upon personal knowledge as to their own acts, and as to
2 all other matters upon information and belief based upon, inter alia, the investigation made by and
3 through their attorneys.

4 **SUMMARY OF ALLEGATIONS**

5 1. This is a class action brought by current and former students of Brooks Institute of
6 Photography (“Brooks”), a learning institution wholly owned and operated by Career Education
7 Corporation (“CEC”), on behalf of all Brooks students since from February 4, 2001 to present for
8 violations of the California Education Code, Consumer Legal Remedies Act, and California
9 Business and Professions Code.

10 **JURISDICTION AND VENUE**

11 2. This Court has jurisdiction over this action pursuant to Code of Civil Procedure
12 §410.10. In the aggregate, Class damages exceed the jurisdictional minimum of this Court.

13 3. Venue is proper in this Court and the acts of the defendants occurred in this County.

14 **THE PARTIES**

15 4. Plaintiff Mark Nilsen, attended Brooks Institute of Photography from March 2001 to
16 December 2002 and was damaged thereby. Plaintiff Nilsen sues on behalf of himself, all others
17 similarly situated, and on behalf of the General Public pursuant to the “Private Attorney General”
18 provisions of the Unfair Competition Laws embodied in *California Business and Professions Code*
19 §§17200 and 17500 *et seq.*

20 5. Plaintiff Antonio Limon attended Brooks Institute of Photography from July 2002 to
21 December 2003 and was damaged thereby. Plaintiff Limon sues on behalf of himself, all others
22 similarly situated, and on behalf of the General Public pursuant to the “Private Attorney General”
23 provisions of the Unfair Competition Laws embodied in *California Business and Professions Code*
24 §§17200 and 17500 *et seq.*

25 6. Defendant Career Education Corporation claims to be the world’s largest on-campus
26 provider of private, for-profit post-secondary education. It owns and operates 82 different schools,
27 in 5 different countries.

28

1 12. The culmination of CEC's recruitment efforts was the representation that:
2 CEC placement professionals help students turn dreams into futures
3 by assisting them in finding and securing the job that will launch them
4 on a rewarding and fulfilling career. In 2003, CEC once again
5 achieved an outstanding placement record, as 93 percent of our
6 graduates system-wide found a job in their chosen field within six
7 months of graduation.

8 Graduates of CEC schools benefit from career-focused academic
9 programs that equip them to compete successfully in today's
10 demanding job markets, and from our longstanding relationships with
11 leading employers across the country.

12 13. In addition to representations made by CEC, Brooks also touts its reputation,
13 extensive alumni network and placement services.

- 14 • The carefully structured curriculum has been developed to be
15 responsive to the expanding needs of the photographic and motion
16 picture industry.
- 17 • A continuous dialog with Brooks' alumni and other successful
18 professionals provides valuable information concerning current trends
19 and potential future developments within the broad spectrum of
20 photographic/filmmaking careers
- 21 • Brooks Institute's programs are designed for anyone who aspires to a
22 career in photography or filmmaking as well as working photographers
23 who seek new skills to advance their careers. As we enter the era of
24 global communication, we will continue to provide one of the finest
25 educations in photography and filmmaking available.
- 26 • If you've begun to think about college and are seeking industry current
27 education in imaging, photography, film, video... Then you are
28 probably ready for Brooks Institute of Photography, simply one of the
29 best schools of its kind in the world.

Graduate Placement Services:

- 30 • Brooks Institute of Photography places a great deal of emphasis on
31 helping graduates in their search for rewarding career positions. The
32 Student Career Services Office encourages a working partnership with
33 each student.
- 34 • Career Education Corporation provides expert placement assistance
35 for our graduates and alumni. Our Career Services Departments are
36 located on each of our campuses and have global access to candidates
37 and job opportunities both domestically and internationally. We strive
38 to provide quality personnel in response to the job opportunities that
39 are available by working with our students on career planning,
40 interviewing techniques, resume writing, and job-search techniques.
41 By being fully aware of a candidate's work ethic, job skills, personal

1 history, and educational background, we are able to provide the perfect
2 match for the job. Our goal is provide "the right" candidate to the
3 "right employer", as our goal is to satisfy the needs of both the
4 candidate and the employer.

4 14. In addition to false promises in their promotional materials, potential Brooks students
5 were each subject to high pressure sales pitches in which school recruiters made, inter alia, the
6 following false and misleading representations:

- 7 a. 98% job placement rates;
- 8 b. Jobs that paid starting salaries of \$75,000 plus;
- 9 c. Extensive and active alumni network to assist students in their professional
10 endeavors;
- 11 d. Competitive application process in which only the elite are selected for
12 admission;

13 15. In truth, Brooks' placement rates were far below their touted percentages. Students
14 that were able to find jobs, did so most often without assistance from the school and almost never in
15 the salary range touted by Brooks representatives.

16 16. Students place great importance on placement statistics when deciding which
17 academic institution to pay for an education. In fact, job placement statistics are a fundamental
18 consideration of accreditation.

19 17. Brooks is accredited by the Accrediting Council for Independent Colleges and
20 Schools ("ACICS") and by the California Postsecondary Educational Commission ("CPEC") and
21 also by Bureau for Private Postsecondary and Vocational Education ("BPPVE"). According to
22 ACICS statements of value, one of the four keys to accreditation is accountability.

23 "The Council believes that institutions must be accountable to rigorous educational,
24 administrative, and fiscal standards.... Accountability is operationalized through
25 standards on institutional tracking of students' satisfactory academic progress,
26 institutional effectiveness planning girded in criteria, and retention and placement
27 reporting that requires institutions to account for student achievement leading to
28 gainful employment."

1 18. The Bureau for Private Postsecondary and Vocational Education (“Bureau”) is
2 responsible for regulating California’s post secondary educational institutions and their educational
3 services in compliance with the Private Postsecondary and Vocational Education Reform Act of
4 1989. In order to operate legally in California, schools that are not exempt must obtain approval to
5 operate from the Bureau and meet minimum educational standards under California Education Code
6 §94831.

7 19. On November 8, 2004 the Bureau for Private Postsecondary and Vocational
8 Education (“Bureau”) conducted an on-site assessment of Brooks’ records pursuant to a claim by a
9 former Brooks employee regarding certain unethical business practices. Bureau representatives
10 randomly selected 162 student records for review and determined that Brooks was not operating in
11 compliance with California Education Code Title 3, Division 10, Part 59, Chapter 7 and Title 5
12 Division 7.5 of the California Code of Regulations and that accordingly their ability to operate as an
13 educational institution in California was in jeopardy. Among the most egregious findings were:

- 14 a. Institutions operating under Bureau’s jurisdiction are required to disclose all
15 information and material facts likely to affect the decision of the student to
16 enroll. California Education Code §§94814(a)(8), 94810, 94816. “While [the
17 catalog] is a publication that is visually appealing, it is an instrument that does
18 little to inform the student of what he or she can expect in regards to the rigor
19 of the programs or the financial considerations that result from residing in a
20 geographical area in California known for its high cost of living.”
- 21 b. Brook’s practice of requiring students to sign a new enrollment agreement
22 every year is of concern. It is unclear if students have to hit a moving target as
23 to graduation requirements. The Bureau is also concerned that the enrollment
24 agreement is signed by students several months before the actual start date of
25 the educational program for which they enroll. “The institution’s current
26 enrollment agreements were reviewed and found to be not in complete
27 compliance with §94810.”
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- c. “The undergraduate enrollment agreement does not include all charges and fees, nor clearly illustrate those that are not refundable. It does not specify charges that a student will be obligated to pay upon enrollment. It does not include a line item for the Student Tuition Recovery Fund assessment or the activity fee referred to in the catalog.

- d. The institution does not have a school performance fact sheet with currently appropriate data, as required by §94816(a). Consequently, prospective students are not aware of the completion or placement rates for the educational program they are interested in. Based on the institutions printed material, such as the catalog and brochure, it is obvious that the goal of Brooks Institute of Photography is to prepare students for employment. The catalog on page 5 states, “training methods, course materials, and counseling are designed to lead you through the steps in preparation for employment, the main goal of the entire program.” The marketing brochure submitted in the renewal application states, “graduates of this program have learned the skills necessary to successfully compete for jobs with top movie and television studios, design firms and advertising agencies.” It also states, “our students have the opportunity to fully immerse themselves into their classes and learn applicable , industry required skills that will help them build successful careers in the real world of entertainment.” The catalog states, “Brooks Institute of Photography can provide the tools for you to pursue to job you want.” Finally the institutions mission states that it is to “prepare students to successfully pursue careers in professional commercial, still photography, professional filmmaking, visual journalism or visual communication.” Based on its own publications the institution indicates that it is preparing its graduates for a particular vocation, trade or career field. ... Thus Brooks is required to provide a School Performance Fact Sheet to every prospective student;

- 1 e. The institution has violated 94816(b) by failing to produce a School
2 Performance Fact Sheet with current information thereby failing to ensure that
3 each prospective student receives the institution completion and placement
4 disclosure before enrollment;
- 5 f. The Brooks Institute Student Disclosure Form does not reflect the exact
6 language required by §94816(b) regarding the transferability of credits;
- 7 g. The institution has violated §94816(b) in regards to the statement concerning
8 the transferability of units and degrees earned at our school. This statement
9 must be disclosed in its entirety and be signed and dated by both the student
10 and representative of the institution;
- 11 h. The institution has not established compliance with §94814(b) which requires
12 that no institution shall enter into an enrollment agreement with a student
13 unless the student has first received the institutions catalog and all required
14 disclosures;
- 15 i. The institution is not in compliance with California Code of Regulations
16 §71770(a) which requires that “the institution shall not admit any student who
17 is obviously unqualified or who does not appear to have a reasonable prospect
18 of completing the program;”
- 19 j. The institution is not in compliance with California Code of Regulations
20 §71775 as there is insufficient evidence that the institution maintains and
21 implements procedures designed to measure student academic progress.
- 22 k. 78% of the students receive financial aid but it is unclear how many receive
23 federal financial aid and how many receive alternative loans which must be
24 paid back at much higher interest rates. Alternative loans are not discussed in
25 the catalog but many of the general ledgers included these types of loans.
- 26 l. The Institution is not in compliance with §94825 as it has not sufficiently
27 established that it provides to students and prospective students a current
28 schedule of all student charges

1 20. The Bureau concluded that the institution's advertisements and promotional materials
2 were false and misleading. As stated in relevant part:

3 Ethical Principles and Practices: As outlined in the issues regarding
4 the School Performance Fact Sheet, the institution's printed material
5 and statements therein, indicate that its main objective is to prepare
6 students for a particular vocation, trade, or career field. The brochure
7 submitted in the renewal application indicates that career "outcomes"
8 for Brooks Institute of Photography graduates include job titles from
9 Production Artist for Web to Cartoonists and Animators. The lowest
10 salary is given as \$34,466 (of which 25% of graduates in that job title
11 will make less than that salary) and the highest is stated at \$76,573.
12 The catalog also includes a "Partial List of Employers" depicting 119
13 names of corporations and business. Of the fifty graduate files
14 reviewed, which included the placement files, only three placement
15 sheets reflected any of the employers and one of those was the
16 institution itself.

17 The Bureau was able to contact eleven of the graduates. The students
18 were asked if they had received job placement from the institution and
19 if they were currently working in a field related to their degree. Of the
20 eleven, ten of the graduates stated that they had not received job
21 placement from the institution. One graduate indicated that he had not
22 received job placement services, and further stated the institution only
23 referred him to Monster.com, an on-line job service. Another stated
24 that all the jobs that the institution referred were for \$7.00 an hour
25 dead-end jobs while another stated her job, a now closed photo lab,
26 paid \$10.50 per hour. Another stated that she has only been able to
27 work as an intern and no one has hired her to date.

28 Graduate responses to whether they are currently employed indicated
that one is working for the institution as an assistant, two are in the
masters degree program and another is attending California State
University, Chico, although the yellow data sheet in that student's file
indicates that she is employed by Chico State. Five of the graduates
are currently unemployed. The graduates that are employed include a
job at Sunwest Studios at a salary of \$600 per month and another is
working while enrolled in the masters program at a local camera shop.
Of the graduates that are employed all but one stated that they sought
and were hired on their own volition although the institution has
indicated on the yellow data sheets in the placement files that they
have been placed. One of the employers listed on the yellow sheet
was, according to the graduate, an internship for which he was not
momentarily compensated.

Compliance Violations: The institution's advertisement and promotion
is false and misleading as it depicts job titles and salaries that are
considerable, particularly when juxtaposed to the small sampling of
the graduates. (California Education Code §94832.)

1 26. Common questions of law and fact exist as to all members of the Class. These
2 common questions predominate over the questions affecting only individual Class members.

3 27. The questions common to members of the Class are, inter alia:

- 4 a. whether through defendants' conduct, defendants engaged in
5 unfair business practices;
6 b. whether the defendants violated the California Education Code;
7 c. whether the defendants violated the Consumer Legal Remedies Act; and
8 d. the nature and extent of damages and other remedies to which Class members
9 are entitled as a result to defendants' wrongful conduct.

10 28. Plaintiffs' claims are typical of the claims of the members of the Class as all members
11 of the Class are similarly affected by defendants' wrongful conduct. Plaintiffs have no interests
12 antagonistic to the interests of the other members of the Class. Plaintiffs and all members of the
13 Class have sustained monetary damages arising out of the defendants' violations of common and
14 statutory law as alleged herein.

15 29. Plaintiffs are adequate representatives of the Class because their interests do not
16 conflict with the interests of the members of the Class they seek to represent; they have retained
17 counsel competent and experienced in complex class action litigation; and they intend to prosecute
18 this action vigorously. The interests of members of the Class will be fairly and adequately protected
19 by plaintiffs and their counsel.

20 30. A class action is superior to all other available methods for the fair and efficient
21 adjudication of this controversy since joinder of all members is impracticable. Furthermore, as the
22 damages suffered by individual Class members may be relatively small, the expense and burden of
23 individual litigation make it impossible for members of the Class to individually redress the wrongs
24 done to them. There will be no difficulty in the management of this class action. Individualized
25 litigation presents the potential for inconsistent or contradictory judgments. A class action presents
26 far fewer management difficulties and provides the benefits of single adjudication, economy of
27 scale, and comprehensive supervision by a single court.
28

FIRST CAUSE OF ACTION

**Unlawful, Unfair and Deceptive Business Practices in Violation of
California Business & Professions Code §17200, *et seq.*
(Against All Defendants)**

1
2
3
4 31. Plaintiffs reallege and incorporate herein by reference each of the foregoing
5 paragraphs.

6 32. The California Business and Professions Code 17200 defines unfair business
7 competition to include any “unfair,” “unlawful,” or “fraudulent” business act or practice. The statute
8 is liberally construed to protect California consumers, and it provides for injunctive relief and
9 restitution for violations.

10 33. Defendants intentionally made misleading statements regarding placement services in
11 order to attract students to their school. This deliberate misrepresentation was the substantial factor
12 in causing plaintiffs to attend defendant’s school which resulted in plaintiffs’ harm. Plaintiffs
13 suffered a monetary loss in the amount they paid and or still owe for tuition.

14 34. Defendants’ actions, in intentionally making their placement data appear more
15 favorable than it really was, resulted in members of the public being deceived. A reasonable person
16 would have no knowledge of the inaccuracies of these representations.

17 35. The acts, misrepresentations, omissions and practices of the defendants as alleged
18 above constitute unfair, misleading, false advertising, and unlawful business practices within the
19 meaning of California Business and Professions Code 17200, *et seq.* Plaintiffs were damaged as a
20 result of this conduct.

21 36. Defendants, through their acts of unfair competition, have acquired money from
22 plaintiffs and the members of the proposed Class in the amounts that plaintiffs and members of the
23 proposed Class have paid CEC in tuition fees. Plaintiffs and members of the Class request this
24 Court restore this money to them, and to enjoin defendants from continuing to violate the California
25 Unfair Competition Law in the future.

26 37. Such conduct is ongoing and continues to this date. Plaintiffs, the Class members
27 and the general public are therefore entitled to the relief described below.
28

1 **SECOND CAUSE OF ACTION**

2 **Unlawful, Unfair and Deceptive Business Practices in Violation of**
3 **California Business & Professions Code §17500, et seq.**
4 **(Against All Defendants)**

5 38. Plaintiffs hereby incorporate by reference the allegations contained above. This
6 Cause of Action is brought by Plaintiffs on behalf of the general public.

7 39. Defendants use advertising to call attention to their education programs . Defendants
8 are disseminating advertising concerning their services which by its very nature is unfair, deceptive,
9 untrue, or misleading within the meaning of *California Business & Professions Code §17500, et seq.*
10 Such advertisements are likely to deceive, and continue to deceive, members of the General Public,
11 including prospective students.

12 40. In making and disseminating the statements alleged herein, Defendants knew or
13 should have known that the statements were untrue or misleading, and acted in violation of
14 *California Business & Professions Code §17500, et seq.*

15 41. The misrepresentations and non-disclosures by Defendants of the material facts
16 detailed above constitute false and misleading advertising and therefore constitute a violation of,
17 *California Business & Professions Code §17500, et seq.*

18 42. Through their deceptive acts and practices, Defendants have improperly and illegally
19 obtained money from members of the General Public. As such, Plaintiff requests that this Court
20 cause Defendants to restore this money to such members of the General Public, and to enjoin
21 Defendants from continuing to violate *California Business & Professions Code §17500, et seq.*, as
22 discussed above. Otherwise, the General Public will continue to be harmed by Defendants' false
23 and/or misleading advertising.

24 43. Pursuant to *California Business & Professions Code §§17203 and 17535*, Plaintiff
25 seeks an order of this Court ordering Defendants to fully disclose the true nature of their
26 misrepresentations. Plaintiff additionally requests an order requiring Defendants to disgorge their
27 ill-gotten gains and/or award full restitution of all monies wrongfully acquired by Defendants by
28 means of such acts of unfair competition and false advertising, plus interest and attorneys fees so as
to restore any and all monies to the general public which were acquired and obtained by means of

1 such unfair competition, untrue and misleading advertising, misrepresentations and omissions, and
2 which ill-gotten gains are still retained by Defendants. The general public may be irreparably
3 harmed and/or denied an effective and complete remedy if such an order is not granted.

4 44. Such conduct is ongoing and continues to this date. The General Public are therefore
5 entitled to the relief described below.

6 **THIRD CAUSE OF ACTION**

7 **Violations of the Consumer Legal Remedies Act**
8 **Civil Code 1750 et seq.**
9 **(Against All Defendants)**

10 45. Plaintiffs reallege and incorporate herein by reference each of the foregoing
11 paragraphs.

12 46. The Consumer Legal Remedies Act established a nonexclusive statutory remedy for
13 unfair methods of competition and unfair or deceptive acts or practices undertaken by any person or
14 company in a transaction intended to result or which results in the sale of goods or services to any
15 consumer.

16 47. Plaintiffs and the members of the Class are consumers who purchased goods and
17 services intended for sale from defendants.

18 48. In advertising that their school had the characteristic of exceptional placement
19 services along with exceedingly high career placement rates, and in failing to adequately disclose
20 information as to the transferability of units and degrees earned at the school, defendants
21 misrepresented their services as having characteristics, benefits, or qualities which they do not have,
22 all of which are prohibited acts under Section 1770 of the California Legal Remedies Act.

23 49. Section 1780 of the Consumer Legal Remedies Act specifically defines damages as
24 *any damage*. Plaintiffs and members of the Class were damaged in that they were assessed charges
25 for tuition for attending defendant's school based upon these false representations. Therefore,
26 plaintiffs and members of the class are entitled to monetary compensation in an amount to be
27 determined by the court.

28 50. Plaintiffs and the members of the Class have all been directly and proximately injured
by defendants' conduct. Such injury includes the payment of money for tuition to Brooks and CEC

1 which would not have occurred had there been no misrepresentations or deception on the part of the
2 defendants.

3 51. In accordance with Civil Code 1780(a) and 1782(d), by this Complaint plaintiffs
4 seek injunctive relief as to defendants' violation of the CLRA. Plaintiffs request that this Court
5 grant such other relief as provided in Civil Code 1780 and in the Prayer for Relief.

6

7

Notice Pursuant to Civil Code Section 1782

8 52. Plaintiffs hereby demand that within 30 days from service of this complaint,
9 defendants correct or otherwise rectify the deceptive practices complained of herein for the entire
10 Class pursuant to California Civil Code 1770. Failure to do so will result in plaintiffs amending this
11 complaint to seek damages for such deceptive practices pursuant to California Civil Code 1782.

12

FOURTH CAUSE OF ACTION

13

**Violation of California Education Code Section 94832
(Against All Defendants)**

14

15 53. Plaintiffs reallege and incorporate herein by reference each of the foregoing
16 paragraphs.

17 54. Section 94832 of the California Education Code subsections (a), (b), and (h) indicate
18 "no institution or representative of an institution shall make or cause to be made any statement that
19 is in any manner untrue or misleading, either by actual statement, omission, or intimation." "No
20 institution or representative of an institution shall engage in any false, deceptive, misleading, or
21 unfair act in connection with any matter, including the institution's advertising and promotion, the
22 recruitment of students for enrollment in the institution,.....education materials, or loan or grant
23 funds from a student,.....or job placement." "No institution or any representative of an institution
24 shall in any manner make any untrue or misleading change in, or untrue or misleading statement
25 related to, any test score, grade, record of grades....record indicating student completion or
26 employment, financial information...."

27

28

1 G. For such other, further and different relief as the nature of this case may require or
2 may be deemed just and proper by this Court.

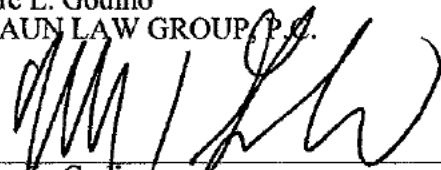
3 **JURY DEMAND**

4 Plaintiffs demand a trial by jury.

5
6 Dated: February 4, 2005

Michael D. Braun
Marc L. Godino
BRAUN LAW GROUP, P.C.

7
8
9 By:


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STATE OF CALIFORNIA

ARNOLD SCHWARZENEGGER, Governor



BUREAU FOR PRIVATE POSTSECONDARY AND VOCATIONAL EDUCATION

Physical Address: 400 "R" Street, Suite 6000 • Sacramento, CA 95814-6200
Mailing Address: P.O. Box 980818 • West Sacramento, CA 95798 1818
Phone: (916) 445-3427 • FAX: (916) 323-6571



July 11, 2005

Dr. Greg Strick, President
Brooks Institute of Photography
801 Alston Road
Santa Barbara, CA 93108

Certified Mail Number 7004 3890 0000 2794 8983
Return Receipt Requested

RE: Notice of Conditional Approval to Operate
Institution Code No. 4201871

Dear Dr. Strick:

Under the authority granted the Bureau for Private Postsecondary and Vocational Education ("Bureau") under sections 94900 and 94901 of the California Education Code, the Bureau notifies you, Dr. Greg Strick, President of Brooks Institute of Photography ("Brooks Institute"), that the Bureau has determined that an unconditional grant of approval to operate is not in the public interest. Based upon the Renewal Application, information and materials submitted by Brooks Institute in response to the subsequent Compliance Visit Report and materials and information reviewed during the Unannounced Visit that followed, Brooks Institute of Photography is granted a *Conditional Approval* to operate effective from July 11, 2005 through June 30, 2007 (a period of not more than two years). This expiration date may be earlier as a consequence of action taken by the Bureau resulting from site visit findings or other information brought to the attention of this Bureau. This *Conditional Approval* is limited to the following programs:

- Diploma in Professional Photography**
- Diploma in Film and Video Production**
- Associate of Arts in Visual Journalism**
- Bachelor of Arts in Visual Communication**
- Bachelor of Arts in Professional Photography**
- Bachelor of Arts in Film and Video Production**
- Bachelor of Arts in Visual Journalism**
- Master of Science in Photography**

Under California Education Code section 94840, an application for re-approval must be submitted at least ninety days prior to the termination of your approval. Please reference the attached *Conditional Approval* documents listing the school title, site address and code number, approved programs and term of approval. You will be contacted prior to a Site Visit, informed of the composition and qualifications of the Visiting Committee, and given an opportunity to challenge that composition.



Bureau for Private Postsecondary and Vocational Education

From: Michele Hedding, Staff Services Analyst
Administrative Unit
Telephone: (916) 445-3427, extension 3168
Fax number: (916) 322-2615
E-mail: michele_hedding@dca.ca.gov

Subject: Public Record Act Request – Brooks Institute of Photography

Please be advised:

The enclosed action by the Bureau is not yet final. The institution has the right to appeal any allegations contained in the enclosed Notice. If you would like to find out whether the decision of the Bureau has become final, please check back with the Bureau and make another public records request at a later date.

Number of pages including the cover sheet 2023

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INSTITUTION'S RIGHT TO A HEARING

Pursuant to Education Code sections 94901(c)(3), 94965, and 94975, and Government Code section 11500 and following, you may make a written request for a hearing within 15 days of the date on which this letter is served on you by certified mail. A written request for a hearing may be made by delivering or mailing, within 15 days of service of this letter, a signed and dated statement to the effect that Brooks Institute of Photography requests a hearing of the Bureau's conditional approval of its application for renewal to operate to: Sheila Hawkins, Education Administrator, Bureau for Private Postsecondary and Vocational Education, 400 R Street, Suite 5000, Sacramento, CA 95814.

Should you request a hearing, you may, but need not be, represented by counsel at all stages of the proceeding. You also have the right to be present at the hearing, to cross-examine witnesses, and to present evidence.

If you request a hearing, further information regarding your right to discovery and to request a postponement of the hearing for good cause will be provided to you with the notice of hearing. Unless a written request for a hearing is signed by you or on your behalf, and is delivered or mailed to the Bureau within 15 days after service of this letter, Brooks Institute of Photography will waive or forfeit the right to an administrative hearing, and the Bureau's conditional approval of Brooks Institute's renewal application will become final on the day following the last day to request a hearing.

NOTICE REGARDING STIPULATED SETTLEMENTS

Education Code section 94975 provides for the disposition of any issues involved in the hearing by stipulation or settlement prior to the hearing date. A stipulated settlement is a binding written agreement between you and the Bureau regarding any or all of the matters charged and the consequences thereof. Such a stipulation must have the approval of the Bureau but, once approved, would be incorporated into a final order.

I. BACKGROUND AND HISTORY OF THE APPLICATION

The Bureau is within the Department of Consumer Affairs and is responsible for regulating California's private postsecondary educational institutions in compliance with the Private Postsecondary and Vocational Education Reform Act of 1989 ("Act" - California Education Code sections 94700 and following). In order to operate legally in California, schools that are not exempt must obtain "approval to operate" from the Bureau and meet minimum educational standards under the Act (Education Code section 94831).

Brooks Institute of Photography is owned and operated exclusively as a Limited Liability Corporation, which is wholly owned by Career Education Corporation located at 2985 Greenspoint Parkway, Suite 600, Hoffman Estates, Illinois. The Bureau approved Career Education Corporation's ownership of Brooks Institute on May 4, 1999. Brooks Institute submitted an application for renewal to operate in the State of California, received on October 4, 2004. As part of the evaluation of the renewal application, the Bureau conducted an on-site assessment of Brooks Institute's records on November 8 and 9, 2004. The on-site review was prompted, in part, by allegations of unethical business practices made by a former employee of Brooks Institute to Brooks Institute's accrediting agency, the Accrediting Council for Independent Colleges and Schools (ACICS). The following is a brief chronology of Brooks Institute's application for renewal to operate:

- October 4, 2004 The Bureau receives Brooks Institute's application for renewal to operate.
- November 8, 2004 Bureau for Private Postsecondary and Vocational Education representatives Marcia Trott and Lynnelle Case conduct an on-site

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- assessment of Brooks Institute by randomly selecting student records for review, including fifty student records from the drop/cancellation list.
- December 1, 2004 Marcia Trott, Senior Education Specialist, sends a report to Brooks Institute detailing general findings and issues of non-compliance and violations of the Act.
- December 31, 2004 The Bureau receives Brooks Institute's response to the December 1, 2004 report.
- January 31, 2005 The Bureau receives Brooks Institute's revised response to the December 1, 2004 report.
- February 23, 2005 Nicole L. Burke, an employee of the Bureau for Private Postsecondary and Vocational Education, visits Brooks Institute posing as a potential student.
- February 28, 2005 Bureau for Private Postsecondary and Vocational Education representatives Marcia Trott, Lynnelle Case, and Deborah Godfrey conduct an unannounced visit to Brooks Institute.

Reconciliation of the December 1, 2004 Compliance Visit Report

The Bureau has completed an evaluation of Brooks Institute's application for renewal to operate as a private postsecondary educational institution. The November 8 and 9, 2004 on-site evaluation culminated in a compliance report, dated December 1, 2004, outlining findings and specific areas of non-compliance by Brooks Institute. Brooks Institute responded to this report on December 31, 2004, and provided additional and amended information on January 31, 2005. Non-compliance issues included, in part, offering an unapproved program entitled "Pre-Graduate Studies"; the failure to provide prospective students with the "Transferability of Units and Degrees Earned at Our School" disclosure form; and the omission of required information in the catalog and on the enrollment agreement. Also cited were issues regarding Brooks Institute's admissions policies and procedures, as well the omission of material facts in the catalog regarding loan indebtedness a student may incur while enrolled in a Brooks Institute program. Brooks Institute satisfactorily responded to several of the non-compliance issues identified by the Bureau, including:

- admissions policies and procedures
- catalog omissions
- unapproved educational titles
- organization of student records
- enrollment agreements
- Notice Concerning Transferability of Units and Degrees Earned at Our School
- scholastic regulations and graduation requirements
- tuition, fee and refund schedules

The December 1, 2004 compliance report also cited violations, including one regarding the "School Performance Fact Sheet" and another regarding "Ethical Principles and Practices" among others, that have not been sufficiently resolved. In consideration of these unresolved issues, the Bureau conducted an unannounced visit to Brooks Institute in February 2005, which also yielded evidence of non-compliance related to the

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Student Tuition Recovery Fund (STRF). It is these violations and acts of non-compliance that are the bases for each of the allegations outlined in Sections A through C of this document.

II. BASES FOR CONDITIONAL APPROVAL

The Bureau has completed its review and assessment of the Brooks Institute of Photography renewal application to operate as a private postsecondary educational institution pursuant to Education Code section 94900. Education Code section 94901(c)(2) defines the circumstances under which it is appropriate for the Bureau to grant a Conditional Approval to operate:

“If the institution is in compliance with this chapter, but has operated within three years before the filing of the application in violation of this chapter then in effect, or if the council determines that an unconditional grant of approval to operate is not in the public interest, the council may grant a conditional approval to operate subject to whatever restrictions the council deems appropriate. The council shall notify the institution of the restrictions or conditions, the basis for the restrictions or conditions, and the right to request a hearing to contest them. Conditional approval shall not exceed two years.”

The following violations substantiate the Bureau’s reasons why it is not in the public interest to grant a full, unconditional approval to operate to Brooks Institute at this time.

A. BROOKS INSTITUTE PRESENTED FALSE OR MISLEADING INFORMATION TO PROSPECTIVE STUDENTS REGARDING EMPLOYMENT OPPORTUNITIES.

Brooks Institute presented false and misleading information to prospective students regarding employment opportunities in three respects: (1) availability of jobs; (2) potential salaries; and (3) career placement services provided.

Generally, the Bureau may refuse to issue or renew an approval if the institution violates any standard, rule, or regulation under the chapter governing private postsecondary and vocational institutions. (Education Code § 94830(a).) The Bureau has the authority to refuse to issue or renew an approval if the institution presents to prospective students information that is false or misleading relating to employment opportunities. (Education Code § 94830(h).) In addition, the Reform Act prohibits an institution or representative of an institution from “advertis[ing] concerning job availability, degree of skill and length of time required to learn a trade or skill unless the information is accurate and in no way misleading.” (Education Code § 94831(f).)

The Act enumerates certain misrepresentations that violate the Act:

“No institution or representative of an institution shall make or cause to be made any statement that is in any manner untrue or misleading, either by actual statement, omission, or intimation.” (Education Code § 94832(a).)

“No institution or representative of an institution shall engage in any false, deceptive, misleading, or unfair act in connection with any matter, including the institution’s advertising and promotion, the recruitment of students for enrollment in the institution, the offer or sale of a program of instruction, course length, course credits, the withholding of equipment, educational materials, or loan or grant funds from a student, training and instruction, the collection of payments, or job placement.” (Education Code § 94832(b).)

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The Act then mandates that certain disclosures be made to prospective students: "Each institution offering a degree or diploma program designed to prepare students for a particular vocational, trade, or career field shall provide to each prospective student a school performance fact sheet disclosing all of the following information:

...

(3) The number and percentage of students who begin the program and secure employment in the field for which they were trained. In calculating this rate, the institution shall consider as not having obtained employment, any graduate for whom the institution does not possess evidence, documented in his or her file, showing that he or she has obtained employment in the occupation for which the program is offered.

(4) The average annual starting wages or salary of graduates of the institution's program, if the institution makes a claim to prospective students regarding the starting salaries of its graduates, or the starting salaries or local availability of jobs in a field. The institution shall disclose to the prospective student the objective sources of information necessary to substantiate the truthfulness of the claim.

Each school that offers or advertises placement assistance for any course of instruction shall file with the council its placement statistics for the 12-month period or calendar year immediately preceding the date of the school's application for annual review for every course of instruction." (Education Code § 94816(a).)

Allegations:

1. BROOKS INSTITUTE PROVIDED FALSE OR MISLEADING INFORMATION REGARDING EMPLOYMENT OPPORTUNITIES.

Representatives of Brooks Institute provided false and misleading information regarding employment opportunities to then-prospective students who graduated in 2003, as well as to prospective students entering programs in 2005. Deceptive practices misrepresented job placement and employment tenure that were in direct contradiction with its own placement records, as well as national and state labor statistics.

On or about April 4-5, 2005, the Bureau sent out 121 e-mail surveys to a sampling of 2003 graduates asking what representations were made by Brooks Institute regarding employment opportunities. Of those, fourteen graduates responded.¹ Brooks Institute made the following representations to these prospective students with regards to career opportunities:

Graduate # 3²: "I enrolled in the program because I loved photography and was told that after going to Brooks I would have a 95% chance of finding a job after graduation. The admissions representative told me I would have a 95% chance of finding a job after graduation. Brooks did no [sic] meet those expectations, as I don't have a photo related job."

¹ The e-mail addresses were provided by Institute from its database. Many were no longer viable.

² Individual students are referred to herein by number to protect the privacy of the students. The identities of students will be disclosed at any potential hearing or pursuant to any valid request for discovery. At any potential hearing, complainant will move for an order limiting the disclosure of the identities of these students to this proceeding and/or resulting appeals.

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Brooks Institute records indicate this 2003 baccalaureate graduate in Professional Photography was "college-placed" in part-time³ employment. As recorded, this graduate's employment began eight months after graduation as a "Web Developer" with a wage of \$12.00 per hour. "Web Developer" is not a placement in the field of Professional Photography. Institute records also reflect total loan indebtedness for this 2003 graduate of approximately \$71,600.

Graduate # 6: "I was told that job placement was almost 100% after graduation with income sufficient to warrant the loans necessary for me to attend. This turned out to be un-true. It took me fifteen months to find industry work, and still it isn't earning me as much as I spent in school." In response to the Bureau's survey question, "Are you working in an occupation for which your degree or diploma prepared you for?" Graduate #6 stated, "Yes. To the extent that I am a courier for a production company. I still am not using the skills that I honed in school."

Brooks Institute records indicate this 2003 baccalaureate graduate in Film/ Video Production was self-placed in part-time hourly employment seven months prior to graduation. The job title listed by Brooks Institute was "film/video production." In other Brooks Institute records (*Employment Verification Form*), the job title for this graduate is listed as a "film screener" at a movie theater with a wage of \$6.50 per hour. Institute records also reflect total loan indebtedness for this 2003 baccalaureate graduate of approximately \$112,000.

Brooks Institute also made representations to prospective students for programs beginning in 2005 when it provided the *Student Performance Fact Sheet* with figures and statistics for the 2003 graduates. The *Fact Sheet* represented the following:

Program	Of those Students who Completed Their Program in 2003, the Number and Percentage who Secured Employment in the Field
Bachelor of Arts in Professional Photography	92 / 81%
Diploma in Professional Photography	2 / 67%
Bachelor of Arts in Film and Video Production	13 / 81%
Diploma in Film and Video Production	There were no starts in this program that were scheduled to complete in 2003.
Bachelor of Arts in Visual Journalism	6 / 82%
Associate of Arts in Visual Journalism	6 / 82%
Master of Science in Photography	1 / 10%
Bachelor of Arts in Visual Communication	There were no starts in this program that were scheduled to complete in 2003.

These representations have proven false. The Bureau's review and verification of Brooks Institute records resulted in lower placement figures than those reported above because the records were contradicted by graduates and employers during the Bureau's investigation. Five of the fourteen 2003 graduates (#s 1, 3, 6, 11 and 13) are not working in a field related to their degree, yet Brooks Institute records reflect all five as employed in industry-related jobs.

The difficulty experienced by these and other 2003 graduates of Brooks Institute's educational programs in securing employment in the field of study is borne out by state and national employment

³ Brooks Institute did not provide a definition of "part time" employment. However, "part time" employment is defined in Education Code § 94854(k)(2) as at least 17.5 hours, but less than 32 hours, per week for a period of at least 60 days in the occupations or job titles to which the program of instruction is represented to lead, provided the student completes a handwritten statement at the beginning of the program and at the end of the program which states that the student's educational objective is part-time employment.

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projections and other labor statistics. Nationally, the job outlook for Photographers projects average growth, but competition for job openings will be intense. In California, this occupation is projected to increase by only 5.8 percent, representing 400 net openings in the ten-year period beginning in 2002, with just 180 employment openings per year statewide.⁴

In addition to its diploma and degree programs in Photography, Brooks Institute offers three other degree programs with a different, but shared, focus:

- Associate of Arts in Visual Journalism
- Bachelor of Arts in Visual Journalism
- Bachelor of Arts in Film and Video Production

Graduates of these programs expect to be employed as film and video editors and skilled camera operators. As with Professional Photographers, the national job outlook for Film and Video Editors projects average growth coupled with keen competition for job openings through 2012. However, growth will be tempered by the increase in offshore motion picture production. In California, the demand for Film and Video Editors is projected to have average growth of just 200 annual openings statewide in the ten-year period beginning in 2002.

The demand for Television, Video, and Motion Picture Camera Operators in California is projected to have average growth tempered by increased offshore movie production, resulting in only 170 annual openings statewide through 2012. Nationally, the job outlooks for the Television, Video, and Motion Picture film and video editors and camera operators is expected to grow about as fast as the average for all occupations through 2012. However, as with the Photographer occupational outlook, the competition for job openings will be intense because the number of individuals interested in positions as videographers and movie camera operators usually is much greater than the number of openings. Growth will also be tempered by the increase in offshore motion picture production.

2. BROOKS INSTITUTE PROVIDED FALSE AND MISLEADING INFORMATION REGARDING POTENTIAL SALARIES TO PROSPECTIVE STUDENTS.

On or about February 23, 2005, a Bureau employee posing as a potential student, met with admission representative Hank Aizpuru at Brooks Institute. She asked about how much she could anticipate making once she graduated, and Mr. Aizpuru replied, "The sky's the limit." When she asked again, he stated, "I don't know ... \$50,000 to \$150,000 in your first year." He repeated to her that the "sky's the limit," and that with that income she would be able to pay for her tuition at Brooks Institute.

This type of misrepresentation is pervasive. Information obtained by the Bureau from its surveys of 2003 graduates indicate that Brooks Institute made the following representations to prospective students with regard to potential salaries:

Graduate # 3: "I was told, while I was at school, that a starting wage for an apprentice in the field for which I was training was \$150/day." Brooks Institute records indicate this 2003 baccalaureate program graduate in Professional Photography was "college-placed" in part-time employment, nine months after graduation, as a "Web Developer" with a wage of \$12.00 per hour. ("Web Developer" is not considered a placement in the field of Professional Photography.) Institute records also show total loan indebtedness for this baccalaureate-degree recipient of approximately \$76,600.

⁴ Data source: 2002-2012 *Employment Projections by Occupation*, Labor Market Information Division, California Employment Development Department.

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Graduate # 6: "I was told that job placement was almost 100% after graduation with income sufficient to warrant the loans necessary for me to attend. I have to work 60-80 hours a week in order to cover the substantial debt incurred at Brooks. The admissions rep had me expecting almost twice the income that I earn now. I am a courier for a production company. I still am not using the skills that I honed in school." Brooks Institute records indicate this 2003 baccalaureate graduate in Film/Video Production was self-placed in part-time hourly employment seven months prior to graduation. The position's job title is listed in Brooks Institute records as a "film screener" at a movie theater with a wage of \$6.50 per hour. Brooks Institute records also show total loan indebtedness for this 2003 baccalaureate-degree recipient of approximately \$112,000.

Further, Bureau investigation of Brooks Institute records regarding student salaries and wages found the following:

- Brooks Institute's placement records indicate that 106 (67.5 percent) of 157⁵ graduates in 2003 were employed part-time.
- For the 45 graduates in 2003 who were reported in Brooks Institute records as employed full-time⁶, the average income was approximately \$26,000. The average loan indebtedness of this same⁷ group of 2003 graduates was approximately \$74,000.
- Six 2003 graduates, with an average loan indebtedness of approximately \$97,700 each – the earliest of which had graduated 22 months earlier – were reported in Brooks Institute records as still not placed as of February 2005.
- Brooks Institute records show that there was not a single 2003 diploma or degree recipient, at any degree level, whose reported wages coupled with the individual's employment tenure, was sufficient to generate even the lower \$50,000 estimate of earning potential represented by Mr. Aizpuru to the Bureau employee who posed as a potential student.

3. INSTITUTE PRESENTED FALSE AND MISLEADING INFORMATION TO PROSPECTIVE STUDENTS REGARDING CAREER PLACEMENT SERVICES.

In November 2004, the Bureau contacted eleven of the 2003 Brooks Institute graduates. Results of the November 2004 and April 2005 surveys show that students who graduated in 2003 were told during their pre-enrollment interviews, as well as throughout their educational tenure at Brooks Institute, that they would receive career placement assistance. Additionally, Brooks Institute's 2003 catalog (for prospective students beginning a program in 2003) advertised the career placement services provided to enrolled students:

"Career Services – Brooks Institute has a department specifically designed to assist students in finding employment upon graduation. Career Services offers assistance in resume writing and alumni networking. Additionally, the faculty and the Alumni Association are constantly being informed of opportunities for graduates through photographic conventions and personal contacts with members of the profession. The increasing network of Brooks Institute alumni also enhances employment prospects for graduates, and many alumni either refer employers to the Institute or recruit from Brooks

⁵ Six 2003 graduates were reported in Brooks Institute placement records as "waived," meaning they were unavailable or ineligible for employment. As such, they are exempt from "placement" consideration and are not included here.

⁶ Brooks Institute did not provide a definition of "full-time" employment. However, "full-time" employment is defined in Education Code § 94854(k)(2) as at least 32 hours per week for a period of at least 60 days in the occupations or job titles to which the program of instruction is represented to lead.

⁷ Indebtedness information for one of the forty-five 2003 graduates was not found in Brooks Institute records.

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Institute themselves. Career Services maintains a listing of these professional jobs opportunities for students about to graduate and for alumni wishing to relocate.”

These statements were misrepresentations. Eleven of the 2003 Brooks Institute graduates the Bureau contacted in November 2004 stated that they had not received job placement services from Brooks Institute. Of the fourteen Brooks Institute graduates contacted by e-mail in April 2005, all except Graduate #11 indicated that they did not receive any placement assistance from Brooks Institute.⁸ Graduate # 11 stated that he had received “some” assistance. Information obtained by the Bureau from its surveys of former students indicate that Brooks Institute made the following representations to prospective and enrolled students with regard to placement services:

Graduate #9 (April 2005 survey): “My expectations were that if I worked hard at Brooks and excelled in my degree program (which I did) that I would have assistance in gaining employment. I was lead to believe on many occasions that I would have opportunities upon graduation that I do not have. I feel it is unfair for them to claim that they will assist their graduates in gaining employment when they do not. I do not mean to say that I think Brooks should be directly responsible for finding me a job, but when they imply that they will help and then do not, it is frustrating. I, like many others who have attended Brooks, have very large student loans. I counted on finding a good job, even entry level employment in my field after graduation, to work my way up and begin to pay them off. I feel that I was misled to believe that Brooks would assist me in finding a good job in my field, and I am disappointed with the school's lack of support.”

Institute records indicate this 2003 baccalaureate graduate in Professional Photography, whose total loan indebtedness is approximately \$73,350, was self-placed in part-time employment, beginning on January 1, 2003, as a Digital Artist with a wage of \$8.00 per hour. Brooks Institute recorded this placement on October 24, 2003, the day before the student's graduation.

Graduate # 14 (April 2005 survey): “My admissions rep told me, my grandparents, and my parents about the 98% placement after graduation, which was the major reason I chose to attend Brooks. I later found out, AFTER I GRADUATED AND BEGAN LOOKING FOR JOBS, that any job after graduation was counted as “placement” even if it had nothing to do with photography. Even though this made me really mad and disappointed, I did get a job through career services. However, it is teaching students after school, ONE HOUR A WEEK. I feel like I have been lied to and no, my expectations are far far far from being met.” The graduate reported the employer as a local public charter school.

Brooks Institute records indicate this 2003 baccalaureate graduate in Professional Photography was employed by Brooks Institute itself – not by a local public charter school, as stated by the graduate – to “assist teachers with shoots.” According to the student's description, it appears that the placement was not in the field of “Professional Photography. The electronic record submitted by Brooks Institute in February 2005 lists a part-time wage of \$6.00 per hour while the Employment Verification Form in the placement file for the same individual indicates an annual salary of \$9,000. Institute records also show this 2003 graduate's total loan indebtedness of more than \$18,200.

In summary, it is alleged that Brooks Institute engaged in a pervasive pattern of misrepresentations made to prospective students regarding employment opportunities, salaries, and career placement services. The pervasive nature of Brooks Institute's conduct is reflected in the scripts included in the training manual for

⁸ One 2003 Brooks Institute graduate was contacted and responded both during the Bureau's November 2004 and February 2005 surveys. Her response has been recounted only once.

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Admissions Representatives. The segment called *Looking at Other Schools* instructs the representatives to offer as enticement: "Brooks job placement while they're in school, and career placement once they graduate – lifetime career placement. Compare where our graduates are (salary, employers, types of jobs) with a Brooks education." It is clear that the representatives influenced students' decisions to attend Brooks Institute, only to find that the job market was not how it was represented and students could receive no assistance in finding the jobs they were told existed.

Determination of Violation(s):

Based on the foregoing, it is alleged that Brooks Institute provided false and misleading information regarding the potential salaries, employment opportunities of graduates in their chosen fields of study, and the availability of career placement services. Providing false information to prospective students is in violation of Education Code Section 94830(h) and is grounds for refusal to issue or renew an application.

B. INSTITUTE FURNISHED FALSE, MISLEADING, OR INCOMPLETE INFORMATION TO THE BUREAU.

Education Code section 94830(b) authorizes the Bureau to refuse to issue or renew an approval to operate, if the institution furnishes "false, misleading, or incomplete information to the council, or the failure to furnish information requested by the council or required by this chapter."

Education Code section 94830(g) authorizes the Bureau to refuse to issue or renew an approval if the institution fails to "maintain the minimum educational standards prescribed by this chapter, or to maintain standards that are the same as, or substantially equivalent to, those represented in the school's applications and advertising."

An Annual Report must be submitted to the Bureau. "Each institution approved to operate under this chapter shall be required to report to the council, by July 1 of each year, or another date designated by the council, the following information for educational programs offered in the prior fiscal year:

- (a) (1) The total number of students enrolled, by level of degree or type of diploma program.
- (2) The number of degrees and diplomas awarded, by level of degree.
- (3) The degree levels offered.
- (4) Program completion rates.
- (5) The schedule of tuition and fees required for each term, program, course of instruction, or degree offered.
- (6) Financial information demonstrating compliance with subdivisions (b) and (c) of Section 94804 and subdivisions (b) and (c) of Section 94855, if applicable.
- (7) Institutions having a probationary or conditional status shall submit an annual report reviewing their progress in meeting the standards required for approval status.
- (8) A statement indicating whether the institution is or is not current on its payments to the Student Tuition Recovery Fund.
- (9) Any additional information that the council may prescribe." (Education Code § 94808(a).)

Brooks Institute must also make disclosures to prospective students in a *School Performance Fact Sheet*. "Each institution offering a degree or diploma program designed to prepare students for a particular vocational, trade, or career field shall provide to each prospective student a school performance fact sheet disclosing all of the following information:

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...

(3) The number and percentage of students who begin the program and secure employment in the field for which they were trained. In calculating this rate, the institution shall consider as not having obtained employment, any graduate for whom the institution does not possess evidence, documented in his or her file, showing that he or she has obtained employment in the occupation for which the program is offered.

(4) The average annual starting wages or salary of graduates of the institution's program, if the institution makes a claim to prospective students regarding the starting salaries of its graduates, or the starting salaries or local availability of jobs in a field. The institution shall disclose to the prospective student the objective sources of information necessary to substantiate the truthfulness of the claim.

Each school that offers or advertises placement assistance for any course of instruction shall file with the council its placement statistics for the 12-month period or calendar year immediately preceding the date of the school's application for annual review for every course of instruction." (Education Code § 94816(a).)

Allegations:

Brooks Institute furnished false, misleading or incomplete information to the Bureau with regard to school performance, both in the Annual Report and in the *School Performance Fact Sheet*.

As part of Brooks Institute's response to the Bureau's December 2004 report of non-compliance, Brooks Institute's *School Performance Fact Sheet* was submitted to the Bureau. The *Fact Sheet* consists of three categories of information: (1) the number of students who were scheduled to complete their program in 2003; (2) the number and percentage of those students who actually completed their program in 2003; and (3) of those students who completed their program in 2003, the number and percentage who secured employment in the field for which they were trained. Information in these three areas is listed on the *Fact Sheet* for each degree program offered by Brooks Institute.

The Bureau attempted to verify the figures reported by Brooks Institute on its *School Performance Fact Sheet* by seeking comparable data posted on the U. S. Department of Education (USDE) internet website. During this verification process, the Bureau found a single statement regarding Brooks Institute's graduate rate (or completion rate, as used by Bureau): "Graduation rates are not present because of an insufficient number of cases." This statement is false and misleading because 1) sufficient student records exist with which Brooks Institute could generate a "graduation rate;" and 2) Brooks Institute reported program completion figures (or graduation rates) to the Bureau through its *School Performance Fact Sheet*.

Brooks Institute's records obtained by the Bureau during the February 2005 site visit contradicted the program completion figures reported on the *Fact Sheet* for each of the six degree programs for which numbers and percentages were reported. The Bureau also found additional inaccurate and contradictory information in February 2005 regarding the percentage of students who completed their programs in 2003 (on schedule) that was reported to the Bureau on Annual Report Form 2003-2a, Line 9 of Brooks Institute's 2003 Annual Report. The Bureau noted that Brooks Institute's Annual Report figures for 2003 regarding program completion, which should have been the same as the figures reported by Brooks Institute on its *School Performance Fact Sheet*, were different from each other. Further, the Bureau found that neither set of figures were accurate when compared to Institute records for the same period that were submitted to the Bureau in February 2005.

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In the third category of the *Fact Sheet*, with regard to those students who completed their program in 2003, listing the number and percentage who secured employment in the field, Brooks Institute's records obtained by the Bureau during the February 2005 site visit contradicted the figures reported on the *Fact Sheet* for each of the six degree programs for which numbers and percentages were reported.

Education Code 94816(a)(4) requires the disclosure of starting salary and wage information on *School Performance Fact Sheets*. The Bureau has also incorporated the reporting of this information in institution Annual Reports. Such information is required to be reported for all programs that lead to a specific career, as in the case of Professional Photography. Brooks Institute's 2003 Annual Report to the Bureau also contained false and misleading information, or was incomplete in substantive respects with regard to salaries and wages of graduates. In all cases, the average annual starting wages of Brooks Institute graduates was omitted from the Annual Report Forms [2003-2a (Degree), Line 13] for all degree programs offered by Brooks Institute, even though these data were found in Brooks Institute's records that were submitted to the Bureau.

Further, placement figures reported in Brooks Institute's 2003 Annual Report, as well as its *School Performance Fact Sheet*, was subsequently proven false or inaccurate by graduates and employers contacted by the Bureau during its April 2005 verification process.

During April 2005, the Bureau interviewed eleven employers of 2003 Brooks Institute graduates to verify the information on the *Employment Verification Forms* ("*Form*") included by Brooks Institute in the placement files for those graduates. The following is a narrative of the Bureau's review of this information and related Brooks Institute records, including responses regarding placement from the November 2004 survey:

- According to Brooks Institute records, Graduate #15 completed his educational program in June 2003, with approximately \$57,200 in total loan indebtedness, receiving a baccalaureate degree in Professional Photography. The *Form* for Graduate #15, completed by Brooks Institute on December 28, 2003, indicates that he was employed as a photo assistant starting on August 1, 2003, two months after graduation, with a wage of \$9.00 per hour. Other Brooks Institute records indicate this employment placement was Institute-generated.

In April 2005, the employer confirmed to the Bureau that Graduate #15 did some freelance work as an "intern" approximately three to four years prior. Thus, the employment would have occurred in 2001 or 2002 (while the graduate was still in school), not shortly after graduation in mid-2003 as reflected on the *Form*. In addition, internships⁹ are student assignments conducted for education credit, whether compensated or not and, as such, do not constitute employment for "placement" purposes. Even if Graduate #15 did not receive education credits, freelance work does not constitute a placement.

- According to Brooks Institute records, Graduate #16 completed her educational program in June 2003, with approximately \$53,600 in total loan indebtedness, receiving a baccalaureate degree in Professional Photography. The *Form* for Graduate #16, completed by Brooks Institute on February 2, 2004, indicates that she was placed in employment eight months after graduation as a part-time photo

⁹ The term "internship" is synonymous with "practicum" and is defined by Brooks Institute's accrediting agency, the Accrediting Council for Independent Colleges and Schools (ACICS), as "a supervised practical experience that is the application of previously studied theory. Normally, three hours of work in a practical setting has the credit equivalency of one hour of classroom lecture. Under the supervision of a faculty or staff member, a written agreement shall be developed that outlines the arrangement between the institution and the practicum site, including specific learning objectives, course requirements, and evaluation criteria." ACICS Glossary of Definitions, pg. GLO-6, May 1, 2005.

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assistant on February 1, 2004, at \$21.00 per hour. Other Brooks Institute records indicate this employment placement was Institute-generated.

When contacted by the Bureau in April 2005, the employer stated that Graduate #16 had not been a paid employee, but that she had been an unpaid intern for a couple of months. Although this position does not appear to have been a for-credit "internship" since it occurred post-graduation, it clearly was not a "placement."

- According to Brooks Institute records, Graduate #17 completed her educational program in June 2003, with approximately \$57,100 in total loan indebtedness, receiving an associate of arts degree in Visual Journalism. The *Form* for Graduate #17, completed by Brooks Institute on November 4, 2003, indicates that she was employed as a photo editor beginning on September 1, 2003, but the *Form* does not list any wage or salary data. Data submitted to the Bureau in February 2005 shows Graduate #17 was placed by Brooks Institute in part-time employment with a wage of \$7.00 per hour.

When contacted by the Bureau in April 2005, the employer confirmed that Graduate #17 did work as an "intern" in 2004 – not in 2003 as recorded on the Brooks Institute *Form* – for a total of three months, earning a total of \$750.00. Although this position does not appear to have been a for-credit "internship" since it occurred post-graduation, it clearly was not a "placement."

- According to Brooks Institute records, Graduate #18 completed his educational program in August 2003, with approximately \$18,300 in total loan indebtedness, receiving a baccalaureate degree in Professional Photography. The *Form* for Graduate #18 was completed by Brooks Institute on August 2, 2003, the day after graduation. It indicates that Graduate #18 was employed a full year prior to graduation, on August 1, 2002 as a photo assistant with a part-time annual salary of \$17,000. When the Bureau reviewed this individual's placement file, it also indicated that Graduate #18 had been employed beginning on August 1, 2002, but as an Industrial Photographer with a part-time wage of \$16.00 per hour.

In response to the Bureau November 2004 survey, Graduate #18 stated that his status with the employer of record was that of an unpaid internship that he used for experience in handling and operating scientific cameras. As previously noted, internships are student assignments conducted for education credit, whether compensated or not and, as such, do not constitute employment for "placement" purposes.

- According to Brooks Institute records, Graduate #19 completed her educational program in December 2003, with approximately \$145,000 in total loan indebtedness, receiving a baccalaureate degree in Professional Photography. Brooks Institute placement information for Graduate #19 indicates that she was self-placed in full-time employment, as of the first day she enrolled as a student at Brooks Institute, as a "Portrait Photographer" with an annual salary of \$26,000. The *Form* for Graduate #19, however, indicates the position title as a "Groomer & Photographer" with job duties described as "Groom pets (dogs) & take their portrait for clients."

The placement was recorded on the Brooks Institute *Form* on March 1, 2004, three months after graduation, but reflected an employment start date three and a half years earlier (on September 1, 2000). The Bureau does not consider this case to meet the definition of placement since the graduate was already employed in the position prior to enrollment at Brooks Institute, and prior to acquiring the baccalaureate degree.

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The contradictory information recorded by Brooks Institute in its placement files vis-à-vis the confirmed statements of facts outlined above are evidence of Brooks Institute's false, misleading, or incomplete representations to the Bureau on the *School Performance Fact Sheet* and in the 2003 Annual Report in connection with student placements.

Determination of Violation(s):

Based on the foregoing, the Bureau has determined that Brooks Institute provided false, misleading or incomplete information to the Bureau regarding the placement and salaries of its 2003 graduates, in violation of Education Code section 94808 and 94816. A violation of the Reform Act is grounds to refuse to issue or renew an application under Education Code section 94830(b).

C. INSTITUTE PROVIDED INACCURATE AND UNDERREPORTED STUDENT TUITION RECOVERY FUND (STRF) DATA TO THE BUREAU.

Education Code section 94830(q) authorizes the Bureau to refuse to issue or renew an approval to operate, or to revoke an institution's approval, if the institution fails "to pay any fees, order for costs and expenses under Section 94935, assessments, or penalties owed to the council, as provided in this chapter."

Each institution is required to "collect the amount assessed by the bureau in the form of a Student Tuition Recovery Fund fee from its new students, and remit these fees to the bureau during the quarter immediately following the quarter in which the fees were collected from the students, or from loans funded on behalf of the students, except that an institution may waive collection of the Student Tuition Recovery Fund fee and assume the fee as a debt of the institution." (Education Code § 94945(a)(1)(B).)

Education Code section 94945(a)(3) requires that assessments made pursuant to this section shall be made in accordance with both of the following:

- (A) Each new student shall pay a Student Tuition Recovery Fund assessment for the period of January 1, 2002, to December 31, 2002, inclusive, at the rate of three dollars (\$) per thousand dollars of tuition paid, rounded to the nearest thousand dollars.
- (B) Commencing January 1, 2003, Student Tuition Recovery Fund fees shall be collected from new students at the rate of two dollars and fifty cents (\$2.50) per thousand dollars of tuition charged, rounded to the nearest thousand dollars. For new students signing enrollment agreements between January 1, 2002, and December 31, 2002, inclusive, the assessment rate of three dollars (\$3) per thousand dollars of tuition paid, rounded to the nearest thousand dollars, as provided in subparagraph (A) of this paragraph, shall remain the assessment rate for the duration of the student's enrollment agreement.

Allegations:

Brooks Institute submitted incomplete Student Tuition Recovery Fund (STRF)-related information to the Bureau and underreported, underpaid, and incorrectly assessed and remitted students' STRF fees to the Bureau in violation of Education Code section 94945. The inconsistencies can be grouped into two categories: 1) the calculations by Brooks Institute to assess STRF fees on eligible (and ineligible) students enrolled; and 2) the application of STRF assessments by the institution with regard to California residency and non-residency of enrolled students.

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The Bureau reviewed the general ledgers of the 2003 graduates, which were collected during the February 2005 visit, as well as fifty student records of those students who dropped or withdrew in the 2003 and 2004 calendar year, collected during the November 2004 visit. During the review of these documents, the Bureau found that the institution incorrectly calculated the students' fee for the STRF assessment. The incorrect calculations for some of the assessments were due to inaccurate rounding of tuition charged to the nearest thousand dollars, while other assessments were simply miscalculated. However, the Bureau could not determine the formulas or methodologies used by Brooks Institute that resulted in the miscalculated assessments, as there was no consistency in the formulas used.

While these instances may appear minimal as individual cases, when multiplied by the total number of eligible students, the difference is significant. The Bureau's investigation found evidence of thirty-five additional STRF-eligible students than the 1,277 that were reported by Brooks Institute for a total of 1,312 for 2002. According to an audit by the Bureau's STRF unit of the submitted data, the lower figure reported by Brooks Institute resulted in underpayment to the STRF of at least \$3,117. The audit also found that Brooks Institute's misapplication of the STRF assessment on California resident and non-resident students in 2002 resulted in the underpayment to the STRF of \$8,354.46.

As stated in the previous paragraph, the Bureau found that the California residency and non-residency of the students for the STRF is inconsistently and incorrectly applied. The Bureau randomly selected 39 student records and reviewed the general ledger for each year the student was enrolled. The findings are as follows:

- Fifteen of 39 randomly selected student records reviewed for compliance were determined to be non-California residents and, therefore, non-eligible for STRF assessments. However, twelve of these fifteen non-eligible (non-California resident) students were assessed STRF fees.
- Application of the STRF assessment on both STRF-eligible (California resident) and non-eligible (non-California resident) students was inconsistent from year to year. The Bureau found that Student #39 – who was not a California resident and, therefore, was non-eligible for STRF – was assessed for STRF by Brooks Institute in the first year she was enrolled, but not in the second year. She was then assessed STRF fees in the third year.
- Brooks Institute reported 1,277 STRF-eligible students to the Bureau for the 2002 Reporting Year (Line B). However, the Bureau found evidence of 1,312 STRF-eligible students for that same period. This under-reporting has resulted in underpayment by Brooks Institute to the STRF.

In Brooks Institute's 2003 Annual Report to the Bureau, it reported total enrollment of 2,806 students enrolled in all degree programs for the 2003 calendar year. This same total student enrollment figure for calendar year 2003 is required to be reported on STRF assessment forms filed by Brooks Institute with the Bureau. However, according to the Bureau's STRF unit review of the records supporting its 2003 STRF assessments, the 2003 Annual Report figure of 2,806 total students reported by Brooks Institute "does not reconcile to the number of students reported on either Line (A) or Line (B) of the assessment reports as filed for the 2003 year."

Determination of Violation(s):

Based on the foregoing, the Bureau has determined that Brooks Institute underreported, underpaid, and incorrectly assessed STRF fees in violation of Education Code section 94946. A violation of the Act is grounds for refusal to issue or renew an application under Education Code section 94830(q). In addition,

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the foregoing provides the basis for the Bureau's determination that Brooks Institute has provided false information to the Bureau, in violation of Education Code section 94830(a).

III. RESTRICTIONS OR CONDITIONS ON APPROVAL

The conditions under which Brooks Institute receives this approval are as follows:

Condition 1. Brooks Institute will report quarterly to the Bureau on its progress toward full compliance with the conditions of this approval. The first quarterly report will be due within thirty days from the last day of the month of the quarter in which Brooks Institute receives the Conditional Approval. In the first report, Brooks Institute will develop a timeline, which will be subject to approval by the Bureau, establishing target dates for compliance with each Condition as set forth herein. In each subsequent report, Brooks Institute will report on its progress toward fulfillment of each condition within the timelines established, and provide the Bureau with copies of any forms, manuals, or guidelines developed. This report shall be sent to the following address until the Conditional Approval has been removed:

Marcia Trott
Senior Education Specialist-Degree Program
Bureau for Private Postsecondary and Vocational Education
400 R Street, Suite 5000
Sacramento, CA, 95814

The first report will become the foundation for subsequent reports submitted to the Bureau by Brooks Institute for future and currently enrolled students, and shall include the following:

- The names, addresses, and telephone numbers of each student currently enrolled in Brooks Institute, as well as the title of the degree program in which the students are enrolled.
- For each individual named above, Brooks Institute will provide the date the student was admitted and the date of the first class attended.
- For each individual named above, Brooks Institute will provide the student's status as a California resident or non-resident student.
- For each individual named above that withdraws or cancels, Brooks Institute will provide the last day attended, as well as the reason provided for the discontinuation of the program and the total amount of federal financial aid loans and/or private loans each student is obligated to pay for his or her education as of the last date attended at Brooks Institute.

The first report shall also include the following verifiable information for 2003 graduates and all graduates thereafter:

- The names, addresses, and telephone numbers of each graduate of Brooks Institute (sorted by graduation year) that includes the title of the degree earned, the date of graduation, the date of placement, the placement start date, and the date that the placement was verified.
- For each individual named above, Brooks Institute will provide the total amount of federal financial aid loans and/or private¹⁰ loans that students and/or their parents (in the form of Parent PLUS¹¹ loans) have

¹⁰ When grants, scholarships, and federally sponsored loans are not enough to cover the cost of a student's education, the student and/or their parents can obtain additional funding through one of several alternative private loan options: a Signature Student Loan or a Tuition Answer Loan (SM). Although neither of these loans is federally sponsored, they are both education loans designed to help

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incurred to pay for the education to include all loan disbursements made through Brooks Institute. This information will be the foundation for disclosing potential long-term debt upon graduation, a realistic average of the dollars borrowed, and disclosure in the catalog.

- For each individual named above, Brooks Institute will provide the current or starting salary or wage for each graduate who has secured employment, and indicate whether the job is in a field related to the area of study.

Condition 2. Brooks Institute will meet with Bureau staff within six months of the date of this approval letter to monitor progress toward compliance with the conditions of approval as set forth herein. All conditions shall be met prior to the submission of the Brooks Institute's application of re-approval.

Condition 3. Brooks Institute will evaluate its current placement policies and procedures vis-à-vis the Bureau's findings noted herein and provide this information to the Bureau with the first quarterly report. Brooks Institute will provide to the Bureau notification of any future changes made to these policies and procedures and be able to demonstrate at the request of the Bureau that the process has been utilized and monitored with regard to the placement of students. For each current graduate and all future graduates, Brooks Institute must demonstrate that those graduates have secured employment based on criteria that shall include the following:

- The process and policies developed by Brooks Institute for placement will include a definition of "secure employment" that is not considered temporary or unpaid and will not include internships or one-time events.
- Brooks Institute will provide a written statement from the employer that the graduate is employed along with a brief description of his or her job duties, or a written statement from the graduate that he or she has secured employment along with a brief description of his or her job duties.
- Brooks Institute will provide a description of each document it will require in the placement file for each graduate.
- Brooks Institute will provide its process for auditing the placement information, including what will be required in the placement file and how it will be verified.

Condition 4. Brooks Institute will refrain from enrolling students into any of its degree or non-degree programs until the following have been demonstrated to the Bureau:

- Brooks Institute will verify the placement information for each 2003 graduate, determine if each has obtained secure employment, and provide to the Bureau accurate "placement" numbers and percentages for 2003 graduates. This information will be submitted in the form of a corrected *School Performance Fact Sheet*, with a revision date. This corrected form will immediately be distributed and explained to prospective and currently enrolled students. This notice shall be signed by both the student and a representative of Brooks Institute and evidenced in the student's file.
- Brooks Institute will assure that any manuals developed or used by its Admission Representatives include accurate information, scripts based upon real and verifiable data, and portrayal of Brooks Institute's ratio of the number of enrollments allotted versus the number of students enrolled that is not unrealistically

students obtain the funding needed to attend the school of their choice. Each of these loan options enable students to borrow up to the full cost of their education, including tuition and fees, room and board, books and supplies, transportation and even living expenses.

¹¹ The federally sponsored Parent Loan for Undergraduate Students (PLUS) Loans enable parents to borrow to pay the education expenses of each child who is a dependent undergraduate student enrolled at least half time in an approved college or university. These loans are available through both the Direct Loan and FFEL programs. Most of the benefits to parent borrowers are identical in the two programs. Generally, repayment must begin within 60 days after the loan is fully disbursed. There is no grace period for these loans. This means interest begins to accumulate at the time the first disbursement is made. Parents must begin repaying both principal and interest while the student is in school.

Brooks Institute of Photography
July 11, 2005
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inflated or otherwise misleading. Any such manual will include a comprehensive and accurate analysis of the national and state labor statistics regarding employment opportunities in the field of study. This information is to be portrayed as a material fact in the Brooks Institute catalog.

Condition 5. Should Brooks Institute request Bureau approval to add new educational programs while it is operating under a Conditional Approval, the Bureau will consider any such request contingent upon the progress, or lack thereof, Brooks Institute has made in meeting the Conditions outlined herein.

Condition 6. Brooks Institute must provide the following disclosure to each current student and potential student in writing:

"This Institute has received a conditional approval to operate from the Bureau for Private Postsecondary and Vocational Education ("Bureau"). A conditional approval means that this Institute was found to be operating in violation of the statutes and regulations that govern private postsecondary educational institutions, and therefore it was not in the public interest to give this Institute a full unconditional approval to operate in this State. This designation allows Brooks Institute to operate while the Bureau monitors compliance with applicable regulations, statutes and restrictions placed upon this Institute."

This notice shall be signed by both the student and a representative of Brooks Institute and evidenced in the student's file. This disclosure must also be placed in Brooks Institute's current catalog under "Institutional Authority to Grant Degrees" so that students and potential students know that Brooks Institute is operating under a conditional approval.

Condition 7. The full and qualitative review of Brooks Institute's application for renewal will be comprehensive and, as such, the review will not be limited to the findings in this approval document.

Condition 8. Brooks Institute will review the assessments it made to the Student Tuition Recovery Fund for 2002, 2003, 2004, and to-date in 2005. Brooks Institute will determine the amount that should have been charged for each student enrolled during this time period and the amount actually charged. Brooks Institute will remit the difference to the Bureau. It will also provide verifiable documentation that it has refunded those assessments incorrectly assessed or calculated to each student, if applicable. Further, if students were not assessed sufficiently, Brooks Institute will pay that amount to the Bureau and *will not* charge the students.

Condition 9. Brooks Institute of Photography violated provisions of California Education Code 94816, 94831, and 94832, which may result in the unenforceability of any contract or agreement arising from the transaction in which the violation occurred, pursuant to Education Code section 94985(a). No later than August 31, 2005, Brooks Institute of Photography must provide a plan to the Bureau that provides in detail how it will provide equitable restitution to all students enrolled from May 4, 1999 to the present. The Bureau must approve this plan before it is implemented.

Note: Brooks Institute is permitted to submit to the Bureau much of the required information electronically on CD-ROMs or DVDs.

Brooks Institute may, not less than one year after the effective date of this Notice, petition the Bureau for a modification of the Conditional Approval.

Violation of any conditions of the conditional approval is grounds for revocation of the approval to operate. If any violation of the conditional approval occurs, the bureau shall serve respondent with a

Brooks Institute of Photography
July 11, 2005
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notice of revocation, and after notice and hearing, impose the discipline of revocation on respondent's license. If during the period of probation, an accusation, statement of issues, or other notice of administrative action has been filed against respondent's approval to operate, or the attorney general's office has been requested to prepare such an accusation, or other notice of administrative action, the effective dates of the conditional approval set forth in this decision shall be automatically extended and shall not expire until the accusation, or notice of administrative action has been acted upon by the bureau.

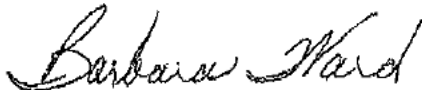
IV. GROUNDS FOR CONDITIONAL APPROVAL:

Brooks Institute of Photography violated the Reform Act by willfully misleading, falsifying, and omitting critical information that persuaded prospective students to enroll in educational programs that were advertised and promoted as preparation for a high paying career in their respective fields of study. Brooks Institute then encouraged students to constantly apply and receive student financial loans from governmental and private lenders in considerable excess of the students' potential earnings to repay those loans. Further, required data submitted by Brooks Institute to the Bureau was found to be inaccurate, incomplete, and misleading. These actions are prohibited by Education Code sections 94832(a), (b). Violations of the Reform Act are grounds for denial of a renewal application and revocation of a current approval to operate under Education Code section 94830(a). Violation of Section 94832 provides further grounds for denial of a renewal application and revocation of a current approval to operate under Education Code section 94985(a). Further, fraudulent and deceptive acts constitute grounds for denial of Brooks Institute's renewal application for approval to operate under Business and Professions Code section 480(a)(2).

Although these acts are cause for a denial of Brooks Institute's approval to operate, the Bureau is cognizant of the number of students currently enrolled and the negative impact a revocation and denial would have on the students and their families. The Bureau finds that the resources available to Brooks Institute are sufficient to meet the minimum standards of California Education Code and its regulations. If compliance is not met within the reasonable period of time set forth in this document, the Bureau will move to revoke Brooks Institute's approval to operate.

In closing, again please be advised that unless a timely appeal is received by the Bureau, Brooks Institute of Photography waives its right to an administrative hearing on this action.

Sincerely,



BARBARA WARD
Chief
Bureau for Private Postsecondary and Vocational Education

Attachments

STATE OF CALIFORNIA - STATE AND CONSUMER SERVICES



Bureau for Private Postsecondary and Vocational Education
400 X Street, Suite 3000, Sacramento, CA 95833
P.O. Box 988181, West Sacramento, CA 95698
916 445-3427
www.bppve.ca.gov

In accordance with the provisions of California Education Code 94900 and/or 94915, the
Postsecondary and Vocational Education approves (conditionally)

BROOKS INSTITUTE OF PHOTOGRAPHY

1321 Alameda Padre Sierra
Santa Barbara, Ca 93108
School Code# 4201871

INSTITUTIONAL APPROVAL

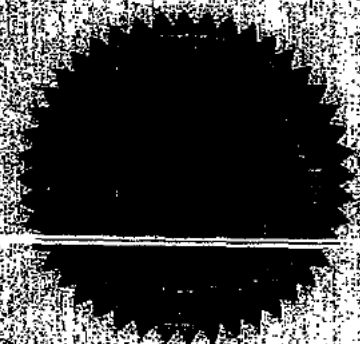
This institution has received conditional approval to operate from the Bureau for Private Postsecondary and Vocational Education ("Bureau"). A conditional approval to operate means that the Bureau has determined that the institution is in compliance with this chapter, but has operated within three years before the filing of the application in violation of this chapter. Therefore, the Bureau has determined that an unconditional grant of approval to operate is not in the public interest.

Subject to earlier termination in accordance with the law.

Approval #: 20021
Effective Date: July 11, 2005
Expiration Date: June 30, 2007

Sheila Hawkins
Sheila Hawkins, Private Postsecondary Education Administration

This document is valid if all fees are current, subject to earlier termination in accordance with the law.



This approval is not a guarantee of quality or accreditation. The Bureau is not responsible for the actions of the institution. The Bureau is not responsible for the actions of the institution.

JUL-22-2005 FRI 10:12 AM BPPVE

FAX NO. 916 323 3780

P. 22



Bureau for Private Postsecondary and Vocational Education
400 R Street, Suite 5000, Sacramento, CA 95814-6200
P.O. Box 980818, West Sacramento, CA 95798-0818
(916) 445-3427
www.bppve.ca.gov



Approved/Registered Program List

In accordance with the provisions of California Education Code 94900 and/or 94915 and/or Article 9.5, the Bureau for Private Postsecondary and Vocational Education conditionally approves:

BROOKS INSTITUTE OF PHOTOGRAPHY

*1321 Alameda Padre Sierra
Santa Barbara, Ca 93108*

*School Code #: 4201871
Site Type: Main*

to offer the following program(s)/course(s):

<u>Program Name</u>	<u>Program Approved</u>	<u>Program Type</u>
AA VISUAL JOURNALISM	04/04/2001	Degree
BA FILM & VIDEO PRODUCTION	06/26/2001	Degree
BA PROFESSIONAL PHOTOGRAPHY	01/01/1995	Degree
BA VISUAL COMMUNICATION	09/05/2001	Degree
BA VISUAL JOURNALISM	04/04/2001	Degree
MS PHOTOGRAPHY	01/01/1995	Degree
FILM & VIDEO PRODUCTION	06/29/2001	Non-Degree

The program list above represents all currently approved/registered educational services for this institution. The Main, Branch, or Satellite locations of this institution may offer any subset of this list. Branch and Satellite location(s) may only offer educational services that are approved at the Main location as stated in Section 94719 and 94742(a) of the Private Postsecondary and Vocational Education Reform Act.

Marcia Trott, Senior Education Specialist

This document is valid if all fees are current. Subject to earlier termination in accordance with the law.

Approved/Registered Program List

School Name: BROOKS INSTITUTE OF PHOTOGRAPHY
School Code: 4201871 (Institution Code: 4201871.....Site Type: Main)

<u>Program Name</u>	<u>Program Approved</u>	<u>Program Type</u>
PROFESSIONAL PHOTOGRAPHY	01/01/1995	Non-Degree

Degree Programs: 6
Non-Degree (Vocational) Programs/Courses: 2
Total Programs/Courses: 8

The program list above represents all currently approved/registered educational services for this institution. The Main, Branch, or Satellite locations of this institution may offer any subset of this list. Branch and Satellite location(s) may only offer educational services that are approved at the Main location as stated in Section 94719 and 94742(a) of the Private Postsecondary and Vocational Education Reform Act.


Marcia Troth, Senior Education Specialist

This document is valid if all fees are current. Subject to earlier termination in accordance with the law.

Exhibit B

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

From: **Borrower Defense** <borrowerdefense@ed.gov>
Date: Tue, May 19, 2020 at 12:03 PM
Subject: FSA Borrower Defense Application: 01350173 [ref: 00Dt0Gyiq._500t0DPQQS:ref]
To: [REDACTED]



Dear Rebekah Norton:

We have received the additional information you provided regarding your application for borrower defense [REDACTED].

You will be notified once a decision has been made on your application.

If you have questions, you may respond to this email or call our borrower defense hotline: **(855) 279-6207**. Representatives are available Monday through Friday from 8 a.m. to 8 p.m. Eastern time.

Sincerely,
U.S. Department of Education (ED)
Federal Student Aid
Borrower Defense Unit

To respond to this email, please reply to this email thread without modifying the Subject line. That way, your response will automatically attach to your application.





ref: [REDACTED]

CONFIDENTIALITY NOTICE: This e-mail message, including any attachments, is for the sole use of the intended recipient and may contain confidential and privileged information. Any unauthorized review, use, disclosure or distribution is prohibited. If you are not the intended recipient, please contact the sender by reply e-mail and destroy all copies of the original message.

Exhibit C

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

From: Borrower Defense <borrowerdefense@ed.gov>
Date: Fri, Jul 10, 2020 at 7:02 AM
Subject: Borrower defense discharge ineligibility information for you [

[REDACTED]
To: [REDACTED]



7/10/2020

Borrower Defense Application #: [REDACTED]

Dear Rebekah Norton:

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: 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.

Allegation 2: 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 3: Transferring Credits

You allege that Brooks Institute engaged in misconduct related to Transferring Credits. 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 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: 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): Insufficient Evidence.

Your claim for relief on this basis therefore is denied.

Allegation 6: Employment Prospects

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

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 [REDACTED]" to 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. 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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