

IN THE UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF GEORGIA
MACON DIVISION

VC MACON GA, LLC)	
)	
Plaintiff,)	
)	Civil Action No.
v.)	5:18-cv-00388-TES
)	
VIRGINIA COLLEGE, LLC; and)	
EDUCATION CORPORATION OF)	
AMERICA,)	
)	
Defendants.)	

**COMMONWEALTH OF PENNSYLVANIA AND CONSUMER PROTECTION
DIVISION OF THE OFFICE OF THE ATTORNEY GENERAL OF MARYLAND’S
OBJECTION TO AMENDED EXPEDITED MOTION FOR ORDER TO SELL
CERTAIN ACCOUNTS RECEIVABLE (Dkt No. 239)**

AND NOW, comes the Commonwealth of Pennsylvania, by Attorney General Josh Shapiro, through the Bureau of Consumer Protection, and the Consumer Protection Division of the Office of the Attorney General of Maryland (collectively referred to as the “States”) and submits this Objection to the Receiver’s *Amended Expedited Motion for Order to Sell Certain Accounts Receivable Other Than In The Ordinary Course Of Business Free And Clear Of Liens, Claims, Encumbrances, And Other Interests, And (2) For Related Relief* (Dkt. No. 239) (“Motion to Sell Student Debts”) in accordance with this Honorable Court’s *Order Amending Briefing Schedule* (Dkt. No. 250).

The Receiver’s Motion to Sell Student Debts and related proposed *Order Approving Receiver’s Amended Motion for Order (1) to Sell the Collectable AR Other than in the Ordinary Course of Business Free and Clear of Liens, Claims, Encumbrances, and Other Interests, and (2) for Related Relief* (Dkt. No. 239-1) (“Proposed Order”) contemplate a “free and clear” sale of

student loan debts in the amount of \$37,080,107, “clear of liens, claims, encumbrances, and other interests.” Dkt. No. 239, pp. 1, 9, 11. Despite seeking such an extraordinarily broad order that affects a significant number of students who may have been subject to unfair, deceptive, and abusive trade practices, the Receiver provides no explanation or specific mention of what liens, claims, or encumbrances he is seeking to sell the student loan debts free and clear from, he provides no law to support his requested relief inasmuch as it seeks to prevent the States from investigating and prosecuting future violations of their laws (and the case law is in fact contrary to his request), and his requested relief is contradicted both by the student loan agreements and the documents related to the proposed sale of the student loan debts by the Receiver. Accordingly, the States, who do not object to the write off of certain student loans debts, object to the Receiver’s request to sell \$37,080,107 of student loan debts “free and clear” and request that if the sale is approved (although it should not be approved until the Receiver complies with the States’ subpoenas), any order should recognize states’ continuing ability to enforce all of their laws against the buyer of the debt, as well as the right of former students and the States to raise claims and defenses against a buyer of the student loan debts.

BACKGROUND

The States have pending investigations of Virginia College, LLC and/or Education Corporation of America (collectively referred to as “ECA”), which operated a chain of for-profit schools throughout the United States, including five ground “Brightwood Career Institute” campuses in Pennsylvania, three ground “Brightwood College” campuses in Maryland, and online programs that enrolled Pennsylvania and Maryland students. The States’ investigations are related to whether ECA engaged in and continues to engage in unfair, deceptive, or abusive practices that

violate the States' consumer protection laws¹ including, without limitation, making misrepresentations and material omissions to students (1) during the recruitment process; (2) throughout students' matriculation; and (3) each time ECA or any holder of the student loan debts attempts to collect upon those debts. The States hereby adopt and incorporate the discussions related to their investigations and state law authority from their respective oppositions to the Receiver's motions to enforce court order. Dkt. No. 258, pp. 1-8; Dkt. No. 259, pp. 1-5.

In addition to their pending investigations of ECA, the States retain the authority to investigate the buyer of the student loan debts and, if violations of the law are discovered, may pursue any violations of their consumer protection laws against the buyer. As discussed in their oppositions to the Receiver's motions to enforce court order, collection of the student loan debts in this matter could violate: (1) the PA CPL via the Pennsylvania Fair Credit Extension Uniformity Act, 73 P.S. § 2270.4, which declares violations of the Fair Debt Collection Practices Act, 15 U.S.C. § 1692 *et seq.* to be unfair and deceptive debt collection acts or practices subject to enforcement; and, (2) the MCPA via the Maryland Consumer Debt Collection Act if the collection of student loan debts violates certain provisions of the Fair Debt Collection Practices Act or constitutes other violations. *See* 73 P.S. § 2270.4(a); *see also* Md. Code Ann. Com. Law § 14-202; § 13-301(14)(iii). For example, to the extent the student loan debts were incurred as the result

¹ The Consumer Protection Division of the Office of the Attorney General of Maryland is the Maryland state agency charged with enforcing Maryland's consumer protection laws, including the Consumer Protection Act, Md. Code Ann., Com. Law §§ 13-101 *et seq.* (the "MCPA"), which prohibits unfair, abusive, and deceptive conduct. It may compel production of documents through a subpoena (Com. Law §13-405(a)) and may seek restitution for consumers, the purpose of which is not to compensate victims, but to force disgorgement of amounts it would be unjust for a defendant to keep. *See Consumer Prot. Div. v. Consumer Publ'g Co., Inc.* 304 Md. 731, 776 (1984). Under the Pennsylvania Unfair Trade Practices and Consumer Protection Law, 73 P.S. 201-1 *et seq.*, ("PA CPL"), whenever the Attorney General has reason to believe that any person is engaging in unfair methods or competition and unfair or deceptive acts or practices as defined under the PA CPL, and that proceedings would be in the public interest, he may bring an action in the name of the Commonwealth against such person to restrain by temporary or permanent injunction the use of such method, act or practice. *See* 73 P.S. §§ 201-3 and 201-4. Further, under Sections 201-4.1 and 201-8(b) of the PA CPL, the Commonwealth has the ability to seek restitution and civil penalties. *See* 73 P.S. §§ 201-4.1 and 201-8(b).

of ECA's misrepresentations or omissions, efforts to portray those debts as legitimate may potentially violate the Fair Debt Collection Practices Act which states:

A debt collector may not use any false, deceptive, or misleading representation or means in connection with the collection of any debt. Without limiting the general application of the foregoing, the following conduct is a violation of this section:

[...]

(2) The false representation of--

(A) the character, amount, or legal status of any debt [...].

15 U.S.C. § 1692e. Therefore, the States' investigations are seeking to ascertain whether violations of their laws have occurred, are occurring, and will continue to occur each time that a holder of the student loan debts (be it ECA it a buyer) attempts to collect upon those debts. Because any violations of the PA CPL or the MCPA that may be committed by the buyer of the student loan debts could be prosecuted separately from violations that may have been committed by ECA, there is no basis, the States respectfully request, as discussed in more detail below, that this Court decline to issue an order that the student loan debts are sold "free and clear" of all of all liens, claims, encumbrances and other interests.

ARGUMENT

A. The States Do Not Object to the Write-Off of Certain Student Loan Debts.

As discussed in paragraph 7 of the Motion to Sell Student Debts, the Receiver is requesting this Court enter an order directing him to write off the debts of students who were attending within 120 days of the day their campus abruptly closed. The States agree that an order directing the Receiver to cancel those debts is appropriate because it is likely that ECA violated the States' consumer protection laws related to each of those students when it abruptly closed its schools without providing the education that it had promised to provide. As a result, ECA or a buyer would

likely be violating the States' consumer protection laws each time one of them attempted to collect upon student loan debts allegedly owed by those students.

To the extent any party files an objection to the write-off of these debts, the States respectfully request that they be permitted to file a reply supporting the request for an order that this Court direct the Receiver to write-off the debts.

B. The Sale of the Student Loan Debts Should be Postponed to Allow the States to Complete Their Investigation.

The States have expressed to the Receiver on multiple occasions their request that all the student loan debts should be written off and none of them should be sold and collected upon.² In spite of these requests, the Receiver appears to believe that the collection of \$37,080,107 of student loan debts related to certain classifications of students does not violate any states' consumer protection laws, yet he has balked at complying with the States' subpoenas that attempt to obtain evidence related to such potential violations and has refused to even provide to the States the diligence items that were provided to the buyer, pursuant to paragraph 1.5 of the Asset Sale Agreement, Dkt. No. 257-1. Instead, the Receiver filed motions requesting this Court order the withdraw of the subpoenas, which are still pending. Dkt. No. 248; Dkt. No. 252. Accordingly, this Court should deny the Motion to Sell Student Debts, without prejudice to be refiled at a later date, while the dispute related to the subpoenas is adjudicated and the Receiver provides documents responsive to the States' subpoenas.

² In a footnote, the Receiver claims that the "overwhelming majority" of the discussions between "multiple State Attorney Generals" and the Receiver related to the student debts focused on the debts owed by students attending within 120 days of the closure with a "lesser extent" of the discussions focused on the other debts that the Receiver seeks to sell. Although the Receiver has attempted to focus its arguments on the debts that it now intends to write-off, the States have consistently sought a write-off of all of the debts allegedly owed by former students. See State's Letter to Receiver, March 15, 2019, Exhibit 1; Receiver's Fourth Report Dkt. No. 187, p. 7.

C. It is Unclear What Relief the Receiver is Seeking Because He Has Not Identified Any Liens, Claims, Encumbrances, or Other Interests that Affect the Student Loan Debts.

Much of the Receiver's Motion to Sell Student Debts is consumed with a discussion related to the propriety of a private sale instead of an auction. In the few instances in his motion and Proposed Order where the Receiver states a desire that the sale be "free and clear of all liens, claims, encumbrances and other interests," he never mentions what those liens, claims, encumbrances and other interests are. Dkt. No. 239, pp. 1, 9, 11; Dkt. No. 239-1, pp. 2, 4. Instead, the Receiver makes the sweeping statement that federal courts have the ability to "foreclose out liens, claims, encumbrances and other interests" and cites one case that is over 130 years old. Dkt. No. 239, p.9. In that case, unlike in the Receiver's threadbare motion, the court approved the sale of property free of the mortgages liens that were specifically identified by the parties. *First Nat Bank of Cleveland, Ohio v. Shedd*, 121 U.S. 74, 77 (1887). Similarly, in the Proposed Order, the Receiver includes only the vague proposed language that he "has the power and authority to foreclose upon and sell the Collectable AR free and clear of all liens, claims, and encumbrances (with such liens, claims, and encumbrances, if any, to attach to the sales proceeds)." Dkt. No. 239-1, ¶ 2. There are, however, no liens, claims, or encumbrances identified in the Receiver's motion that the student loans debts can be sold "free and clear" of and for that reason alone, if the sale is approved, it should not be approved free and clear of liens that have not been identified by the Receiver.

D. The Receiver Cannot Sell the Debts "Free and Clear" of Future Claims that Might be Asserted Against the Buyer for the Buyer's Violations of the States' Laws.

Although unstated, it appears that the Receiver is seeking an order approving the sale of the student loan debts "free and clear" of any claims that may be or could be asserted by state Attorneys General, including future claims for future violations of law related to the collection of

the student loan debts by the buyer. If this is what the Receiver is requesting, such a claim has no legal basis and, in fact, the case law requires the opposite – that any order permitting the sale of the student loan debts should make clear that the debts are sold “as is” and that the buyer is not immunized or protected from future violations of law in the collection of the student loan debts, including falsely representing that it has the ability to collect the student loan debts.

Federal courts have recognized that they should not overrule or abrogate a duty to comply with state laws when managing the sale or abandonment of property by a receiver or bankruptcy trustee. *See In re Berry Estates*, 812 F.2d 67, 71 (2d Cir. 1987) (explaining that “Congress did not intend for bankruptcy laws to abrogate the States’ police powers” or that “the bankruptcy court be a haven for wrongdoers”). Similarly, in *Ohio v. Kovacs*, the Supreme Court made clear that, despite its affirming the lower court’s ruling that the original owner’s liability for the cleanup of a piece of land was converted into an obligation to pay money, any future owner of the land, including a party that received the land from a receiver, must comply with all state laws related to the cleanup of the land. 469 U.S. 274, 284 (1985); *see also Midatlantic Nat’l v. New Jersey Dept. of Env’tl. Prot.*, 474 U.S. 494, 502 (1986) (“Congress has repeatedly expressed its legislative determination that the trustee is not to have *carte blanche* to ignore nonbankruptcy law. Where the Bankruptcy Code has conferred special powers upon the trustee and where there was no common-law limitation on that power, Congress has expressly provided that the efforts of the trustee to marshal and distribute the assets of the estate must yield to governmental interest in public health and safety.”).

That principle that the States’ consumer protection laws should not be overruled or abrogated is applicable here, despite the Receiver’s apparent (but unstated) request that the student loan debts be sold “free and “clear” of any claim that the States may assert against the buyer of the

debt. To the extent the student loan debts are sold, the buyer should be subject to all state laws, especially those related to public welfare and safety, as is the case here where the collection of the loans may violate the PA CPL and the MCPA, otherwise, the receivership process would in essence become a “haven for wrongdoers” to attempt to sanitize bad debt. *See, e.g., Donovan v. TMC Indus.*, 20 B.R. 997, 1001 (N.D. Ga. 1982) (stating “it would be anomalous to permit the debtor to use the stay to shield his activities which violate state and federal laws,” and ruling that the Secretary of Labor’s actions to enjoin the sale or transport of goods produced by individuals who were not legally compensated by debtor came within the police and regulatory exception to automatic stay provisions of Bankruptcy Code, and thus was not barred by the automatic stay). The Receiver provided no support for his request that the student loan debts can be sold in a manner that prevents the States from investigating and prosecuting violations of their consumer protection laws because no such law exists. Instead, it is the well-established view that state laws can and should be enforced by the appropriate entities, despite the disposition of assets during a receivership or bankruptcy. *See Kovacs*, 469 U.S. at 284. As a result, if any sale is ordered, the request that it be “free and clear” of all liens, claims, encumbrances, and other interests should not be granted.

The Receiver implicitly acknowledged that he cannot obtain the relief he is seeking in the Motion to Sell Student Debts when, in the sale agreement with Elevation Capital Partners, LLC, the buyer of the student loan debts, it is contemplated that the sale will not be “free and clear” of any claim that the States may assert against the buyer. *See Asset Agreement*, Dkt. No. 257-1. The Asset Agreement indicates at paragraph 3 that the student loan debts are sold:

“WITHOUT RECOURSE AND WITHOUT REPRESENTATIONS OR WARRANTIES OF ANY KIND OR NATURE, EXPRESSED, IMPLIED OR IMPOSED BY LAW, ON

AN ‘AS IS’, ‘WHERE IS’ BASIS AND ‘WITH ALL FAULTS’.....”

Dkt. No. 257-1, ¶3. That language clearly allows claims and defenses to be asserted in response to collection activity, which would include the claims discussed herein and in the States’ oppositions to the motion to enforce court order, related to the PA CPL and MCPA via the Pennsylvania Fair Credit Extension Uniformity Act, the Maryland Consumer Debt Collection Act, and the Fair Debt Collection Practices Act. Therefore, the attempt to foreclose the States’ exercise of their law enforcement duties through request for an order that the student loan debts are “free and clear” was not even something that was purchased by the buyer or is required to be provided by in Receiver in the Asset Agreement. Accordingly, this Court should deny the Receiver’s request that the sale be “free and clear.”

E. The Receiver Cannot Extinguish Student Debtors Rights to Assert Claims and Defenses to the Student Loan Debts, And Such Rights Can Also be Asserted by the States on Behalf of Students.

Because the Receiver has not explained what liens, claims, encumbrances, and other interests it seeks to sell the student loan debts free and clear of, the sweeping order requested by the Receiver could impact the ability of former students to assert claims and defenses against the buyer of the debt. Such an order would be unsupported by law and appears to be prohibited by the terms of the contracts that students signed with ECA. First, as discussed above, the Receiver has cited no law to support the notion that a sale “free and clear” means that the student loan debts are somehow valid, collectible, and immunized from future claims or defenses related to the collection asserted by students or States, including violations related to the collection of debts that the holder does not have legal basis to collect. Second, the language of at least one version of the agreement between ECA and students related to their student loan debts contains the following language:

Any holder of this consumer contract is subject to all claims and defenses that the debtor could have asserted against the seller of goods or services obtained pursuant hereto or with the proceeds thereof.

Redacted Tuition Agreement for Brightwood College, Baltimore campus, attached as Exhibit 2, p. 1, ¶2.d.³

This language, which is required to be included in a consumer credit contract related to the sale of goods or services to consumers by the FTC's Rule on the Preservation of Consumers' Claims and Defenses and is usually referred to as the "Holder Rule," gives notice that the holder of the credit contract is "subject to all claims and defenses" that could be asserted against the seller. *See* 16 C.F.R. § 433.2; *see also* Md. Code Ann. Com. Law 14-1302(b)(1) (stating that it is a violation of the MCPA to take or receive a consumer credit contract that does not contain the language state above preserving claims and defenses). That language protects the consumer's existing claims and defenses and makes clear that the holder of the agreement is liable for all seller-related claims or defenses connected with the transaction. *See, e.g., Maberry v. Said*, 911 F. Supp. 1393, 1402 (D. Kan. 1995); *accord Boggess v. Lewis Raines Motors, Inc.*, 20 F. Supp. 2d 979, 981-82 (S.D. W. Va. 1998). It has been made clear that the Holder Rule applies to student loans extended by for-profit schools. *See Jackson v. Culinary Sch. of Wash.*, 788 F. Supp. 1233, 1249-51 (D.D.C. 1992); *Morgan v. Markerdowne Corp.*, 976 F. Supp. 301 (D.N.J. 1997). Indeed, at the time the Holder Rule was promulgated, the FTC specifically identified for-profit proprietary

³ Although the States are in possession of only a single version of the Tuition Agreement for a single campus, similar language is required in every agreement by the FTC's Rule on the Preservation of Consumers' Claims and Defenses. If ECA was required to respond to the States' subpoenas, it would be clear whether such language was included in the contract signed by each of the students who allegedly owe a debt that ECA intends to sell.

schools as an area in which consumers needed protection. *Jackson*, 788 F. Supp. at 1251 (citing 40 Fed. Reg. 53,510 (Nov. 18, 1975)).⁴

The claims and defenses that could have been asserted against ECA and could be asserted against the buyer (who would be the holder) of the student loan debts, can also be asserted by the States on behalf of their consumers, pursuant to the doctrine of *parens patriae*. See, e.g., *In re Edmond*, 934 F.2d 1304, 1313 (4th Cir. 1991) (upholding *parens patriae* authority on the basis of Maryland's quasi-sovereign interest in ensuring consumer protection and in securing its borders against violations); *In Re Burns*, No. 5-BK-07-50140 RNO, 2008 WL 3246244, at *4 (Bankr. M.D. Pa. Aug. 7, 2008) (finding the Commonwealth's action under the Pennsylvania Consumer Protection Law to be part of its mandate to ensure consumer protection, by seeking restitution not only to assist those who were allegedly harmed by the debtor's conduct, but also to fulfill the broader goal of protecting the public at large from unsavory practices). Based solely on the language of the contracts, all claims and defenses can be asserted against the buyer of the student loan debts and, therefore, a sweeping order that the student loan debts are sold "free and clear" of any liens, claims, encumbrances, or other interests would be contrary to the plain language that ECA agreed to in the student loan debt agreements. Accordingly, this Court should not issue an order setting aside that agreement and extinguishing those rights.

CONCLUSION

The States respectfully request that this Honorable Court not grant the sale at this time in order to permit time for ECA to respond to the States' subpoena or, in the alternative, the States

⁴ In addition to the Holder Rule language in the tuition agreement, section 363(o) of the Bankruptcy Code is instructive. It requires that certain purchasers of an interest in a consumer credit transaction through a sale under section 363 of the Bankruptcy Code, notwithstanding the "free and clear" language in section 363(f) of the Bankruptcy Code, remain subject to all claims and defenses that are related to such consumer credit contracts and transactions to the same extent as such person would be subject to such claims and defenses had the person acquired the interest pursuant to a sale not under section 363. 11 U.S.C. § 363(o).

respectfully request that this Court preserve the States' right to further investigate this matter and enforce their laws, and preserve the ability of former students to raise claims and defenses in response to collection efforts, by denying the portion of the Receiver's request in the Motion to Sell Student Debts to sell the student loan debts "free and clear" of any liens, claims, encumbrances, or other interests.

Respectfully Submitted,

DATE: September 9, 2019

BRIAN E. FROSH
ATTORNEY GENERAL

By: /s/ Christopher J. Madaio

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CERTIFICATE OF SERVICE

I hereby certify that I electronically filed the foregoing with the Clerk of Court using the CM/ECF system, on this the 9th day of September 2019, which will send email notification to all counsel of record.

/s/ Christopher J. Madaio

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STATE OF MARYLAND
OFFICE OF THE ATTORNEY GENERAL
CONSUMER PROTECTION DIVISION

March 15, 2019

Via email jkennedy@jamesbatesllp.com

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Re: Education Corporation of America Receivership's Collection of Student Account
Receivables (*VC Macon, GA LLC v. Virginia College LLC*, 5:18-cv-00388-TES)

Dear Mr. Kennedy:

In your Third Report regarding the above referenced Receivership, you indicated that Education Corporation of America ("ECA") has "substantial amounts of outstanding account receivables" consisting of private student debt owed to ECA ("Student AR"). For the reasons discussed below, we respectfully request that you cease collection of all of the Student AR and that you agree to a permanent injunction enjoining the collection, assignment, or transfer of all of the Student AR in a manner that removes debt from students' respective credit reports..

During a telephone call with your counsel on February 22, 2019, the Maryland and Pennsylvania Attorneys General Offices were told that the Receiver is not collecting upon Student AR owed by any student who was attending an ECA school at the time of the school's closure or who withdrew from the school not more than 120 days before the school closed. We were further told that you have no intention to initiate collection of the Student AR owed by that cohort of students. We ask that you confirm this in your next report filed with the Court.

The Maryland and Pennsylvania Attorneys General Offices were also informed during the February 22, 2019 call with your counsel that the Receiver is currently collecting upon the Student AR owed by graduates from an ECA institution and that the Receiver intends to initiate collection of Student AR owed by individuals who attended an ECA institutions but withdrew or otherwise did not graduate more than 120 days before the school closed. Due to misrepresentations and breaches of contract with that entire group of students, some of which are discussed below, the Receiver should cease collection of all Student AR owed by any student that attended a school that is now closed.¹

¹ This letter takes no position on the collection of Student AR related to the New England College of Business and Technology.



1. ECA breached the terms of its enrollment agreement.

It is our understanding that prior to enrollment, every student at ECA signed an enrollment agreement, which incorporated the institution's catalog by reference. Both Brightwood College and Virginia College ("VC") represented in their catalogs, among other things, the following:

Students have the right to quality education. This right includes quality programs; appropriate instructional methodologies and content; instructors who have sufficient educational qualifications and practical expertise in the areas of instruction; the availability of adequate materials, resources, and facilities to promote the practice and application of theory; and an environment that stimulates creativity in learning as well as personal and professional growth.

Plan and provide facilities and resources that respond to the needs of students, faculty, and staff.

The College's facility is custom designed to enhance the educational experience and to serve the needs of the Virginia College student.

All programs are taught by qualified instructors.

Continuous career development services are available to all eligible graduates.²

The Accrediting Council for Continuing Education & Training ("ACCET"), in denying the application for accreditation for Virginia College, LLC,³ noted numerous deficiencies on the part of VC that also constitute breaches of the representations listed above. For example, ACCET noted that VC suffered from a widespread shortage of qualified instructors. During 2017 and 2018, VC Chattanooga experienced a 51 percent yearly turnover for its faculty. Similarly, in 2017, VC Knoxville, had a yearly turnover rate of 84 percent for its faculty members. At VC Biloxi, the last Program Director for the Medical Billing and Coding program had no experience in Medical Billing and Coding. According to ACCET, multiple VC campuses also failed to deliver the promised hands-on training and resources for its programs. Most broadly, when it closed and cancelled all its programs in December 2018, ECA ceased providing continuous career development services to eligible graduates at VC and Brightwood campuses.

ACCET's rationale for denying ECA's accreditation contains a detailed discussion of the 232 weaknesses identified across ECA's 33 campuses and its corporate office.⁴ ACCET highlighted that only "20% were satisfactorily addressed and 80% were substantially unresolved, spanning 23 of the 33 Standards for Accreditation."⁵ Furthermore, 31 of the 33 campuses did not "meet the required completion and job placement benchmark," and the institutions failed to "demonstrate

² It is our understanding that all ECA's school made similar promises in their catalogs.

³ ACCET, *Initial Accreditation Denial* (Appealable – Not a Final Action) (May 1, 2018), available at <https://perma.cc/39J8-S74X>. ACCET affirmed its denial on August 31, 2018

⁴ See ACCET, *Initial Accreditation Denial*.

⁵ *Id.* at 2.

positive student outcomes to validate the vast majority of its training programs at the vast majority of campuses.”⁶

Because of these deficiencies, it is not surprising that the accreditor for all of ECA’s schools (with the exception of the New England College of Business) withdrew accreditation based in part on unresolved concerns with the “systematic implementation and demonstration of compliance in 12 areas across various campuses including student progress, outcomes, [its hybrid online platform’s] impact, student satisfaction, certification and licensure, and staff turnover.”⁷

2. ECA breached the terms of contracts with matriculating students.

In addition to its misrepresentations regarding the enrollment agreements, in or around September 2018, ECA entered into contracts with students at 27 campuses that were subject to a planned closure in 2019, or, in one case, in 2020. In the contract, the institutions promised students that they would remain open until the specified closure date. In turn, the students agreed to remain enrolled through that time.

For students who were not scheduled to finish their program before their campus closed, the contract stated:

Virginia College – [] campus is ceasing operations effective []

We recognize that the campus closure is a disappointment, and we offer you two options. Please select one:

Drop the program immediately and receive a complete refund of all tuition and fees paid.

Work with the campus to determine transferability of credit to another institution upon completion of the current term/module. Transferability of credit is up to the receiving institution. If you are not satisfied with the transfer option, we will refund all tuition paid.

For students who were scheduled to graduate before the intended closure, the contract stated:

Virginia College – [] is closing. The school is scheduled to cease operation by []. You are scheduled to complete your program prior to the campus closure and will receive your diploma from an accredited school upon graduating. Career Development services will continue to be available to you up to and shortly after campus closure.

ECA, however, misrepresented its ability to stay in operation until the dates in the letter and its ability to provide refunds because, as you well know, none of the 27 ECA campuses remained open until their planned closure date in 2019 or 2020. Instead, they all closed on or about December

⁶ *Id.*

⁷ http://www.acics.org/uploadedFiles/Actions/00016224_ECA-VC_WS_Redacted.pdf

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5, 2018. It is our understanding that, since December 5, 2018, ECA has not honored its obligation to work with students to find transfer options, provide career development assistance, or provide tuition refunds to students.

3. ECA provided little value to its students, particularly in comparison to its cost

The misrepresentations and breaches of contract discussed above are in addition to the general poor quality of ECA's programs, as measured in the federal Gainful Employment Rule by the ratio of debt that a program's typical student has upon leaving the program compared to the median income of graduates. In the most recent calculations for VC, only 3 of the 35 programs evaluated passed this metric; for Brightwood Career Institute, only 4 of the 33 programs evaluated passed; and for Brightwood College, only 23 of the 125 programs evaluated passed this debt-to-discretionary income metric. In another metric showing poor outcomes, Brightwood Career Institute's cohort default rate ranged from 25.9 to 34.4 percent; Brightwood College's rate ranged from 14 to 34.2 percent; and Virginia College's rate was 20.4 percent, which in some cases were double or triple the national rate.⁸

We request that the Receiver cease collection of all Student AR, deposit any money collected from former students of ECA since the Receiver's appointment date into a dedicated escrow account to allow for refunds to those students, and agree to enter into a permanent injunction enjoining the collection, assignment, or transfer of all Student AR.

We further ask that you provide in your next report filed with the Court a discussion of the total value of the Student AR, the amount of the Student AR that has been placed in collection and that you intend to place in collection, the number range of enrollment dates of students who allegedly owe a debt to ECA that is considered Student AR, and the states in which those students enroll with the amount of Student AR owed by the students in those states.

We thank you for your cooperation in this matter.

Sincerely,



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⁸ Official Cohort Default Rates for Schools, U.S. Dep't of Educ. available at <https://www2.ed.gov/offices/OSFAP/defaultmanagement/cdr.html>.

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124 Halsey St. – 5th Floor
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Brightwood College

BC Baltimore
 1520 South Caton Avenue, Baltimore, Maryland 21227
 (410)644-6400

PROGRAM: Heating, Ventilation, Air Conditioning & Refrigeration - Certificate

Total Program Credits: 68 **Total Program Weeks:** 48

TERM/PAYMENT PERIOD START DATE: _____

ANTICIPATED GRADUATION DATE: _____

Name: _____ **Maiden (if different)** _____ **Id No** _____

SSN: xxx-xx-xx

Address: _____ **City/State/Zip:** _____

Phone Number: _____ **Alternate Number:** _____ **Email Address:** _____

Birth Date: _____ **High School Graduate:** No: Yes: **Year:** _____ **or Equivalent:** GED Year: _____

HS/GED NAME: _____ **City/State/Zip:** _____

Other Schools: _____ **Degree(s):** _____

Class: Day: Night: Weekend: (See section 3 for details regarding course and/or program changes/revisions)

Course days of the week: monday tuesday wednesday thursday friday

Program includes ground-based and digital activities(Blended Learning): Yes No

1. **TUITION AND FEES** All tuition and fees must be paid in full prior to the commencement of each quarter/payment period unless other arrangements satisfactory to Brightwood College (the "College") in its sole and absolute discretion, have been made with the student and his/her legal designee (the "Student"). The Student's account will be billed in accordance with the tuition and fee schedule in the College's Catalog (the "Catalog"), within each quarter/payment period. Payment periods are defined in terms of quarter, semester, clock hours or FA credits in the Catalog. The College will not increase tuition rates for continuously enrolled student for a period of one year, however, the Institution reserves the right to increase tuition at its discretion, with required notification, after one year of enrollment.

TOTAL TUITION, FEES, AND OTHER CHARGES AS SPECIFIED IN THE CURRENT TUITION SCHEDULE:

See catalog for detailed information.

Tuition	\$19,394.00
Re-Entry Fee	\$0.00
Supply/Equipment Fee	\$0.00
Technology Fee	\$250.00
Textbook Charge	\$0.00
Less Cash Deposit	\$0.00
Less Other	\$0.00
Total Estimated Tuition	\$19,644.00

The above program will be charged at a total cost per credit rate of \$285.21

Method of Payment Available: Debit Card Credit Card Check Money Order U.S. Currency Financial Aid

2. **NOTICES TO THE STUDENT AND THE STUDENT'S RIGHT TO CANCEL**

- a. This Enrollment Agreement (this "contract") should be completed by the Student only after he/she (as an applicant for admission to the College) has successfully completed all prerequisites for admission to the College and he/she has been accepted for admission by the College. **DO NOT SIGN THIS CONTRACT BEFORE YOU HAVE READ IT COMPLETELY AND THOROUGHLY. DO NOT SIGN THIS CONTRACT IF IT CONTAINS ANY BLANK SPACES.**
- b. The Student is entitled to an exact duplicate copy of the Contract the Student signed.
- c. THIS CONTRACT BECOMES A LEGALLY BINDING INSTRUMENT UPON THE COLLEGE'S WRITTEN ACCEPTANCE DELIVERED TO THE STUDENT, UNLESS IT IS CANCELLED PURSUANT TO THE STUDENT'S RIGHT TO CANCEL. The Institution will refund all payments made if the student requests cancellation to the Institution within seven consecutive calendar days after signing the Enrollment Agreement and prior to starting school. Students will have until close of business on the last day of the provisional enrollment period to withdraw in order to obtain a refund of all tuition and fees.
- d. Any holder of this consumer contract is subject to all claims and defenses that the debtor could assert against the seller of goods or services obtained pursuant hereto or with the proceeds thereof. Recovery hereunder by the debtor shall not exceed amounts paid by the debtor hereunder.

e. **The terms and conditions of the Contract are not subject to amendment or modification by oral agreement.** To the contrary, any changes, amendments or modifications to the Contract will not be binding on either the Student or the College unless and until such changes have been approved in a writing signed by an authorized official of the College and the Student (or his/her parent or legal guardian if the Student has not reached the age of majority under the laws of the State of Maryland with respect to this Contract); provided, however, that the College may amend or increase the rate of tuition fees or other charges set forth in Paragraph 1 of this Contract as the College, in its sole and absolute discretion, deems necessary and/or appropriate without first obtaining the consent, written, oral or otherwise, of the Student (and, if applicable, his/her parent or legal guardian),

f. Dissatisfaction with, or non receipt of, the educational services being offered by the College does not excuse the Student, as a borrower, from repayment of any loan made to the Student, as a borrower, for enrollment at the College, including federally guaranteed and career loans provided by or through the College.

3. PROGRAM REVISION: The College has the right to make reasonable changes in program content, materials, schedules, sequences of courses in programs, or relocation of the College in the interest of improving the student's education or where deemed necessary due to industry changes, academic scheduling, or professional requirements. Such changes will not result in additional tuition for the student. If the change results in a new program, students will be given the option of changing to the new program or completing the program in which they originally enrolled.

4. COLLEGE CATALOG AND STUDENT HANDBOOK: The Student agrees to be bound by all of the terms, conditions, rules and regulations set forth in the Catalog. The Student acknowledges he/she has had ample opportunity to review the catalog prior to execution of this Contract by Student and/or his/her parent or legal guardian, if applicable. The Catalog is available for the Student to access online at <http://docs.brightwood.edu/>.

5. ACCURACY OF INFORMATION: The Student acknowledges that the College relies upon the accuracy and completeness of all information and/or documentation provided to the College by the Student (and, if applicable, his/her parent or legal guardian) and he/she (and, if applicable, his or her parent or legal guardian) certifies that all such information and/or documentation is accurate, correct and complete. In the event that any such information and/or documentation provided by, or on behalf of, the Student is false, inaccurate, incomplete or misleading, the College may suspend, dismiss or expel, either temporarily or permanently, the Student from the College. In such cases, the Student may not be entitled to any credit for work that he/she may have completed at the College.

6. DISMISSAL: The Student agrees to attend all classes regularly and promptly unless he/she has sufficient reason(s) not to do so, such as illness, and to perform all lessons and assignments to the best of his or her ability. The College may terminate the Student's enrollment at the College for non-payment of fees or tuition, unsatisfactory progress, excessive absences, or behavior detrimental to the College or its faculty or students. Additionally, the Student's enrollment may be terminated without cause if the College deems such action to be in the best interests of the College and/or its students and faculty.

7. WITHHOLDING RECORDS: The College reserves the right to withhold records, including without limitation grade reports, transcripts and diplomas until all financial obligations are satisfied, consistent with applicable state and Federal law.

8. TRANSFERABILITY OF CREDITS: The College does not imply, promise or guarantee transferability of credits earned to any other educational or vocational institution. BY SIGNING THIS CONTRACT, YOU ACKNOWLEDGE THAT CREDITS EARNED AT THE COLLEGE MAY NOT TRANSFER TO OR BE TRANSFERABLE TO ANY OTHER EDUCATIONAL, VOCATIONAL OR OTHER INSTITUTION. TRANSFERABILITY OF CREDITS IS SOLELY DEPENDENT ON THE POLICIES OF THE INSTITUTION TO WHICH THE STUDENT SEEKS TO TRANSFER..

9. PLACEMENT ASSISTANCE DISCLAIMER: Although the College provides placement assistance upon graduation, the Student acknowledges and understands that he/she is responsible for obtaining employment and must seek job openings, prepare and send resumes, prepare for interviews and conduct himself/herself in a professional manner during the employment process. The Student further acknowledges and understands that the Student's college record and the efforts he/she puts into a job search have a significant effect and impact on his or her ability to find suitable employment. **THE COLLEGE HAS NOT AND DOES NOT GUARANTEE OR MAKE ANY REPRESENTATION OR WARRANTY OF ANY KIND OR NATURE (EXPRESS, IMPLIED OR OTHERWISE) REGARDING OR WITH RESPECT TO THE AVAILABILITY OR SUITABILITY OF EMPLOYMENT, ANY LEVEL OF COMPENSATION UPON EMPLOYMENT, OR ANY OTHER MATTERS RELATING TO EMPLOYMENT AND EMPLOYMENT OPPORTUNITIES AFTER GRADUATION OR COMPLETION OF ANY COURSE WORK AT THE COLLEGE.**

10. MANDATORY ARBITRATION: Any claim, controversy or dispute arising out of or relating to this Contract or any alleged breach, violation or default of this Contract, together with all other claims, controversies or disputes of any nature whatsoever, including but not limited to all claims based in tort, fraud, contract, equity, state law, and/or federal law, arising out of or in relation to the Student's enrollment and participation in courses at the college, shall be resolved and settled by binding arbitration administered by the American Arbitration Association in accordance with the applicable American Arbitration Association rules (unless the parties mutually agree to the use of different rules) in place at the time the arbitration is filed. Such arbitration shall take place within thirty miles of the campus where the student enrolled. For students enrolled in online classes only, the arbitration shall take place at a location convenient to the student, unless the student is located outside the United States, in which case the arbitration shall take place in the nearest city to the student's residence where the college maintains a campus. This is a mandatory Arbitration Provision. Notwithstanding the foregoing, you may bring an individual (not class) action in small claims court for claims within the scope of its jurisdiction. Generally, "small claims court" is a specialized court that provides expeditious, informal, and inexpensive adjudication of small claims with no jury trial. Such courts generally have a low maximum monetary limitation to the amount of judgments it can award and, by suing in small claims court, a party's right to recover more than the court's jurisdictional limit is waived. Any dispute as to whether a claim has been filed in a "small claims court" shall be decided by the American Arbitration Association in accordance with its rules and procedures and this Arbitration Provision. The parties agree that any dispute between the parties shall not be adjudicated as a class action or a consolidated class arbitration proceeding either in court or under the rules of the American Arbitration Association. The right of any party to pursue a class action for any dispute subject to arbitration shall be waived to the fullest extent permitted by law. The arbitrator's decision and award shall be final, binding on the parties, and non-appealable except as permitted by law, and may be entered in any court of competent jurisdiction to enforce it. The parties shall pay, respectively, any expenses incurred as American Arbitration Association fees, administrative fees, arbitrator fees, mediation fees, hearing fees, and postponement/cancellation fees in accordance with the rules and procedures adopted by the American Arbitration Association. In the event any provision of this binding Arbitration Provision is held to be invalid, illegal or unenforceable for any reason and in any respect, such invalidity, illegality, or unenforceability shall in no event affect, prejudice or disturb the validity of the remainder of this Arbitration Provision, which shall be and remain in full force and effect, enforceable in accordance with its terms. For additional information regarding the American Arbitration Association and the arbitration process, please visit www.adr.org. **BY SIGNING THIS CONTRACT, THE STUDENT (AND, IF APPLICABLE, HIS/HER PARENT OR LEGAL GUARDIAN) GIVE UP THE RIGHT TO GO TO COURT AND THE RIGHT TO TRIAL BY JURY AND EXPRESSLY ACKNOWLEDGE AND UNDERSTAND THAT HIS, HER OR THEIR RIGHTS AND REMEDIES WILL BE DETERMINED BY AN ARBITRATOR AND NOT BY A JUDGE OR JURY. THE PARTIES UNDERSTAND THAT A DETERMINATION BY AN ARBITRATOR IS AS ENFORCEABLE AS ANY ORDER AND IS SUBJECT TO VERY LIMITED REVIEW BY A COURT.**

11. REFUND POLICY

Withdrawal from the Institution

The Institution expects that most students who begin classes at the Institution will successfully complete their education. However, sometimes conditions or circumstances beyond the control of students and the Institution require that students withdraw or cancel from the Institution.

Cancellation Policy

1. Applicants not accepted by the Institution shall be entitled to a refund of all monies paid.
2. Program Cancellation: If an institution cancels a program subsequent to a student's enrollment, the institution must refund all monies paid by the student.
3. The Institution will refund all monies paid if the student requests cancellation to the Institution within 7 consecutive calendar days after signing the Enrollment Agreement and prior to starting school.
4. Students enrolled on a provisional basis (as defined in the "Provisional Enrollment" policy in the Admission Information section of this Catalog), will have until close of business on the last day of the provisional enrollment period to withdraw in order to obtain a full refund of all monies paid.
5. Cancellation Prior to the Start of Class or No Show: If an applicant accepted by the institution cancels prior to the start of scheduled classes or never attends class, the institution will refund all monies paid.

6. Cancellation during the Provisional Enrollment period:

1. Students **should** notify an Academic Dean of their intent to withdraw either in person, via telephone, email, or in writing by the end of the provisional enrollment period. The provisional enrollment period expires on the close of business on the 21st calendar day of the term.
2. Students who fail to post attendance in accordance with the College's attendance policy, after the 21st day will be considered to have cancelled while in provisional period. Students who withdraw or are cancelled during the provisional enrollment period will not incur any tuition or fee obligations to the College, and the institution will refund all monies paid.

Withdrawal After the Provisional Enrollment Period

Students who determine the need to withdraw from the Institution prior to completion of their program should follow the steps below for an official withdrawal:

1. Students **should** notify an Academic Dean of their intent to withdraw either in person, via telephone, email, or in writing. The Institution will make a reasonable effort to assist students in continuing their education.
2. If students have notified an Academic Dean of their intent to withdraw, the Institution will process the student withdrawal, which is calculated based on the last date of attendance and will be signed by the student (for in-person withdrawals only). The student should meet with representatives of the Student Finance Office.

The Student Finance Office may answer questions regarding financial obligations to the Institution and any federal student loan repayment responsibilities.

3. The student will receive notification of the refund of any loan which will include the date that the refund was made.

Withdrawal Date

When any of the following occur, the effective withdrawal date, also known as the date of determination, for the student shall be:

1. The date the student notifies the Institution of withdrawal or the date of withdrawal, whichever is earlier.
2. The date following any 14 consecutive calendar days of absences in all course work.
3. The date when the Institution terminates the student's enrollment.

Notice to Students

Return of Title IV Refund Policy

The Student Finance Office is required by federal statute to recalculate aid eligibility for students who withdraw, drop out, or are dismissed having completed 60% or less of a payment period or term. Recalculations are based on the following Federal Return of Title IV funds formula:

1. The Student Finance Office will calculate the percentage of the payment period that the student has completed at the time of withdrawal. The percentage of the payment period completed equals the number of calendar days completed in the payment period divided by the total number of calendar days in the payment period (any scheduled break of five consecutive days or more is excluded from this calculation). The percentage of the payment period completed represents the percentage of aid earned by the student.
2. If the student completed more than 60% of the payment period, the student will have earned 100% of the federal financial aid for the payment period.
3. If the student completed 60% or less of the payment period, the Student Finance Office will calculate the amount of aid earned by the student. That amount is determined by multiplying the total federal financial aid for the payment period times the percentage of aid earned by the student.
4. The amount of aid earned by the student is then compared to the total federal financial aid for the payment period.
5. If the amount of aid earned by the student is less than the amount of aid that was disbursed, the Institution is required to return the unearned portion of the funds. In some instances, the student may be required to return a portion of the funds as well. Keep in mind that when funds are returned it may result in a tuition balance owed by the student.
6. If the amount of aid earned by the student is more than the amount of aid that was disbursed, the Institution may owe the student a post withdrawal disbursement.

This calculation concerning federal financial aid is separate and distinct from the Institution Refund Policy, and may result in the student owing additional funds to the Institution to cover tuition charges previously paid by federal financial aid prior to the student withdrawal.

If a student plans to withdraw, the student should notify the Institution. The student should meet with the Student Finance Office to determine the amount of funds that must be returned on the student's behalf (if applicable). Refunds are then allocated in the following order:

1. Unsubsidized Direct Stafford Loans
2. Subsidized Direct Stafford Loans
3. Direct PLUS loans
4. Federal Pell Grant
5. Federal Supplemental Educational Opportunity Grant

Institutional Refund Policy

Students who withdraw, drop out, or are dismissed during the first 60% of the payment period charge will receive a tuition refund as calculated below. The student is not entitled to a refund if the last date of attendance occurs after 60 percent of the payment period has elapsed.

When a student withdraws, the Institution prorates tuition charges up to 60% of the payment period based on the formula outlined below. For students who withdraw after attempting 60% of the payment period, the Institution will retain 100% of the tuition charges for that payment period. This means that the student will be responsible for 100% of the tuition charges for the payment period. Payment periods are defined in terms of quarter, semester, clock hours or FA credits in the Catalog. No payment periods exceed one year.

The percentage of the payment period completed is the total number of calendar weeks (for credit hour programs) or clock hour (for clock hour programs) in the payment period for which the assistance is awarded divided into the number of calendar weeks or clock hours completed in that period as of the day the student withdrew.

Number of Weeks or Clock Hours Scheduled to
Last Day of Attendance in Payment Period

Number of Weeks or Clock Hours in Payment Period

= Percentage Completed

(rounding the third decimal place up if the fourth decimal place is 5 or above)

Tuition X Percentage of payment period attempted = Tuition Retained by Institution.

When a student withdraws, tuition adjustments are based on the total charges incurred, not the amount paid. The date from which refunds will be determined is the last date of recorded attendance. Refunds will be made within 30 days of the date that the institution determines that the student has withdrawn.

12. RE-ENTRY FEES: The College charges an entry fee to re-admit students who have previously withdrawn.

13. LIQUIDATED DAMAGES; EXCLUSIVE REMEDY: The parties agree that if the College is found to have breached a material provision of this Contract to the substantial detriment of the Student, then the College must pay as liquidated damages (and not as a penalty) a sum up to an amount equal to any non-refunded tuition payments to the Student or the Student's lender in the case of a loan, or appropriate government agency in the case of a grant, it being acknowledged and agreed to by the parties to this Contract that the determination of the damages actually incurred by the Student as a result of such a breach by the College would be impractical or inherently difficult to ascertain or calculate and that said amount as liquidated damages, and not as a penalty, would represent a reasonable estimate of just and fair compensation to the Student for any such breach by the College. The parties further agree that payment by the College of such liquidated damages pursuant to this Paragraph 15 would constitute the sole and exclusive remedy of the Student for such a breach by the College (including without limitation any right to seek or recover incidental, consequential, exemplary or punitive damages).

14. ATTORNEYS' AND COLLECTION FEES: In any legal action permitted by this Contract or arbitration between the parties arising out of this Contract and the subject matter contained herein, the College, if it prevails, shall be entitled to recover its reasonable attorneys' fees in addition to any other relief to which it may be entitled or awarded. Further, the College shall be entitled to recover any attorneys' fees or collection agency fees and interest associated with the collection of a delinquent account of the Student.

15. INTEGRATION: This Contract (along with the Catalog, each as in effect from time to time) is and shall constitute the entire agreement between the Student (and, if applicable, his/her parent or legal guardian) and the College concerning the rights granted and the obligations assumed by the respective parties in this Contract and the subject matter contained herein. This Contract supersedes any prior or contemporaneous agreements, representations and understandings, whether oral, written or otherwise (other than those set forth in the Catalog and the Addendum, each as in effect from time to time). This Contract may only be modified in writing signed by both parties.

16. GOVERNING LAW: This Contract and the rights and obligations of the parties pursuant to this Contract shall in all cases be governed by and interpreted, construed and enforced in accordance with the internal laws of the State of Maryland without giving effect to any conflict-of-laws rule or principle that might refer the governance, the interpretation, construction or enforcement of this Contract to the laws of another jurisdiction.

17. SEVERABILITY; NO PRESUMPTION; NO WAIVER: In the event any provision of this Contract is held to be invalid, illegal or unenforceable for any reason and in any respect, such invalidity, illegality, or unenforceability shall in no event affect, prejudice or disturb the validity of the remainder of this Contract, which shall be and remain in full force and effect, enforceable in accordance with its terms. In the event an ambiguity or question of intent or interpretation arises with respect to this Contract, this Contract shall be construed as if drafted jointly by the parties, and the parties expressly agree that no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Contract (or any portion thereof). No waiver by any of the parties to this Contract of any condition, term or provision of this Contract shall be deemed to be a waiver of any preceding or subsequent breach, violation or default of the same or any other condition, term or provision hereof.

18. NO THIRD PARTY BENEFICIARIES: The terms and provisions of this Contract are intended solely for the benefit of each party hereto and their respective successors or permitted assigns, and it is not the intention of the parties hereto to confer any third-party beneficiary rights upon any other person or entity.

19. NOTICES: For purposes of any legal claims made under this Contract, notices and all other communications provided for in this Contract shall be in writing and shall be deemed to have been duly given (a) on the date of delivery when delivered by hand, (b) one day after dispatch when sent by reputable overnight courier maintaining records of receipt, or (c) three business days after dispatch when sent by registered or certified mail, postage prepaid, return receipt requested, all addressed as follows:

If to the College:
Brightwood College
1520 South Caton Avenue
Baltimore, Maryland 21227
Attn: President
Telephone: (410)644-6400

If to the Student (or his/her parent or legal guardian, if applicable), at the address of record listed on first page of this Contract or as otherwise maintained by the College's admissions and enrollment office, or to such other address as any party may have furnished to the other party in writing in accordance herewith, except that notices of change of address shall be effective only upon receipt.

By signing this Contract, I/we acknowledge and certify that I/we have read and reviewed this Contract in full and I/we understand all of my/our rights and responsibilities and duties. Further, I/we agree to all of the terms and conditions of this Contract and the rules, regulations and policies of the Catalog, a copy of which I/we have received, reviewed and read prior to my/our execution of this Contract below.

STUDENT'S SIGNATURE

DATE Digitally Signed by

PARENT OR GUARDIAN'S SIGNATURE AS A CONTRACTING PARTY

DATE

Andrea Cashmyer

AUTHORIZED COLLEGE OFFICIAL'S SIGNATURE

DATE Digitally Signed by
Andrea Cashmyer, Admissions Associate

ACKNOWLEDGMENTS OF STUDENT (AND PARENT OR LEGAL GUARDIAN, IF APPLICABLE):

By initialing below, I/we acknowledge and represent that I/we have received the following:

- A true and fully-executed copy of this Contract.
- A copy of, and information concerning access to the Brightwood College Catalog.

Revised: October 11, 2017

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