STUDENT BORROWER PROTECTION CENTER

# SELLING OUT STUDENTS

## A Case Study in Brand-Name Schools Partnering with For-Profit Scammers to Make a Buck

March 2023

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# Executive Summary

- Make School, Inc. ("Make School") was a venture-backed, for-profit education startup that operated a credential-based software engineering bootcamp. Advertising itself as an "anti-college" and as a "college replacement for founders and developers," Make School claimed to be able to quickly train students for and place them in high-paying jobs in the technology sector. But these slick marketing representations proved to be lies. In reality, Make School illegally operated without approval from California's for-profit college regulator and faced accusations that its educational product and associated career outcomes for students fell far short of what it advertised. At the same time, Make School partnered with financial firms to pioneer a risky type of high-cost private student loan known as an income share agreement ("ISA"). Make School's ISAs could trap students in as much as $250,000 of debt for as long as a decade.

- With regulatory pressure mounting and its business stalling, Make School cut a deal in 2018 with a century-old non-profit college that would allow Make School to piggyback on the school's approval to operate and access federal student aid dollars. The small San Francisco Bay-area Catholic college, Dominican University ("Dominican"), had been facing its own financial difficulties and hoped that a partnership with Make School could "disrupt" its delivery of higher education and boost its appeal to prospective enrollees.

- In 2021, following a lawsuit brought by more than 50 then-current and former Make School students alleging fraud and predatory lending, Make School's deal with Dominican unraveled and Make School collapsed. This outcome left many students deeply in debt and without a viable path to complete their degrees. The students' lawsuit, developed with the support of the Student Borrower Protection Center ("SBPC"), remains ongoing.

- In the wake of the students' litigation, new evidence emerged exposing years of predatory and deceptive conduct by Make School and its founders. SBPC subsequently set out on an investigation of the circumstances surrounding Make School's collapse, reviewing previously unpublished documents and records, conducting interviews with former students, and examining the terms of Make School's deal with Dominican. The details of this deal were never disclosed to the students who attended the failed joint venture, but these terms appear to have been explicitly sanctioned by Dominican's accreditor, the "Accrediting Commission for Schools, Western Association of Schools and Colleges."

- The following report details the findings of SBPC's investigation. These findings make clear that Dominican and Make School conspired in more intricate and cynical ways than previously known to take advantage of students and to support their own bottom line, even when their methods of doing so may have been illegal. In addition to new evidence of how Make School misrepresented the quality of its program, obscured the cost of its financing, and generally failed students, the findings of SBPC's investigation include the following:

    - Dominican received stock options in Make School as part of the two groups' partnership, and in return Make School and Dominican entered into an illegally structured "preferred lender arrangement" where students would be captive customers for Make School's ISAs. Aspects of this arrangement likely violated the Higher Education Act, the Truth in Lending Act, and Dominican's Program Participation Agreement with the Department of Education ("the Department"), putting Dominican's continued access to federal student aid dollars at risk.

    - While Make School claimed it held on to students' ISAs and would make money only when they did, in reality it sold off the right to repayment on the ISAs to investors and used ISAs as collateral for business loans. This scheme allowed Make School to get cash up front and incentivized it to enroll as many students as possible without regard for their career outcomes.

    - During its partnership with Dominican, Make School encouraged students to apply for tens of thousands of dollars of federal student loans in part by promising them that it would provide a special "Extended-Income-Based-Repayment Protection Plan." Under this plan, Make School would purportedly help cover borrowers' monthly federal student loan bills. In reality, no such plan ever materialized.

- During its investigation, SBPC petitioned the Secretary of Education to discharge Dominican/Make School students' federal student loans and referred Dominican to the Department for violations of its Program Participation Agreement. Subsequent action by the Department (including new rulemaking) has begun to open the door for Dominican/Make School students to access debt cancellation. However, much work remains to grant these borrowers the relief they deserve, hold bad actors accountable, and ensure that the unfortunate saga of Make School does not repeat itself in the future.

# Methodology

In preparing this report, the Student Borrower Protection Center ("SBPC") reviewed public and publicly accessible information about the activities of Make School, Inc. ("Make School") and Dominican University ("Dominican") related to the Applied Computer Sciences degree program these two entities jointly operated between 2019 and 2021. To conduct this review, SBPC compiled publicly available documents and records produced by Make School, Dominican, and financial firms associated with these two organizations' arrangement as part of the lawsuit filed by former students against Make School and Vemo Education, the third-party financial firm that designed and operated Make School's private student lending program. SBPC supplemented this record with documents provided directly to SBPC by former Make School students, including records concerning student financial aid and enrollment.

SBPC added to these sources by reviewing information provided by consumer attorneys, researchers, policy experts, and industry analysts related to the arrangement between Make School and Dominican University, and regarding the provisioning of private financing to students via income share agreements. Finally, SBPC reviewed promotional and marketing materials produced by Make School in connection with both its partnership with Dominican University and its role as a provider of private financing for students.

These sources of information provided the basis for the findings, analysis, and commentary presented in the following report. The documents and records reviewed by SBPC offer evidence of previously unknown instances of illegal conduct by both Make School and Dominican University. This new evidence also raises serious questions about the role Dominican University's accreditor, the Accrediting Commission for Schools, Western Association of Schools and Colleges ("ACS WASC" or "WASC"), played in sanctioning this scheme, despite evidence of fraud by Make School.

# Introduction

In July 2021, the President of Dominican University of California sent Make School students a letter telling them that "there is no easy way of conveying the message that Make School will close effective July 30, 2021; at that time, Dominican University of California – under whose umbrella your degree was always offered – will take over the degree program directly."[1] The letter went on, assuring students that "you are already enrolled as a Dominican student, so no application is required."[2] The students were then encouraged to move almost 20 miles from San Francisco, California to San Rafael, California so that they could "enroll immediately for in-person learning."[3]

Students from the now-defunct Make School, a state-unapproved two-year for-profit coding program, were left stranded in San Francisco without housing while owing on several exotic financial products engineered by the company's founders and its financial partner—a risky subset of private student loans known as income share agreements ("ISAs"). These private debts potentially totaled over $250,000 in obligations,[4] while some students owed thousands of dollars in federal student loans on top of that—and many have no degree to show for it. This happened to students nominally enrolled in a brand-name, Title IV-eligible university.

These students' situation was several years in the making. In a purported effort to innovate the higher education sector, two men in their early twenties with no teaching experience, no background in education, and no notable track record in computer science founded Make School in 2012. Though Make School's program was of dubious quality and operated for years without authorization from the agency that licenses for-profit schools in California, WASC approved an "incubator" program between Dominican, a private non-profit Title-IV eligible Catholic university, and Make School in 2019.[5] Make School's young founders, who had struggled for years with obtaining state approval to operate and with the work of operating a college, perhaps hoped that a partnership with a Title IV institution with flowing federal student aid dollars would offer a more stable and certain source of funding. Dominican, meanwhile, sought to address "financial pressures" and hoped to recruit more students by offering a computer science program, and perhaps thought that the stock options it acquired in Make School would turn out to be valuable.[6]

Under Make School and Dominican's agreement, students who completed the two-year incubator program would obtain a Bachelor of Science in Applied Computer Science from Dominican. The students paid for this unconventional education through multiple, layered ISAs issued by Make School and, for some, with additional federal student loans and grants issued by the Department of Education ("the Department"). Make School instructors taught coding classes (which constituted about 70 percent of the curriculum) at the Make School campus, and classes eventually moved online during the pandemic. Dominican instructors occasionally traveled on-site to the Make School campus to teach general education courses to the incubator students.

**The case of Make School and Dominican is a troubling example of how partnerships between for-profit entities and non-profit educational institutions can harm students—leaving them holding the bag for tens or hundreds of thousands of dollars in federal and private loans, all for a worthless degree.**

The case of Make School and Dominican is a troubling example of how partnerships between for-profit entities and non-profit educational institutions can harm students—leaving them holding the bag for tens or hundreds of thousands of dollars in federal and private loans, all for a worthless degree. As non-profit higher education institutions continue to show interest in partnering with for-profit entities, such as with coding bootcamps offered via so-called "Online Program Managers," the demise of Make School provides a look at how non-profit institutions may violate a host of federal laws intended to protect students.

# Selling Out Students

## Part One: Evidence of Fraud and Abuse

### *A Doomed Partnership: Dominican University, a private Title IV Catholic University, partnered with Make School, an unaccredited, for-profit school, despite its troubled record*

Make School was founded in 2012 by Jeremy Rossmann and Ashutosh ("Ashu") Desai as the gaming company "MakeGameswithUS." Both founders were in their early twenties at the time and had withdrawn from college. The company pivoted to being an educational institution in 2014, with its founders touting their "school" as the "anti-college" and a "college replacement for founders and developers."[7] Students would obtain certificates in practical computer science coding after two years of study. The company was accepted into the Y-Combinator program, a prestigious Silicon Valley startup accelerator, and it raised venture capital funding.[8] Make School's eventual partnership with Dominican lasted from November 2019 until Make School's closure in July 2021.

#### Make School offered a low-quality educational product built on a foundation of predatory loans

Make School was able to encourage hundreds of students—often students from communities of color and many from low-income backgrounds—to sign up for expensive institutional private loans and, eventually, federal student aid. It did so by obfuscating the actual terms of its loans and misrepresenting the quality and job outcomes attributable to its program.

Make School's founders touted their academy as an anti-elitist project that would revolutionize higher education and provide practical skills to populations underserved by legacy institutions, giving students of color and students from low-to-middle income families an edge in the high-paying tech sector.[9] According to its own calculations, the school's student body was "40% underrepresented minority students" and "50% c[a]me from low income families."[10] Along these lines, one of the school's principal claims was that the school's ISA-centered financing model would ensure that the school would be incentivized to provide positive career outcomes for its students, and that it would eliminate the financial risk that might otherwise deter historically marginalized enrollees.[11] Ashu Desai, for instance, claimed in an online post that "Jeremy [Rossmann] and I are very aware that our environment and parents' socioeconomic status might be the biggest reason we are where we are, so we want Make School to create avenues of advancement for students who weren't afforded the same privilege. Making our program free upfront is the best way to make that happen."[12]

Of course, the program was not truly free. Instead, students were simply taking on a type of private student loan via their ISA. Misdirection along these lines is common in the ISA space, as ISA providers have long made the spurious argument that their product does not constitute a "loan," "credit," or even "debt."[13] Despite these claims, recent actions by federal and California regulators have affirmed that ISAs plainly constitute a form of credit and a private student loan, and that ISAs must comply with all relevant consumer protection laws and regulations.[14]

Make School, in partnership with the specialty ISA provider Vemo, issued several ISAs per student. Make School then "stacked" these ISAs, meaning it arranged repayment on these products such that once a borrower paid of one ISA, they would begin payment on the next one, thereby extending out their repayment sequence. While the share of income borrowers owed under these ISAs changed over time, it was at one point up to 25

## What is an ISA?

ISAs are a risky form of financing that ties consumers' loan payments to their wages, or to their future wages when offered to students. These loans may be offered to students directly by private, public, and nonprofit schools, or by third-party financial services companies. ISAs defer payment for educational services to a later time, usually after graduation or withdrawal from the program, when the student obtains employment with an income above a specified threshold. The creditor has a right to a fixed percentage of a student's income from such employment for a fixed number of years ["term length"] or until a fixed payment amount ["payment cap"] is met. As such, ISAs operate similarly to federal student loans on an income-driven repayment plan.

Many for-profit schools, and particularly coding bootcamps popularized in the San Francisco Bay Area, offer ISAs as an alternative to other forms of education financing.

percent of gross (pre-tax) income.[15] There were instances in which ISAs for one student could add up to over $250,000 for Make Schools' two-year program, and payments on these ISAs could last up to a decade.[16]

Make School provided these ISAs not only for students to finance instruction, but also for them to pay for room and board. Students could use ISAs to cover the cost of Make School-provided lodging through Single-Room Occupancy housing in San Francisco, and also to receive cash stipends that they could use for food and other living expenses during their time at Make School. ISAs were issued during the entire duration of Make School's operation, including during the incubation period with Dominican.

- **Make School's income share agreements trapped students into high-cost debt for a subpar degree**

Before partnering with Dominican, Make School advertised its ISAs to potential students as a superior alternative to paying for a traditional college with federal student loans. These representations included that ISAs would create an incentive alignment between Make School and students wherein in the school would make money only when students did, purportedly ensuring that the school would be singularly driven to help students land the highest paid jobs possible.[17] Make School co-founder Rossmann claimed, for instance, that, "We're the school that goes in debt when students enroll; it's kind of a reversal . . . we hold the risk. You only pay us later if you get a job, we're on the hook. That puts us in a position—that's what parents [of students] really appreciate when they realize it—where we have no other incentive than to be providing the kind of education that's going to get you a successful career outcome once you finish the program."[18] In the same interview, Rossmann claimed the school operated under a "bet the house model" where it was "only worth it for us if you are successful after graduation," and that the school was "putting their money where their mouth is."[19] Contrasting the Make School model to the financial aid process at traditional colleges and universities, Rossmann boasted that the school's use of ISAs would allow it to "deliver on the American dream" because "students are not paying you if you're not successful."[20]

**Contrary to its statements, it appears that Make School's incentive was to sign up as many students for ISAs as possible and to do so as quickly as possible, as the school went on to use its ISAs as collateral for business loans.**

Contrary to these statements, it appears that Make School's incentive was to sign up as many students for ISAs as possible and to do so as quickly as possible, as the school went on to use its ISAs as collateral for business loans.[21] Moreover, documents reviewed as part of SBPC's investigation show that Make School sold the right to repayment on its ISAs to investors,[22] meaning that the school was able to get cash as soon as students signed up for ISAs without (as claimed) regard for eventual student outcomes. And while Make School promised graduates jobs at prestigious technology companies with $100,000 starting salaries,[23] the ISA was triggered for students who made an income above $60,000[24] and were employed in any job, not just one in the technology sector.

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The clear gap between the promise and reality of the ISA was bad enough for Make School students who attended the school before its incubation deal with Dominican, but it was even worse for those who did so under this doomed partnership, as any borrowers who took on an ISA instead of a federal student loan gave up the extensive protections that a federal student loan offers. These safeguards include access to income-driven repayment plans, protections such as closed school and borrower defense discharges for when schools unexpectedly close or engage in fraud, and the multi-year, interest-free payment pause delivered in response to the COVID-19 pandemic.

- **Make School representatives obscured the nature of their student financing agreements**

Similarly, Make School representatives obscured the true nature of the financing agreements that they drove students into. Like in many other cases, Make School borrowers' ISA contracts contained a provision that stated, "THIS IS NOT A LOAN,"[25] echoing statements described above from the school's founders that framed students' ISAs as not being loans. In addition, in publicly available posts, Make School co-founder Desai claimed the institution's use of ISAs meant its program was "free."[26] Many students, several of whom had no experience with loan products or were the first in their family to navigate higher education financing, reasonably concluded that the ISAs were a worthwhile option and preferable to traditional student loans. As federal and California regulators have noted, however, ISAs plainly create a debt and are clearly a loan product.[27]

Further, despite representing in its loan agreements that its ISA was not a loan, Make School appears to have understood that it was issuing private loans. In emails to students that touched on ISAs, for example, Make School stated, "WARNING: you must submit a PRIVATE LOAN application . . . to maintain eligibility for all

Financial Aid options . . . please be aware that you will not be eligible for an ISA to cover any remaining balance for tuition and living expenditures after Federal aid if you do not . . . submit a Private Loan application."[28]

- **Make School misrepresented the total cost of the ISAs for its two-year program**

In addition to the above, former students also allege that Make School misrepresented the total cost of the ISAs for its two-year program. Make School's marketing materials represented that its program would cost $70,000 to $90,000 under the ISA, and that the ISA would be paid off in two years.[29] However, most students found themselves needing to take out ISAs for each year of the program, which could add up to $250,000—nearly five times the upfront tuition price, and significantly more than a traditional two year or even four-year college.[30] Students shared that Make School's strategy of "stacking" ISAs also meant students were trapped in repayment for significantly longer time periods than they anticipated, sometimes up to 10 years.[31]

## Make School misrepresented the quality of its program

Former students allege that Make School engaged in a series of deceptions regarding the value of its educational program and graduate outcomes. Recruiters promised Make School students a cutting-edge education that would propel them to high-paying jobs as software engineers and a robust network of connections to technology sector employers. For example, Jeremy Rossmann claimed in an interview that, "we have 5 years of data . . . our students get great jobs at Facebook, and Google, and Tesla. The salaries are there and the pay-back is there and it's really working well."[32] Marketing materials regularly claimed that the starting salaries for average graduates was between $90,000 and $100,000, and the school stated in communications with students that "our students get jobs. Average starting salaries have been over $100,000."[33] The Tuition and Aid webpage of the Make School website claimed at one point that "our graduates start their careers with an average salary of $95k/year, on par with graduates from top-tier programs and far ahead of the national average of around $66,000 . . . Our graduates start working 2 years earlier than typical computer science undergrads. While their peers are paying up to $80,000 in tuition for their junior and senior years of college, our typical graduate earns $190,000 pre-tax."[34] The admissions page of Make School included infographics compared the value between a Make School degree and a "Research University degree" claiming that, five years after

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graduation, the overall net earnings for a student of the former would be $150,000 while those of a Research University student would be negative $60,000.[35]

**The program curriculum consisted of freely available courses that [students] could have readily found and downloaded online . . . . Many instructors did not have teaching credentials or higher education degrees, courses were taught haphazardly and without structure, and there was rapid turnover among teaching and administrative staff.**

Students' lived experiences with the program reveal a different story. Some students have shared that the program curriculum consisted of freely available courses that they could have readily found and downloaded online without assistance. Borrowers also report that many instructors did not have teaching credentials or higher education degrees, courses were taught haphazardly and without structure, and there was rapid turnover among teaching and administrative staff.[36] The founder, in an interview, even proudly proclaimed that "some of our faculty don't even have bachelor's degrees."[37] And while the program advertised that first-year graduates averaged out at salaries of $100,000 per year,[38] students report that this was an empty promise and that they were not able to find jobs in the technology sector.

Make School also failed to disclose to students that from its inception until late 2018 it was operating as an unapproved, unaccredited institution in open violation of the law. Private proprietary schools in California are regulated by the Bureau for Private Postsecondary Education ("BPPE") and cannot operate in the state without approval from the agency.[39] Knowingly operating a postsecondary institute without such approval constitutes an infraction under the California Penal Code.[40] Furthermore, loans made by unapproved institutions are unenforceable under the California Education Code.[41]

Despite these clear rules, Make School operated without approval from its inception in 2014 until 2019. In 2018, the BPPE issued a citation to Make School for operating without approval and ordered it to cease its business.[42] The agency ordered the school to issue refunds to all students because the enrollment agreements between the students and the unapproved school were unenforceable.[43] The citation was reduced but affirmed in August 2018.[44] However, Make School continued to operate without approval. Students have shared that Make School also continued to issue and enforce its ISAs, and that the school did not issue any refunds to students as ordered. Though Make School did eventually apply for and receive approval from the BPPE, it surrendered its approval around a year later. At no point did the school disclose to students that the loans made during the times that it was unapproved were not enforceable under California law, and to the contrary, the school tried to collect on students' loans. This conduct is now the subject of a lawsuit filed by former students.[45]

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Make School also misrepresented its status as a future "yellow ribbon" school and claimed it was working on getting approval from the U.S. Department of Veterans Affairs to accept GI benefits.[46] Students have shared that the school used this promise to recruit military veterans with the promise that their loans would eventually be forgiven once Make School obtained this status.[47] It appears that the school never did obtain this status.

### Dominican partnered with Make School, trapping students in federal loans and expensive ISAs for a shoddy education before the partnership crashed

Despite Make School's troublesome practices, in November 2019, ACS WASC approved an "incubator" relationship between Dominican and Make School that was described as an effort to spur innovation and help Dominican compete in the market by offering a computer science program.[48] This partnership blurred the line between a for-profit, unaccredited bootcamp/lender and non-profit, accredited institution of higher education. Ultimately, it was the students who were harmed and who found themselves deeply indebted for a subpar education and for many, no degree or promised job.

The WASC incubator is a program under which non-accredited schools partner with an accredited school to eventually obtain accreditation.[49] This incubation happens under the name of innovation and experimentation, but ultimately, it was the students who were harmed by the experiment.[50] Under the incubator, Make School students were meant to receive an accredited Bachelor of Science from Dominican.[51] Students received instruction in computer science from Make School teachers and obtained general education lessons from Dominican faculty, all at the Make School campus in San Francisco. Most incubator students never stepped foot on the Dominican campus in San Rafael, which was 20 miles from the campus in San Francisco. Travel between the two campuses would require an approximately 45-minute trip by car, and (as would become relevant later) there was generally not a viable public transit option available. Dominican students, meanwhile, could take computer science courses at Make School to obtain a minor.[52]

Make School planned to eventually apply for independent accreditation from WASC.[53] While the terms of the arrangement between the schools were not public, it appears that Dominican engaged in tuition revenue sharing with Make School in that Dominican received stock options in Make School.[54] It is possible that Dominican engaged in tuition revenue sharing with Make School in other ways, which may be apparent from certain "Semester Program Agreements" that are not publicly available but that are referenced in the Memorandum of Understanding (MOU) between Make School and Dominican.[55]

**Figure 1. The Agreement between Dominican and Make School Grants Dominican (DUC) Stock Options in Make School (MKS)**

(1) **Investments In Exchange for Administrative Costs Incurred Through May 31, 2018**

DUC will be offered the option to invest Redacted in MKS' current Series A Extension Financing. Upon MKS' receipt of executed financing documents and investment funds, DUC will receive Redacted of Series A Preferred stock with the same rights and at the same share price offered to all investors in this round of financing. For the avoidance of doubt, Dominican's Board of Trustees, by and through an authorized committee of the Board has reviewed this investment and has determined that the proposed transaction is a reasonable and prudent investment of Dominican's resources and Dominican is receiving fair value or market value for its investment.

(2) **Additional Administrative Costs**

Subject to the approval MKS' Board of Directors (the "Board"), DUC will be granted an option to purchase Redacted shares of the MKS' Common Stock (the "Option") at Redacted per share. Provided that no options shall vest after DUC ceases to provide services to MKS, the Option will vest and become exercisable at the rate of ⅓ of the total number of Option shares on June 1, 2019, ⅓ of the total number of Option shares on June 1, 2020, and ⅓ of the total number of Option shares on June 1, 2021. There is no guarantee that the Internal Revenue Service will agree with this value. The Option will be subject to the terms and conditions set forth in MKS' 2012 Stock Plan and the MKS' standard

Make School used its partnership with Dominican as a recruiting mechanism. In particular, Make School advertised its program online, in promotional videos on Facebook, and on other social media platforms with specific calls for students to join the Dominican/Make School incubator.[56] Make School co-founder Rossmann proclaimed in an interview, "we are one of the first colleges to be created under new accreditation rules . . . we offer a real, accredited bachelor's degree by the same accreditor that accredits Stanford and Berkeley. We're relatively early in a new wave of colleges being born all around the country."[57] Echoing these promotional lines in online FAQs, Make School boasted that its Bachelor's in Applied Computer Science program was accredited by WASC and that "WASC . . . accredits all the top schools in California included Stanford, UC Berkeley, and Caltech. We have found them to be the most open-minded accreditor in the country."[58]

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During the incubation period, students continued to fund their education through ISAs from Make School, which paid for instruction, housing, and living costs. The MOU between Dominican and Make School established that students could enter into these ISAs directly with Make School, and that Dominican would correspondingly credit the students' tuition balances.[59]

While Make School never obtained approval from the Department to disburse Title IV funds directly to students, the school encouraged its students to apply for Title IV aid through Dominican to attend Make School. Email communications from Make School financial aid to students encouraged them to "complete FAFSA . . . Feel free to go to the FAFSA application and list our partner university, Dominican University of California. Their school code is 001196!" and, "When you file your FAFSA, please list "Dominican University of California as your school."[60]

**Figure 2. The Agreement between Dominican and Make School Establishes Make School as Student Lender to Dominican/Make School Students**

> **ii. Tuition, Financial Aid Criteria and Decisions**
>
> (1) **Income Share Agreement (ISA).** The Parties agree that MKS shall continue to offer an ISA option for students enrolling in the MKS-Dominican Computer Science degree programs at the San Francisco Location. Enrolled MKS-Dominican students at the San Francisco Location who wish to enter an ISA shall enter into said agreement with MKS directly, and MKS will be responsible for managing those agreements serviced through a third party. MKS shall notify Dominican of any such agreement allowing Dominican to appropriately credit the student's financial ledger. Student payments through the ISA option will be remitted to, and retained by, MKS.

Interviews with students and records SBPC obtained in the course of our investigation indicate that students and parents were extended substantial quantities of federal student loans and grants. In a database managed by the Department of Education's Office of Federal Student Aid, the incubator students' loans are listed as disbursed for Dominican University, and at times, grants are listed as disbursed for "Dominican University – The Make School."[61]

**Figure 3. The Agreement between Dominican and Make School Facilitates Make School's Access to Federal Student Aid**

(3) **State and Federal Student Aid.** The Parties agree that if MKS-Dominican students secure federal or state financial aid pursuant to Dominican's participation in such programs, student will apply through Dominican's student aid office, and funds disbursed via these programs will be remitted directly to Dominican. If eligible students at the San Francisco Location have an unfunded tuition gap after application of governmental aid, they may secure financing through an ISA directly with MKS, subject to the process outlined in Section (1) or through cash payments as outlined in Section (2), consistent with the requirements of Title IV and the regulations pertaining to the total cost of attendance.

Email communications reveal that Make School encouraged reticent or confused students to apply for federal financial aid in part by claiming that Make School they would provide them an "Extended-Income-Based-Repayment Protection Plan."[62] An admissions acceptance email to a student stated, for example, "This email is to follow-up to the exciting announcement shared by co-founder, Jeremy Rossmann, that Make School can now accept Federal Financial Aid and Student Loans, providing students a lower financing cost, while offering downside protection through our innovative Extended Income-Based Repayment (EIBR) protection plan."[63] Students shared with us that this plan was represented as covering payments on federal loans for students who did not earn above the ISA income threshold. Students have reported that no such EIBR assistance was ever provided, and these students are now deeply indebted for a degree that has not served them and that, in many cases, they were not able to complete.

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## The Aftermath: incubator students were left with thousands of dollars of debt and insufficient recourse

In July 2021, Make School abruptly shut down. The closure was preceded by a lawsuit filed with the support of SBPC on behalf of roughly 50 former students who enrolled in Make School between 2016 and 2018 (before the incubator with Dominican), and who alleged far-reaching misrepresentations and deception by the school in the promotion of its ISAs and program. In correspondence, the school framed the closure as a transfer of students and programming to Dominican, claiming that the "Applied Computer Science Program was transferred to Dominican University of California as part of an incubation relationship," and delicately explaining that "the delicately explaining that "the financial support and tuition for the program changed, and as a result some students were unable to transfer to the new program."[64] Messages to dismayed students asserted that Make School was "fully transitioning into a non-profit college."[65] Students were asked to vacate dorms in San Francisco within a few weeks and to move to San Rafael "immediately for in-person learning."[66] Most students were not able to afford the move or to take out more federal loans to complete their studies at Dominican University, and consequently did not complete their education. Students were left with ISAs adding up to potentially $250,000, some with federal student loans on top, and many with no degree.

These students still do not have an obvious path to obtain recourse. Regarding release from their private loans, students are stuck in limbo. After Make School's abrupt closure, the school entered into an assignment for the benefit of its creditors and transferred all its assets to an assignee.[67] As such, Make School does not have the authority to modify or cancel the private loans.[68] Most students cannot afford individual legal representation, and many have continued to receive collections emails.[69] Some of these students' ISAs also omit so-called "Holder Rule" language, a contractual provision required by federal law that would allow these students to pursue legal claims against any future creditor should their debts be sold or transferred. The omission of this language could present another hurdle for students to obtain relief.

In addition, the federal student loan safety net has only recently become unambiguously available for Make School students, and much work remains to broaden and deepen the extent of available relief. In June 2022, SBPC wrote a letter petitioning the Department to use its authorities under the law to allow Dominican/Make School students to access all avenues to debt cancellation usually available to federal student loan borrowers, including authorizing these borrowers to assert a defense to repayment (a protection available to those who are defrauded by their school) and to secure closed school discharge where applicable. [70] SBPC's letter noted that since Make School was not technically a Title IV-eligible school regulated by the Department, additional clarity could help extinguish fears that existing statutory federal discharge programs for federal student loan borrowers might not apply in this case. In addition, SBPC's letter noted that the rules then governing borrower defense discharge were extremely strict and did not allow for group discharge applications, complicating Dominican/Make School students' path to loan relief.

The Department subsequently added "DOMINICAN UNIVERSITY OF CALIFORNIA - THE MAKE SCHOOL" to its list of closed schools in September 2022.[71] In addition, in late October 2022, the Department announced revisions to the rules that govern several key federal student loan borrower protections.[72] These changes will substantially broaden the set of claims that borrowers can make while asserting a defense to repayment, streamline the process for discharges under this protection rule to be considered, and ensure that all borrowers approved to assert a defense to repayment receive the full relief they deserve. The Department also modified the rules related to closed school discharge to broaden the protection and make it automatic for many borrowers, among other helpful changes.

These revised rules are important and will help a considerable number of borrowers move on from their time at Make School. Nevertheless, several students will still fall outside of these safeguards, and danger remains for those who may be caught in the crossfire of future failed experiments in school-contractor partnerships. For example, even under the revised rules for closed school discharge, only students who withdrew from Make School within 180 days of its closure or who were enrolled at the school's recognized closure date (July 31, 2021) *and* who meet other requirements will be eligible for cancellation through this protection. Many borrowers will likely fall outside of these narrow conditions. Further, while the revised rules for borrower defense to repayment represent a sea change from those implemented by prior administrations, they will not take effect until July 2023, leaving borrowers to wait in limbo in the meantime.

More generally, key questions remain outstanding about how the Department intends to address future catastrophes like Make School's sudden closure outside of the use of retroactive borrower protections such as those discussed above. As universities increasingly seek to evolve their course offerings and as startups reach for profitability, it is likely that partnerships between Title IV-eligible schools and for-profit contractors offering educational services will grow only more common. The Department will need to proactively set meaningful guardrails in place to prevent disaster from once again arising from deals like this one. Specific recommendations for a path forward are discussed in Part Three.

**Key questions remain outstanding about how the Department intends to address future catastrophes like Make School's sudden closure outside of the use of retroactive borrower protections**

In the meantime, the Department and other federal agencies such as the Consumer Financial Protection Bureau ("CFPB") can and must hold the various bad actors in the Make School saga accountable for the sweeping lawbreaking that preceded the school's failure. As the next section describes, there are several violations of law in the Make School case that merit recourse.

# Part Two: Legal Analysis and Discussion

## *Dominican University's partnership with Make School potentially violated a host of federal higher education laws and regulations*

The incubator relationship between Dominican and Make School did not clearly establish the terms under which Make School was operating. The entity seemed to exist simultaneously as a service provider, a private student lender, and a campus location of Dominican—all without adhering to the relevant legal and regulatory standards for any of these lines of work. And while Dominican and Make School figured out their partnership on the fly, students' debts piled up. This doomed deal illustrates how schools can violate a variety of federal laws through partnerships with for-profit entities, a type of relationship that is increasingly common and often centered around tech-focused vocational training.[73]

### Dominican may have committed substantial misrepresentations by partnering with Make School, thereby possibly endangering its Program Participation Agreement (PPA) and access to Title IV aid

Institutions of higher education that receive Title IV funds must comply with so-called "program integrity" regulations which prohibit, in part, misrepresentations about the nature of educational programs, financial charges, and graduates' employability.[74] As the Department has expressed, these regulations are essential to ensure that "all programs meet a threshold of quality . . . [because] students, particularly disadvantaged, high-need students who are the most vulnerable, are not well served by enrollment in programs that leave them with limited or low-paying job prospects and with crushing debt that they are unable to repay. Students who complete their educational programs should not expect results that leave them in a worse situation than when they began their educational programs."[75] Compliance with these regulations is critical to ensure that "institutions [are held] accountable and . . . that students can have confidence in the quality of the educational programs in which they invest their time, energy, and money."[76]

Broadly, an institution can lose Title IV eligibility if "the institution itself, one of its representatives, or any ineligible institution, organization, or person with whom the eligible institution has an agreement to provide educational programs, marketing, advertising, recruiting or admissions services" engages in a "substantial misrepresentation

. . . about the nature of its educational program, its financial charges, or the employability of its graduates."[77] A substantial misrepresentation is "any false, erroneous or misleading . . . communication made in writing, visually, orally, or through other means," including through omissions, "that has the likelihood or tendency to mislead under the circumstances" and "on which the person to whom it was made could reasonably be expected to rely, or has reasonably relied, to that person's detriment."[78] Specifically, institutions and entities providing certain services to them are prohibited from making misrepresentation regarding the following:

- **The nature of the institution's educational programs.** These misrepresentations include misleading statements about "the particular type(s), specific source(s), nature and extent of its institutional, programmatic, or specialized accreditation"[79] and "whether the academic, professional, or occupational degree that the institution will confer upon completion of the course of study has been authorized by the appropriate State educational agency. This type of misrepresentation includes, in the case of a degree that has not been authorized by the appropriate State educational agency or that requires specialized accreditation, any failure by an eligible institution to disclose these facts in any advertising or promotional materials that reference such degree."[80]

- **The nature of financial charges.** These misrepresentations include misleading statements concerning "the cost of the program; the availability or nature of any financial assistance offered to students, including a student's responsibility to repay any loans, regardless of whether the student is successful in completing the program and obtaining employment," and "the student's right to reject any particular type of financial aid or other assistance, or whether the student must apply for a particular type of financial aid, such as financing offered by the institution."[81]

- **The employability of graduates.** These misrepresentations include, among other statements regarding "the institution's plans to maintain a placement service for graduates or otherwise assist its graduates to obtain employment" or "the institution's knowledge about the current or likely future conditions, compensation, or employment opportunities in the industry or occupation for which the students are being prepared."[82]

Dominican is liable for any misrepresentations by Make School, as the school provided "educational programs, marketing, advertising, recruiting or admissions services" to Dominican.[83] According to Dominican itself, the Dominican/Make School incubator students were always enrolled as Dominican students, meaning that Make School was providing services to Dominican students in instructing, advertising, recruiting, and marketing to prospective and current students.[84] The MOU between the two institutions, for instance, states that Make School would develop a recruiting plan for the program, design a career advising program for students, and provide a range of other services to Dominican.[85] Make School offered educational programs including instruction in computer science coding and curriculum development to Dominican/incubator students. Furthermore, Make School also marketed, advertised, and recruited incubator students through online advertising.

Make School appears to have engaged in an array of misrepresentations about the nature of its program, the cost of its program, and the employability of its graduates. Make School does not appear to have disclosed any advertising or promotional materials that it did not have approval to operate from the state authorization agency, the BPPE in violation of federal higher education regulations.[86] Furthermore, investigation is warranted as to whether the school misrepresented its accreditation status. For instance, as mentioned above, Make School claimed in an FAQ page on its website in the question, "Is Make School's Bachelor in Applied Computer Science program accredited?" that "Yes, the program is accredited by the WASC Senior College and University Commission (WSCUC), the regional accrediting agency covering the State of California."[87] While the FAQ went on to explain the incubator program, this statement could lead a student to believe Make School had already received its own independent accreditation.

In addition, as detailed above, Make School appears to have engaged in false representations that it would cover students' federal loans through an "Extended Income Based Repayment Program."[88] These representations encouraged students to take out federal loans that they now cannot pay. Students have also shared in interviews that they and their parents were repeatedly pushed to apply for federal financial aid.[89]

Finally, Make School appears to have engaged in misrepresentations regarding job earnings and job opportunities of graduates, including claiming that graduates would earn starting salaries of $100,000 and that Make School provided a better return on investment than a traditional four-year college.[90]

Students relied on these misrepresentations to their detriment—they have found themselves deeply indebted in private and, for some, federal loans that many have been unable to pay because they have not found promised employment opportunities and were misled about the nature of Make School's program.

## Dominican and Make School may have violated preferred lender regulations

Make School and Dominican's partnership constitutes a so-called "preferred lender arrangement" as defined under the Higher Education Act ("HEA"). By entering into a preferred lender arrangement with Make School while failing to make any of the requisite disclosures required for such an agreement, Dominican engaged in violations of the HEA and its PPA with the Department (that is, the agreement under which it is able to access federal student aid dollars).[91] Similarly, the now-defunct Make School violated the Truth in Lending Act ("TILA") by co-branding educational loans with Dominican and failing to include required loans disclosures to students.

- **Make School was a private education lender under TILA making private education loans to Dominican students, and Dominican thereby violated both the HEA's prohibition on co-branding and its own PPA**

Various protections exist to prevent entanglement between for-profit third-party companies and institutions of higher education so that schools prioritize their students' education and best interests above their own financial gain. In response to well-publicized scandals involving kickbacks between schools and private student loan companies that aimed to drive students further into debt,[92] Congress passed the Student Loan Sunshine Act ("the Act") in 2008 as part of that year's reauthorization of the HEA.[93] Under the Act, institutions of higher education accessing Title IV aid must comply with a sweeping "code of conduct" related to private student loans. This code involves disclosure obligations and limitations on the relationships between schools and private lenders.[94] As the Department recently stated, these rules exist to ensure "an informed student loan borrower; the borrower's choice of lender; transparency and high ethical standards in the student lending process, including the maintenance of a code of conduct for employees of institutions; institutions' selection of preferred lenders based on the best interest of borrowers; and a prohibition on institutions' revenue-sharing arrangements with lenders."[95]

In issuing ISAs to the Dominican students participating in the incubator, Make School acted as a private student lender,[96] as issuing private student loans to students at a Title IV institution subjects the lender and institution to TILA.[97]

Accordingly, the Act's guidelines around preferred lender relationships come into play. A preferred lending arrangement is "(1) An arrangement or agreement between a lender and a covered institution or an institution-affiliated organization of such covered institution (i) Under which a lender provides or otherwise issues education loans to the students attending such covered institution or the families of such students; and (ii) That relates to such covered institution or such institution-affiliated organization recommending, promoting, or endorsing the education loan products of the lender."[98] Institutions that enter into preferred lender arrangements with private lenders cannot engage in co-branding with the lender, absent clear disclosures that the loan is not endorsed by the school.[99] They are also required to provide private loan disclosures[100] that include the "potential range of interest rates"; "potential finance charges" and "an example of the total cost of the private education loan over the life of the loan," as well as other items including an annual report outlining the nature and rationale for each of their preferred lender arrangements.[101]

As the Department recently emphasized,[102] ISAs are private student loans under California and federal law.[103] Make School therefore extended private student loans to Dominican incubator students. It does not appear that Dominican provided incubator students any other private lending option to fund their attendance at the incubator other than through Make School ISAs. Indeed, the MOU between the entities established that incubator students would "enter into an [ISA] with [Make School] directly, and [Make School] will be responsible for managing those agreements serviced through a third-party.[104] Incubator students received emails from Make School financial aid encouraging them to apply for private loans through Make School, which were issued as ISAs.[105] According to former students, Dominican did not provide any disclosures about the ISAs that included the interest rates or the true cost of the ISA over the life of the loan. Furthermore, the ISAs were co-branded with Dominican in that Dominican's logo appeared throughout Make School's materials, including in admissions letters.[106] Indeed, many students shared they were incentivized to take on ISAs to attend the incubator program despite Make School being new because of the loan's co-branding with Dominican, an accredited and long-standing institution. These arrangements violate Dominican's PPA with the Department.[107]

- **Make School is a private education lender under TILA making co-branded private education loans to DU students, in violation of Sec. 1650 of TILA**

The now-defunct Make School similarly engaged in preferred lender violations in co-branding its private student loans, or ISAs, with Dominican. TILA and its implementing regulations prohibit revenue sharing and co-branding between covered educational institutions and private educational lenders.[108] As previously discussed, Make School engaged in private educational lending by issuing ISAs to Dominican incubator students. These loans were co-branded in that Make School touted its relationship to Dominican, an accredited university, and Dominican's to Make School to prospective borrowers.[109] Moreover, it appears based on our investigation that Dominican may have engaged in revenue sharing with Make School.[110]

## Make School's involvement in the disbursement of Title IV funds potentially subjects Dominican to joint and several liability under the HEA and could place its PPA in jeopardy

Dominican's partnership with the for-profit Make School appears to have violated the HEA and, by extension, violated Dominican's PPA with the Department.[111] Institutions and third-party servicers must comply with a host of regulations to protect the integrity of the Title IV program, where a third-party servicer is defined as "an individual or a State, or a private, profit or nonprofit organization that enters into a contract with an eligible institution to administer . . . any aspect of the institution's participation in any Title IV, HEA program."[112] Administering any aspect of Title IV may include "providing financial aid counseling, including assistance to students or parents in person, over the phone, or by any electronic means."[113] Institutions and third-party servicers must include certain provisions in their contract, including one that "a third-party servicer shall agree to . . . [b]e jointly and severally liable with the institution to the Secretary for any violation by the servicer of any statutory provision of or applicable to Title IV of the HEA, any regulatory provision prescribed under that statutory authority, and any applicable special arrangement, agreement, or limitation entered into under the authority of statutes applicable to Title IV of the HEA."[114]

Dominican assured incubator students upon Make School's closure that their degree had always been offered "under [Dominican University's] umbrella," and that Make School's closure only meant that Dominican would "take over the degree program directly."[115] In this formulation—wherein incubator students were Dominican students—Make School was acting as a third-party servicer by providing a host of services to Dominican students related to their participation in Title IV. Make School administrators were involved in encouraging and assisting students in applying for federal student aid, including by sending correspondence encouraging students and their parents to apply for federal student aid, as well as by providing financial aid counselling sessions to students.[116] This relationship subjects Dominican to joint and several liability for the actions of Make School as a servicer, and in particular for the deceptive and illegal practices that Make School deployed to rope in students.

# Part Three: Recommendations

Make School and Dominican's unwieldy partnership points to several areas in which the Department should increase enforcement and issue further guidance to institutions. This increased enforcement and guidance cannot come quickly enough, as even in light of Make School's failure, new varieties of partnerships between for-profit education services providers and Title IV schools are spreading quickly.[117]

- **The Department should cancel all federal loans of the borrowers who attended Make School.** The Secretary of Education should immediately cancel the federal student loans owed by the students who attended the Make School. For all intents and purposes, Dominican/Make School incubator students were harmed by the deception and misrepresentation that borrower defense regulations are meant to cover, and by the harm of a sudden school closure that closed school discharge is meant to address. However, as noted above, a range of complications stand between these students and the debt relief they deserve even in the face of recent improvements to relevant regulations. This need not be the case. As outlined in SBPC's June 2022 petition to the Department, the Secretary can use his broad settlement and compromise authority to cancel Dominican/Make School students' federal student loans. In doing so, he can ensure that settlement and compromise authority stands as a backstop to effectuate the HEA discharge regulations' underlying purpose by unburdening students of unmanageable debt for educations that did not benefit them [118]

- **The Department and the CFPB should scrutinize relationships between for-profit companies and non-profit institutions of higher education**. Non-profit institutions have increasingly shown interest in partnering with for-profit entities to deliver educational services, whether those partners are for-profit bootcamps or Online Program Managers.[119] As exemplified here and elsewhere, these partnerships do not necessarily improve the value of students' education and can instead lead to poor outcomes in which students find themselves severely indebted for a subpar product. While such partnerships currently continue with little regulatory oversight, the Department should consider further investigating the terms and outcomes of such arrangements, and it should take action where relevant.[120] As part of this review, the Department should consider whether Title IV schools are violating their PPAs through their entanglements with for-profit firms.

Relatedly, the CFPB should also scrutinize the relationships between for-profit private entities and schools in so far as students are being driven, like Make School incubator students, to take on private student loans. As SBPC has previously warned, such relationships appear to be growing, and they rarely seem to benefit students.[121]

- **The Department and accreditors should suspend incubator programs until guardrails are put in place.** Incubators between unaccredited entities and accredited entities receiving Title IV funds should be suspended until the Department puts in place robust guidance for these experiments. As demonstrated by Dominican/Make School, students are ultimately the ones harmed when a deal goes wrong.

- **Remove guidance that creates an exception to the incentive compensation ban for bundled services**. As detailed above, Make School performed a recruitment service for Dominican University through its marketing and solicitation of students for the incubator program. The school also received funds from Dominican. Such an arrangement would normally be blocked by the Department's "incentive compensation ban," which bars Title IV-eligible schools from paying third parties incentive-based compensation such as commissions or bonuses for successfully enrolling students and/or getting them to access federal financial aid. However, the incentive compensation ban would not be triggered in the case of Make School and Dominican because of guidance that exempts contractors that provide a school so-called "bundled services," such as by offering classroom instruction in addition to help with recruitment. This exemption sets up perverse incentives, as private companies are encouraged to take on capacities (such as teaching) that lie outside their expertise—and that poses a risk to students.[122] The Department's current guidance disposes of crucial protections for students, encouraging for-profit institutions to expand their hold across the administration of Title-IV schools so that they might reap profits without triggering the protections put in place through the incentive compensation ban.[123] The Department should immediately rescind this harmful and unnecessary guidance.

# Conclusion

Partnerships between for-profit entities and non-profit schools may benefit school executives and potential shareholders, but they often do not improve the quality of a student's education or outcomes. To the contrary, these partnerships can pose a high risk to students, who may find themselves indebted for a sub-par education. The Department should scrutinize and investigate such relationships and provide guidance to prevent anyone else from having to bear the kind of harms that Make School and Dominican imposed on students.

# Endnotes

[1] Ex. A at 1.

[2] *Id.*

[3] *Id.*

[4] Ex. B at ¶ 98

[5] *Id.* at 57.

[6] Melissa Korn, *College and Coding Boot Camp Find a Way to Team Up*, The Wall Street Journal (Sep. 30, 2018), https://www.wsj.com/articles/college-and-coding-boot-camp-find-a-way-to-team-up-1538344523?mod=searchresults&page=1&pos=4.

[7] Mark Andrew, *This Guy Dropped Out of MIT and Established an "Anti-College" School*, Elite Readers (Dec. 8, 2015), https://www.elitereaders.com/make-school-jeremy-rossman/ [https://perma.cc/7QBN-RAMD]**;** Exhibit C (also available at https://www.youtube.com/watch?v=pT8zB5LlmVg).

[8] *Make School*, Y Combinator, https://www.ycombinator.com/companies/make-school [https://perma.cc/A2FJ-CQKC].

[9] Ex. D at 2-3 (also available at https://www.ycombinator.com/library/5k-on-income-share-agreements-and-the-future-of-college at 5:00-7:20).

[10] *Supra* note 8.

[11] Jeremy Rossmann*, On Income Share Agreements and the Future of College*, Y Combinator, https://www.ycombinator.com/library/5k-on-income-share-agreements-and-the-future-of-college at 5, 23, 32, 36; Ex. D at 2, 6, 7, 9, 10.

[12] *See* Ashu Desai, *Why we Built a College Powered by Income Share Agreements*, Medium (Dec. 23, 2017), https://medium.com/make-school/why-we-built-a-college-powered-by-income-share-agreements-2f7c9b29a374 [https://perma.cc/B3KP-LY6G].

[13] Brian Shearer & Joanna Pearl, *Credit by Any Other Name* (Sep. 11 2020), https://deliverypdf.ssrn.com/delivery.php?ID=092093029105096087003021087117117112020052090029040071000076006029082096124065117094062054007100062009029091067019087001001074020021043003048094006125080000090118027029083035097070107020102068101093004073121012017120122027124085090003089006113088098017&EXT=pdf&INDEX=TRUE.

[14] *In re Better Future Forward, Inc. et al.*, Administrative Proceeding File No. 2021-CFPB-0005, Dkt. 1 (Sep. 7, 2021), https://files.consumerfinance.gov/f/documents/cfpb_better-future-forward-inc_consent-order_2021-09.pdf; Cal. Dpt. of Fin. Prot. and Innovation, *In the Matter of the Student Loan Servicing Act license application of: Meratas Inc.* (Aug. 5, 2021), https://dfpi.ca.gov/wp-content/uploads/sites/337/2021/08/Meratas-Consent-Order.pdf.

[15] Ex. E (also available at *Admission & Aid,* Make School, https://web.archive.org/web/20170606203733/https://www.makeschool.com/product-college/admissions).

[16] Ex. B at ¶98.

[17] Ex. D.

[18] *Id.*

[19] *Id.* at 23:00; 32:00: 36:00.

[20] *Id*. at 36:00.

[21] Ex. B at ¶¶ 116-118; Ex. T.

[22] Ex. T.

[23] *See e.g*., *Make School* (2021), https://makeschool.org [https://perma.cc/Z6ES-LRKV] ("Graduates from the program are quickly employed by top tier tech companies making starting salaries averaging over $100k annually."); Ex. F ("our students get jobs. Average started salaries have been over $100,000."); Ex. E (estimating a $90,000 starting salary); Ex. H (also available at Tuition & Aid, Make School, https://web.archive.org/web/20190403055150if_/https://www.makeschool.com/computer-science/tuition-and-aid) (estimating a $95,000 starting salary).

[24] Ex. E; Ex. R.

[25] Ex. R.

[26] *Supra* note 12.

[27] *Supra* note 14.

[28] Ex. G.

[29] *Supra* note 15.

[30] Ex. B at ¶¶98-105.

[31] *Id.*

[32] Ex. D.

[33] Ex. F; *supra* note 23.

[34] Ex. H.

[35] Ex. E.

[36] Ex. B at ¶121.

[37] Ex. D at 9.

[38] *See supra* note 23.

[39] Cal. Educ. Code § 94886.

[40] Cal. Educ. Code § 94943.

[41] Cal. Educ. Code § 94917.

[42] *Citation: Assessment of Fine and Order of Abatement*, the Bureau for Private Postsecondary Education (May 2, 2018), https://www.bppe.ca.gov/enforcement/actions/1718011_make_school.pdf.

[43] *Id*.

[44] *Appeal of Citation Informal Conference Decision: Citation Modified*, the Bureau for Private Postsecondary Education (Aug. 13, 2018), https://www.bppe.ca.gov/enforcement/actions/appeal_makeschool.pdf.

[45] Ex. B.

[46] Ex. I at 5 ("Admissions & Enrollment FAQs . . . Can I use . . . my GI Bill to pay for Make School? A: We're working on final approval to accept GI Bill funding from the VA").

[47] *Id.*; Ex. B at ¶106.

[48] Ex. B at 2 (DUC_00002); *Dominican Announces Computer Science Partnership*, Dominican, https://www.dominican.edu/news/news-listing/dominican-announces-computer-science-partnership-make-school#.

[49] Ex. B at 86-88; *WSCUC Incubation Policy: Supporting Creative Partnerships That Benefit Students*, WSCUC (May 31, 2019), https://www.wscuc.org/post/wscuc-incubation-policy-supports/ [https://perma.cc/YR8V-749H].

[50] Ex. B. at 86.

[51] *WSCUC Incubation Policy: Supporting Creative Partnerships That Benefit Students*, WSCUC (May 31, 2019), https://www.wscuc.org/post/wscuc-incubation-policy-supports/ [https://perma.cc/YR8V-749H]; Natalie Schwartz, *How a College and Coding School are Partnering to ring New Courses to Campus*, Higher Ed Dive (May 29, 2019), https://www.highereddive.com/news/how-one-college-is-partnering-with-a-coding-school-to-bring-new-courses-to/555718/ [https://perma.cc/56M7-5MHS].

[52] *Id.*

[53] Ashu Desai, *Make School has Applied for Independent Accreditation*, Medium (Dec. 8, 2020), https://medium.com/make-school/make-school-has-applied-for-independent-accreditation-7ab1e243305# [https://perma.cc/29Z4-J756].

[54] Ex. B. at 104-105 (DUC 00015-00016).

[55] *Id.*

[56] *See e.g.*, Ex. D; J.

[57] Ex. D at 6.

[58] Ex. J (also available at *Frequently Asked Questions*, Make School, https://web.archive.org/web/20190403055151/https://www.makeschool.com/computer-science/faq).

[59] Ex. B at 95 (DUC_00006).

[60] Ex. I at 2;5; s*ee also* Ex. K; Ex. L.

[61] Ex. M; N.

[62] Ex. I at 5; Ex. O; *see also supra* note 53.

[63] Ex. O.

[64] Ex. P.

[65] Ex. T.

[66] Ex. A.

[67] Ex. B at ¶¶ 146-150.

[68] *Id.*

[69] Ex. Q.

[70] *See* Claire Torchiana, *Enforcement Referral and Group Discharge Application – Make School/Dominican University Incubator,* Student Borrower Protection Center (June 2022), https://protectborrowers.org/wp-content/uploads/2022/07/SBPC_Make-School_Dominican_Letter.pdf.

[71] *U.S. Department of Education Closed School Unit Closed School Weekly/Monthly report*, Federal Student Aid, https://www2.ed.gov/offices/OSFAP/PEPS/docs/sep2022sec1.pdf#page=26 (last accessed Nov. 8, 2022).

[72] Press Release, U.S. Dep't of Educ., Education Department Releases Final Regulations to Expand and Improve Targeted Debt Relief Programs (Oct. 31, 2022), https://www.ed.gov/news/press-releases/education-department-releases-final-regulations-expand-and-improve-targeted-debt-relief-programs [https://perma.cc/6R2E-UJNW].

[73] *See, e.g.*, *Pushing Predatory Products*, Student Borrower Protection Center (June 2021), https://protectborrowers.org/pushing-predatory-products-how-public-universities-are-partnering-with-unaccountable-contractors-to-drive-students-toward-risky-private-debt-and-credit/.

[74] 34 CFR § 668.71 et al.

[75] 75 Fed. Reg. 66835 (Oct. 29, 2010), https://www.govinfo.gov/content/pkg/FR-2010-10-29/pdf/2010-26531.pdf.

[76] *Id.*

[77] 34 C.F.R. § 668.71(b)

[78] 34 C.F.R. § 668.71(c).

[79] 34 C.F.R. § 668.72(a).

[80] 34 C.F.R. § 668.72(n).

[81] 34 C.F.R. § 668.73.

[82] 34 C.F.R. §§ 668.74(b);(c).

[83] 34 C.F.R. § 668.25.

[84] Ex. A.

[85] Ex. B at 105 (DUC_00016).

[86] 34 C.F.R § 668.72(n).

[87] Ex. J.

[88] Ex. I at 5; Ex. O; *see also* Desai, *supra* note 53.

[89] Phone interviews with anonymous students on (October 2021; November 2021; April 2022).

[90] *See supra* note 23; Ex. E.

[91] 20 U.S.C. § 1019a; 34 C.F.R. § 601.10.

[92] *See* John Hechinger, *Probe Into College-Lender Ties Widens*, Wall Street Journal (Apr. 5, 2007), https://www.wsj.com/articles/SB117573094292160341; Melissa McNamara, *Student Loans Target of Investigation*, CBS News (Mar. 16, 2007), https://www.cbsnews.com/news/student-loans-target-of-investigation/; Jonathan Glater, *New York to Take Legal Action Over Steering of Students to Lender*, N.Y. Times (Mar. 23, 2007), https://www.nytimes.com/2007/03/23/us/23loans.html.

[93] Student Loan Sunshine Act, Pub. L. No. 110-315 (2008); *see* Letter from Sabitha J. Soneji to Seth Frotman, *Legal Analysis, and Need for Increased Enforcement, of the Student Loan Sunshine Act*, Student Borrower Protection Center (Aug. 19, 2021), https://protectborrowers.org/wp-content/uploads/2021/08/Legal-Landscape-Private-Student-Lenders.pdf.

[94] Pub. L. No. 110-315.

[95] *Income Share Agreements and Private Education Loan Requirements*, Office of Postsecondary Education (Mar. 2, 2022), https://fsapartners.ed.gov/knowledge-center/library/electronic-announcements/2022-03-02/income-share-agreements-and-private-education-loan-requirements.

[96] 15 U.S.C. § 1650(7); 20 U.S.C. § 1019(6)(iii) ("the term "private educational lender" means . . .any other person engaged in the business of soliciting, making, or extending private education loans."); *see also In re Better Future Forward, Inc. et al.*, Administrative Proceeding File No. 2021-CFPB-0005, Dkt. 1 (Sep. 7, 2021), https://files.consumerfinance.gov/f/documents/cfpb_better-future-forward-inc_consent-order_2021-09.pdf (finding ISA lender had engaged in unlawful private student lending under TILA and its implementing regulations).

[97] 12 C.F.R § 1026.46(b)(2) ("Institution of higher education has the same meaning as in sections 101 and 102 of the Higher Education Act of 1965 (20 U.S.C. 1001-1002) and the implementing regulations published by the U.S. Department of Education."); 12 C.F.R. § 226.46(b)(5).

[98] 20 U.S.C. § 1019(8); 34 C.F.R. § 601.2(b)

[99] 20 U.S.C. § 1019a; 34 C.F.R. § 601.10.

[100] 34 C.F.R. § 601.11(a);(b).

[101] 15 U.S.C. 1638(e)(1).

[102] *Supra* note 95.

[103] Cal. Dpt. of Fin. Prot. and Innovation, *In the Matter of the Student Loan Servicing Act license application of: Meratas Inc.* (Aug. 5, 2021), https://dfpi.ca.gov/wp-content/uploads/sites/337/2021/08/Meratas-Consent-Order.pdf;Consumer Fin. Prot. Bureau, *In re Better Future Forward, Inc. et al.*, Administrative Proceeding File No. 2021-CFPB-0005, Dkt. 1 (Sep. 7, 2021), https://files.consumerfinance.gov/f/documents/cfpb_better-future-forward-inc_consent-order_2021-09.pdf.

[104] Ex. B at 105 (DUC_00016).

[105] Ex. G.

[106] Ex. S; the MOU also references recruiting and marketing plans, which are not publicly available. Ex. B at 101; 106 (DUC_00012; 00017).

[107] 34 C.F.R. § 668.14(b).

[108] 15 U.S.C. § 1650(9) ("the term "revenue sharing" means an arrangement between a covered educational institution and a private educational lender under which— (A) a private educational lender provides or issues private education loans with respect to students attending the covered educational institution; (B) the covered educational institution recommends to students or others the private educational lender or the private education loans of the private educational lender; and (C) the private educational lender pays a fee or provides other material benefits, including profit sharing, to the covered educational institution

in connection with the private education loans provided to students attending the covered educational institution or a borrower acting on behalf of a student."; 15 U.S.C. § 1650(c) ("(c) Prohibition on co-branding. A private educational lender may not use the name, emblem, mascot, or logo of the covered educational institution, or other words, pictures, or symbols readily identified with the covered educational institution, in the marketing of private education loans in any way that implies that the covered educational institution endorses the private education loans offered by the private educational lender.")

[109] 15 U.S.C. § 1650(c).

[110] 20 U.S.C. § 1019a; 34 C.F.R. § 601.10.

[111] 34 C.F.R. § 668.14(b) ("By entering into a program participation agreement, an institution agrees that —

(1) It will comply with all statutory provisions of or applicable to Title IV of the HEA, all applicable regulatory provisions prescribed under that statutory authority, and all applicable special arrangements, agreements, and limitations entered into under the authority of statutes applicable to Title IV of the HEA. . .").

[112] 34 C.F.R. § 668.2(b)

[113] 34 C.F.R. § 668.2.

[114] 34 C.F.R. § 668.25(3).

[115] Ex. A.

[116] Ex. K.

[117] *Supra* note 73.

[118] *Supra* note 70.

[119] *See e.g.*, *Pushing Predatory Products*, Student Borrower Protection Center (June 2021), https://protectborrowers.org/pushing-predatory-products-how-public-universities-are-partnering-with-unaccountable-contractors-to-drive-students-toward-risky-private-debt-and-credit/; Stephanie Hall, *Invasion of the College Snatchers*, The Century Foundation (Sep 30, 2021), https://tcf.org/content/report/invasion-college-snatchers/.

[120] *Letter from Coalition to the Education Department re: Online Program Managers and the Ban on Incentive Compensation* (June 1, 2022), https://vetsedsuccess.org/online-program-managers-and-the-ban-on-incentive-compensation/.

[121] *Letter from the SBPC to the CFPB re Oversight of Online Program Managers and Private Student Loan Borrower Protection* (June 8, 2022), https://protectborrowers.org/wp-content/uploads/2022/06/SBPC_TCF_CFPB-OPM-letter.pdf.

[122] *See also* Lisa Bannon and Andrea Fuller, *USC Pushed a $115,000 Online Degree. Graduates Got Low Salaries, Huge Debts*, Wall Street Journal (Nov. 9, 2021), https://www.wsj.com/articles/usc-online-social-work-masters-11636435900 (describing a scandal involving an extremely expensive but low-quality Masters in Social Work program offered as a revenue-sharing partnership between the University of Southern California and the for-profit company 2U, Inc. and which relies structurally on this exemption for bundled services).

[123] For further recommendations, see *supra* notes 120-122.

# EXHIBIT A

July 16, 2021

Dear students,

There is no easy way of conveying the message that Make School will close effective July 30, 2021; at that time, Dominican University of California – under whose umbrella your degree was always offered – will take over the degree program directly and work to transition every student, to ensure that you can complete your studies and graduate with the same accredited Bachelor's degree in Applied Computer Science for which you originally enrolled.

We know that this news may feel overwhelming. However, there is a place for you and new opportunities at Dominican. I can assure you in advance that Dominican is here for you, and our commitment to your individual welfare and success remains unwavering.

You are already enrolled as a Dominican student, so no application is required. Our San Rafael campus, located forty-five minutes north of the Make School campus in San Francisco, invites you to enroll immediately for in-person learning. We are exploring options for on-campus housing, and you may wish to consider living in University housing – a few minutes' walk from your classes and with easy access to downtown San Rafael and all the outdoor activities for which Marin is rightly celebrated. Should you have specific questions about on-campus housing, please contact Aaron Clark (housing@dominican.edu or 415-485-3277). Those of you who have elected to pursue your degree online will be able to continue fully virtual instruction at Dominican, from wherever you are.

We know that earning your degree at Dominican will be different from the experience you are familiar with at Make School. You very likely chose Make School because of the promise that you would graduate in as little as two-and-a-half years, that you would build industry connections, design real products, and benefit from reduced tuition. I wish I could share with you at this moment exactly how Dominican will fulfill each of those commitments, but we will bring our broad institutional knowledge and longstanding experience to do so in a meaningful way. We know the value of these innovations and bold commitments, as they are a large part of what drew us to an institutional partnership with Make School three years ago. For now, I ask for your patience as our team works out the details and seeks to provide you with the best possible transition to Dominican.

Yes, Dominican is a traditional four-year college. But that does not mean a Dominican education is not distinctive, innovative, and hands-on. Our faculty set the standard for engaged learning, including students in their original research, scholarship, creative practice, community partnerships, and professional networks. Dominican is recognized as a leader among small private colleges. In the last three years, Dominican has ranked #1 in the nation for institutional transformation, #10 in the nation for early college graduate career earnings (right behind Stanford), and #11 among 578 selective private colleges for social mobility in our commitment to give every student an equitable opportunity.

The Applied Computer Science program at Dominican will be housed in our Barowsky School of Business. The school recently earned the coveted AACSB accreditation, a mark of excellence that can be boasted by less than six percent of the world's business schools. Our business faculty are experienced practitioners, accomplished scholars, and dynamic, holistic educators. They look forward to meeting you. We hope you will also continue to work with some of your current, familiar Make School instructors at Dominican.

Should you choose to continue your education with us, like all Dominican students you will be a student of the whole university, with full access to support services, campus facilities, and student clubs and organizations. We will provide you information about how to transfer your course enrollment for fall 2021 easily and quickly to Dominican's system. Should you choose to pursue your degree at another institution, we will also support you in navigating that transition.

Please take your time in considering your options and do not hesitate to contact us with your questions. We won't have answers to all of them right away, but we are eager to hear from you. Anne Spalding (anne@makeschool.org) will still be your point of contact from Make School initially; on the Dominican side, Daniel Cassidy (daniel.cassidy@dominican.edu) from the Barowsky School of Business will shortly start working with you to get your questions answered.

Warm regards,

Nicola Pitchford

Nicola Pitchford
President

NP/sp

# EXHIBIT B

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Attorney for Plaintiffs

ELECTRONICALLY
**F I L E D**
*Superior Court of California, County of San Francisco*
**02/09/2022**
**Clerk of the Court**
**BY: JUDITH NUNEZ**
**Deputy Clerk**

**SUPERIOR COURT OF THE STATE OF CALIFORNIA**

**COUNTY OF SAN FRANCISCO**

UCHENNA AGUOCHA, MEDI ASSUMANI, ELMER ASTUDILLO, JOSECARLOS AZUA, SEVERIANO BADAJOZ, ERIK BATISTA, KENNY D. BATISTA, SALVADOR BECERRA, LUC BOETTNER, WILLIAM BOGANS, ERIC BOTCHER, ANSEL BRIDGEWATER, EBONNE CABARRUS, CONNOR CAHILL, FAITH CHIKWEKWE, TONY A. CIOARA, EDWIN T. CLOUD, FERDINAND CRUZ, BRIANT M. DE OLIVEIRA, MARQUAVIOUS DRAGGON, SAMUEL D. GALIZIA, RAMON GERONIMO, SUKHROBJON GOLIBBOEV, BRIAN R. HANS, COREY HARRILAL, MAKHMUD ISLAMOV, ANISHA JAIN, TIMOTHY KAING, CHERISH KIM, JONATHAN N. KOPP, ANASTASIOS T. LAMBROU, THOMAS LEE, MICHAEL LOUBIER, WENZEL ROSCOE LOWE, MADHUR MALHOTRA, DUNCAN MACDONALD, JAVIER MENDOZA, DANH PHU R. NGUYEN, JAKE NISENBOIM, CONNOR OSWOLD, MATTHEW PHRAXAYAVONG, ALEXANDER R. REILLY, JAMES A. REZENDES, JOE REZENDES, JUAN PABLO RODRIGUEZ, RICARDO RODRIGUEZ, DACIO ROMERO, ERICK SANCHEZ, WEERACHAI NICHOLAS SWIFT, WINNIE WEN, ALEX PENA, PHYLLIS M. WONG, NOAH WOODWARD, MINGZE XU, and ASIM ZAIDI

Plaintiffs,

v.

MAKE SCHOOL PBC f/k/a MAKE SCHOOL INC., MAKE SCHOOL ABC, LLC, MAKE SCHOOL ISA SPV, LLC, VEMO EDUCATION, INC., and DOES 1 through 10,

Defendants.

Case No. CGC-21-592710

**SECOND AMENDED COMPLAINT FOR**

1.) **DECLARATORY AND INJUNCTIVE RELIEF**
2.) **VIOLATION OF CALIFORNIA BUSINESS & PROFESSIONS CODE § 17200**
3.) **VIOLATION OF CALIFORNIA BUSINESS AND PROFESSIONS CODE § 17500**
4.) **VIOLATION OF CAL. CIV. CODE §§ 1788-1788.3**
5.) **VIOLATION OF CAL. CIV. CODE §§ 1788.101 *et. seq.***
6.) **UNJUST ENRICHMENT**

JURY TRIAL DEMANDED

Plaintiffs UCHENNA AGUOCHA, MEDI ASSUMANI, ELMER ASTUDILLO, JOSECARLOS AZUA, SEVERIANO BADAJOZ, ERIK BATISTA, KENNY D. BATISTA, SALVADOR BECERRA, LUC BOETTNER, WILLIAM BOGANS, ERIC BOTCHER, ANSEL BRIDGEWATER, EBONNE CABARRUS, CONNOR CAHILL, FAITH CHIKWEKWE, TONY A. CIOARA, EDWIN T. CLOUD, FERDINAND CRUZ, BRIANT M. DE OLIVEIRA, MARQUAVIOUS DRAGGON, SAMUEL D. GALIZIA, RAMON GERONIMO, SUKHROBJON GOLIBBOEV, BRIAN R. HANS, COREY HARRILAL, MAKHMUD ISLAMOV, ANISHA JAIN, TIMOTHY KAING, CHERISH KIM, JONATHAN N. KOPP, ANASTASIOS T. LAMBROU, THOMAS LEE, MICHAEL LOUBIER, WENZEL ROSCOE LOWE, MADHUR MALHOTRA, DUNCAN MACDONALD, JAVIER MENDOZA, DANH PHU R. NGUYEN, JAKE NISENBOIM, CONNOR OSWOLD, MATTHEW PHRAXAYAVONG, ALEXANDER R. REILLY, JAMES A. REZENDES, JOE REZENDES, JUAN PABLO RODRIGUEZ, RICARDO RODRIGUEZ, DACIO ROMERO, ERICK SANCHEZ, WEERACHAI NICHOLAS SWIFT, WINNIE WEN, ALEX PENA, PHYLLIS M. WONG, NOAH WOODWARD, MINGZE XU, and ASIM ZAIDI (collectively, the "Plaintiffs") complain and allege as follows against Defendants MAKE SCHOOL PBC f/k/a MAKE SCHOOL, INC., MAKE SCHOOL ABC, LLC, MAKE SCHOOL ISA SPV, LLC, VEMO EDUCATION, INC., and DOES 1 through 10.

## PRELIMINARY STATEMENT

1. Plaintiffs are former students of Defendant Make School, Inc. ("Make School"), a private start-up computer science college in San Francisco, California. Plaintiffs attended Make School between 2016 and 2021.

2. During this time, Make School aggressively marketed and promoted Defendant Vemo Education Inc.'s income share agreements, or ISAs, as an alternative to traditional student loans. At its core, an ISAs is a consumer financial product in which the borrower is obligated to pay a percentage of his or her future income in exchange for not having to pay tuition up front. ISA providers have tried to evade regulatory oversight by claiming that ISAs are not loans or

credit, but that claim has been debunked by Federal and State regulators.

3. In marketing and promoting its ISA tuition model, Make School promoted the Vemo ISA agreements as cost-efficient and beneficial for students. But the ISAs offered to Plaintiffs and other Make School students, were predatory, risky, and exorbitantly expensive. To induce Plaintiffs to sign ISAs, Make School and Vemo concealed and misrepresented the actual long-term cost of those agreements, which, if used to finance the entire two-year program plus living expenses, could cost over a quarter of a million dollars, or four times or more than the purported market rate of the educational services provided over just two years. Make School also misrepresented and concealed the nature of its financial interest in students' success, including by falsely representing that Make School's "incentives" were aligned with the students because it only got paid after students found employment and got paid. The truth is, Make School's incentive was to sign as many students up for ISAs as possible so that it could package and sell those ISAs to investors and take out loans secured by the ISAs to fund operations.

4. Make School further concealed the fact that up until July of 2018, it was an unaccredited institution without approval to operate in the State pursuant to Education Code § 94886. As such, any agreement entered into prior to that date is void and unenforceable. *Id.* § 94917. California's regulator of private post-secondary education in May of 2018 ordered Make School to cease operating and provide a refund to students who had enrolled at Make School prior to Make School receiving approval to operate. Make School disregarded that order and never cancelled the ISAs of students who attended Make School while Make School was operating illegally. Instead, Vemo, as the purported servicer of the ISA agreements, has attempted to and will continue attempting to collect 25% or more of several of Plaintiffs' and other students' pre-tax income under ISAs signed before Make School had approval to operate. In many instances, Vemo is attempting to collect over $3,000 per month from students, which is more than some of Plaintiffs' monthly rent or mortgage. Even with a full-time job, many students are struggling to pay for basic necessities.

5. Once Make School did come into compliance and obtain approval to operate in

the State, it only held that approval for approximately one year. In July of 2019, Make School surrendered or rescind its BPPE approval. Starting in July of 2019, and continuing through 2020 and 2021, Make School continued to operate illegally in the state and push expensive ISA agreements on students without fully disclosing the true cost of those agreements. Make School contends that it did not need BPPE approval because it entered into an "incubation relationship" with Dominican University of California, an accredited non-profit institution. But as set forth below, documents received in this litigation from Dominican and the BPPE demonstrate that Make School was required to, but did not, keep its BPPE approval to operate while it had an incubation relationship with Dominican. As such, any agreement entered into after Make School rescinded its BPPE approval is void and unenforceable. *Id.* § 94917.

6. The above Plaintiffs who signed ISAs while the school did not have approval to operate in the State seek, among other things, (i) a declaration that any ISAs entered into prior to Make School receiving approval to operate are invalid and unenforceable, (ii) a declaration that any ISAs entered into after Make School rescinded its BPPE approval to operate are invalid and unenforceable; (iii) a preliminary and permanent injunction restraining and enjoining the current holder of those ISA contracts from enforcing those ISAs, or, if Defendants are not the current owners of the ISAs, enjoin the current owner(s) from ever collecting on the ISAs (iv) restitution and disgorgement of all monies wrongfully collected pursuant to those ISAs, and (iv) attorneys' fees and costs pursuant to Code of Civil Procedure § 1021.5.

7. In addition, Plaintiffs bring this action under the California Unfair Competition Law (Cal. Bus. & Prof. Code § 17200) and the California False Advertising Law (Cal. Bus. & Prof. Code § 17500) stemming from Make School and Vemo's false, deceptive, and misleading statements concerning Make School's ISA program and its financial interest in students' success. Plaintiffs seek cancellation of theirs and other students' ISA agreements, disgorgement of all the ill-gotten gains obtained to the detriment of Make School students, all available damages, punitive damages, declaratory and public injunctive relief, and all other available relief.

## PARTIES

8. Defendant MAKE SCHOOL PBC f/k/a MAKE SCHOOL, INC. ("Make School") is a California corporation with its principal place of business in San Francisco, California. At all relevant times, Make School was a venture-backed, for-profit startup college offering a two-year computer science program. On or about August 14, 2018, Make School, Inc. changed its name to Make School PBC.

9. Defendant VEMO EDUCATION, INC. ("Vemo") is a Delaware for-profit company with its principal place of business in Arlington, Virginia. Vemo provides income share agreement related services to a wide array of postsecondary educational institutions, from universities to short-term, unaccredited vocational programs based across the country, including California.

10. Defendant MAKE SCHOOL ABC, LLC is a Massachusetts limited liability company with its principal place of business in Boston, Massachusetts. MAKE SCHOOL ABC, LLC was formed in June of 2021 for the sole purpose of being the assignee to receive all assets and liabilities from MAKE SCHOOL, INC. for the benefit of Make School's creditors pursuant to California law. Plaintiffs are informed and believe, and thereon allege, that all of Make School's ISA contracts are owned by MAKE SCHOOL ABC, INC. through its wholly-owned subsidiary, Defendant MAKE SCHOOL ISA SPV, LLC.

11. Plaintiffs' claims are asserted against Defendants MAKE SCHOOL ABC, LLC and/or MAKE SCHOOL ISA SPV, LLC pursuant to the FTC holder rule and related California law, which preserves Plaintiffs' right to assert all available claims and defenses against the holder of the ISAs even if those contracts are assigned to a third party.

12. Defendants sued herein as DOES 1-10 are individuals or corporations who may own all or a portion of Plaintiffs' ISAs and/or any other ISA used to finance Make School's program.

**The 2016 Cohort**

13. Plaintiff Kenny Batista is an individual currently residing in Denver County, Colorado. Mr. Batista attended Make School for one year, beginning in September of 2016, and during that time he lived in San Francisco County, California. Mr. Batista withdrew from Make School after one year because he was not provided with the educational services promised and/or the program was too expensive and not necessary for him to become gainfully employed. Mr. Batista signed two ISAs with Make School dated September 15, 2016 and September 24, 2016.

14. Plaintiff Marquavious Draggon is an individual currently residing in San Francisco County, California. Mr. Draggon attended Make School from October 2016 to June 2017, and during that time he lived in San Francisco County, California. Mr. Draggon withdrew from Make School after one year because he was not provided with the educational services promised and/or the program was too expensive and not necessary for him to become gainfully employed. Mr. Draggon signed one ISA agreement with Make School dated October 19, 2016.

15. Plaintiff Brian R. Hans is an individual currently residing in San Francisco County, California. Mr. Hans attended Make School from September 2016 to June 2017, and during that time he lived in San Francisco County, California. Mr. Hans withdrew from Make School after one year because he was not provided with the educational services promised and/or the program was too expensive and not necessary for him to become gainfully employed. Mr. Hans signed one ISA agreement with Make School on October 3, 2016.

16. Plaintiff Corey Harrilal is an individual currently residing in San Francisco County, California. Mr. Harrilal attended Make School from September 2016 to April 2018, and during that time he lived in San Francisco County, California. Mr. Harrilal signed four ISAs with Make School dated September 28, 2016, September 29, 2016, September 14, 2017, and September 19, 2017.

17. Plaintiff Anastasios T. Lambrou is an individual currently residing in San Francisco County, California. Mr. Lambrou attended Make School from September 2016 to May 2018, and during that time he lived in San Francisco County, California. Mr. Lambrou

signed four ISAs with Make School—two dated September 22, 2016, and two dated September 18, 2017.

18. Plaintiff Michael Loubier is an individual currently residing in Maricopa County, Arizona. Mr. Loubier attended Make School from September 2016 to May 2018, and during that time he lived in San Francisco County, California. Mr. Loubier signed four ISAs with Make School dated September 19, 2016, October 28, 2016, September 14, 2017, and October 31, 2017.

19. Plaintiff Madhur Malhotra is an individual currently residing in Alameda County, California. Mr. Malhotra attended Make School from September 2016 to 2018, and during that time he lived in San Francisco County, California. Mr. Malhotra signed four ISAs with Make School—two in September of 2016 and two in September of 2017.

20. Plaintiff Jake Nisenboim is an individual currently residing in Toronto, Canada. Mr. Nisenboim attended Make School for one year, beginning in September 2016, and during that time he lived in San Francisco County, California. Mr. Nisenboim withdrew from Make School after one year because he was not provided with the educational services promised and/or the program was too expensive and not necessary for him to become gainfully employed. Mr. Nisenboim signed one ISA with Make School dated September 28, 2016.

21. Plaintiff Alex Pena is an individual currently residing in Santa Clara County, California. Mr. Pena attended Make School for one year, beginning in September of 2016, and during that time he lived in San Francisco County, California. Mr. Pena withdrew from Make School after one year because he was not provided with the educational services promised and/or the program was too expensive and not necessary for him to become gainfully employed. Mr. Pena signed two ISAs with Make School dated September 24, 2016 and September 28, 2016.

22. Plaintiff Alexander R. Reilly is an individual currently residing in San Francisco County, California. Mr. Reilly attended Make School for one year, beginning in September 2016, and during that time he lived in San Francisco County, California. Mr. Reilly withdrew from Make School after one year because he was not provided with the educational services promised and/or the program was too expensive and not necessary for him to become gainfully

employed. Mr. Reilly signed one ISA with Make School dated September 27, 2016.

23. Plaintiff Juan Pablo Rodriguez is an individual currently residing in Santa Rita Cholul, Mexico. Mr. Rodriguez attended Make School for one year, beginning in October 2016, and during that time he lived in San Francisco County, California. Mr. Rodriguez withdrew from Make School after one year because he was not provided with the educational services promised and/or the program was too expensive and not necessary for him to become gainfully employed. Mr. Rodriguez signed two ISA with Make School dated September 27, 2016 and October 3, 2016.

24. Plaintiff Weerachai Nicholas Swift is an individual currently residing in San Francisco County, California. Mr. Swift attended Make School for one year, beginning in October 2016, and during that time he lived in San Francisco County, California. Mr. Swift withdrew from Make School after one year because he was not provided with the educational services promised and/or the program was too expensive and not necessary for him to become gainfully employed. Mr. Swift signed two ISAs with Make School dated September 19, 2016 and September 27, 2016.

25. Plaintiff Winnie Wen is an individual currently residing in Alameda County, California. Ms. Wen attended Make School for one year, beginning in September of 2016, and during that time she lived in San Mateo County, California. Ms. Wen withdrew from Make School after one year because she was not provided with the educational services promised and/or the program was too expensive and not necessary for her to become gainfully employed. Ms. Wen signed one ISA with Make School dated September 16, 2016.

**The 2017 Cohort**

26. Plaintiff Uchenna Aguocha is an individual currently residing in Davidson County, Tennessee. Mr. Aguocha attended Make School from September of 2017 to May of 2019, and during that time he lived in San Mateo County, California. Mr. Aguocha withdrew from Make School because he was not provided with the educational services promised and/or the program was too expensive and not necessary for him to become gainfully employed. Mr.

Aguocha signed four agreements with Make School—two dated August 29, 2017, and two dated August 5, 2018.

27. Plaintiff Elmer Astudillo is an individual currently residing in Queens County, New York. Mr. Astudillo attended Make School from August of 2017 to August of 2018, and during that time he lived in San Francisco County, California. Mr. Astudillo withdrew from Make School after one year because he was not provided with the educational services promised and/or the program was too expensive and not necessary for him to become gainfully employed. Mr. Astudillo signed two agreements with Make School in August of 2017.

28. Plaintiff Ansel Bridgewater is an individual currently residing in Contra Costa County, California. Mr. Bridgewater attended Make School from August 2017 to May 2020, and during that time he lived in San Francisco County, California. Mr. Bridgewater signed two ISAs with Make School dated August 31, 2017 and August 24, 2018.

29. Plaintiff Tony A. Cioara is an individual currently residing in Yamhill County, Oregon. Mr. Cioara attended Make School from September 2017 to May 2020, and during that time he lived in San Francisco County, California. Mr. Cioara signed two ISAs with Make School dated August 26, 2017 and August 24, 2018.

30. Plaintiff Ferdinand Cruz is an individual currently residing in San Mateo County, California. Mr. Cruz attended Make School from August of 2017 to April of 2019, and during that time he lived in San Francisco County, California. Mr. Cruz withdrew from Make School because he was not provided with the educational services promised and/or the program was too expensive and not necessary for him to become gainfully employed. Mr. Cruz signed four agreements with Make School—two dated September 5, 2017, one dated May 23, 2018, and one dated August 18, 2018.

31. Plaintiff Briant M. De Oliveira is an individual currently residing in Los Angeles County, California. Mr. De Oliveira attended Make School from August 2017 to September 2020, and during that time he lived in San Francisco County, California. Mr. De Oliveira signed five ISAs with Make School—two dated August 29, 2017, two dated October 1, 2018, and one

dated August 29, 2019.

32. Plaintiff Samuel D. Galizia is an individual currently residing in Los Angeles County, California. Mr. Galizia attended Make School from September 2017 to November 2019, and during that time he lived in San Francisco County, California. Mr. Galizia withdrew from Make School after one year because he was not provided with the educational services promised and/or the program was too expensive and not necessary for him to become gainfully employed. Mr. Galizia signed five ISAs with Make School—two dated August 30, 2017, one dated December 1, 2017, and two dated August 17, 2018.

33. Plaintiff Duncan L. MacDonald is an individual currently residing in Sonoma County, California. Mr. MacDonald attended Make School from September 2017 to June 2019, and during that time he lived in San Francisco County, California. Mr. MacDonald signed five ISAs with Make School—two dated August 29, 2017, one dated October 18, 2017, one dated May 23, 2018, and one dated August 19, 2018.

34. Plaintiff James A. Rezendes is an individual currently residing in San Francisco County, California. Mr. Rezendes attended Make School for one year, beginning in September of 2017, and during that time he lived in San Francisco County, California. Mr. James A. Rezendes withdrew from Make School after one and a half years because he was not provided with the educational services promised and/or the program was too expensive and not necessary for him to become gainfully employed. Mr. James A. Rezendes signed five ISAs with Make School—two dated August 20, 2017, one dated May 23, 2018, one dated August 19, 2018, and one dated May 2, 2019.

35. Plaintiff Mingze Xu is an individual currently residing in Allegheny County, Pennsylvania. Ms. Xu attended Make School for one year, beginning in September of 2017, and during that time she lived in San Francisco County, California. Ms. Xu withdrew from Make School after one year because she was not provided with the educational services promised and/or the program was too expensive and not necessary for her to become gainfully employed. Ms. Xu signed one ISA with Make School dated August 18, 2017.

36. Plaintiff Phyllis Wong is an individual currently residing in Alameda County, California. Ms. Wong attended Make School for one year, beginning in August of 2017, and during that time she lived in San Francisco County, California. Ms. Wong withdrew from Make School after one year because she was not provided with the educational services promised and/or the program was too expensive and not necessary for her to become gainfully employed. Ms. Wong signed three ISAs with Make School—one dated August 22, 2017, and two dated August 18, 2018.

**The Late-2017 Cohort**

37. Plaintiff Erick Sanchez is an individual currently residing in Sonoma County, California. Mr. Sanchez attended Make School for one year, beginning in November of 2017, and during that time he lived in San Francisco County, California. Mr. Sanchez withdrew from Make School after one year because he was not provided with the educational services promised and/or the program was too expensive and not necessary for him to become gainfully employed. Mr. Sanchez signed four ISAs with Make School dated December 14, 2017, December 15, 2017, and two dated January 4, 2019.

38. Plaintiff Josecarlos Azua is an individual currently residing in Miami-Dade County, Florida. Mr. Azua attended Make School from January 2018 to December 2020, and during that time he lived in San Francisco County, California. Mr. Azua signed five ISAs with Make School—two dated December 20, 2017, one dated November 14, 2018, one dated July 24, 2019, and one dated October 15, 2019.

39. Plaintiff Joe Rezendes is an individual currently residing in San Francisco County, California. Mr. Rezendes attended Make School from January of 2018 to January of 2019, and during that time he lived in San Francisco County, California. Mr. Rezendes withdrew from Make School after one year because he was not provided with the educational services promised and/or the program was too expensive and not necessary for him to become gainfully employed. Mr. Rezendes signed five ISAs with Make School—one dated December 12, 2017, one dated December 15, 2017, one dated May 23, 2018, and two dated August 29, 2018.

**The 2018 Cohort**

40. Plaintiff Medi Assumani is an individual currently residing in Hudson County, New Jersey. Mr. Assumani attended Make School from August of 2018 to September of 2019, and during that time he lived in San Mateo County, California. Mr. Assumani withdrew from Make School after one year because he was not provided with the educational services promised and/or the program was too expensive and not necessary for him to become gainfully employed. Mr. Assumani signed four ISAs with Make School—two dated August 16, 2018 and two dated April 30, 2019.

41. Plaintiff Severiano Badajoz is an individual currently residing in Orange County, California. Mr. Badajoz attended Make School from August of 2018 to May of 2020, and during that time he lived in San Francisco County, California. Mr. Badajoz signed three ISAs with Make School—two dated August 19, 2018, and one dated May 3, 2019.

42. Plaintiff Erik Batista is an individual currently residing in Denver County, Colorado. Mr. Batista attended Make School from August of 2018 to May of 2021, and during that time he lived in San Francisco County, California and Denver County, Colorado. Mr. Batista signed five ISAs with Make School—two dated September 4, 2018, two dated April 26, 2019, and one dated September 14, 2020.

43. Plaintiff Salvador Becerra is an individual currently residing King County, Washington. Mr. Becerra attended Make School from August of 2018 to 2020, and during that time he lived in San Francisco County, California. Mr. Becerra signed five ISAs with Make School—two dated August 18, 2018, two dated April 28, 2019, and one dated May 19, 2020.

44. Plaintiff Luc Boettner is an individual currently residing in Santa Cruz County, California. Mr. Boettner attended Make School beginning in of July of 2018, and during that time he lived in San Francisco County, California. Mr. Boettner withdrew from Make School in May of 2020 because he was not provided with the educational services promised and/or the program was too expensive and not necessary for him to become gainfully employed. Mr. Boettner signed four ISAs with Make School—two dated August 20, 2018, one dated April 28,

2019, and one dated April 29, 2019.

45. Plaintiff Eric Botcher is an individual currently residing in El Durado County, California. Mr. Botcher attended Make School for one year, beginning in August of 2018, and during that time he lived in Alameda County, California. Mr. Botcher withdrew from Make School after one year because he was not provided with the educational services promised and/or the program was too expensive and not necessary for him to become gainfully employed. Mr. Botcher signed three ISAs with Make School dated September 17, 2018, September 19, 2018, and April 26, 2019.

46. Plaintiff William Bogans is an individual currently residing in Chatham County, Georgia. Mr. Bogans attended Make School from April of 2018 to December 2020, and during that time he lived in San Francisco County, California. Mr. Bogans signed five ISAs with Make School—two dated September 16, 2018, one dated April 26, 2019, one dated April 28, 2019, and one dated May 15, 2020.

47. Plaintiff Ebonne Cabarrus is an individual currently residing in Alameda County, California. Ms. Cabarrus attended Make School from August of 2018 to April of 2020, and during that time she lived in San Francisco and Alameda Counties, California. Ms. Cabarrus withdrew from Make School in April of 2020 because she was not provided with the educational services promised and/or the program was too expensive and not necessary to become gainfully employed. Ms. Cabarrus signed four ISAs with Make School—two dated August 16, 2018, and two dated April 26, 2019.

48. Plaintiff Connor Cahill is an individual currently residing in Los Angeles County, California. Mr. Cahill attended Make School from September of 2018 to September of 2019 and during that time he lived San Francisco County, California. Mr. Cahill withdrew from Make School after one year because he was not provided with the educational services promised and/or the program was too expensive and not necessary to become gainfully employed. Mr. Cahill signed one ISA with Make School dated August 18, 2018.

49. Plaintiff Faith Chikwekwe is an individual currently residing in Barrow County,

Georgia. Ms. Chikwekwe attended Make School beginning in August of 2018, and during that time she lived in San Francisco County, California. Ms. Chikwekwe withdrew from Make School after one year because she was not provided with the educational services promised and/or the program was too expensive and not necessary for her to become gainfully employed. Ms. Chikwekwe signed three ISAs with Make School—two dated August 17, 2018 and one dated April 26, 2019.

50. Plaintiff Edwin Cloud is an individual currently residing in Travis County, Texas. Mr. Cloud attended Make School beginning in August of 2018, and during that time he lived in San Francisco County, California. Mr. Cloud withdrew from Make School after one year because he was not provided with the educational services promised and/or the program was too expensive and not necessary for him to become gainfully employed. Mr. Cloud signed four ISAs with Make School—two dated August 16, 2018 and two dated April 27, 2019.

51. Plaintiff Ramon Geronimo is an individual currently residing in Broward County, Florida. Mr. Geronimo attended Make School from August of 2018 to September of 2020, and during that time he lived in San Francisco County, California. Mr. Geronimo signed four ISAs with Make School—two dated August 17, 2018, and two dated April 28, 2019.

52. Plaintiff Sukhrobjon Golibboev is an individual currently residing in King County, Washington. Mr. Golibboev attended Make School from August of 2018 to August of 2020, and during that time he lived in San Francisco County, California. Mr. Golibboev signed five ISAs with Make School—one dated August 16, 2018, one dated August 18, 2018, two dated April 30, 2019, and one dated September 5, 2019.

53. Plaintiff Makhmud Islamov is an individual currently residing in San Francisco County, California. Mr. Islamov attended Make School from August of 2018 to 2020, and during that time he lived in San Francisco County, California. Mr. Islamov signed four ISAs with Make School—one dated August 16, 2018, one dated August 18, 2018, one dated April 29, 2019, and one dated May 3, 2019.

54. Plaintiff Anisha Jain is an individual currently residing in Santa Clara County,

California. Ms. Jain attended Make School from August of 2018 to 2020, and during that time she lived in San Francisco County, California. Ms. Jain signed three ISAs with Make School—one dated August 17, 2018, one dated May 2, 2019, and one dated May 6, 2019.

55. Plaintiff Timothy Kaing is an individual currently residing in Maricopa County, Arizona. Mr. Kaing attended Make School from August of 2018 to July of 2020, and during that time he lived in San Francisco County, California. Mr. Kaing signed two ISAs with Make School—one dated November 2, 2018, and one dated May 13, 2019.

56. Plaintiff Cherish Kim is an individual currently residing in San Francisco County, California. Ms. Kim attended Make School from August of 2018 to May of 2021, and during that time she lived in San Francisco County, California. Ms. Kim signed four ISAs with Make School—two in August of 2018 and two in April of 2019.

57. Plaintiff Jonathan N. Kopp is an individual currently residing in Orange County, California. Mr. Kopp attended Make School from August of 2018 to December of 2020, and during that time he lived in San Francisco County, California. Mr. Kopp signed four ISAs with Make School—two dated August 19, 2018, and two dated April 28, 2019.

58. Plaintiff Thomas Lee is an individual currently residing in San Francisco County, California. Mr. Lee attended Make School from August of 2018 to September of 2020, and during that time he lived in San Francisco County, California. Mr. Lee withdrew from Make School after one year because he was not provided with the educational services promised and/or the program was too expensive and not necessary for him to become gainfully employed. Mr. Lee signed two ISAs with Make School—one dated August 17, 2018 and one dated June 12, 2019.

59. Plaintiff Wenzel Roscoe Lowe is an individual currently residing in Contra Costa County, California. Mr. Lowe attended Make School from August of 2018 to May of 2020, and during that time he lived in San Francisco County, California. Mr. Lowe signed two ISAs with Make School—one dated August 18, 2018, one dated April 26, 2019.

60. Plaintiff Javier Mendoza is an individual currently residing in Kern County,

California. Mr. Mendoza attended Make School from August of 2018 to May of 2020. Mr Mendoza withdrew from Make School because he was not provided with the educational services promised and/or the program was too expensive and not necessary for him to become gainfully employed. Mr. Mendoza signed four ISAs with Make School—two dated August 20, 2018, and two dated April 28, 2019.

61. Plaintiff Danh Phu R. Nguyen is an individual currently residing in Los Angeles County, California. Mr. Nguyen attended Make School from August of 2018 to August of 2020, and during that time he lived in San Francisco County, California. Mr. Nguyen signed two ISAs with Make School—one dated August 20, 2018, one dated June 12, 2019.

62. Plaintiff Connor Oswold is an individual currently residing in Jackson County, Oregon. Mr. Oswold attended Make School from August of 2018 to June of 2019, and during that time he lived in San Francisco County, California. Mr. Oswold withdrew from Make School after ten months because he was not provided with the educational services promised and/or the program was too expensive and not necessary for him to become gainfully employed. Mr. Oswold signed two ISAs with Make School in August of 2018.

63. Plaintiff Matthew Phraxayavong is an individual currently residing in Sacramento County, California. Mr. Phraxayavong attended Make School from August of 2018 to December of 2020, and during that time he lived in San Francisco County, California. Mr. Phraxayavong signed four ISAs with Make School—two in the Fall of 2018 and two in the Spring of 2019.

64. Plaintiff Ricardo Rodriguez is an individual currently residing in Los Angeles County, California. Mr. Rodriguez attended Make School from September of 2018 to December of 2020, and during that time he lived in San Francisco County, California. Mr. Rodriguez signed five ISAs with Make School—two dated August 16, 2018, two dated April 26, 2019, and one dated May 14, 2020.

65. Plaintiff Dacio Romero is an individual currently residing in Travis County, Texas. Mr. Romero attended Make School from August of 2018 to June of 2019, and during that time he lived in San Francisco County, California. Mr. Romero withdrew from Make School

after ten months because he was not provided with the educational services promised and/or the program was too expensive and not necessary for him to become gainfully employed. Mr. Romero signed four ISAs with Make School—two dated August 17, 2018 and two dated April 28, 2019.

66. Plaintiff Noah Woodward is an individual currently residing in Worcester County, Massachusetts. Mr. Woodward attended Make School from August of 2018 to May of 2019. Mr. Woodward withdrew from Make School after one year because he was not provided with the educational services promised and/or the program was too expensive and not necessary for him to become gainfully employed. Mr. Woodward signed one ISA agreement with Make School dated August 17, 2018.

67. Plaintiff Asim Zaidi is an individual currently residing in DuPage County, Illinois. Mr. Zaidi attended Make School beginning in September of 2018, and during that time he lived in San Francisco County, California. Mr. Zaidi withdrew from Make School after one year because he was not provided with the educational services promised and/or the program was too expensive and not necessary for him to become gainfully employed. Mr. Zaidi signed three ISAs with Make School—two dated September 17, 2018 and one dated April 2019.

## JURISDICTION AND VENUE

68. This Court has jurisdiction over Plaintiffs' claims pursuant to California Code of Civil Procedure section 410.10 and 410.40.

69. Venue is proper in this judicial district pursuant to California Code of Civil Procedure section 395(a) because a substantial part of the events giving rise to the claims herein occurred in San Francisco County and because Defendant Make School has its principal place of business in San Francisco County.

## FACTUAL ALLEGATIONS

### A. Make School, Inc.

70. At all relevant times, Make School was an experimental, venture-backed, for-profit startup college in San Francisco, California.

71. Make School was originally founded in 2012 as "MakeGamesWithUS" by co-founders Jeremy Rossmann and Ashutosh Desai. In 2014, the company changed its mission and also changed its name to Make School. In promotional videos, Make School has been referred to as an "anti-College" or as a "college replacement for founders and developers."[1]

72. For over four years following Make School's inception (from 2014 until mid-2018), Make School operated without any accreditation from a regional accrediting institution.

73. In addition, from 2014 to mid-2018, Make School operated without the required approval to operate from the California Bureau of Private Postsecondary Education (the "BPPE") in violation of the California Private Postsecondary Education Act of 2009. *See* Cal. Ed. Code § 94886 (a postsecondary institution "shall not open, conduct, or do business as a private postsecondary educational institution in [California] without obtaining approval to operate.")

74. Make School briefly obtained BPPE approval to operate from July 13, 2018 to July 19, 2019, when it voluntarily rescinded its BPPE approval to operate.

75. Make School offered a two-year Bachelors Degree in applied computer science that emphasized "practical computer science skills" (such as building apps) as opposed to more theoretical concepts taught in traditional Computer Science curriculums found at four-year universities. According to one news article, Make School was "a combination of a short-term coding bootcamp and a traditional four-year university."[2]

**B. Make School's ISA Tuition Model**

76. While Make School was operating as an unaccredited and unapproved institution, Make School charged students between $50,000 and $70,000 in tuition depending on the academic year enrolled. That is more than the average in-state tuition costs for obtaining a four-year degree from a University of California ("UC") institution or from a California State University during the same time period. Per year, Make School's tuition costs exceed many private university tuition rates, including Stanford University's prestigious undergraduate

[1] https://www.youtube.com/watch?v=6rT00QXqZak (posted December 3, 2015).

[2] https://www.bizjournals.com/sanfrancisco/news/2018/11/27/make-school-dominican-accredited-bachelors-degrees.html (Nov. 27, 2018).

program.

77. One of the main differences between Make School and other colleges is the way in which Make School collects tuition. Between 2016 and 2021, Make School, in partnership with Vemo, encouraged students to pay for tuition and living expenses with educational income share agreements, or "ISAs."

78. At their core, ISAs are consumer financial products in which students promise to pay a percentage of their future income in exchange for money to pay their tuition and/or living expenses.

79. While proponents of ISAs tout them as "innovative," in substance they are no different than traditional student loan products. Like with a traditional loan, a student's account is credited, and no money is due up front for tuition or fees. In exchange, the student promises to repay the tuition at a later time (*i.e.*, after graduation or after leaving the program). Under an ISA, students repay the loan by either:

a. paying a fixed "payment cap" that is higher than the sum the student received (sometimes 2-4 times as much in the case of Make School's ISAs), or

b. making payments, calculated according to a formula in the agreement that is based on the student's income, over a period determined in the agreement.

80. Make School and Vemo have tried to evade regulatory oversight by claiming that ISAs are not loans or credit, but that claim is false and misleading. Substantively, ISAs are no different from traditional student loans in which a student's account is credited and no money is due up front for tuition or fees and in exchange, the student promises to repay the tuition at a later time (*i.e.*, after graduation or after leaving the program). In fact, since the filing of the original complaint in this action, both the California Department of Financial Protection and Innovation ("DFPI") and the Consumer Financial Protection Bureau ("CFPB") have found that ISAs are loans and/or debt instruments.[3]

[3] *In the Matter of Student Loan Servicing Act License Application of Meratas Inc.*, NMLS No. 2120180, Consent Order at ¶ M (Ca. Dep't of Fin. Prot. And Innovation Aug. 5, 2021), *available at:* https://dfpi.ca.gov/wp-content/uploads/sites/337/2021/08/Meratas-Consent-Order.pdf (last visited 1/24/22); *In the Matter of Better Future*

81. Make School partnered with Defendant Vemo to design and implement the ISA program, which could be used to fund not only tuition, but also living expenses so that students could afford to live in San Francisco while attending school full-time. In one informational session in the Spring of 2017 on income share agreements, Make School co-founder Jeremy Rossmann, touted that Make School and Vemo were "literally the world pioneers in income share agreements" and that Make School "invented some of this stuff [i.e., income share agreements] together with Vemo."

82. Vemo is a for-profit company that, designs, implements, and manages ISA programs for its partners. Plaintiffs are informed and believe, and thereon allege, that the ISA contracts are primarily drafted by Vemo.

83. Plaintiffs are informed and believe, and thereon allege, that postsecondary educational institutions like Make School that participate in Vemo's ISA program agree to market and sell the ISA contracts to students using Vemo marketing materials.

84. After a student enters into an ISA contract, the educational institution pays a fee to Vemo in exchange for Vemo (1) collecting money from the student after the student completes or leaves the computer science program, and (2) returning some portion of that money to the institution and/or investors who own some portion of Make School's ISA pool.

85. While Make School's ISAs avoid terminology associated with credit and loans (such as "principal" and "interest") and claim not to be "credit" or "loans," they are just another type of student loan or credit agreement. The only difference between traditional income-based repayment on a conventional student loan and Make School's ISAs is that the cost of Make School's ISA program is exorbitant and Make School used deceptive rhetoric and marketing that obscured the true nature of these agreements, as set forth in more detail below.

*Forward, Inc., et. al.*, No. 2021-CFPB-0005, Consent Order at ¶ 23 (Sept. 7, 2021) (finding that "ISAs are loans and do create debt.").

## C. 2015-2018: Make School Induces Plaintiffs to Sign Multiple Income Share Agreements Without Disclosing the True Nature of Those Agreements

86. At the time Plaintiffs were considering attending Make School, their payment options were either to (1) pay $30,000 to $40,000 for year one, and $20,000 to $30,000 for year two depending on the year enrolled, for a total of $50,000 to $70,000 in tuition, plus living expenses while attending school full-time, or (2) enter into ISA agreements with Make School to finance that tuition and living expenses.

87. During that time, Make School aggressively marketed and promoted Vemo's ISA agreements as superior to traditional tuition and/or student loan models.

88. The ISAs offered to Make School students were primarily marketed to undergraduate students, including those in their late teens and early twenties who have not had significant experience with financial products, much less the complex shopping involved in selecting between ISAs and other options to finance their education. Moreover, compared to the technology industry generally, prospective, former, and current Make School students are disproportionately from non-affluent families who lack the resources to pay out-of-pocket for a Make School program or for a traditional four-year university. According to Make School's own promotional statements, 40% of students were underrepresented minority students and 50% come from low-income families.[4]

89. In marketing its ISA model, Make School used marketing tools that were endorsed and promoted by Vemo, and used deceptive rhetoric and marketing that concealed the nature and cumulative cost of those agreements, as described below.

*Make School and Vemo's Marketing of the ISA Agreements as Not Debt or Credit*

90. In conjunction with Vemo, Make School falsely claimed that its ISA agreements were not loans or credit. For example, in one widely-disseminated promotional video titled "Make School — The Future of Higher Education," a Make School spokesperson made the following statement:

[4] https://www.ycombinator.com/companies/make-school.

> "There's no grading you here on standardized tests. There are no auditoriums with 500 to 1 student to professor ratios, **and there's no student debt!** Instead we bring together bright students for a transformative college experience in the epicenter of the technology industry."

91. This statement and statements like it that were repeatedly made to prospective students (and their parents), imply falsely that ISAs are not student loans. That claim is demonstrably false. In substance, ISAs are no different from traditional student loans in which the student pays little to nothing up front and in exchange, the student promises to repay the tuition after they graduate or withdraw from the program.

92. Federal and State regulators have affirmed that ISAs are student loans. The California DFPI in the Fall of 2021 issued a consent order with one ISA servicer, like Defendant Vemo, finding that ISAs used to finance postsecondary education are "loans" for purposes of California's Student Loan Servicing Act. The CFPB recently made similar findings about ISAs under Federal law. On September 7, 2021, the CFPB issued a consent order with Better Future Forward, Inc., a company that (like Vemo) provides students with ISAs to finance post-secondary education. *In the Matter of Better Future Forward, Inc.*, No. 2021-CFPB-0005, Consent Order at ¶ 1 (Sept. 7, 2021). In no uncertain terms, the CFPB found that "ISAs are loans and do create debt." *Id.* ¶ 23.

93. Make School's representations that the ISA program was a "debt free" option that was materially different than a student loan constitute false advertising, and unlawful, unfair, and fraudulent business acts or practices under California law.

*Make School and Vemo's Marketing of the ISA Agreements as Superior to Traditional Loans*

94. Make School, in conjunction with Vemo, marketed the ISA tuition model as superior to so-called "traditional colleges," and in doing so, misled students to believe that financing the Make School program through ISA agreements would leave them better off financially and in less debt compared to students who chose to attend a four-year university. As set forth below, those statements grossly misrepresented (a) the actual total cost of the ISAs versus conventional loans, (b) the proportion of their income students would pay compared to other income-based repayment programs available with traditional loans, and (c) the deferment,

forbearance, forgiveness, and enforcement options available for traditional loans versus the ISAs.

95. In 2016 and 2017, Make School claimed that students could finance their tuition by pledging 25% of their future earnings for three years and six months (42 months). For students who wished to borrow living expenses while they attended school full-time, those students could "obtain an extension" of their ISA (*i.e.*, take out an additional ISA) to receive a living stipend of $1,500 per month. In total, Make School falsely claimed that students could expect to pay $90,000 in tuition if they fully financed the program with a ISA.[5]

Make School is a pioneer in the Income-Based Repayment (IBR) tuition model for higher education. Income-Based Repayment Tuition means that students can pay their tuition to the Product Academy by pledging a percentage of their future earnings. Make School may offer a student Full, Partial, or Half IBR tuition.

| Payment Option | Up-Front Tuition | % of Pre-Tax Salary | Months of IBR |
|---|---|---|---|
| Full IBR | $0/yr | 25% | 3 Years + 6 Months |
| Partial IBR (US) | $7,500/yr | 25% | 2 Years + 6 Months |
| Half IBR | $15,000/yr | 25% | 1 Year + 6 Months |

Income share agreement table (2017)

Move slider to see ISA range

No ISA 1/2 ISA 3/4 ISA **Full ISA**

**$0** upfront tuition (paid in quarterly installments over two years)
**42** months of tuition payback at **25%** of gross salary (6 month internship + 3 years of work)
**$3,300** average monthly take home salary (after taxes and tuition)
**$90,000** expected total tuition paid

[5] https://web.archive.org/web/20161108192456/https://www.makeschool.com/admissions#tuition (Nov. 8, 2016); https://web.archive.org/web/20170606203733/https://www.makeschool.com/product-college/admissions (June 6, 2017).

96. In 2018, Make School began advertising a slightly different but no better ISA program. Make School advertised on its website in 2018 that students could pay their year one tuition in full by pledging 20% of their future earnings for 36 months and pay their year two tuition by pledging 20% of their future earnings for an additional 24 months. For students who wished to borrow living expenses while they attended school full-time, those students could "stack" additional ISAs onto their tuition ISAs, which would provide a living stipend of $1,500 per month in exchange for the student pledging and additional 5-7% of his or her future earned income after graduation.[6]

97. In one widely disseminated promotional video created in 2018, Make School's founder Jeremy Rossmann falsely stated that tuition for Make School's program was "70k up front if you choose that option [i.e., paying up front out of pocket], *or about 100k if you choose the income share option*, *and that's for a full bachelors*."[7]

98. These statements are false. Make School and Vemo failed to disclose that four or more ISAs would need to be signed to fully fund the program for two years—and ***each*** of those ISAs had maximum payment obligations or "payment caps" between $40,500 and $100,000 on average. As set forth in the chart below, depending on the year enrolled, tuition alone could cost students between $140,500 and $175,000, and room and board could cost an additional $81,000 to $108,000, depending on the students' future income. Accordingly, the potential liability under a typical Make School/Vemo ISA package far exceeds any tuition and/or room and board costs that could conceivably be paid for comparable four-year universities offering undergraduate degrees (or any graduate program for that matter). The actual cost of financing the Make School program with ISAs for two years could potentially cost students over a quarter of a million

[6] https://web.archive.org/web/20180709042552if_/https://www.makeschool.com/product-college/tuition-and-aid (July 6, 2018).

[7] facebook.com/KOMONews/videos/is-this-silicon-valley-colleges-pay-nothing-until-you-get-a-job-tuition-plan-the/2254301184845481 (Posted December 12, 2018).

dollars, which equals about four times the purported market rate for those "training services." In many instances, Plaintiffs' income share obligation exceeds $3,000 per month and is more than their monthly rent or mortgage.[8]

| Year first enrolled at Make School | Actual funds credited to student's account for tuition over two-year program | Average funds provided for rent and living expenses over the two-year program | Maximum potential liability under Tuition ISAs (i.e., "payment cap") | Maximum potential liability under living stipend ISAs (i.e., "payment cap") | Total potential liability to students financing program through ISAs |
|---|---|---|---|---|---|
| 2016 Cohort | $50,000 | $27,000 | $140,500 | $81,000 | **$221,000** |
| 2017 Cohort | $60,000 | $36,000 | $160,000 | $108,000 | **$268,000** |
| 2018 Cohort | $70,000 | $31,500 | $175,000 | $94,500 | **$269,500** |

99. Moreover, and to make matters worse, Make School's statements concerning the term of its ISA program (*i.e.*, the number of months students would have to make income share payments) were also false and misleading because they incorrectly imply that a student's income-share obligations under the ISAs would cease within forty-two to sixty months depending on the year signed and whether the student also signed an ISA for living expenses, or when the student hit the payment cap (summarized above), whichever came first.

100. In reality, one tuition ISA was required each year, and one or more living stipend ISAs would be needed each year to cover living expenses while attending school full-time—and *each and every* ISA could be extended up to 36 additional months. The ISAs were paid one after the other in the case of the 2016 Cohort, 2017 Cohort and Late-2017 Cohort, or, in the case of the 2018 Cohorts, in sets of two (year one ISAs, then year two ISAs). The practical result was that students would remain obligated to share income for a significantly longer period of time

[8] This chart reflects the total potential liability for students financing Make School's program with four ISA contracts (a tuition and stipend ISA for year one, and a tuition and ISA stipend for year two). Some students needed to take out a fifth ISA for living expenses if they were unable to complete the program in two years, which came with its own payment cap that added on to the other payment caps, resulting in a greater potential liability over a longer period of time.

than advertised—sometimes for ten years or more—thereby ensuring that Make School and Vemo would receive an income share that was as close as possible to the exorbitant payment caps, outlined above, many of which were not disclosed to students before enrolling in the program.

101. In addition, from 2016 to 2019, Make School on its website and at promotional events stated that Make School graduates would, on average, "start working 2 years earlier than typical computer science undergrads," and that as a result, Make School students could expect to earn $190,000 (pre-tax) immediately following graduation, while their peers would still be in college and "paying up to $80,000 in tuition for their junior and senior years." An example of this statement, which appeared on Make School's website in 2018 and 2019 is reproduced below.[9] Substantially similar statements were made to Plaintiffs at promotional events prior to their enrollment.

COMPARING TO TRADITIONAL COLLEGES

Our graduates start their careers with an average salary of $95k/year, on par with graduates from top-tier programs and far ahead of the national average of around $66,000 .

Our graduates start working 2 years earlier than typical computer science undergrads. While their peers are paying up to $80,000 in tuition for their junior and senior years of college, our typical graduate earns $190,000 pre-tax.

102. These statements (endorsed and promoted by Vemo) concerning the estimated debt of a "traditional" student versus the projected income of a Make School student are false and misleading because the statements compare apples to oranges. In other words, the projected (and inflated) *debt* of a so-called "traditional" student is compared to the projected *income* of a

[9] https://web.archive.org/web/20190403055150/https://www.makeschool.com/computer-science/tuition-and-aid (April 3, 2019); *see also* https://web.archive.org/web/20170606203733/https:/www.makeschool.com/product-college/admissions#tuition (June 6, 2017).

Make School graduate. In doing so, Make School concealed the true cost of Make School's two-year program and potential debt that Make School students would have upon leaving the program as compared to the debt of a traditional four-year university student.

103. In addition, these statements are false and misleading because they inflate the amount of debt and monthly payment obligation that students attending traditional four-year universities have on average. The statements do not disclose that federal financial aid, scholarships, grants, and/or private loans are frequently made available to those students, all of which have significantly more favorable pay-back terms than Make School and Vemo's ISAs.

104. For example, Federal Loans and a growing number of private loans[10] have repayment plans in which the students' monthly payment obligation is calculated as a percentage of his or her income. The U.S. Department of Education, for example, offers "Pay As You Earn" and "Revised Pay as You Earn" payment plans under which students' monthly payment amount is calculated as 10% of the students' *discretionary* income—that is, income in excess of 150% of the HHS Poverty guidelines based on family size. Make School's ISA program, in contrast, calculates students' monthly payment obligation as 25% of the students' *pre-tax* income, resulting in a significantly higher monthly payment amount.

105. Moreover, unlike traditional student loans, the ISAs do not provide for deferment, forbearance, or forgiveness if, for example, the student experiences unexpected financial hardship due to a medical emergency, or a spouse losing a job, or for other reasons. The 25% income share is not adjusted based on family size or other financial obligations students may experience. Make School never disclosed these facts, and instead claimed falsely in 2017 that if students had a "real loan," a private lender could "call the sheriff and come take all your stuff." That statement is also false and misleading because personal property seizures are virtually non-existent as a remedy for non-payment of a student loan.

[10] Joanna Pearl & Brian Shearer, *Credit by Any Other Name: How Federal Consumer Financial Laws Governs Income Share Agreements*, Student Borrower Protection Center (July 2020), at p. 9 and n.27 (providing examples of traditional private student loan programs offering income-based-repayment options).

*Make School's False Promises Concerning Debt Waivers for Military Veterans*

106. In addition, Make School specifically targeted military veterans. Make School falsely advertised Make School as a soon-to-be Yellow Ribbon School. The Yellow Ribbon program is a provision in the Post-9/11 GI Bill that allows veterans to attend a private school for little or no out-of-pocket money. Make School promised military veterans that their student debt would be waived or dramatically reduced once Make School became a Yellow Ribbon school.

107. Plaintiffs are informed and believe that to this day, Make School never obtained Yellow Ribbon status.

*Make School and Vemo's Failure to Provide Students with Any Meaningful Opportunity to Review their ISA Contracts*

108. Many students were not provided with an initial ISA contract to review and sign until after the student had already re-located to the San Francisco area to begin attending classes.

109. Upon signing an initial ISA for year one, Plaintiffs were never told what the actual terms of subsequent ISAs would be, including the payment cap of those future agreements. In some instances, students did not know that there would be subsequent ISAs at the time that they enrolled in Make School's program. It was not until after the student signed an initial ISA upon enrollment, and after the student had invested significant time and money participating in the program, they were asked to sign new ISAs on more than one instance.

110. Those agreements were presented without any meaningful opportunity to review them. In some instances, students (including several of the Plaintiffs named herein) were asked to sign ISAs the same day they received them or else they could not complete the program.[11]

[11] Moreover, on occasion the multiple ISAs provided to students were internally inconsistent and led to absurd results. For example, students in the 2016 Cohort needed to sign four or more ISAs to finance the program—two tuition ISAs providing for a 25% income share, and two or more living stipend ISAs, also providing for a 25% income share. Taken together, the ISAs provided that, all year one and year two tuition ISAs would be paid concurrently, followed by the year one and year two stipend ISAs (also paid concurrently). Construed together, several of Plaintiffs' ISAs (i.e., the ISAs for Corey Harrilal, Anastasios Lambrou, and Michael Loubier) purportedly require the student to pay 50% of his or her pre-tax income. However, elsewhere the ISAs prohibited the student and the school from entering into any ISAs which would result in an income share greater than 25%. Similarly, some of the Plaintiffs in the 2017 Cohort (namely Briant M. De Oliveira, Duncan MacDonald, and James A. Rezendes) signed a

*Make School's False and Misleading Statements Concerning its Interest in Students' Success*

111. Despite Make School's claims otherwise, the ISA program was not "financial aid" at all. It was an illegal and exploitative scheme designed to generate start-up funds that was targeted at low-income students who, through no fault of their own, did not have the up-front cash to pay for Make School's program.

112. Make School presented its ISA program as innovative and the solution to the student debt crisis because it "align[ed] [Make School's] incentives with the outcome of [it's] students – [it was] successful if [the student is] successful."[12]

113. Vemo likewise for years has promoted and continues to promote ISA programs as "[a] winning formula for colleges" because the program "align[s] institutional success with student outcomes."[13]

114. For example, in January of 2019, Make School's co-founder Jeremy Rossmann promoted Make School's ISA tuition model on CBSN. He was asked the following question by the news anchor: "how on earth do[es] [Make School] make money if people don't get good jobs?" Mr. Rossman responded with "well we don't, that's the whole point. Students get good jobs, and therefore we make money. We've got students hired by Facebook and Apple, Google, a bunch of great companies . . . and [] its outcomes like those that pay the bills."[14]

115. These marketing messages suggested (falsely) that Make School would only be "successful" (*i.e.*, receive money and remain a viable institution) if it properly prepared its students for rewarding and good paying jobs.

living stipend ISA (their fifth ISA total) that by its terms provided for a 7%-25% income share and a payment term that began three months after graduation. Construing the ISAs together, that payment term purportedly stacked on top of an earlier tuition and/or stipend ISA with its own 25% income share obligation, resulting in an income share of 32% to 50% immediately following graduation.

[12] https://web.archive.org/web/20180709042552if_/https://www.makeschool.com/product-college/tuition-and-aid (July 2018).

[13] https://vemoeducation.com/blog/2019/01/13/isa-101-a-brief-primer-on-income-share-agreements/ (last visited June 23, 2021).

[14] Program could change the way college students pay tuition (posted January 14, 2019) at 1:22-1:45, *available at* https://www.youtube.com/watch?v=H7sjk863qLo&ab_channel=CBSNews (last visited January 24, 2022).

116. The truth is, Make School used its ISA pool as a way for Make School to generate start-up funds from investors and lenders long before students graduated. The actual incentive of Make School was to have as many students sign as many ISA contracts as possible so that Make School could (i) package and sell those ISAs to investors in exchange for cash up front, and (ii) borrow money from lenders backed by the ISAs themselves.

117. Make School did not disclose how it had been using the ISAs to receive start-up funds before students graduated until May 20, 2021, when it told current students participating in the ISA program that "[t]he ISA program relied heavily on investors purchasing the future payback of these loans in exchange for loaning Make School the money it needed to operate."

118. Contrary to Make School's representations otherwise, Make School's incentives were not "aligned" with its students. The actual incentive for Make School was to create a large ISA pool so Make School could sell those ISAs and receive operating cash, which is precisely what Make School did by inducing students to sign as many as five ISAs to finance the program using false and deceptive rhetoric.

### D. Make School Fails to Live Up to Its Lofty Promises, Causing the Majority of Make School Students to Withdraw From the Program

119. Plaintiffs enrolled at Make School, and signed expensive ISAs, based on promises that were made to them concerning the value of the education they were to receive and the debt they could expect to have after graduation.

120. Plaintiffs were promised a cutting-edge curriculum and a "powerful professional network" that would sling-shot them into a job at top technology companies in Silicon Valley and across the world.

121. Plaintiffs did not receive what they were promised. The program curriculum was non-existent or underdeveloped and was essentially a series of online exercises using free open-source material that students could find themselves without paying expensive tuition (plus living expenses). Many instructors did not have teaching credentials or advanced degrees that made them qualified for college-level teaching positions. And courses were frequently taught on the fly

without any set structure. Many of the skills needed to obtain apprenticeships and eventually jobs in the field were either self-taught, taught by other students, or obtained at outside "bootcamps" not affiliated with Make School (for an additional fee).

122. To be clear, Plaintiffs are not bringing this action because they did not become software engineers. Some former students of Make School did go on to become software engineers and some did not. Plaintiffs are bringing this action because Make School and Vemo misrepresented what Make School provided and the long-term cost of those services.

123. As a result of these deceptive business practices, the majority of students who enrolled in Make School withdrew because they were not provided with the educational services promised and/or the program was too expensive and not necessary for them to become gainfully employed.

124. According to Make School's own data, of the 49 students who entered Make School in 2017, 41 students (86%) either withdrew from the program or were dismissed.[15] Similarly, at the time the data was reported, of the 92 students who entered Make School in 2018, 42 students (47.8%) had either withdrawn from the program or were dismissed, and the other half (44 students) was still enrolled, and several of those students subsequently withdrew or were dismissed as well.[16]

125. Despite the fact that the vast majority of Make School students never completed Make School's computer science program, Vemo is and will continue to enforce the income share agreements against Plaintiffs and other former and current Make School students, unless declaratory or injunctive relief is awarded by this Court.

[15] https://docs.google.com/spreadsheets/d/1p_oeHqdVhlHnFU9Qidd-Ak3YnbuF5l8qqhKpuEG-mww/edit#gid=488358698, *available at* https://www.makeschool.com/computer-science-degree/outcomes/data (last visited June 23, 2021).

[16] *Id.*

## E. From its Inception until July 12, 2018, Make School Operated Illegally in the State of California without BPPE Approval

126. In addition to these material misrepresentations, Make School, from its inception until July 12, 2018, operated without approval by the State of California, in violation of California law and an order by the State requiring it to cease operations.

127. Specifically, Make School is regulated by the California Bureau of Private Postsecondary Education ("BPPE"). Under the Private Postsecondary Education Act, if a postsecondary institution is not accredited by the regional accreditation agencies (which Make School was not), state approval by the BPPE is mandatory to open and operate a private postsecondary institution in the State of California. *See* Cal. Ed. Code § 94886 ("a person shall not ***open, conduct, or do business*** as a private postsecondary educational institution in this state without obtaining an approval to operate under this chapter.") California law makes it a crime to "[k]nowingly operat[e] a private postsecondary institution without an approval to operate." *See* Cal. Ed. Code § 94943.

128. Furthermore, under California Education Code § 94917, any "note, instrument, or other evidence of indebtedness relating to payment for an educational program is not enforceable by an institution unless, at the time of execution of the note, instrument, or other evidence of indebtedness, the institution held an approval to operate."

129. At the time that Make School began operating, and continuing for over three years, Make School knowingly operated illegally without approval from the BPPE. Make School enrolled the 2016 Cohort, the 2017 Cohort, and the late-2017 Cohort, and induced those students to sign ISA agreements, at a time when Make School did not have approval to operate in the State.

130. On May 2, 2018, the BPPE fined Make School $100,000 and ordered it to cease operating until an approval to operate had been obtained. Make School was also ordered to provide a refund to all students enrolled at the school prior to receiving an approval to operate because "the enrollment agreements signed by the student are not enforceable since the school

does not have approval to operate."[17]

131. Despite the clear requirement to cease all operations, Make School continued to operate and advertise its educational services and ISA program to the public. Make School never disclosed the BPPE order to the Plaintiffs, and instead induced several Plaintiffs to sign year two ISAs, even after the May 2, 2018 order to cease operating was issued.

132. The May 2, 2018 citation was modified on or about August 13, 2018 to reduce the fine assessed to $25,000.[18] The BPPE did not modify its order with respect to its order of abatement requiring Make School to provide a refund to students enrolled at Make School prior to receiving approval to operate.

133. Make School did not obtain approval to operate a non-accredited institution until July 12, 2018.

134. Make School did not disclose the BPPE citation to Plaintiffs, and on information and belief, it did not attempt to refund any students who signed ISAs prior to the school having approval to operate in the State.

135. Plaintiffs are informed and believe and thereon allege that Vemo continues to send bills and other collection notices to former Make School students attempting to receive payment on the ISA agreements, notwithstanding the BPPE's orders and Education Code Section 94917.

### F. Even After it Obtained BPPE Approval, Make School was Required to, But did Not, Keep that BPPE approval in late 2019, 2020, and 2021, Rendering these ISAs Unenforceable.

136. Following the 2018 BPPE order requiring Make School to shut down and refund students (which Make School ignored), Make School did eventually obtain BPPE approval to operate, effective July 13, 2018. However, Make School only held that approval for approximately one year.

[17] https://www.bppe.ca.gov/enforcement/actions/1718011_make_school.pdf (Last visited June 23, 2021).

[18] https://www.bppe.ca.gov/enforcement/actions/appeal_makeschool.pdf (Last visited June 23, 2021).

137. On May 30, 2019, Make School wrote to the BPPE to inform the BPPE that it had partnered with Dominican University of California ("Dominican") pursuant to the WSCUC incubation policies, which allowed non-accredited institutions like Make School to partner with a WSCUC accredited institution (Dominican) with the stated intent of the unaccredited entity evolving within the accredited institution to the point of becoming separately accreditable under WSCUC policies. During the incubation relationship, Make School students could obtain a B.S. degree through Dominican, notwithstanding the fact that Make School lacked its own accreditation.

138. Dominican at all relevant times had approval to operate from the BPPE by virtue of its status as a WSCUC-accredited institution (Western Association of Schools and Colleges). However, WSCUC incubation policies are clear that entering into an incubation relationship with an accredited institution like Dominican does not relieve the incubated entity (here, Make School) from maintaining its own separate BPPE approval during that incubation relationship. WSCUC policies provide that "the unaccredited entity [Make School] must seek and obtain its ***own*** authorization from California's Bureau of Private Postsecondary Education (BPPE) prior to becoming a separately accredited institution." *See* WSCUC Incubation Policies, § 2(d)(iv), attached hereto as **Exhibit A.**

139. Make School and Dominican integrated these WSCUC requirements into their Memorandum of Understanding ("MOU"). A redacted copy of Dominican's MOU with Make School is attached hereto as **Exhibit B.** The MOU provides that Make School "must seek and obtain its own authorization from California's [BPPE] prior to becoming a separately accredited institution." Ex. B at ¶ I(N).

140. Documents and information obtained since the filing of the original complaint in this action have revealed that Make School made false assertions to the BPPE in 2019 when it surrendered its BPPE approval about how students would be charged for the computer science program. In May of 2019, Jeremy Rossmann wrote to the BPPE and claimed that Make School did not need to be authorized to operate by the BPPE during its incubation relationship with

Dominican because during that relationship Make School "would not be offering postsecondary education to the public for an institutional charge as the education offerings *and charges* would be through Dominican."

141. That statement is false, because Make School continued to charge students for tuition through ISA agreements in 2019, 2020, and 2021. Those ISA agreements are between the student and Make School (not Dominican). Plaintiffs are informed and believe, and thereon allege, that the ISAs were never sold or assigned to Dominican, and Dominican has not collected on Make School's ISA agreements.

142. Make School's rescission of its BPPE approval became effective on July 19, 2019. The MOU and WSCUC policies are clear that Make School needed to, but did not, maintain BPPE approval during the incubation relationship. Under California Education Code section 94917, any ISAs signed after July 19, 2019 are invalid and unenforceable. Nonetheless, Vemo continues to send bills and other collection notices to former Make School students attempting to receive payment on these post-rescission ISA agreements, notwithstanding the BPPE's orders and Education Code Section 94917.

## F. After Receiving Notice of Plaintiffs' Claims, Make School Enters into an Assignment for the Benefit of the Creditors

143. On April 14, 2021, several Plaintiffs in this lawsuit sent Make School and Vemo a claim notice pursuant to the ISAs.

144. On May 13, 2021, one day before the 30-day notice period expired, Make School indicated that it was in the process of engaging counsel and that it was very interested in resolving the matter pre-litigation. In reliance on those statements, Plaintiffs decided not to file a complaint at that time.

145. Between May 14, 2021 and June 3, 2021, the parties exchanged emails and phone calls concerning the parameters of a settlement that would involve cancellation or amendment to Make School's ISA contracts.

146. However, on June 4, 2021, Make School backed out of those discussions and

instead claimed that "due to the threatened lawsuit and other factors," Make School would be entering into an assignment for the benefit of the creditors ("ABC") in which it would be transferring all of Make School's assets to an assignee. As such, Make School no longer held any assets and no longer had any authority to cancel or modify any ISAs, including Plaintiffs'. Make School further informed Plaintiffs' counsel that Make School's computer science program was being administered by a non-profit, which did not hold any of the ISAs. At that time, however, Make School's counsel would not disclose who the assignee was, who the new holder(s) of students' ISA contracts was, what specific Make School entity entered into the ABC and when, and whether Vemo still serviced the ISA contracts.

147. It was not until June 22, 2021 that counsel for the assignee disclosed partial details about the ABC transaction, including that a new Make School entity, Defendant "Make School ABC, LLC" was the assignee and owned the ISA contracts through its subsidiary, Defendant "Make School ISA SPV, LLC."

148. Make School ceased operating on July 30, 2021.

149. On information and belief, the assignee Make School ABC, LLC intends to market and sell the ISA contracts to a debt buyer, which in turn will continue attempting to collect payments under the ISAs from Plaintiffs and other students through Defendant Vemo and/or another third party.

150. In addition, Plaintiffs are informed and believe, and thereon allege, that one of Make School's lenders has a security interest in a portion of Make School's ISAs and will likely foreclose on those assets (if it has not already), and then continue to collect from former Make School students.

**FIRST CAUSE OF ACTION**
**(Declaratory and Injunctive Relief)**
**By the 2016 Cohort, 2017 Cohort, and Late-2017 Cohorts**
**Against All Defendants**

151. Plaintiffs reallege and incorporate by reference all the allegations set forth in each of the preceding paragraphs of this Complaint.

152. Plaintiffs seek a declaration pursuant to C.C.P. § 1060 that the ISAs entered into prior to Make School's approval to operate on a non-accredited basis are void and unenforceable.

153. An actual, present, and justiciable controversy now exists between the parties with respect to the rights of Plaintiffs and Defendants. On the one hand, Plaintiffs contend that any ISA signed by a student prior to Make School receiving approval from the BPPE to operate is void and unenforceable. Defendants, on the other hand, dispute the above contentions, as shown by their attempts to collect 25% or more of Plaintiff's pre-tax income each month, notwithstanding the fact that the school did not have approval to operate in the State at the time those ISAs were signed.

154. A judicial determination of the rights and obligations of Plaintiff and Defendants is necessary and appropriate at this time under the circumstances.

**SECOND CAUSE OF ACTION**
**Declaratory Judgment**
**By the 2018 Cohort (on ISAs signed after July 19, 2019)**
**Against All Defendants**

155. Plaintiffs reallege and incorporate by reference all the allegations set forth in each of the preceding paragraphs of this Complaint.

156. Plaintiffs seek a declaration pursuant to C.C.P. § 1060 that the ISAs entered into after Make School rescinded its BPPE approval on July 19, 2019, are void and unenforceable.

157. An actual, present, justiciable controversy now exists between the parties with respect to the rights of Plaintiffs and Defendants. On the one hand, Plaintiffs contend that any ISA signed by a student after Make School rescinded its BPPE approval

on July 19, 2019 is void and unenforceable. Defendants, on the other hand, dispute the above contentions, as shown by their attempts to collect Plaintiffs' income each month, notwithstanding the fact that Make School had no approval to operate in the State at the time those ISAs were signed.

158. A judicial determination of the rights and obligations of Plaintiff and Defendants is necessary and appropriate at this time.

**THIRD CAUSE OF ACTION**
**Violation of California's Unfair Competition Law ("UCL")**
**California Business and Professions Code § 17200, *et. seq.***
**By all Cohorts Against All Defendants**

159. Plaintiffs reallege and incorporate by reference all the allegations set forth in each of the preceding paragraphs of this Complaint.

160. Plaintiffs and Defendants are "persons" within the meaning of the UCL. Cal. Bus. & Prof. Code § 17201.

161. The UCL defines unfair competition to include any "unlawful, unfair, or fraudulent business act or practice," as well as any "unfair, deceptive, untrue or misleading advertising." Cal. Bus. & Prof. Code § 17200.

162. By committing the acts and practices alleged herein, Defendants have engaged in unlawful, unfair, and fraudulent business acts and practices in violation of the UCL.

163. ***Unlawful Conduct*:** As a result of engaging in the conduct alleged in this Complaint, Defendant Make School has violated the UCL's proscription against engaging in unlawful conduct by virtue of its violation of state and federal law. More specifically, Defendant Make School has violated the UCL's proscription against engaging in "unlawful" business practices by virtue of its conduct in violation of the Federal Trade Commission Act ("FTCA"), which prohibits "unfair or deceptive acts or practices in or affecting commerce." (15 U.S.C. § 45(a)(1)) and prohibits the dissemination of any false advertisements (15 U.S.C. § 52(a)). In addition to federal law, Defendant Make School has violated California Civil Code §§ 1710 and 1711, California Education Code §§ 94886 and 94943, and California's False Advertising Law

(Bus. & Prof. Code § 17500). Plaintiffs reserve the right to allege other violations of law, which constitute other unlawful acts or practices.

164. In addition, Defendant Vemo has violated the UCL's proscription against engaging in unlawful conduct by virtue of its violation of state and federal law in connection with its marking of its ISA contracts through Make School, and in connection with its collection efforts under those ISAs. More specifically, Defendant Vemo has violated the UCL's proscription against engaging in "unlawful" business practices by virtue of its conduct in violation of the Federal Trade Commission Act ("FTCA"), which prohibits "unfair or deceptive acts or practices in or affecting commerce." (15 U.S.C. § 45(a)(1)) and prohibits the dissemination of any false advertisements (15 U.S.C. § 52(a)), and by virtue of its conduct in violation of the Fair Debt Collections Practices Act (15 U.S.C. 1692 *et. seq.*) In addition to federal law, Defendant Vemo has violated California Civil Code §§ 1710 and 1711, California's False Advertising Law (Bus. & Prof. Code § 17500), and the Rosenthal Fair Debt Collection Practices Act, Cal. Civ. Code § 1788 *et. seq*. Plaintiffs reserve the right to allege other violations of law, which constitute other unlawful acts or practices. Such conduct is ongoing and continues to this date.

165. ***Unfair Conduct:*** As described above, Defendant Make School has engaged in an "unfair" and deceptive business act or practice by, among other things:

a. marketing and promoting ISAs to prospective students in their late teens and early twenties with no significant experience with financial products without adequately disclosing the key features of those products;

b. marketing and promoting its ISAs not as loans or credit when that statement is false and misleading and has been expressly rejected by regulators;

c. marketing and promoting its ISA tuition model in a way that misled students to believe that financing Make School with ISA agreements would leave them financially better off and in less debt compared to students who chose to attend a four-year university;

d. Marketing and promoting an ISA program that failed to adequately disclose how the ISAs would sequence one after the other and how each ISA could be extended an additional 36 months, thereby ensuring that the school and/or Vemo would receive an income share that was as close as possible to exorbitant payment caps that were 2.5-4 times the original tuition amount or more;

e. Misrepresenting and concealing to the public, prospective students, and current students, including Plaintiffs, the true nature of Make School's financial interest in students' success, including by continuing to represent that Make School only got paid after the students did;

f. Introducing new ISA contracts on a take it or leave it basis to students after those students had already enrolled and invested significant time and money in Make School's program; and

g. Conducting business without BPPE approval and in violation of BPPE orders requiring it to cease operations;

h. Deliberately concealing the 2018 BPPE order finding that the 2016 Cohort's, 2017 Cohort's and the Late-2017 Cohort's ISA agreements were void and unenforceable;

i. Falsely claiming that military veterans would be able to attend Make School at little to no cost; and

j. Failing to provide a meaningful curriculum and qualified instructors as promised.

166. As described above, Defendant Vemo has engaged in an "unfair" and deceptive business act or practice by, among other things:

a. marketing and promoting, through Make School, ISAs to prospective students in their late teens and early twenties with no significant experience with financial products without adequately disclosing the key features of those products;

b. marketing its ISAs as not loans or credit when that statement is false and misleading and has been expressly rejected by regulators;

c. marketing and promoting, through Make School, an ISA tuition model in a way that misled students to believe that financing Make School with ISA agreements would leave them financially better off and in less debt compared to students who chose to attend a four-year university;

d. marketing and promoting, through Make School, an ISA program that failed to adequately disclose how the ISAs would sequence one after the other and how each ISA could be extended an additional 36 months, thereby ensuring that the school and/or Vemo would receive an income share that was as close as possible to exorbitant payment caps that were 2.5-4 times the original tuition amount; and

e. Continuing to collect on the 2016 Cohort's, 2017 Cohort's, and Late-2017 Cohort's ISA contracts notwithstanding the fact that those agreements are void and unenforceable.

167. ***Fraudulent Conduct:*** A business act or practice is "fraudulent" under the UCL if it is likely to deceive members of the consuming public.

168. Make School and Vemo's acts and practices alleged above constitute fraudulent business acts or practices because they have deceived Plaintiffs and are highly likely to deceive members of the consuming public.

169. Each of the Plaintiffs relied on Make School and Vemo's fraudulent and deceptive representations regarding Make School and its ISA tuition model.

170. Plaintiffs would not have entered into ISA agreements without Make School and/or Vemo's representations.

171. ***Unfair, deceptive, untrue, or misleading advertising:*** Make School and Vemo's advertising of its ISA agreements, and Make Schools' advertising of its computer science program constitutes unfair, deceptive, untrue, or misleading advertising under the UCL.

172. Advertising is misleading under the UCL if members of the public are likely to be

deceived.

173. As set forth above, the above-described representations concerning Make School's computer science program and ISA tuition model were communicated to Plaintiffs and other prospective Make School students, and the advertisements are likely to mislead a reasonable person into believing that a meaningful curriculum and qualified instructors would be provided to students, and that financing that program with ISAs would leave them financially better off than their peers who attended traditional four-year universities.

174. This UCL claim is brought against Make School ABC, LLC and Make School ISA SPV, LLC pursuant to the FTC holder rule and related California law, which preserves Plaintiffs' right to assert claims and defenses against the holder of the ISAs even if those contracts are assigned to a third party.

175. Defendants' violations of the UCL continue to this day, as Vemo and Make School's assignees will continue collection efforts on the ISA contracts. Unless restrained and enjoined, Plaintiffs and all other Make School students who participated in the ISA program will continue to receive demands for exorbitant amounts of money under the ISA contracts from Vemo, the assignee, and/or whoever the assignee markets and sells the ISA contracts to as part of Make School's liquidation.

## FOURTH CAUSE OF ACTION
**Violation of California's False Advertising Law ("FAL")**
**California Business and Professions Code § 17500, *et. seq.***
**By All Cohorts Against All Defendants**

176. Plaintiffs reallege and incorporate by reference all the allegations set forth in each of the preceding paragraphs of the Complaint.

177. California Business and Professions Code § 17500 broadly proscribes "untrue or misleading statements in advertising" in connection with the performance of services.

178. Defendant Make School provides a service to consumers in which consumers sign up for "educational/training services."

179. In connection with the performance of those services, Defendants Make School

and Vemo intended to and did make untrue and misleading statements in advertising in violation of the FAL. Make School's online content and statements concerning the cost of the ISAs, which was endorsed and promoted by Vemo, violate the FAL because for the reasons described above, those statements have deceived Plaintiffs and are likely to deceive members of the public.

180. Plaintiff and other Make School students suffered injury in fact as a result of Defendant Make School's actions as set forth herein because each of the Plaintiffs enrolled at Make School and signed ISA agreements in reliance on Make School's false and misleading claims.

181. Plaintiffs discovered the falsity of Make School's advertisements and promotional statements between 2019 and 2020, once they began to learn from fellow students who had begun receiving bills from Vemo the true long-term cost of the ISAs was not what had been disclosed to them prior to enrollment.

182. Make School and Vemo have profited from their collection efforts under the ISA contracts and continue to collect on those agreements.

183. As a result, pursuant to Cal. Bus. & Prof. Code § 17535, Plaintiffs are entitled to public injunctive relief and equitable relief and restitution.

184. This claim is brought against Make School ABC, LLC and Make School ISA SPV, LLC pursuant to the FTC holder rule and related California law, which preserves Plaintiffs' right to assert claims and defenses against the holder of the ISAs even if those contracts are assigned to a third party.

## FIFTH CAUSE OF ACTION
## Violation of the Rosenthal Fair Debt Collection Practices Act ("RFDCPA") By all Cohorts Against Defendant Vemo

185. Plaintiffs reallege and incorporate by reference all the allegations set forth in each of the preceding paragraphs of the Complaint.

186. Each of the Plaintiff's financial obligations allegedly owed under the ISA contracts at issue in this case is a "debt" and a "consumer debt" as those terms are defined by the

RFDCPA, Cal. Civil Code § 1788.2(d) and (f).

187. Defendant Vemo is a "debt collector" as that term is defined by the RFDCPA, Cal. Civil Code § 1788.2(c).

188. Each of the Plaintiffs is a "debtor" as that term is defined by the RFDCPA, Cal. Civil Code § 1788.2(h).

189. For the reasons set forth above, the ISA contracts entered into before Make School had BPPE approval to operate in the State of California are void and unenforceable. By collecting and attempting to collect the amounts under these ISA contracts, Vemo violated the RFDCPA. Vemo's violations include, but are not limited to, the following: (a) misrepresenting the character, amount, or legal status of the debt, in violation of 15 U.S.C. § 1692e(2)(A), incorporated into state law by California Civil Code § 1788.17; (b) misrepresenting the compensation which may be lawfully received by Vemo and/or Make School for the collection of the debt, in violation of 15 U.S.C. § 1692e(2)(B), incorporated into state law by California Civil Code § 1788.17; and (c) attempting to collect interest, fees, or other charges from Plaintiffs that are not expressly authorized by the agreement creating the debt or otherwise permitted by law, in violation 15 U.S.C. § 1692f(1), incorporated into state law by California Civil Code § 1788.17.

190. Vemo also violated the RFDCPA by sending former Make School students billing statements that reflected "average earnings for a person working full-time" in the student's field of study as opposed to actual amounts owed under the ISA agreements.

191. Before a student's payment period began, the student received a notice from Vemo informing them that the payments under the ISAs will soon begin. The email requests income documentation from which to calculate the amount owed under the ISA, if any. If the student does not provide income documentation within 30 days before the first scheduled payment is due, Vemo issues a bill that purportedly reflects 25% of the pre-tax "average earnings" for a person working full-time in the student's field of study.

192. That "average" or estimate of what Vemo thinks *might* be owed under the ISAs is

not a statement of the actual current amount due. Yet, the bills received by the student provide no disclosure that the bill is an estimate and does not actually reflect the actual amount owed.

193. By sending purported bills based on "average earnings" to Plaintiffs, Vemo violated the RFDCPA. Vemo's violations include, but are not limited to, the following: (a) misrepresenting the character, amount, or legal status of the debt, in violation of 15 U.S.C. § 1692e(2)(A), incorporated into state law by California Civil Code § 1788.17; (b) misrepresenting the compensation which may be lawfully received by Vemo and/or Make School for the collection of the debt, in violation of 15 U.S.C. § 1692e(2)(B), incorporated into state law by California Civil Code § 1788.17; and (c) attempting to collect interest, fees, or other charges from Plaintiffs that are not expressly authorized by the agreement creating the debt or otherwise permitted by law, in violation 15 U.S.C. § 1692f(1), incorporated into state law by California Civil Code § 1788.17.

194. Vemo's acts as described herein were done willfully and knowingly with the purpose of coercing Plaintiffs to pay the debt, as that term is defined by Cal. Civil Code § 1788.30(b).

195. As a result of Vemo's violations of the RFDCPA, Plaintiffs are entitled to an award of actual damages in an amount to be determined at trial, pursuant to Cal. Civil Code §§ 1788.17[19] and 1788.30(a).

196. As a result of Vemo's violations of the RFDCPA, Plaintiffs are each entitled to an award of statutory damages in an amount not to exceed one thousand dollars ($1,000) against Vemo, pursuant to Cal. Civil Code § 1788.17.[20]

197. As a result of Vemo's willful and knowing violations of the RFDCPA, Plaintiffs are each entitled to an award of a statutory penalty in an amount not less than one hundred dollars ($100) nor greater than one thousand dollars ($1,000) against Vemo, pursuant to Cal. Civil Code § 1788.30(b).

[19] 15 U.S.C. § 1692k(a)(1).
[20] 15 U.S.C.§ 1692k(a)(2)(A).

198. As a result of Vemo's violations of the RFDCPA, Plaintiffs are entitled to an award of reasonable attorney's fees and costs, pursuant to Cal. Civil Code §§ 1788.17[21] and 1788.30(c).

199. Pursuant to Cal. Civil Code § 1788.32, the remedies provided under the RFDCPA are intended to be cumulative and in addition to any other procedures, rights or remedies that Plaintiffs may have under any other provision of law.

## SIXTH CAUSE OF ACTION
**Violation of the Student Loan Servicing Act**
**California Code § 1788.101**

200. Plaintiff realleges and incorporates by reference all the allegations set forth in each of the preceding paragraphs of the Complaint.

201. This Court six for violation of the California Student Loan Servicing Act (the "SLSA") is brought in the alternative to Plaintiffs' Count five for violation of the Rosenthal Fair Debt Collection Practices Act, to the extent that Vemo is not determined to be a "debt collector" within the meaning of subdivision (c) of California Civil Code section 1788.2.

202. Plaintiffs are "borrowers" within the meaning of subsection (a) of the SLSA because they are each a person who received a student loan.

203. Plaintiffs' ISAs are "student loans" within the meaning of subsection (q) of the SLSA because they are loans made solely to finance a postsecondary education (*i.e.*, Make School's computer science program), and they do not fall within any of the exceptions to the definition of a student loan set forth in subsections (q)(2).

204. Defendant Vemo is a "student loan servicer" within the meaning of subsection (s) of the SLSA because it is "engaged in the business of servicing student loans in this state."

205. SLSA section 1788.101(b)(1) broadly prohibits student loan servicers from engaging in abusive acts or practices when servicing a student loan.

[21] 15 U.S.C.§ 1692k(a)(3).

206. Among other things, a student loan servicer violates the SLSA by "[d]ireclty or indirectly employing a scheme, device, or artifice to defraud or mislead a borrower." Cal. Civ. Code § 1788.101(b)(1).

207. Defendant Vemo worked in coordination with Make School to employ a scheme to defraud Plaintiffs and other borrowers in violation of the SLSA.

208. Among other things, Plaintiffs are informed and believe and thereon allege that Vemo drafted the ISAs (including its numerous unconscionable terms) and marketed those ISAs to Make School as a way for both entities (Vemo and its partner school) to make money off students. Vemo partnered with Make School and specifically sought to market and promote its ISA agreements through Make School. Plaintiff is informed and believes, and thereon alleges, that Vemo is familiar with, and approved, its partner school's advertising and enrollment practices Accordingly, Vemo was well aware of, and actively participated in and facilitated a scheme to defraud and/or mislead borrowers.

209. In addition, a student loan servicer violates the SLSA by "misrepresent[ing] or omit[ting] material information in connection with the servicing of a student loan, including, but not limited to, the amount, nature, or terms of a fee or payment due or claimed to be due on a student loan, the terms and conditions of the student loan agreement, or the borrower's obligations under the student loan." Cal. Civil Code § 1788.101(b)(2).

210. For the reasons set forth above, the ISA contracts signed by Plaintiffs and others are void and unenforceable because Make School do not have approval to operate in the State of California from the BPPE, as required by the California Education Code.

211. By collecting and attempting to collect the amounts under Make School's ISA contracts, Vemo knowingly violated the SLSA by misrepresenting and omitting material information in connection with the servicing of a student loan, namely, that the instruments upon which it was trying to collect are not enforceable under the California Education Code.

212. As a result of Vemo's violations of the SLSA, Plaintiffs and others have signed ISAs and have made payments on those ISAs.

213. As a result of Vemo's violations of the SLSA, Plaintiffs and others have signed ISAs and have made payments on those ISAs. ]

**SEVENTH CAUSE OF ACTION**
**Unjust Enrichment**
**By all Cohorts Against All Defendants**

214. Plaintiffs reallege and incorporate by reference all the allegations set forth in each of the preceding paragraphs of the Complaint.

215. By their wrongful acts and omissions, Defendants were unjustly enriched at the expense of and to the detriment of Plaintiffs. Defendants were unjustly enriched as a result of the compensation they have received from the marketing and sale of the unlawful and unfair ISAs to Plaintiffs.

216. Plaintiffs seek restitution from Defendants and seek an order of this Court disgorging all profits, benefits, and other compensation obtained by Defendants from their wrongful conduct.

217. Plaintiffs have no adequate remedy at law.

**PRAYER FOR RELIEF**

WHEREFORE, Plaintiffs pray for relief and judgment against Defendants as follows:

**For the First Cause of Action (Declaratory and Injunctive Relief):**

a. A declaration by the Court that any income share agreements entered into prior to Make School having approval to operate in the State of California are unlawful and unenforceable;

b. A preliminary and permanent injunction restraining and enjoining Defendants from enforcing any income share agreement signed prior to Make School having obtained approval to operate in the State of California, or, if Defendants are not the current owner of the ISAs, enjoin the current owner from collecting on any ISA signed prior to Make School having obtained approval to operate in the State of California;

c. For restitution and disgorgement of all monies wrongfully collected pursuant to unenforceable ISAs entered into prior to Make School having obtained approval to operate in the State of California;

d. For costs of suit;

e. For attorneys' fees pursuant to Code of Civil Procedure section 1021.5; and

f. For such other and further relief as the Court deems just and proper.

**For the Second Cause of Action (Declaratory and Injunctive Relief):**

a. A declaration by the Court that any income share agreements entered into after Make School rescinded its approval to operate in the State of California are unlawful and unenforceable;

b. A preliminary and permanent injunction restraining and enjoining Defendants from enforcing any income share agreement signed after Make School rescinded its approval to operate in the State of California, or, if Defendants are not the current owner of the ISAs, enjoin the current owner from collecting on any ISA signed after Make School rescinded its approval to operate in the State of California;

c. For restitution and disgorgement of all monies wrongfully collected pursuant to unenforceable ISAs entered into after Make School rescinded its approval to operate in the State of California;

d. For costs of suit;

e. For attorneys' fees pursuant to Code of Civil Procedure section 1021.5; and

f. For such other and further relief as the Court deems just and proper.

**For the Third Cause of Action (Cal. Bus & Prof. Code § 17200):**

a. For an order declaring that the business acts or practices complained of herein are unlawful and violate Cal. Bus & Prof. Code § 17200.

b. For an order requiring Defendants to cancel all ISA agreements of any past or present Make School student and refund those students for all payments he or she has made, or, if Defendants are not the current owner of those ISAs, order the owner to cancel or refund students for all ISA payments made.

c. For an order otherwise making full restitution of all monies wrongfully obtained from Defendants' violations of the UCL, as alleged in this Complaint;

d. For prejudgment interest;

e. For costs and reasonable attorney fees incurred by counsel for Plaintiffs, including in accordance with California Code of Civil Procedure § 1021.5; and

f. For such other and further relief as the Court may deem just and proper under the circumstances.

**For the Fourth Cause of Action (Cal. Bus & Prof. Code § 17500):**

a. A declaration that the practices complained of herein are unlawful and violate Cal. Bus. & Prof. Code § 17500;

b. Awarding Plaintiffs their damages in an amount to be determined at trial, including compensatory damages, consequential damages, punitive damages, and any other damages provided under relevant laws;

c. An order awarding Plaintiffs attorneys' fees and costs;

d. An order awarding Plaintiffs pre-judgment and post-judgment interest, as allowed by law; and

e. Such further relief as may be appropriate.

**For the Fifth Cause of Action (Cal. Civ. Code § 1788.17):**

a. For actual damages in an amount to be determined at trial pursuant to 15 U.S.C. 1692(a)(1), which has been incorporated into state law by California Civil Code § 1788.17, and pursuant to Civil Code § 1788.30(a).

b. For an award of statutory damages of $1,000 per Plaintiff pursuant to 15 U.S.C. 1692k(a)(2)(A), which has been incorporated into state law by California Civil Code § Civil

Code § 1788.17

c. For an award of a statutory penalty in the amount of $1,000 per Plaintiff against Vemo pursuant to Civil Code § 1788.30(b)

d. Reasonable attorney fees and costs; and

e. Such other and further relief as the Court may deem just and proper under the circumstances.

**For the Sixth Cause of Action (Cal. Civ. Code § 1788.101)**

a. An injunction restraining and enjoining Vemo from violating any provision of the SLSA connection with the servicing of Make School's ISAs;

b. For restitution and disgorgement of all monies wrongfully collected under Make School's ISA(s);

c. Punitive damages;

d. Awarding Plaintiff costs and reasonable attorney fees in accordance with Cal. Civ. Code § 1788.103(b)(4); and

e. For such other and further relief as the Court deems just and proper.

**For the Seventh Cause of Action (Unjust Enrichment):**

a. Disgorgement of, restitution of, and/or imposing a constructive trust upon, the ill-gotten gains derived by Defendants from their unjust enrichment; and

b. For such other and further relief as may be appropriate.

## DEMAND FOR JURY TRIAL

Based on the foregoing, Plaintiffs hereby demand a jury trial for all claims so triable.

Dated: February 9, 2022

**THE SEQUOIA LAW FIRM**

Melody Sequoia

Melody L. Sequoia, Esq.
Attorney for Plaintiff

SBPC note: this exhibit is itself an exhibit to Exhibit B of the "Selling Out Students" report

# EXHIBIT A

WASC Senior College and University Commission

# Incubation Policy

## Review, Monitoring and Approval of Proposed "Incubation" Relationships with WSCUC Accredited Institutions Policy

(Excerpted from the *Substantive Change Manual*: see sub-section "ORGANIZATIONAL CHANGE: Accreditation of an Unaccredited Entity through Affiliation with an Accredited Institution")

This section applies to proposals in which an entity that is not WSCUC accredited seeks to create a formal relationship with a WSCUC accredited institution with the stated intent of the unaccredited entity evolving within the accredited institution to the point of becoming separately accreditable under WSCUC policies. The targeted time to achieve the goal of separate accreditation may be uncertain or addressed at an undefined future date. To be considered for Commission approval, the entity seeking to affiliate with the accredited institution must represent a coherent educational program or organizational configuration that can be envisioned as potentially becoming a stand-alone institution in compliance with WSCUC's *Separately Accreditable Institutions Policy*.

For the purposes of this section, the proposed affiliation will be referred to as an "incubation" relationship. The concept of incubation applies to scenarios such as[1]:

- A new entity with robust resources that would likely achieve WSCUC accreditation on its own once it has graduates from a program but wishes to move more quickly into the category of an operational higher education institution
- An innovative or experimental educational entity that desires a period of time as an actual part of the higher education sector to demonstrate whether it is viable on its own

In view of the fact that the implications of such a relationship extend beyond those of a substantive change for a new program, this section anticipates the multiple areas to be reviewed, over an extended period of time, in preparation for a sequence of actions by the full Commission.

**SCOPE OF REVIEW**

Substantive change proposals are expected to address the following:

1. Submitting Entity: The institution that holds WSCUC accreditation will prepare and submit the proposal to enter into an incubation relationship, with the full and informed collaboration of the unaccredited entity. This is essential in view of the fact that WSCUC has jurisdiction only over the

[1] In such cases where a segment or operational unit of an existing accredited institution intends to create a separate identity and/or organizational structure apart from the parent institution, such as an online division or an adult-serving institution, the emerging entity must apply for its own accreditation following the process outlined in the How to Become Accredited Manual.

accredited institution. This institution, through its continuous supervision of the unaccredited entity as an organic component of its own organization, is expected to ensure its compliance with WSCUC requirements at each stage of the process.

2. Planning: Planning documents, including a signed MOU, should address the full range of the envisioned relationship, including:
    a. ***Purposes***: The proposal must express how the relationship harmonizes with and furthers the mission of each entity. To this end, it should specify what each party seeks to accomplish by the collaborative agreement in terms of the intended outcomes – financial (such as return to investors for a for-profit institution), academic, and organizational. These intended outcomes must comply at each stage with WSCUC Standards for institutional accreditation.
    b. ***Governance and Control***: The application must include a precise statement of the roles of each entity in both the immediate and the eventual governance structures, with specific attention to defining the controlling interests and ensuring compliance with WSCUC criteria for independent governing boards. It should be clear that the board of the accredited entity exercises sufficient authority and autonomy over the resulting institution to ensure its compliance with WSCUC Standards, with particular attention to oversight of curriculum, resource allocation, and institutional identity. The entity being incubated should have its own governance structure ready to become operational at the time it seeks to achieve separate accreditation. [See *Governing Board Policy*.]
    c. ***Academic Services***: The proposal must include a thorough delineation of shared or specified academic responsibilities, including ensuring that the accredited entity:
        i. Is responsible for transcripts and records, financial aid, admissions and registration processes and the criteria by which these decisions will be made, and is the entity into which students register.
        ii. Approves student handbooks, policies, and complaint processes, and determines whether any documents apply differentially to each entity.
        iii. Determines faculty policies, workloads, roles and responsibilities, terms of employment and awards of tenure or similar designations.

        Such delineations must be sufficiently comprehensive to cover all aspects of the incubated unit.
    d. ***Terms of Separation***: The proposal must address at what point, and by what criteria, the "incubated" entity will be regarded as ready to seek Eligibility and separate accreditation, including a timeline for the anticipated length of the incubation and the eventual separation. Since the governing bodies of each entity will make these decisions, both entities' governing boards must formally approve this aspect of the proposal. The following elements must be addressed:
        i. *Financial Agreements*: Specify how tuition revenues and debt obligations will be addressed by each entity; how faculty and staff salaries will be transitioned at the time of separation; and how shared assets, including intellectual properties, will be distributed.
        ii. *Enrollment and Teach-outs*: Specify how students' enrollment status will be protected during a transition away from the joint entity. Describe the conditions under which the new entity will enroll its own students and issue diplomas and transcripts in its own name without reference to the name of the parent entity. If any programs offered under the auspices of the joint entity will be discontinued, describe the teach-out agreements that will be implemented at the time of the closure of the program.
        iii. *Assets and Resources*: Describe in detail the assets, resources, and liabilities that will

be brought to the accredited entity by the agreement and how values will be assigned and assets distributed to each entity upon the separation.

iv. *State Authorization*: If the institution is located in California, stipulate that the unaccredited entity must seek and obtain its own authorization from California's Bureau of Private Postsecondary Education (BPPE) prior to becoming a separately accredited institution.

v. *Title IV Program Participation:* Stipulate that the unaccredited entity must seek and obtain its own federal OPEID number and Program Participation Agreement (PPA) for Title IV purposes prior to recognition as an accredited institution, unless the institution elects not to participate in Title IV. The newly accredited entity must be prepared at that time to manage Title IV obligations or to delegate them to a qualified contractor.

3. <u>Legal Review</u>: All memoranda of understanding and other founding documents will be subject to legal review as determined by WSCUC staff to ensure that the resulting organization complies fully with WSCUC policies and criteria in such areas as governance, accountability, and quality control. The costs for such review will be invoiced to the applicant institution in addition to other specified fees for the level of review required. Both parties must also specify in writing how they will address any conflicts that may entail legal counsel in terms of the mode and venue for conflict resolution.

4. <u>Protocol for Review</u>: A WSCUC accredited institution proposing to enter into a partnership with an unaccredited entity for the purpose of incubating the unaccredited entity will be subject to a review by the WSCUC staff, the Substantive Change Committee, and the Structural Change Committee of the WSCUC Commission. To begin consideration, WSCUC staff will examine the proposal and supporting documentation to determine the appropriate review procedure to be followed. A recommendation for Commission action will be made only when both the staff and the Substantive Change Committee have found that the proposed change sufficiently meets the WSCUC standards to potentially be considered for approval. A site visit by a Substantive Change Committee panel will likely be required as part of the review. This recommendation is referred to the Commission's Structural Change Committee for review and action and subsequently referred to the full Commission for final approval. The arrangement will be evaluated at the time of the next comprehensive review or within six years after implementation, whichever comes first.

Officers from the accredited institution should consult with their WSCUC staff liaison before submitting a proposal under this section.

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*Revised by the Commission February 2015*
*Revised, June 2018*

SBPC note: this exhibit is itself an exhibit to Exhibit B of the "Selling Out Students" report

# EXHIBIT B

**Memorandum of Understanding Between**
**Dominican University of California & Make School, Inc.**

WHEREAS, Dominican University of California ("Dominican"), a California non-profit public benefit corporation, four-year postsecondary institution accredited by the WASC Senior College and University Commission (WSCUC) that offers undergraduate and graduate level degrees at its primary campus in San Rafael, California, wishes to increase the digital literacy of its students and faculty and to add a computer science minor to its approved curriculum;

WHEREAS, Make School, Inc. ("MKS") a Delaware for-profit corporation and two-year post-secondary program that uses a project/product-focused pedagogy focusing on teaching coding and computing skills for technology product development, whose curriculum consists of courses in computer science theory, web development, mobile apps, and data science, wishes to collaborate with Dominican to add general education courses such as those offered by Dominican to its curriculum to enable it to award bachelor degrees and to otherwise develop and enhance its educational activities with a goal of securing WSCUC accreditation;

WHEREAS, WSCUC's *Policy for Review, Monitoring and Approval of Proposed "Incubation" Relationships with WSCUC Accredited Institutions* ("Incubation Policy") allows for the creation of an incubation relationship where the accredited entity oversees the development of the unaccredited entity with the express goal of assisting the unaccredited entity in achieving separate WSCUC accreditation; and

WHEREAS, the Parties to this Agreement wish to establish such a relationship under WSCUC's Incubation Policy;

THEREFORE, the Parties to this Agreement do hereby agree as follows:

## I. Overview and Purpose of Relationship

### A. Creation of Incubation Relationship

**(1) Establishment of MKS-Dominican.** With the purpose of furthering the mission of each of the Parties, consistent with Dominican's purposes as a California nonprofit public benefit corporation, the Parties agree to an incubation relationship consistent with the requirements of WSCUC's Incubation Policy that shall result in the establishment of new school of Dominican, hereafter "MKS-Dominican," that shall remain in operation during the term of this Agreement and during any subsequent renewals thereto, the purpose of which shall be to both enable Dominican to enhance its capabilities in technology-related areas and provide the opportunity for MKS to transition to a WSCUS-accredited institution.

**(2) Location of MKS-Dominican.** The Parties further agree that, as set forth in detail below, MKS-Dominican will be co-located at the MKS San Francisco campus (the "San Francisco Location"), which will become an instructional site for Dominican during the term of this Agreement subject to Dominican's control and oversight. The Parties agrees that the San Francisco Location is desirable for its proximity to technology hubs, highly qualified instructional personnel and student employment and internship opportunities.

**(3) Definition of MKS-Dominican.** MKS-Dominican shall be a separate school of Dominican which shall offer courses leading to an academic degree taught by MKS-Dominican faculty at the San Francisco Location. In addition, students enrolled at Dominican's San Rafael campus located at 50 Acacia Avenue in San Rafael, California (the "San Rafael Location") shall be eligible to register for courses taught by MKS-Dominican faculty offered through the San Rafael Location, including courses offered for credit at the San Rafael Location that are offered in furtherance of a computer science minor. MKS-Dominican shall also serve the purpose of offering faculty development to Dominican faculty at the San Rafael Location with respect to the incorporation of digital literacy into Dominican's curriculum, as needed and determined by the parties.

**B. Alignment of Incubation Relationship with Mission**

The Parties agree that the incubation relationship established pursuant to this Agreement is intended to further the mission of each party in the following ways:

**1. Dominican's Mission**

The incubation relationship is intended to further the mission of Dominican, insofar as MKS-Dominican will provide:

- Dominican with the ability to add digital literacy and digital skills to its current curriculum to ensure students' work readiness and marketability in all majors.
- The opportunity for Dominican to develop new certificates, badges and a minor in Computer Science that would better prepare it students for career and graduate programs;
- Faculty development to prepare Dominican's faculty to incorporate digital literacy/skills in their classes;
- An investment by MKS in shared IT to allow Dominican to properly manage admissions, registration, and related administration of MKS-Dominican in San Francisco as well as to improve such services in San Rafael.
- An additional means of offering integrated learning consistent with Dominican's Dominican Experience, including digital portfolios, mentoring, community engagement and signature work.

**2. MKS's Mission**

The incubation relationship is intended to further the mission of MKS, insofar as MKS-Dominican will:

- Enable MKS to develop the appropriate programs, personnel, policies and procedures such that it will be eligible to transition MKS-Dominican to an independent institution with WSCUC-accreditation;

- Enable MKS to ensure that its graduates acquire the benefits of a quality general education in conjunction with obtaining their accredited bachelors' degree in computer science.

### C. Relationship Between Dominican & MKS; MKS Program Start Date

The Parties agree that they shall enter into an incubation relationship, pursuant to this Agreement, during which period Dominican will retain oversight and control over MKS-Dominican's programs and activities as more fully described herein. The effective date of this Agreement shall be the date when this Agreement has been signed by both parties ("Effective Date").

The Parties agree that, subject to the approval of WSCUC, Dominican's Board of Trustees and Faculty, and any other legally required approvals, MKS-Dominican shall begin offering programs in the Spring 2019 semester, or in the first semester thereafter upon receipt of all required approvals. The parties further agree to target November 2018 for WSCUC approval of MKS-Dominican. Prior to the launch of MKS-Dominican, the parties shall use best efforts to offer general education courses to students enrolled at the San Francisco Location in order to facilitate the receipt of degrees.

### D. Goal of Partnership

The Parties agree that the following are explicit goals of the incubation relationship:

- A transfer of knowledge between the parties so that Dominican adds digital competencies and computer science courses to its curriculum by means of faculty development and sharing of course content and MKS adds general education courses to its curriculum by means of faculty development and sharing of course content

- An investment in Dominican's technology that will allow it to both provide the required database dependent services for MKS-Dominican at the San Francisco location and MKS-Dominican courses on Dominican's campus.

- MKS will have established governance, administrative and academic systems, policies and practices consistent with WSCUC Standards so that it will be fully qualified to be recognized as a free-standing WSCUC-accredited institution at the conclusion of the incubation period; the duration of said incubation period to be determined by the Parties and WSCUC in accordance with its Incubation Policy then in effect.

### E. Governance and Control of MKS-Dominican

The Parties to this Agreement do hereby agree that Dominican, as the accredited institution, shall retain control over MKS-Dominican according to WSCUC guidelines and all applicable laws and regulations, and as detailed in the provisions below. It is the intention of the Parties to enable MKS to become a stand-alone, WSCUC-accredited institution after the incubation period. As such, the Parties agree that the relationship created pursuant to this Agreement is intended over a three-year period to develop MKS's competencies to govern and operate as a WSCUC-accredited institution, with MKS-Dominican gaining increasing autonomy during this time period, as determined to be appropriate by Dominican in its sole authority.

**Memorandum of Understanding Between**
**Dominican University of California & Make School, Inc.**

## i. Administrative Oversight of MKS-Dominican

(1) The Parties agree to create the new position of Dean of MKS-Dominican ("Dean"), who shall have qualifications, duties and responsibilities at least comparable to those of Dominican Deans in similar positions.

(2) The Dean shall be subject to the control of Dominican and shall have direct reports as specified herein. The sole authority for hiring, evaluating and retaining the Dean shall reside with Dominican. MKS shall have input into the search process, including engagement in the interview process and be consulted respecting hiring, evaluating and retaining the Dean. The Dean shall report to the Vice President for Academic Affairs at Dominican and shall serve on Dean's Council. The Dean shall work closely with the co-CEOs of MKS, who shall provide Dominican with input and recommendations on the performance of the Dean. The Dean shall have his or her primary work location at MKS-Dominican in San Francisco.

(3) The Parties shall jointly develop the job description for the Dean. At a minimum, the Dean shall hold a terminal degree and shall have the requisite experience necessary to enable her/him to oversee MKS-Dominican in a manner that ensures compliance with WSCUC's standard and Dominican's policies and procedures.

(4) A Director of Academic Compliance, whose duties shall be similar to the current Director of Operations position at Dominican, will be hired by MKS to assist and shall report to the Dean in operating MKS-Dominican. The Parties shall jointly develop the job description for the Director of Academic Compliance.

(5) As more fully provided herein MKS will bear the cost of said Dean and the Director of Academic Compliance during the term of this Agreement. These positions shall be on MKS's payroll and benefits programs and workers' compensation insurance unless otherwise required by WSCUC. If not, MKS shall reimburse Dominican for the gross salary, benefits, and overhead for these positions on a calendar month basis, said payments to commence within 30 days of the end of the first month in which each employee was hired.

## ii. Board Oversight of MKS-Dominican

(1) MKS-Dominican will be operated as an academic unit of Dominican consistent with Dominican's governance policies as implemented by its Board of Trustees.

(2) The Board of Trustees of Dominican shall oversee the operation of MKS-Dominican, its academic operations, degrees, academic integrity, and compliance, in the same manner at the Board exercises oversight and control over such functions at Dominican as a whole.

(3) MKS's Board of Directors will continue to manage the business and affairs of MKS.

(4) To satisfy WSCUC's standards for a free-standing accredited institution, the Board of Directors of MKS will develop a structure and governance processes to enable it to meet WSCUC's standards upon separation.

### iii. Faculty Oversight of MKS-Dominican

(1) During the term of this Agreement, the faculty of Dominican shall approve MKS-Dominican's curriculum, course offerings, content, evaluation, grading, learning outcomes and shall retain all other customary oversight of the academic operations of MKS-Dominican, consistent with Dominican's shared governance policies and procedures. The Parties agree that, to ensure MKS qualifies as a stand-alone institution at the conclusion of the incubation period, Dominican shall provide MKS with recommendations for improvement or modifications to academic programs offered at MKS-Dominican within 45 days of the end of each term occurring within this Agreement.

(2) Prior to offering any courses under this Agreement, the Parties agree to follow the assessment of an external evaluator for the current courses being offered by MKS that are intended to be offered for an accredited degree to ensure that the quality and learning outcomes of MKS-Dominican courses are consistent with the standards for a WSCUC-accredited institution. The external evaluator shall also evaluate the credentials and teaching effectiveness of MKS's current faculty. The Parties agree that the evaluation of the external evaluator shall govern which courses are ready to be offered under this Agreement, subject to the ultimate approval of the faculty of Dominican. MKS shall develop and provide a curriculum that meets Dominican's academic expectations for a bachelor's degree, consistent with the recommendations of the external evaluator, to be presented to Dominican's faculty for its approval as appropriate.

## F. Academic Services

It is the intent of the Parties that Dominican shall retain ultimate authority and control over the Academic Services of MKS-Dominican set forth below. It is further the intent of the parties that the Dean of MKS-Dominican shall retain administrative oversight of the services delineated below, subject to the authority of Dominican's Vice President for Enrollment Management or Vice President for Academic Affairs, as appropriate. The Dean and her/his designee shall be provided access to Dominican's database and to other necessary information to allow sufficient oversight and review of the Academic Services set forth below. As an educational services provider, MKS officials shall have access to said records upon request and consistent with the requirements of the Family Educational Rights and Privacy Act (20 U.S.C. § 1232g; 34 CFR Part 99) ("FERPA").

### i. Admissions Criteria and Decisions

(1) Except as provided below, Dominican's admissions standards and procedures in effect at the time of the admissions cycle shall apply to all applicants for admission to MKS-Dominican.

(2) Subject to the ultimate approval of Dominican, the Parties may establish admissions standards and procedures for MKS-Dominican that are in addition to those used by Dominican currently, as long as the standards are more selective than those used by Dominican.

(3) Dominican students may transfer from Dominican to MKS-Dominican through the MKS-Dominican admissions process.

(4) MKS students may not transfer from MKS to MKS-Dominican without having been admitted through the MKS-Dominican admissions process. For the avoidance of doubt, the Parties explicitly agree that students who are currently enrolled in MKS at the time that MKS-Dominican begins offering courses will need to apply to MKS-Dominican and be admitted before they will be eligible to attend MKS-Dominican.

**ii. Tuition, Financial Aid Criteria and Decisions**

(1) **Income Share Agreement (ISA).** The Parties agree that MKS shall continue to offer an ISA option for students enrolling in the MKS-Dominican Computer Science degree programs at the San Francisco Location. Enrolled MKS-Dominican students at the San Francisco Location who wish to enter an ISA shall enter into said agreement with MKS directly, and MKS will be responsible for managing those agreements serviced through a third party. MKS shall notify Dominican of any such agreement allowing Dominican to appropriately credit the student's financial ledger. Student payments through the ISA option will be remitted to, and retained by, MKS.

(2) **Cash Payments.** The Parties agree that MKS-Dominican Computer Science students at the San Francisco Location who wish to pay using a cash option will make such payments directly to MKS. MKS shall notify Dominican of any such payments allowing Dominican to appropriately credit the student's financial ledger. Student cash payments will be remitted to, and retained by, MKS.

(3) **State and Federal Student Aid.** The Parties agree that if MKS-Dominican students secure federal or state financial aid pursuant to Dominican's participation in such programs, student will apply through Dominican's student aid office, and funds disbursed via these programs will be remitted directly to Dominican. If eligible students at the San Francisco Location have an unfunded tuition gap after application of governmental aid, they may secure financing through an ISA directly with MKS, subject to the process outlined in Section (1) or through cash payments as outlined in Section (2), consistent with the requirements of Title IV and the regulations pertaining to the total cost of attendance.

(4) Regardless of the source of tuition payments, or to which party payments are made, the parties agree that each shall remit to the other the appropriate funds due in accordance with the Semester Program Agreement then in effect as set forth in Section I(I) below.

(5) **Setting Tuition & Fees.** The Parties agree that Dominican shall set the tuition and fees for MKS-Dominican during the term of this Agreement, having consulted MKS no later than 90 days before the start of the term.

(6) **Eligibility of MKS-Dominican Students for Dominican Aid.** MKS-Dominican students enrolled at the San Francisco Location shall not be eligible for Dominican scholarships.

(7) **Eligibility of MKS-Dominican Students for Federal and State Aid** MKS-Dominican programs will be Title-IV eligible consistent with the eligibility of other Dominican programs; students enrolled in MKS-Dominican at either location will have access to federal and state financial assistance in a manner comparable to that of other Dominican students.

(8) **Compliance with Title IV.** MKS shall ensure that it does not cause any violations of Title IV or its implementing regulations, including Section 487(a)(20) of the Higher Education Act (HEA),which prohibits Dominican from providing incentive compensation to any persons or entities for their success in securing student enrollments or the awarding of Title IV Higher Education Act program funds. MKS expressly recognizes that this prohibition applies to employees and agents of MKS in the same manner as it applies to employees of Dominican with regard to MKS-Dominican applicants and students at both locations.

**iii. Awarding and Recording Academic Credit and Credentials**

(1) Dominican shall retain sole authority for awarding and recording academic credit, issuing transcripts, award of academic credentials and retaining academic records consistent with its existing obligations under federal and state law and WSCUC's standards.

(2) MKS shall provide Dominican with any information necessary to satisfy Dominican's obligations.

**iv. Evaluating and Awarding Transfer Credit for Prior Course Work and Experiential Learning**

(1) Dominican shall retain sole authority for evaluating prior course work and experiential learning, including course work previously offered by MKS. Dominican may rely on the assessment of the external evaluation when rendering its determination. In anticipation of the Spring 2019 launch date of MKS-Dominican, Dominican shall develop a framework for evaluating prior course work and experiential learning by no later than August 1, 2018.

(2) Dominican shall retain sole authority for awarding academic credit for prior course work and experiential learning, including prior MKS course credit awarded by MKS prior to the commencement of MKS-Dominican.

**v. Reviewing and Approving Course Content and Curriculum**

(1) As set forth above in Section II.E.(iii), the faculty of Dominican shall approve MKS-Dominican's curriculum, course offerings, content, evaluation, grading, and shall retain all other customary oversight of the academic operations of MKS-Dominican, consistent with Dominican's current shared governance policies and procedures.

(2) MKS may propose changes to course content and curriculum in the degree granting program through Dominican's usual shared governance process, to ensure that the courses at the San Francisco location of MKS-Dominican remain current and in keeping with the needs of industry.

**vi. Offering of Courses**

(1) At least 30 days before the start of each term at either location (San Francisco or San Rafael), the Parties shall meet and confer to determine the appropriate number and type of courses to be offered based on enrollment and the academic needs of MKS-Dominican's students. This agreement shall be embodied in a Semester Program Agreement attached hereto.

**vii. Registration**

(1) Dominican's current registration process shall be used for all MKS-Dominican students.

(2) Dominican shall retain responsibility for registering and tracking data pertaining to MKS-Dominican enrollment for the purposes of submission to IPEDS.

(3) MKS shall provide Dominican with any information necessary to satisfy Dominican's obligations.

**viii. Instructional Facilities**

(1) MKS shall ensure adequate instructional facilities at its San Francisco Location for offering MKS-Dominican courses including classroom, advising, library and office space that is sufficient for this purpose; technology and internet service; further, MKS shall ensure that its facilities comply with federal, state and local requirements including OSHA, the Americans with Disabilities Act, and Section 504 of the Rehabilitation Act.

(2) Dominican shall ensure adequate instructional facilities at its San Rafael Location for offering MKS-Dominican courses including classroom, advising, library and office space that is sufficient for this purpose; technology and internet service; further Dominican shall ensure that its facilities comply with federal, state and local requirements including OSHA, the Americans with Disabilities Act, Section 504 of the Rehabilitation Act.

(3) Each party shall bear the cost of operating its respective instructional facility, unless otherwise specified explicitly in this Agreement.

**ix. Faculty**

(1) The sole authority for hiring, evaluating and retaining faculty who teach in Dominican, expressly including MKS-Dominican, shall reside with Dominican except that each Party shall retain its current faculty on its current payroll and benefits programs and workers' compensation insurance. For avoidance of doubt, when Dominican assigns faculty members to teach general education courses at the San Francisco Location, those faculty members shall be on Dominican's payroll, benefits programs and workers' compensation insurance.

(2) MKS shall have input on the search process, be included in the interview process and be consulted for a recommendation on hiring, evaluating and retaining faculty selected by Dominican who teach solely at MKS-Dominican's San Francisco Location.

(3) Faculty members in MKS-Dominican shall report to the Dean of MKS-Dominican.

(4) For the avoidance of doubt, it is expressly stated that all MKS-Dominican faculty are appointed to non-tenure-track positions except for those Dominican faculty who have already been appointed to tenure-track positions at Dominican by way of employment with non-MKS programs.

(5) Dominican hereby represents that the collective bargaining agreement between Dominican and SEIU, Local 1021 does not apply to the MKS-Dominican San Francisco Location; however, all terms and conditions established therein, including the rate of compensation per course, shall apply to any courses taught by bargaining unit members at MKS-Dominican's San Rafael Location.

**x. Assessment of Student Learning**

(1) The faculty who teach in MKS-Dominican shall retain the authority to assess student learning in the courses of MKS-Dominican, consistent with the policies and procedures of Dominican.

(2) The faculty of MKS-Dominican shall assess student learning in a manner and frequency to be determined to be adequate by Dominican.

**xi. Student Handbooks, Policies and Complaint Processes at MKS-Dominican**

(1) Students at the MKS-Dominican San Francisco Location will be subject to Dominican's Student Handbook, policies and processes, modified by Dominican in its sole authority, as necessary for that location.

(2) Dominican shall retain the ultimate authority regarding student policies and process at MKS-Dominican, including policies pertaining to academic integrity.

(3) MKS shall employ adequate staff at the San Francisco Location for ensuring compliance with policies set forth in Dominican's Student Handbook (or comparable policies approved by Dominican for the San Francisco Location). These staff shall report to the Dean of MKS-Dominican who shall have the authority to hire, evaluate and retain these employees. These employees shall be on MKS's payroll and benefits plans and workers' compensation insurance.

(4) Students who have complaints about MKS-Dominican shall be directed to file a complaint pursuant to Dominican's stated procedures, which may be modified to suit the San Francisco Location upon approval of Dominican.

**G. Student Support Services**

It is the intent of the Parties that Dominican shall retain ultimate authority and control over the Student Support Services of MKS-Dominican set forth below. It is further the intent of the parties that the Dean of MKS-Dominican shall retain administrative oversight of the services delineated below, subject to the authority of Dominican. The Dean of MKS-Dominican and her/his designee shall be provided access to Dominican's database and to other necessary information to allow sufficient oversight and review of the Student Support Services set forth below. MKS officials shall have access to said records upon request and consistent with the requirements of the FERPA.

**i. Academic Advising**

(1) Students enrolled in MKS-Dominican shall be eligible for academic advising as a service offered by designated MKS-Dominican Faculty.

(2) The nature and frequency of academic advising at the San Francisco Location of MKS-Dominican shall be consistent with that offered by Dominican at its San Rafael Location.

**ii. Residential Life**

(1) Students enrolled in MKS-Dominican at its San Francisco Location shall be eligible to reside in the residence halls operated by MKS.

(2) Students enrolled in MKS-Dominican at its San Rafael Location (for the computer science minor) shall be eligible to live in the residence halls offered by Dominican, subject to eligibility and procedures then in effect.

**iii. Student Life**

(1) The Dean of MKS-Dominican shall retain the ultimate authority over MKS-Dominican students at the San Francisco Location with respect to student orientations and trainings, campus conduct, code of conduct procedures, clubs and organizations, and student privileges.

(2) MKS shall hire and retain adequate staff to ensure sufficient administration of student life at MKS-Dominican at the San Francisco Location. MKS agrees to certify that any of its employees, independent contractors or agents who will be performing services for the benefit of MKS-Dominican (at either location), will have successfully completed a background check in accordance with Dominican's Background Check Policy then in effect. MKS further agrees to check the references and job history of any of its employees, independent contractors or agents who will be performing services for the benefit of MKS-Dominican (at either location). MKS agrees to comply with the federal Fair Credit Reporting Act and any applicable state laws in obtaining any references and background checks required under this contract. MKS further agrees that it will not assign any employees, independent contractors or agents to MKS-Dominican (at either location) who have not successfully completed a job history check, reference check and background check as required by this Agreement. MKS further agrees that it will immediately remove any of its employees, independent contractors or agents who are performing services for the benefit of MKS-Dominican who have not successfully completed a job history check, reference check and background check as required by this Agreement. Upon such removal, MKS shall notify Dominican of the action but, in the interest of privacy, need not specify the underlying conduct that gave rise to the removal.

(3) In order to oversee student life at the MKS-Dominican San Francisco Location, the parties shall designate an adequately trained MKS employee to serve in the following role(s), subject to the control of Dominican:

a. A deputy Title IX Coordinator.

b. A deputy Section 504 Coordinator in order to administer disability accommodations and grievances

c. A Clery administrator for the San Francisco Location and any related Clery-qualifying locations.

In the event there is a vacancy in any of the above positions, MKS shall reimburse Dominican for any services rendered to the San Francisco Location at the hourly rate then in effect for the Dominican employee providing such services.

(1) Dominican shall ensure that any legally required trainings for MKS-Dominican students, faculty and staff have been provided. To the extent that Dominican incurs additional user fees for these trainings, MKS shall reimburse these fees with 30 days of receiving an invoice.

(2) MKS-Dominican students at the San Francisco Location shall be eligible to use the facilities at Dominican's San Rafael Location, including Conlan Recreation Center.

(3) During the term of this Agreement, Dominican's Dean of Students shall use his or her best efforts to provide education and training for MKS-Dominican staff in order to allow these individuals to assume an increasing level of responsibility during the incubation period.

**H. Auxiliary Services**

The Parties agree that Dominican shall retain the ultimate authority for any auxiliary services, such as food service, financial aid processing, career and academic advising, pre-applicant screening, data gathering and analysis, and other functions not directly related to the awarding of academic credit. The Parties further agree that, to the extent that such auxiliary services are offered at the MKS-Dominican's San Francisco Location, MKS may have operational responsibility for these services as set forth below.

**i. Food Service**

(1) Unless otherwise agreed, MKS shall not offer food service at the MKS-Dominican San Francisco Location.

(2) If said food service is offered and requires a meal plan, MKS shall confer with Dominican regarding the fees for said meal plan and the administration of the account.

**ii. Financial Aid Processing**

(1) The Parties agree that all student financial aid shall be processed by Dominican, as set forth in section I.F.(ii) above, subject to the requirements of Title IV and implementing regulations, the California Student Aid Commission and WSCUC.

**iii. Career Advising**

(1) Students enrolled in MKS-Dominican shall be eligible for career advising as a service offered by designated MKS-Dominican Faculty.

(2) The nature and frequency of career advising shall be consistent with that offered by Dominican at its San Rafael campus.

**iv. Recruiting & Marketing to Students**

(1) MKS shall be responsible for developing a Recruiting Plan for MKS-Dominican, subject to the oversight and approval of Dominican.

(2) This Recruiting Plan shall be established no later than May 31, 2018 in anticipation of a Spring 2019 launch date.

(3) MKS staff shall implement the Recruiting Plan, subject to Dominican's oversight and control.

(4) Neither party shall convey (explicitly or implicitly) that MKS is an independently accredited entity until WSCUC has explicitly granted such status through an official Commission action. Following the submission of the incubation materials on May 18, 2018, either party may state that MKS has applied for incubation status pursuant to WSCUC's Incubation Policy.

**v. Student and Exchange Visitor Program**

(1) Subject to approval by the federal government, a Dominican official shall serve as the Designated School Official for the Student and Exchange Visitor Program for any eligible MKS-Dominican students who are enrolled (or their dependents) pursuant to an F or M visa classification through or who are classified as a non-immigrant exchange visitor in the J visa classification.

**vi. Data Collection, Reporting, Retention, Protection, and Ownership**

(1) Dominican shall be responsible for data collection and reporting consistent with its obligations under federal and state law.

(2) MKS shall be responsible for providing Dominican with any MKS-Dominican data in its possession, custody or control at Dominican's request.

(3) Any data resulting from or related to MKS-Dominican shall be the sole property of Dominican.

(4) Both parties shall use commercially reasonable efforts to protect data resulting from or related to MKS-Dominican and shall further use commercially reasonable efforts to ensure privacy and security of data being maintained or transmitted and to prevent breaches of the same.

**vii. Technology Services**

Attached as Exhibit A is a proposal for the Technology implementation known to the Parties as of the Effective Date ("**Technology Plan**"). As a result, both parties understand and agree that the Technology Plan will likely need to be updated and refined/or after the Effective Date. Any changes to the Technology Plan will require the written approval of both Parties. Any changes to the Technology Plan will be consistent with the following principles:

(1) Dominican shall be responsible for obtaining all licenses and consents necessary to use any third-party technology, software or hardware required by Dominican in order to provide MKS-Dominican including, without limitation, any licenses or consents required to be held by MKS as a result of MKS-Dominican.

(2) MKS shall reimburse actual and documented costs put towards technological improvements to hardware and systems upgrades necessary for the implementation of MKS-Dominican for both academics and operations ("Dominican Technology Improvements"). The initial cap on reimbursable costs is $150,000. Both parties agree that all Dominican Technology Improvements implemented under the Technology Plan shall be necessary improvements for the incubation partnership.

(3) In circumstances where MKS resources are necessary to provide the Dominican Technology Improvements in excess of that set forth in Exhibit A, Dominican will provide MKS with a written estimate of the costs and obtain written consent prior to undertaking any such Dominican Technology Improvements. Dominican may, at its discretion, request payment in advance for any Dominican Technology Improvements.

(4) Upon installation, title to all Dominican Technology Improvements at the San Rafael Location shall transfer to Dominican.

**I. Financial Terms**

(1) Each Party shall remain responsible for its own operations, fees and expenses, unless explicitly set forth in this Agreement. Except as explicitly set forth in this Agreement, neither Party shall be authorized to incur expenses on behalf of the other without express written permission in advance.

(2) **Yearly Determination of Cost per Course.** No later than July 15th of each fiscal year, Dominican shall deliver to MKS:

a. Dominican's faculty rate per unit negotiated during the preceding collective bargaining negotiations ("Dominican Negotiated Faculty Rate per Unit").

b. A Blended Benefits Rate to be calculated as a weighted average of the percentage of faculty on Dominican payroll teaching MKS-Dominican courses at the San Francisco Location receiving part-time or full-time benefits ("MKS-Dominican San Francisco Blended Benefits Rate").

c. If requested by MKS, supporting documentation to justify the delivered Dominican Negotiated Faculty Rate per Unit and/or MKS-Dominican San Francisco Blended Benefits Rate.

No later than July 15th of each fiscal year, MKS shall deliver to Dominican:

a. The weighted average of instructor salaries teaching MKS-Dominican courses at the San Rafael Location ("MKS-Dominican San Rafael Average Instructor Salary").

b. The benefits rate for instructors teaching MKS-Dominican courses at the San Rafael Location ("MKS-Dominican San Rafael Instructor Benefits Rate").

c. If requested by Dominican, supporting documentation to justify the delivered MKS-Dominican San Rafael Average Instructor Salary and/or MKS-Dominican San Rafael Instructor Benefits Rate.

The Cost per Course for courses taught at MKS-Dominican at the San Francisco Location shall be determined by adding the Dominican Negotiated Faculty Rate per Unit and the product of multiplying the Dominican Negotiated Faculty Rate per Unit by the MKS-Dominican San Francisco Blended Benefits Rate. The resulting rate shall be multiplied the number of credits offered to determine the Cost per Course for MKS-Dominican courses taught at the San Francisco Location.

The Cost per Course for courses taught at MKS-Dominican at the San Rafael Location shall be determined by the MKS-Dominican San Rafael Average Instructor Salary per class and the percentage of time each Instructor spends towards instruction. The MKS-Dominican San Rafael Average Instructor Salary will be an average of the Make School instructor salaries who teach courses at the San Rafael campus. This Average Instructor Salary per class and the product of the MKS-Dominican San Rafael Average Instructor Salary and the MKS-Dominican San Rafael Instructor Benefits Rate will be added together. The resulting rate shall be the Cost per Class for MKS-Dominican courses taught at the San Rafael Location.

No later than July 30th of each year, the Parties shall enter in a 12-month binding Service Agreement incorporating the calculated Costs per Course.

(1) **Use of Semester Program Agreements.** Whereas the Parties cannot currently anticipate the number of courses to be offered through MKS-Dominican in each term and whereas this number may fluctuate depending on the needs of the students, the Parties agree that during the course of this Agreement the exact number of courses to be offered at the San Francisco Location and the number of courses to be offered at the San Rafael Location and the cost-sharing associated therewith shall be negotiated between the Parties no later than:

a. May 1 for the Summer Term;
b. July 1 for the Fall Term; and
c. November 30th for the Spring Term.

Said negotiations are to be reflected in addenda to this Agreement, hereinafter "Semester Program Agreements," the terms of which shall include:

- Number of courses and sections to be offered at the San Francisco Location;
- Number of courses and sections to be offered at the San Rafael Location;
- Appointment and assignment of faculty;
- Costs borne by each Party.

Other than the operational costs agreed to by this Agreement, no financial obligations pertaining to the Semester Program Agreements shall be imposed on either Party other than those arising from the number of courses taught and the applicable reimbursements computed with the applicable Cost per Course; Billing Terms for the Semester Program Agreements will be 30-day net terms and invoiced within 30 days of the end of each semester.

The Parties agree that each shall use its best efforts to deliver their respective MKS-Dominican services and functions in a manner that is financially equitable to both Parties and that the Semester Program Agreements shall be used to correct any financial inequities resulting from the prior term.

In the event any course that is not a 4-unit course is offered in a semester, the Semester Program Agreement shall incorporate an adjusted Cost per Course for any such course, pro-rated by the number of units. For example, if the Cost per Course in the applicable Year Long Service Agreement is $10,000 and a 3-unit course is offered, the Cost per Course for the 3-unit [course/class] will be $7,500.

In the event of a discrepancy or conflict between this Agreement or a Semester Program Agreement, this Agreement shall control.

### (1) Investments In Exchange for Administrative Costs Incurred Through May 31, 2018

DUC will be offered the option to invest [redacted] in MKS' current Series A Extension Financing. Upon MKS' receipt of executed financing documents and investment funds, DUC will receive [redacted] of Series A Preferred stock with the same rights and at the same share price offered to all investors in this round of financing. For the avoidance of doubt, Dominican's Board of Trustees, by and through an authorized committee of the Board has reviewed this investment and has determined that the proposed transaction is a reasonable and prudent investment of Dominican's resources and Dominican is receiving fair value or market value for its investment.

### (2) Additional Administrative Costs

Subject to the approval MKS' Board of Directors (the "Board"), DUC will be granted an option to purchase [redacted] shares of the MKS' Common Stock (the "Option") at [redacted] per share. Provided that no options shall vest after DUC ceases to provide services to MKS, the Option will vest and become exercisable at the rate of ⅓ of the total number of Option shares on June 1, 2019, ⅓ of the total number of Option shares on June 1, 2020, and ⅓ of the total number of Option shares on June 1, 2021. There is no guarantee that the Internal Revenue Service will agree with this value. The Option will be subject to the terms and conditions set forth in MKS' 2012 Stock Plan and the MKS' standard form of stock option agreement. DUC may exercise this option for up to 10 years after the final vesting date. For the avoidance of doubt, Dominican's Board of Trustees, by and through an authorized committee of the Board has reviewed this investment and has determined that the proposed transaction is a reasonable and prudent investment of Dominican's resources and Dominican is receiving fair value or market value for its investment.

As consideration for the Option, DUC agrees to reduce administrative service invoices by 40%. MKS agrees to make the following payments representing 60% of the invoiceable total to Dominican for administrative services, said payments to be invoiced at the end of the semester with 30 day net terms of the in the amount of:

1. Summer 2018: Redacted
2. Fall 2018: Redacted
3. Spring 2019: Redacted
4. Summer 2019: Redacted
5. Fall 2019: Redacted
6. Spring 2020: Redacted
7. Summer 2020: Redacted
8. Fall 2020: Redacted
9. Spring 2021: Redacted
10. Summer 2021: Redacted

In the event MKS does not grant the Option to DUC, MKS agrees to make the following payments to Dominican for administrative services representing 100% of the invoiceable total, said payments to be invoiced at the end of the semester with 30 day net terms.

### J. Compliance Obligations

(1) Each party shall be responsible for complying with any applicable laws, regulations or compliance obligations.

(2) Each party shall be responsible for its own taxes as independent entities.

(3) Each party shall be responsible for obtaining the appropriate licenses, approvals, registrations, certifications or other approvals necessary to operate.

(4) Best efforts shall be made to share inform appropriate information as soon as practicable to ensure that all compliance obligations are met. Information shall be shared in a manner that respects the privacy of the individuals and on a need to know basis only, consistent with state and federal law and regulatory guidance.

(5) The Parties will keep all usual and proper records related to their respective performance under this Agreement, as required in accordance with generally accepted accounting principles for a minimum of three years from the end of the fiscal year unless a longer period is required under any applicable law or regulation.

(6) In the event that Dominican determines that additional personnel time is needed to effectuate the terms of this Agreement, it shall provide MKS with at least sixty days' notice to hire an MKS staff or reimburse Dominican for additional staff time beginning on the sixty-first day.

**K.** (7) Each Party shall be responsible for responding to, curing and holding the other Party harmless for any data breaches occurring at its location, on its equipment, systems or resulting from the actions of its employees on its payroll. Each Party shall carry cyber-liability insurance as noted below. **Intellectual Property**

(1) Any rights in intellectual property created by MKS-Dominican students pertaining to coding, software or related inventions are owned by students unless agreed to in advance in writing between the student and the party.

(2) Any rights in intellectual property created by MKS-Dominican faculty on MKS's payroll are owned by MKS, except when such intellectual property is a contribution to a student project, in which case MKS's policies and agreements shall apply.

(3) Any rights in intellectual property created by Dominican faculty on Dominican's payroll who teach in MKS-Dominican are governed by existing Dominican policies.

(4) MKS shall grant Dominican a royalty-free, non-exclusive license to all documents or media owned by MKS related to the successful creation, delivery and implementation of the courses in the Computer Science minor and courses in the MKS-Dominican San Rafael Location, including but not limited to materials, instructional techniques, technical information, protocols, process information, learning objectives, strategies, curriculum, course syllabi, course descriptions, program descriptions, course materials, educational delivery methodologies, and academic support methodologies for the development and delivery of the MKS-Dominican programs. This paragraph shall survive the termination of this Agreement.

**L. Communication, Use of Name, Mark and Logo**

(1) The parties will develop a mutually agreed upon marketing plan for MKS-Dominican and all promotional activities related thereto, to be embodied in Exhibit B to this Agreement. The marketing plan shall address the use of name, logo, insignia, trademarks, service marks or trade names. The parties will communicate regularly to update the marketing plan and to coordinate all other ongoing marketing efforts. All promotional and marketing materials will adhere to the marketing plan.

(2) Neither Party shall make any such public announcement unless the contents of such public announcement are consistent with the approved marketing plan, except as may be required by applicable law or accreditation requirements, in which case the disclosing party shall allow the other party reasonable time in the circumstances to comment thereon in advance of such disclosure.

(3) Each party agrees to adhere to the other party's logo and branding guidelines.

(4) Subject to the provisions of this Agreement, nothing in this Agreement will be construed to grant either party a license to use the other party's name, logo, insignia, trademarks, service marks or trade names for any other purposes, unless otherwise agreed to in writing by the other party.

(5) Promptly upon obtaining notice of any of the following events, each Party shall notify the other Party in writing, subject to all laws, rules, regulations and policies, should it become aware of any matter or circumstance concerning any of its faculty or professional staff which could involve negative publicity, illegal conduct, public safety or health concerns or other similar matters which could reasonably be expected to negatively affect the students, faculty, professional staff or visitors of the other Party.

**M. Term & Renewal of Agreement**

This Agreement is through June 30, 2022 shall be automatically extended for additional three-year periods from and after the expiration of the first and each succeeding three-year period, unless: one year or more prior to expiration of any three-year term either party gives written notice to the other party that it has elected not to extend the term of this Agreement. Notwithstanding the foregoing, each Semester Program Agreement issued hereunder may define its own term which may extend beyond the Term of this Agreement in which case the terms and conditions of this Agreement will survive and continue through the expiration date of each respective Program Agreement.

**N. State Authorization by the BPPE**

If required to do so, MKS must seek and obtain its own authorization from California's Bureau of Private Postsecondary Education (BPPE) prior to becoming a separately accredited institution.

**O. Employees Responsible for Implementation of Agreement**

The Parties agree that each of them shall develop procedures and identifies the locus of responsibility for negotiating and monitoring this Agreement and the Semester Program Agreements.

The Parties agree that they shall mutually establish procedures for periodically evaluating the efficacy and quality of services and the outcomes of the contractual relationship established by this Agreement.

**P. Teach Out Procedures Upon Termination of Relationship**

In the event that this Agreement is terminated and a teach out plan is required, Dominican, as the accredited entity, shall take all reasonable steps to ensure the teach-out of any students then enrolled at the time of the termination of this Agreement. During the period of the teach-out, MKS shall grant Dominican a royalty-free, non-exclusive license to all documents or media owned by MKS related to the successful creation, delivery and implementation of academic programs, know-how, data and other information, including but not limited to materials, instructional techniques, technical information, protocols, process information, learning objectives, strategies, curriculum, course syllabi, course descriptions, program descriptions, course materials, educational delivery methodologies, academic support methodologies, enrollment and financial projections for the development, delivery and marketing of the MKS-Dominican programs. The Parties shall meet and confer to develop a mutually agreeable cost-sharing in the event of teach-out.

Dominican may, but is under no obligation to, offer employment to MKS-Dominican faculty or staff member upon conclusion of their employment with MKS-Dominican, unless an independent contractual requirement is present.

**Q. Exclusivity**

While this Agreement is in effect, MKS will not enter into any incubation relationship with any other entity, nor shall it seek regional accreditation from any other entity than WSCUC.

From the Effective Date of this Agreement until at least sixty days following WSCUC's approval of the incubation application, MKS shall refrain from entering into any agreement with any other post-secondary institution in the United States where such agreement has the purpose or effect of allowing the post-secondary institution to develop (or offer for the first time) a minor in a comparable program or discipline.

## III. Additional Contractual Terms

### A. Termination of Relationship

Following expiration or termination of this Agreement, both parties agree to use all reasonable efforts to cease services, discontinue usage of use each other's trademarks, names, and logos, and from taking any action that might cause third parties to infer that the business relationship in this Agreement continues to exist. Promptly following the expiration or termination of this Agreement, the Parties will inform each other in writing of any incomplete work remaining, outstanding deliverables, or outstanding costs or liabilities as of such date. Except as otherwise provided, the Parties agree to work together in good faith to promptly finalize such matters within thirty (30) days of expiration/termination; provided, however, that if a party requires additional time, the parties will exercise good faith to agree on a reasonable extension of time. Notwithstanding anything herein to the contrary, the parties' obligations hereunder shall survive the expiration or termination of this Agreement to the extent (and only to the extent) required to allow then-matriculated MKS-Dominican students to complete their courses within the time period in which such courses were anticipated by the Parties for completion.

#### i. Without Cause

1. Either Party may terminate this Agreement or any Schedule attached hereto for any reason with one-year prior written notice to the other Party.
2. Termination of an individual Semester Program Agreement pursuant to this Section shall not affect the termination of this Agreement.

#### ii. For Cause Due to Breach

A party may terminate this Agreement or any or all Exhibits and have recourse to any other right or remedy under the Agreement or under law and/or equity against the other party for one or more of the following events:

- A material breach of any provision of the Agreement where such breach remains uncured for thirty (30) days following receipt of written notice;
- Applicable licenses, certificates, permits, authorizations, or other legal credentials are revoked;
- A voluntary proceeding in bankruptcy;
- Dissolution or liquidation; or
- Any assignment for the benefit of creditors.

Any party subject to any of the foregoing events shall provide the other party with immediate notice in writing of any of the aforesaid events.

### iii. Termination For Reasons of Compliance

If this Agreement is in conflict with regulatory changes, both Parties agree to seek an alternative remedy or, if one is not found, either Party may terminate this Agreement with six months prior written notice.

### iv. Termination Due to WSCUC Rejection

If this Incubation Relationship is not approved by WSCUC within one year of this Agreement, either Party may terminate this Agreement with six months prior written notice.

### B. Insurance

All insurance policies in force at the date hereof with respect to each Party: (i) insure against such risks, and are in such amounts, as are reasonable, considering the insured Party's properties, businesses and operations; and (ii) are in full force and effect and all premiums due thereon have been paid.

**Specific Obligation**

(i) Each Party shall maintain, during the Term, and for a period of two (2) years after the expiration or termination of this Agreement, insurance coverage as follows:

a) Commercial general liability at least in the amount not less than Five Million Dollars ($1,000,000.00) per occurrence.

b) Auto Liability - $5 million occurrence/combined single limit, for "any autos" including owned, leased, non-owned, and hired vehicles

c) Employee Dishonesty/Crime - $1 million per claim. Include theft of property, monies and securities of client, its employees, students, faculty, visitors and guests.

d) Workers' Compensation – statutory benefits, $1 million employer's liability, and $1 million occupational disease. Applicable in state where work is performed.

e) Sexual Misconduct/Abuse Liability - $5 million occurrence. If included in CGL must be specifically stated on certificate of insurance.

f) Cyberliability. - $3 million occurrence.

g) Educator's Legal Liability – equal to the amount carried by Dominican.

h) Employment Practices Liability Insurance - $5 million.

i) Directors & Officers Insurance. $5 million.

MKS's insurance shall include Dominican, trustees, officers and payrolled Dominican employees as additional insureds within thirty (30) days after the Effective Date. Each Party'sinsurance shall be written to cover claims incurred, discovered, manifested, or made during or after the Term.

(i) Each Party shall furnish a certificate of insurance evidencing such coverage to the other within thirty (30) days after the Effective Date. Thereafter, a Party shall provide thirty (30) days advance written notice to the other Party of any cancellation or material adverse change to such insurance.

(ii) MKS's insurance shall be primary coverage and any insurance Dominican may purchase shall be excess and non-contributory. The minimum amounts of insurance coverage required herein shall not be construed to impose any limitation on MKS's indemnification obligations under this Agreement.

(iii) Each Party shall at all times comply in all material respects with all statutory workers' compensation and employers' liability requirements covering its employees on its payroll with respect to activities performed under this Agreement.

**C. Indemnity**

MKS hereby agrees to indemnify Dominican and its trustees, officers, employees and agents and the heirs, successors and assigns of each of the foregoing (each a "Dominican Indemnified Party") against and agrees to hold each of them harmless from any and all claims, damages, losses, liabilities and expenses (including reasonable expenses of investigation and reasonable attorneys' fees and expenses in connection with any action, suit or proceeding) ("Damages") incurred or suffered by any Dominican Indemnified Party arising out of any negligence, gross negligence and gross misconduct by MKS, its directors, officers, employees (on its payroll) and agents and the, successors and assigns of each.

Dominican hereby agrees to indemnify MKS and its directors, officers, employees (on MKS's payroll) and agents and the, successors and assigns of each of the foregoing (each a "MKS Indemnified Party") against and agrees to hold each of them harmless from any and all Damages incurred or suffered by any MKS Indemnified Party arising out of any negligence, gross negligence and gross misconduct by Dominican, its directors, officers, employees (on its payroll) and agents and the, successors and assigns of each.

## D. Representations and Warranties of MKS

MKS represents and warrants to Dominican as of the date of this Agreement as follows:

### 1. Authority

MKS has the necessary corporate power and authority to own, operate, lease and otherwise to hold and operate its assets and properties and to carry on its business as now being conducted, to enter into this Agreement, to perform its obligations hereunder and to consummate the transactions contemplated hereby. The execution and delivery of this Agreement by MKS and the consummation by MKS of the transactions contemplated hereby have been duly and validly authorized by all necessary corporate action, and no other corporate proceedings on the part of MKS are necessary for MKS to authorize this Agreement or for MKS to consummate the transactions contemplated hereby. This Agreement has been duly executed and delivered by MKS and constitutes a legal, valid and binding obligation of MKS, enforceable in accordance with its terms except as the enforceability of this Agreement may be affected by bankruptcy, insolvency or similar laws affecting creditors' rights generally or by the application of general equitable principles.

### 2. Organization and Qualification

MKS is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware. MKS is duly qualified to conduct its business, and is in good standing, in each jurisdiction where the character of its properties owned, operated or leased or the nature of its activities makes such qualification necessary, except for such failures which would not reasonably be likely to have a material adverse effect on MKS-Dominican.

### 3. Organizational Documents

MKS has delivered to Dominican correct and complete copies of the certificate of incorporation and bylaws of MKS (as amended through the date of this Agreement). MKS is not in default under or in violation of any provision of its certificate of incorporation or bylaws.

### 4. No Conflict; Required Filings and Consents

The execution and delivery of this Agreement by MKS does not, and the performance by MKS of its obligations under this Agreement will not, with or without the giving of notice or the lapse of time or both, (i) conflict with or violate the organizational documents of MKS, (ii) conflict with or violate any Law applicable to MKS or by which any of its properties or assets is bound or affected result in any breach of or constitute a default under, or give to others any rights of termination, amendment, acceleration or cancellation of, or result in the creation of any liens, security interests, equitable interests, rights of first refusal, pledges, agreements, claims, charges, encumbrances or restrictions of any kind (collectively, "Encumbrances") on any of the properties or assets of MKS pursuant to any note, bond, mortgage, indenture, contract, agreement, lease, license, permit, franchise or other instrument or obligation to which MKS or any of its properties or assets is bound or affected, including without limitation, any MKS material contract, except, in the case of clauses (ii) and (iii) above, for any such conflicts, violations , breaches, defaults, alterations or other occurrences that (A) would not prevent or delay consummation of any of the transactions contemplated by this Agreement in any material respect, or otherwise prevent MKS from performing its obligations under this Agreement in any material respect, or (B) would not reasonably be likely to have a material adverse effect on MKS-Dominican.

The execution and delivery of this Agreement by MKS does not, and the performance by MKS of this Agreement will not, require any consent, approval, authorization or permit of, or filing with or notification to, any person or entity, including any court, administrative agency, commission or other governmental or regulatory authority, domestic or foreign (each a "Governmental Entity"), or under any MKS material contract, except as has been obtained and except where failure to obtain such consent, approval, authorization or permit or to file such notification would not have a material adverse effect on MKS-Dominican.

The execution and delivery of this Agreement by MKS does not, and the performance by MKS of its obligations under this Agreement will not, with or without the giving of notice or the lapse of time or both, (i) conflict with or violate the organizational documents of MKS, (ii) conflict with or violate any Law applicable to MKS or by which any of its properties or assets is bound or affected, result in any breach of or constitute a default under, or give to others any rights of termination, amendment, acceleration or cancellation of, or result in the creation of any Encumbrance on any of the properties or assets of MKS pursuant to any note, bond, mortgage, indenture, contract, agreement, lease, license, permit, franchise or other instrument or obligation to which MKS or any of its properties or assets is bound or affected, including under any MKS material contract, except, in the case of clauses (ii) and (iii) above, for any such conflicts or violations that (A) would not prevent or delay consummation any of the transactions contemplated by this Agreement in any material respect, or otherwise prevent MKS from performing its obligations under this Agreement in any material respect, or (B) would not reasonably be likely to have a material adverse effect on MKS-Dominican.

The execution and delivery of this Agreement by MKS does not, and the performance by MKS of this Agreement will not, require any consent, approval, authorization or permit of, or filing with or notification to, any person or entity, including any Governmental Entity, or under any MKS material contract, except as has been obtained and except where failure to obtain such consent, approval, authorization or permit or to file such notification would not have a material adverse effect on MKS-Dominican.

**5. Absence of Litigation**

There are no claims, actions, suits, arbitrations, grievances, summonses, subpoenas, inquiries or proceedings of any nature, civil, criminal, regulatory or otherwise, in law or equity ("Actions") pending or, to the knowledge of MKS, threatened, against MKS or any MKS Subsidiary or any of their respective properties before any Governmental Entity, which are reasonably likely to have a MKS Material Adverse Effect. Neither MKS nor any MKS Subsidiary has filed for relief in bankruptcy or had entered against it an order for relief in bankruptcy.

**6. Licenses and Permits; Compliance with Laws**

As necessary to effectuate the terms of this Agreement, MKS is in compliance with all Laws and regulations applicable thereto, and any Laws and regulations related to or administered by any entity or organization, whether governmental, government chartered, tribal, private, or quasi-private, that engages in granting or withholding licenses, permits, authorizations, certifications, consents, accreditations or similar approvals to institutions of higher education or post-secondary institutions in accordance with standards relating to the performance, operation, financial condition, or academic standards of such institutions (collectively, "MKS Education Requirements"), in each of the foregoing cases except for such failures which would not be reasonably likely to have a material adverse effect on MKS-Dominican.

Subject to the approval of WSCUC and the federal Department of Education, MKS has all material licenses, permits, authorizations, certifications, and similar approvals necessary to conduct the business and operations of MKS, in the manner and to the full extent that they are now being conducted and in accordance with applicable MKS Education Requirements, including any permit or authorization required for MKS or its Affiliates or their employees or agents to recruit students in any state where they engage employees or agents to recruit students (collectively, the "MKS Educational Approvals"). No proceeding for the suspension or cancellation of any MKS Educational Approval is pending or, to the knowledge of MKS threatened. MKS has not received any notice that any MKS Educational Approval will not be renewed, and MKS has no knowledge of any basis for non-renewal. MKS has no any knowledge of any pending investigation, audit, or review of any MKS Educational Approvals.

MKS has not participated in Title IV Programs as an eligible institution, or as a Third-Party Servicer.

MKS is not, and does not have any principal or Affiliate (as those terms are defined in 34 C.F.R. part 85) that is, debarred or suspended under Executive Order (E.O.) 12549 (3 C.F.R., 1986 Comp., p. 189) or the Federal Acquisition Regulations (FAR), 48 C.F.R. part 9, subpart 9.4, or engaging in any activity that is cause under 34 C.F.R. 85.305 or 85.405 for debarment or suspension under E.O. 12549 (3 C.F.R., 1986 Comp., p. 189) or the FAR, 48 C.F.R. part 9, subpart 9.4.

To the knowledge of MKS, MKS does not employ nor has employed, any individual who has been convicted of, or has pled nolo contendere or guilty to, a crime involving the acquisition, use or expenditure of federal, state, or local government funds or has been administratively or judicially determined to have committed fraud or any other material violation of law involving federal, state, or local government funds.

### 7. Brokers

No broker, finder or investment banker or other person or entity is directly or indirectly entitled to any brokerage, finder's or other contingent fee or commission or any similar charge in connection with the transactions with Dominican contemplated by this Agreement based upon arrangements made by or on behalf of MKS.

### 8. Taxes

MKS has filed all Tax Returns (as defined herein) required to be filed, and have paid all federal and material other Taxes levied or imposed on its or its properties, income or assets or otherwise due as reflected on such Tax Returns unless such unpaid Taxes and assessments are being contested in good faith (and reserves with respect thereto are being maintained in accordance with GAAP).

**9. Properties; Assets**

The assets and properties of MKS are in good operating condition and repair (ordinary wear and tear excepted), and are sufficient to conduct the businesses and operations of MKS as contemplated under this Agreement.

**10. Subsidiaries and Affiliates**

MKS does not have any controlled subsidiaries or other controlled Affiliates.

**E. Representations and Warranties of Dominican**

Dominican represents and warrants to MKS as of the date of this Agreement as follows:

**1. Authority**

Dominican has the necessary power and authority to own, operate, lease and otherwise to hold and operate its assets and properties and to carry on its business as now being conducted, to enter into this Agreement to perform its obligations hereunder and to consummate the transactions contemplated hereby.

The execution and delivery of this Agreement by Dominican and the consummation by Dominican of the transactions contemplated hereby have been duly and validly authorized by Dominican's Board of Trustees, as that authority has been delegated. Subject to the approval of WSCUC and the Department of Education, no other applicable governing body, and no other proceedings on the part of Dominican are necessary for Dominican to authorize this Agreement or for Dominican to consummate the transactions contemplated hereby.

This Agreement has been duly executed and delivered by Dominican and constitutes a legal, valid and binding obligation of Dominican, enforceable in accordance with its terms except as the enforceability of this Agreement may be affected by bankruptcy, insolvency or similar laws affecting creditors' rights generally or by the application of general equitable principles.

**2. Organization and Qualification**

Dominican is a nonprofit public benefit corporation duly organized, validly existing and in good standing under the laws of the State of California. Dominican is duly qualified to conduct its business, and is in good standing, in each jurisdiction where the character of its properties owned, operated or leased or the nature of its activities makes such qualification necessary, except for such failures which would not reasonably be likely to have a Material Adverse Effect.

**3. No Conflict; Required Filings and Consents**

The execution and delivery of this Agreement by Dominican does not, and the performance by Dominican of its obligations under this Agreement will not, with or without the giving of notice or the lapse of time or both, (i) conflict with or violate the organizational documents of Dominican, (ii) conflict with or violate any Laws applicable to Dominican or by which any of its properties or assets is bound or affected or (iii) result in any breach of or constitute a default under, or give to others any rights of termination, amendment, acceleration or cancellation of, or result in the creation of Encumbrances on any of the properties or assets of Dominican pursuant to any note, bond, mortgage, indenture, contract, agreement, lease, license, permit, franchise or other instrument or obligation to which Dominican or any of its properties or assets is bound or affected.

### 4. Absence of Litigation

There are no Actions pending or, to the knowledge of Dominican, threatened against Dominican or any of its respective properties before any Governmental Entity, which are reasonably likely to have a material adverse effect on MKS-Dominican.

### 5. Licenses and Permits; Compliance with Laws

Subject to the approval of WSCUC and the federal Department of Education, as necessary to effectuate the terms of this Agreement, Dominican is in compliance with all Laws and accreditation requirements applicable thereto, including the provisions of the Title IV Programs, any regulations implementing or relating to the Title IV Programs, and any Laws and accreditation requirements related to or administered by any entity or organization, whether governmental, government chartered, tribal, private, or quasi-private, that engages in granting or withholding licenses, permits, authorizations, certifications, consents, accreditations or similar approvals to institutions of higher education or post-secondary institutions in accordance with standards relating to the performance, operation, financial condition, or academic standards of such institutions (collectively, "Dominican Education Requirements"), including any Laws and accreditation requirements related to any form of student financial assistance, in each of the foregoing cases except for such failures which would not be reasonably likely to have a Material Adverse Effect.

Subject to the approval of WSCUC and the federal Department of Education, Dominican has all material licenses, permits, authorizations, certifications, accreditations and similar approvals necessary to conduct the business and operations of Dominican, in the manner and to the full extent that they are now being conducted and in accordance with applicable Dominican Education Requirements, including any permit or authorization required for Dominican or its employees or agents to recruit students in any state where they engage employees or agents to recruit students (collectively, the "Dominican Educational Approvals"), (ii) no proceeding for the suspension or cancellation of any Dominican Educational Approval is pending or, to the knowledge of Dominican, threatened, (iii) Dominican has not received any notice that any Dominican Educational Approval will not be renewed, and Dominican has no knowledge of any basis for non-renewal and (iv) Dominican has no knowledge of any threatened or pending investigation, audit, or review of any Dominican Educational Approvals.

Subject to the approval of WSCUC and the federal Department of Education, Dominican has all approvals required pursuant to its policies and procedures to offer any initial MKS-Dominican Programs and, to the best of Dominican's knowledge and belief, Dominican has all licenses, authorizations and other necessary approvals from the state, WASC and ED to offer any initial MKS-Dominican Programs on the terms set forth in this Agreement.

Dominican is certified by ED as an eligible institution under the Title IV Programs and is a party to, and in material compliance with, a valid program participation agreement with ED respecting its participation in the Title IV Programs, (ii) Dominican is in material compliance with any and all laws and regulations relating to the Title IV Programs and (iii) Dominican has no knowledge of any threatened or pending investigation, audit, or review of its participation in any of the Title IV Programs.

To Dominican's knowledge, no person who exercises substantial control over Dominican (as the term "substantial control" is defined under 34 C.F.R. § 600.21(a)(6) or § 668.174(c)) or any member or members of that person's family (as the term "family" is defined in 34 C.F.R. § 668.174(c)(4) or § 600.21(f)), alone or together, exercises or has exercised, substantial control over another institution or a Third-Party Servicer that owes a liability for a violation of any requirement of the Title IV Programs and is not repaying such liability in accordance with an agreement with ED.

Dominican has not filed for relief in bankruptcy or had entered against it an order for relief in bankruptcy.

To Dominican's knowledge, Dominican does not employ in a capacity that involves the administration of the Title IV Programs or receipt of funds under the Title IV Programs any individual who has been convicted of, or has pled nolo contendere or guilty to, a crime involving the acquisition, use or expenditure of federal, state, or local government funds or has been administratively or judicially determined to have committed fraud or any other material violation of law involving federal, state, or local government funds. To Dominican's knowledge, Dominican does not contract with, an institution or Third-Party Servicer that (i) has been terminated under section 432 of the HEA for a reason involving the acquisition, use, or expenditure of federal, state, or local government funds, (ii) has been convicted of, pled nolo contendere or guilty to, a crime involving the acquisition, use or expenditure of federal, state, or local government funds or (iii) has been administratively or judicially determined to have committed fraud or any other material violation of law involving federal, state, or local government funds.

Dominican does not currently contract with a Third-Party Servicer to provide any services in connection with the processing or administration of Dominican's financial assistance programs, including the Title IV Programs.

Dominican is not, and does not have any principal or Affiliate (as those terms are defined in 34 C.F.R. part 85) that is, debarred or suspended under Executive Order (E.O.) 12549 (3 C.F.R., 1986 Comp., p. 189) or the Federal Acquisition Regulations (FAR), 48 C.F.R. part 9, subpart 9.4, or engaging in any activity that is cause under 34 C.F.R. 85.305 or 85.405 for debarment or suspension under E.O. 12549 (3 C.F.R., 1986 Comp., p. 189) or the FAR, 48 C.F.R. part 9, subpart 9.4.

### 6. Brokers

No broker, finder or investment banker or other person or entity is directly or indirectly entitled to any brokerage, finder's or other contingent fee or commission or any similar charge in connection with the transactions with Dominican contemplated by this Agreement based upon arrangements made by or on behalf of Dominican.

### 7. Properties; Assets

Subject to the Dominican Technology Improvements required by this Agreement, the assets and properties of Dominican, taken as a whole, are in good operating condition and repair (ordinary wear and tear excepted), and are sufficient to conduct the businesses and operations of Dominican as set forth in this Agreement.

### 8. Subsidiaries and Affiliates

Dominican does not have any controlled subsidiaries or other controlled Affiliates ("Dominican Subsidiaries").

### F. Choice of Law

This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of California (excluding the choice of law principles thereof).

### G. Amendment; Waiver

No amendment or waiver of any provision of this Agreement, or consent to any departure by either party from any such provision, shall be effective unless the same shall be in writing and signed by the parties and, in any case, such amendment, waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

### H. Severability

Any term or provision of this Agreement that is invalid or unenforceable in any situation in any jurisdiction shall not affect the validity or enforceability of the remaining terms and provisions hereof or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction.

### I. Confidential Information; Publicity

Each party acknowledges and agrees that, in connection with this Agreement, it may obtain or has already obtained Confidential Information of the other.

"Confidential Information" shall mean information of a confidential or proprietary nature, in any form or medium, regardless of whether such information is marked as confidential, including information disclosed by MKS to Dominican or vice versa, whether or not it was developed by the disclosing party or acquired through a license, agreement or otherwise, which is not generally known to the public, including, without limitation, any research program, research plans, data, know-how, trade secrets, concepts, discoveries, methods, results, information regarding sources of supply, business plans, partners, clients, potential agreements, the existence, scope and activities of any research, development, marketing, or other projects, and other similar information with like characteristics; provided, however, that "Confidential Information" shall not include information that each of MKS, on the one hand, and Dominican, on the other hand, can demonstrate: (i) was independently developed by it or any of its Affiliates without reference to the Confidential Information of the other or any of the other's Affiliates; (ii) is or becomes generally available to the public through no fault of its own or any of its Affiliates; (iii) was lawfully obtained by it or any of its Affiliates without any obligation of confidentiality; or (iv) was known by it or any of its Affiliates prior to receipt thereof. In the event that each of MKS, on the one hand, and Dominican, on the other hand, or any of their Affiliates, becomes legally compelled, or a third party (including a government agency) seeks to compel it or any of its Affiliates, to disclose any Confidential Information of the other or any of the other's Affiliates, the compelled party shall, and if its Affiliate is a compelled party shall cause such Affiliate to, provide immediate notice of the foregoing to the other party so that the other party or its Affiliate may seek a protective order or other appropriate remedy, and the compelled party shall, and if its Affiliate is a compelled party shall cause its Affiliate to, use reasonable efforts to preserve the confidentiality of any such Confidential Information, including, without limitation, by cooperating with the other party or its Affiliate, to obtain a protective order or other appropriate remedy.

Each Party (i) shall protect the Confidential Information of the other using the same degree of protection that it uses for its own confidential information of a similar nature, but in no event shall it use less than a reasonable degree of protection, to prevent any unauthorized disclosure or use of such Confidential Information; (ii) shall not use such Confidential Information for any purpose other than the purposes contemplated by this Agreement; (iii) shall not disclose such Confidential Information to any third party, except as authorized by this Agreement or authorized by the other in advance in writing; (iv) shall limit dissemination of such Confidential Information to those individuals who have a need to know or use such Confidential Information; and (v) shall promptly advise the other of any information it has or receives of any actual or potential unauthorized use or disclosure of Confidential Information of the other Party.

Each Party may disclose Confidential Information to its directors, officers, stockholders, employees and trustees and those of its Affiliates and to its legal, accounting and financial advisors who are under a professional or other obligation to maintain such Confidential Information in confidence, in each case on a need-to-know basis and shall cause each of the foregoing to comply with the provisions of this Section. Each Party may disclose the Confidential Information of the other to those consultants and independent contractors, [financing (or potential financing) sources and their advisors, business partners and potential business partners and their advisors] who have entered into appropriate confidentiality agreements with terms no less restrictive than this Agreement and shall ensure compliance with the terms of such agreements; provided, however, in the event that a Party determines that it is unable to secure any such confidentiality agreement from any of the foregoing persons or entities' or from any accrediting agency, it may seek the approval from the other to make such disclosure without the benefit of such agreement, which approval shall be granted if reasonable in light of the relevant facts and circumstances (which may include a confidentiality agreement on other terms).

If Dominican provides MKS with any legally confidential information including but not limited to confidential personnel information or "personally identifiable information" from student education records as defined by the Family Educational Rights and Privacy Act, 20 U.S.C. § 1232g, and the implementing regulations in Title 34, Part 99 of the Code of Federal Regulations ("FERPA"), the School hereby certifies that collection of this information from Dominican is necessary for the performance of MKS's duties and responsibilities on behalf of Dominican under this Agreement. MKS further certifies that it will maintain the confidentiality of this information and that it will not re-disclose confidential personnel information or personally identifiable information pursuant to FERPA or by other State and Federal laws.

If either Party experiences a security breach concerning any information covered by this Agreement, and such breach is covered by California or federal law, then the breached Party will:

a. fully comply with obligations under the applicable law,

b. immediately notify the other Party and fully cooperate with the other Party in carrying out obligations under any applicable law. It is expressly agreed by the Parties that the provisions of this Section shall survive the termination, for any reason, of this Agreement and shall be binding on each Party, its successors and assigns, for the benefit of the other Party and its affiliates, successors and assigns.

**J. Binding Effect; Third Party Beneficiaries**

This Agreement shall inure to the benefit of, and be binding upon, Dominican and MKS, and their respective successors and permitted assigns. The provisions of this Agreement are for the sole purpose of setting forth the respective rights and obligations of the parties hereto. Except as set forth herein with respect to indemnification, the parties agree that none of the provisions of this Agreement are intended for the benefit of any third party and that no such third party shall have the right to enforce the provisions of this Agreement.

**K. Assignment**

This Agreement and the rights of each party hereunder may not be assigned without the prior written consent of the other party (which consent may be withheld in the applicable entity's sole discretion).

**L. Notices**

All notices and other notifications given or made pursuant to this Agreement shall be in writing, addressed to the receiving party at the address set forth below (as it may be modified by proper notice) and shall be effective (a) when delivered or tendered in person and a written receipt confirms such delivery; (b) if telecopied, when receipt confirmed; (c) if sent by certified mail (return receipt requested), postage pre-paid, five business days after being so sent; or (d) if sent by reputable overnight courier, postage prepaid, two business days after being so sent:

If to Dominican:

Dominican University of California
Attention: Mary B. Marcy and Nicola Pitchford
Guzman Hall – 2nd Floor
50 Acacia Avenue
San Rafael, CA 94901

With copy to:

Natasha J. Baker
Hirschfeld Kraemer LLP
505 Montgomery Street, 13th Floor
San Francisco, CA 94111

If to MKS:

Make School Inc.
Attention: Jeremy Rossman
1547 Mission Street
San Francisco, CA 94103

**M. Entire Agreement**

This Agreement (including the documents referred to herein) constitute the entire agreement among the parties and supersedes any prior understandings, agreements, or representations by or among the parties, written or oral, to the extent they relate in any way to the subject matter hereof.

**N. Headings**

The section headings contained in this Agreement are inserted for convenience only and shall not affect in any way the meaning or interpretation of this Agreement.

**O. Counterparts**

This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Electronic or pdf copies shall be deemed to be originals.

**P. No Agency or Joint Venture**

The parties acknowledge and agree that they are dealing with each other as independent contractors and this Agreement does not create a partnership, joint venture or agency relationship. Neither party shall act or have the power to act for the other in any respect whatsoever. The relationship between Dominican and MKS shall be and shall be deemed to be that of independent contractors. No agency, partnership, joint venture, or employment is created as a result of this Agreement. Neither party is authorized to bind the other in any respect whatsoever. The parties shall have no authority to, and covenant that they will not attempt to: (i) accept offers in the other party's name, (ii) enter into or modify any contract on behalf of the other party or (iii) make for enlarge any representations, warranties or guaranties of the other party.

**Q. Dispute Resolution**

All controversies, disputes, disagreements or claims arising out of or relating to this MOU, including any question regarding its existence, interpretation, validity or termination, shall be referred to and definitively resolved by mandatory binding arbitration. Arbitration shall be conducted in San

Francisco and shall be governed by and apply California law. Arbitration shall be conducted in accordance with JAMS' Comprehensive Arbitration Rules and Procedures, by a single arbitrator who shall have not represented either University or any affiliate of either University in any capacity. Any decision rendered by the arbitrator shall be final and binding on the Universities, shall not be subject to de novo judicial review, and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. The arbitrator shall have the authority to require the losing University to pay all costs associated with such arbitration, including attorneys' expenses and fees, expert fees, and the expenses and fees of the arbitrator. It is the express intent and understanding of the Universities that each shall be entitled to enforce its respective rights under any provision hereof through specific performance, in addition to recovering damages caused by a breach of any provision hereof, and to obtain any and all other equitable remedies as may be awarded by the arbitrator. Notwithstanding the above, each University shall have the right to seek provisional remedies from a court of competent jurisdiction. The provisions of this Section shall survive the termination of this Agreement.

**R. Acknowledgment**

Each party acknowledges and represents that, in executing this Agreement it has had the opportunity to seek advice as to its legal rights from legal counsel and that the person signing on its behalf has read and understood all of the terms and provisions of this Agreement. Any reference to any federal, state, local, or foreign statute or law shall be deemed also to refer to all rules and regulations promulgated thereunder, unless the context requires otherwise.

I have reviewed the foregoing. I understand and agree to the same.

| | |
|---|---|
| Date: 5/29/18 | Date: 5/29/18 |
| By: Mary B. Marcy | By: |
| Dr. Mary Marcy<br>President<br>Dominican University of California | Jeremy Rossmann<br>CEO<br>Make School, Inc. |

## PROOF OF SERVICE

I, the undersigned, declare:

I am employed in the County of San Mateo, State of California. I am over the age of eighteen (18) years and not a party to this action. my business address is 530 Oak Grove Ave., Suite 102, Menlo Park, CA 94025.

On the date written below, I served the following document(s):

**SECOND AMENDED COMPLAINT**

☐ **(By U.S. Mail)** By placing the document(s) listed above in a sealed envelope with Postage thereon fully prepaid, in the United States Mail in Menlo Park, California, addressed as set forth below.

☒ **(Electronic Service)** Based on a court order or an agreement of the parties to accept service by electronic transmission, I caused the documents to be sent to the persons at the e-mail addresses listed below. I did not receive, within a reasonable time after the electronic transmission, any electronic message or other indication that the transmission was unsuccessful.

☒ **(By File & ServeXpress)** I electronically filed and served the above document(s) utilizing File & ServeXpress on January 28, 2022. Counsel of records are required by the Court to be registered to electronically file and serve on this case and are designated accordingly on the Transaction Receipt located on the File & ServeXpress website.

☐ **(By Personal Service)** By personally delivering the document(s) listed above to the person(s) at the address(es) set forth below.

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I declare under penalty of perjury under the laws of the State of California that the above is true and correct to the best of my knowledge.

Executed in Menlo Park, California on February 9, 2022.

Melody Sequoia

MELODY L. SEQUOIA

# EXHIBIT C

# Transcript

0:01 make school is a college replacement for

0:05 future founders and developers my name

0:08 is a shoe one of the founders of may

0:10 school when I was in high school I built

0:13 my first iphone app it sold 50,000

0:15 copies in the App Store it was the most

0:18 engaging educational experience I'd ever

0:20 had and set me up for a successful

0:22 career in tech I attended UCLA to study

0:26 computer science but was disappointed

0:28 with the education I wanted to build

0:30 products and learn about startups and no

0:33 classes taught that I left college after

0:36 one year to pursue my passion of

0:38 building products and teach others to do

0:40 the same the world is at the beginning

0:43 of the software revolution five years

0:46 ago I was the only student in my high

0:48 school who built a nap today thousands

0:51 of high school students have done so

0:54 generation Z grew up with super

0:56 computers in their pockets they have an

0:58 intuition of how to solve problems in

1:00 the world using software the cost of

1:03 building a product is now near zero and

1:05 there are a plethora of resources to

1:06 learn how teens are more empowered than

1:09 ever the software revolution is also

1:13 reshaping the economy software is eating

1:17 the world 20 years ago if you wanted to

1:20 start a clothing line you needed a

1:22 factory today you only need a laptop 10

1:27 years ago if you want to build a website

1:29 to serve millions of users you needed a

1:31 room full of physical servers today you

1:34 only need a laptop today if you want to

1:38 discover antidotes for virus you need a

1:40 research lab in the future you'll write

1:43 a machine learning algorithm to test

1:45 thousands of variations of antidotes in

1:47 a robotic research lab all from your

1:50 laptop replacing so many jobs might

1:53 sound scary but this world excites me it

1:56 means more companies with fewer

1:58 middlemen it means more makers and

2:00 creatives passionate and excited about

2:03 solving problems in the world we need a

2:06 new category of higher education for

2:08 this new world to inspire youth to be

2:10 inventors and creators

2:13 traditional universities are communities

2:15 focused on expanding the world's

2:17 knowledge department funding comes from

2:19 research grants professors are hired

2:22 based on the papers they publish and

2:23 curriculum focuses on theoretical

2:25 foundations students graduate

2:29 well-prepared for academia but not

2:31 industry our friends were founders and

2:34 developers feel they didn't learn much

2:35 valuable from their CS degrees we aim to

2:39 create a community to further the

2:41 world's creation the product University

2:44 high school students are already

2:46 building products that impact the world

2:48 higher education should empower them to

2:51 pursue their passion and prepare them

2:53 for industry our core curriculum which

2:57 we aim to open source Carver's computer

3:00 science theoretical foundations

3:02 algorithms data structures AI machine

3:05 learning software engineering app

3:08 development web development coding on a

3:10 team how to write scalable maintainable

3:12 code product development from ideation

3:16 to design to monetization to marketing

3:18 and business and entrepreneurship

3:20 including economics accounting sales

3:23 negotiation and how to start a start-up

3:25 our our non-technical curriculum

3:28 provides a well-rounded education with a

3:31 tech focus we teach communication

3:34 pitching writing storytelling how to win

3:37 friends and influence people politics

3:41 and ethics examining the issues

3:43 disruptive startups like uber and Airbnb

3:45 are facing all around the world career

3:50 prep navigating a job search

3:52 professional etiquette and networking

3:54 with founders and developers and

3:56 personal development building empathy

3:59 understanding health and nutrition and

4:01 improving introspection and learning we

4:06 think deeply on how to deliver the best

4:08 education research shows three factors

4:11 motivate people autonomy mastery and

4:14 purpose workplaces are changing based on

4:18 this research boss is no longer

4:19 micromanage instead employees are given

4:22 projects they can take ownership over we

4:25 need to bring these principles to

4:26 education

4:28 learning by making has proven to have

4:30 higher engagement and better knowledge

4:32 retention and we're looking for a job a

4:35 portfolio of products is far more

4:37 powerful than GPA we teach through

4:40 inspiration and discovery we frame

4:43 problems and encourage students to

4:44 discover solutions research at

4:48 montessori schools has shown outcomes

4:50 are better when teachers are less

4:51 hands-on teasers should inspire students

4:54 to learn and get out of the way to allow

4:56 students to learn students should have

4:59 the ability to customize their education

5:01 we constantly iterate based on student

5:04 feedback and students are encouraged to

5:06 build software to improve the classroom

5:08 many of these principles have been

5:10 implemented at top K through 12 schools

5:13 but not in higher education we think

5:18 deeply on how to design the University

5:20 of the future make school needs to adapt

5:23 as the world changes we need to design a

5:26 system that stays relevant in 5 10 50

5:30 and a hundred years if we teach the same

5:33 thing year after year in a rapidly

5:35 changing industry something must be

5:37 broken students should be eased into the

5:41 real world and build a social life

5:43 around a thriving city they'll have

5:45 access to far more opportunities than in

5:47 university towns and will learn to

5:50 interact with people of all ages and

5:51 build a professional network

5:54 universities historically have been

5:56 drivers of social movements through

5:58 student voice and protests we want our

6:01 students to drive change through the

6:04 software they build it may be the only

6:06 time in your life or you'll be able to

6:08 build software without worrying about

6:10 how much money you can make this can be

6:13 a very powerful tool we put students

6:16 first always our deferred tuition model

6:20 ensures our incentives are aligned with

6:23 student outcomes if we want to make more

6:25 money we can't hike up to ition we have

6:28 to improve outcomes meet masa he

6:34 graduated high school in jun 2014 chose

6:37 make school over MIT and now makes six

6:39 figures at a start-up

6:42 meet Phil I was supposed to be a student

6:45 at MIT this year but decided to become a

6:48 part of this program because I felt it

6:50 was a tremendously rare opportunity

6:52 being a first-generation college student

6:54 the idea of suspending my formal

6:56 education was understandably unnerving

6:58 for my parents the sort of environment

7:00 may school establishes for me wasn't

7:03 available even in a school like MIT Phil

7:07 now works at snapchat meet Harlan while

7:12 in May School Holland Bill refuge

7:13 restrooms an app to help transgender

7:16 individuals find safe restrooms the open

7:19 source app had a big impact on an

7:21 underserved community this is the

7:24 essence of may school students will

7:26 change the world as they learn our pilot

7:31 class of students got placed at

7:33 companies like snapchat and Pandora and

7:35 fast growing tech startups like lift

7:38 tilt teespring and Hipmunk has signed on

7:41 as hiring partners we have an incredible

7:45 class of incoming students they've

7:46 shipped dozens of apps built Linux

7:48 distributions and worked at vc funded

7:51 startups students are applying to

7:53 transfer from top colleges like MIT

7:55 Berkeley Carnegie Mellon and Columbia

7:58 others were unable to afford college at

8:01 all and now have access to the highest

8:03 quality CS education make school is for

8:07 students who know they want careers in

8:09 the tech industry and are passionate

8:10 about using software to solve problems

8:12 in the world if that's you apply online

8:17 at make school com

# EXHIBIT D

# Transcript

Craig Cannon [00:00] - Hey, how's it going? This is Craig Cannon and you're listening to Y Combinator's podcast. Today's episode is with Jeremy Rossmann. Jeremy is the co-founder of Make School. Make School is a college for computer science headquartered in San Francisco. Make School students don't pay until they have a job after graduation. They were part of YC's Winter 2012 batch. You can find Jeremy on Twitter [@JeremyRossmann](https://twitter.com/JeremyRossmann). All right, here we go. Okay Jeremy Rossmann, welcome to the podcast.

Jeremy Rossman [00:29] - Glad to be here.

Craig Cannon [00:30] - You are one of the co-founders of Make School.

Jeremy Rossman [00:32] - That's right.

Craig Cannon [00:32] - For those who don't know, what is Make School?

Jeremy Rossman [00:34] - Make School is a new college in San Francisco. We offer a bachelor's degree program in applied computer science. It's a college in the ways you'd expect a college to be a college. There's dorms and a campus and full-time faculty. We're located near Union Square. What's really special about it is that students don't have to pay tuition unless they get a job, the curriculum is entirely project-based and faculty come from industry backgrounds, a lot of partnerships with the companies that our students want to work at. They can get a bachelor's degree in an accelerated timeframe. You can actually graduate with a four year bachelor's in two years if you take our intensive track.

Craig Cannon [01:07] - How does that intensive track differ from the normal four year program? Because when I went to NYU, I was pretty much working all the time on school stuff. How do you guys get it done in two years?

Jeremy Rossman [01:18] - When you look at how colleges typically structure their academic calendar in even a given week, what happens is a lot of students are basically going to lecture here and there, going to lab here and there, with a lot of dead time in between that's self-directed. We want to be preparing our students for a transition into the workplace and we've realized that the best way to do that is actually to structure their week like a work week. Students are typically expected to come in at 9:30 in the morning, have what looks a lot like a morning standup with their individual coach which will be their coach for the rest of the program, and then spend the day working on their projects, attending certain classes and labs. When you add up doing the credit math that universities do, when you add up the time that students spend all day everyday in that 40 hour school work week plus the time they spend outside on homework which for us is all projects, there's no traditional, you know, problem sets and that kind of thing, you're able to award students enough credits that if they take the course load that you recommend and they come in and they're spending 40 hours a week in the school and working outside on their projects, they can get enough credits to get a bachelor's in two years.

Craig Cannon [02:17] - How are you're students trying to differentiate themselves from people coming out of traditional CS programs?

Jeremy Rossman [02:22] - We are all project-based and we equip our students with these portfolios that basically speak for themselves. From the very first weeks at Make School, even in your CS theory class, which almost sounds like an oxymoron, but our CS theory classes are project-based and applied. You're going to be building and launching small projects and then larger products. By the time you make your way to being in front of a recruiter, they can see a tremendous amount of evidence of your coding ability, the skills and technologies you're familiar with, your theoretical background, your practical background, because that all is visible in the portfolio that you've built.

Craig Cannon [02:57] - We recorded an episode with Austen from Lambda School and in listening to a podcast with you, doing research for this episode, you started talking about parents. That's something I had never really thought about with Austen and I think perhaps the people who are attracted to Lambda School versus Make School are later in their career, maybe thinking about switching up.

Jeremy Rossman [03:18] - Typically, yeah.

Craig Cannon [03:20] - What is it like for you dealing with the parents of 18 year olds?

Jeremy Rossman [03:24] - At this point I've come to love it. I'm usually the point person on the team for parents and it is important to note that our student audience is majority students who would otherwise be in college or who are college age. We just had a perspective student weekend last weekend. 100 students coming in from all over the country, parents coming in from all over the country. And the questions are... it's Make School versus Georgia Tech. Make School versus Stanford. Make School versus a community college or a state school. Not Make School versus a boot camp because our student audience is really looking for, you know, they're going to a college. It's a question of which college or they're looking to transfer to a better college. The parent questions often have to do with why is this different, why is this worth it, but also how can this possibly exist where you don't pay tuition unless you get a job? The parents have more of that, you know, they have exposure to professional world. They're trying to do the math in their heads. How can there be a campus and dorms and how can all this exist if they're not charging upfront? There's two simple answers to that question. One is that we've been running the income share base program since 2014. We actually have five years of data, our students getting jobs at Facebook, at Google, at Tesla and all these great companies. The salaries are there, the payback is there, and it's really working well. And the other is that we get financing

Jeremy Rossman [04:40] - to cover our cost of educating students. We're the school that actually goes in debt when students enroll. It's kind of a reversal. Normally you enroll at a college, you go into debt. When you enroll at our college, we go into debt and we hold the risk. You only pay us later if you get a job, but we're on the hook for that debt anyway. That puts us in a position and that's what parents really appreciate when they realize it. Where we have no other incentive than to be providing the kind of education that's going to get you a successful career outcome once you finish the program.

Craig Cannon [05:07] - Because at the end of the day, do you find that that's the core driver for parents or is everyone just going in because a job is the most important thing? Because you know that historical thing is like...

Jeremy Rossman [05:16] - Of course.

Craig Cannon [05:17] - Oh, expand your mind, teach you how to think, et cetera.

Jeremy Rossman [05:19] - Those things are incredibly important and actually we rediscover a lot of those same liberal arts concepts and values when talking to employers. So if you say, "Okay, Make School's primary goal is to get students access to top software engineering jobs that are typically only hiring these days out of top universities." That's the reality, right? Everyone tries to get their funnel out of the MITs and Stanfords of the world. If you want to go to employers and hire there and get them to consider a Make School student. What you discover is that even they are going to tell you that a lot of those liberal arts educational experiences are part of what makes a candidate stand out. Even if you were just narrowly career-focused and you rediscover that actually a lot of the well-rounded education, the critical thinking skills, communication skills, cultural skills that come with a liberal arts education are things that employers do value, but we have to realize that the pure liberal arts education that is explicitly not career-focused, that doesn't make any claims about whether it's going to be relevant to a job later, that's an education that was pioneered for and by elites, and any student who's considering to attending a school that offers that kind of education needs to be conscious of the fact that the flagship schools, the Harvards and the Yales and the Princetons, they do practically don't have low-income students. They do a lot of PR about the scholarships they offer and all this, but the reality is anywhere from 60 to 75%

Jeremy Rossman [06:41] - of the students who go to schools like Stanford and MIT come from the top 20% of families by income. Oftentimes you get up to a quarter of the student body that's from the 1% of families by income. They don't get a career training. They learn the liberal arts, but that's really like a luxury eduction where you don't have to worry about your career because you're from the 1%. Of course there's going to be opportunities lined up if you went to Harvard and learned about culture and literature. We serve a student body that is demographically much more diverse. We get students who transfer in from top schools, we get students who come from wealthier families, but by and large the majority of our student body come from low to mid-income families. It's a demographic almost inverse from what you see at a Stanford or MIT. And you simply cannot with good conscience provide a luxury, expand your mind only education to a student who is not in a position to have any of the privileges or sort of freebies that you get from being a one percenter who goes to Harvard. So it's not an either or. It's really an and and. But we start with a focus of how do we introduce a technical education that is both theoretical and practical and all project-based so that students are employable and then how do we ensure that five to 10 years down the road in their careers, they're just as competitive as the student coming out of a Harvard or a Stanford or an MIT. We do also have a liberal arts component of education that is integrated with the technical education.

Craig Cannon [07:59] - This is related to one of the questions that was sent in about being an autodidact. William Trisca asked, "What are some ways to encourage greater independence in autodidactic behavior in the students pursuing technical skills and knowledge?" In the context of, "Okay, we're going to teach you whatever, like Parse and jQuery and whatever you might need now." How do you ensure that you're teaching someone how to teach themselves technical skills?

Jeremy Rossman [08:26] - This is another thing that's very important to employers, right? They don't want people who've just learned to trade, who knew how to assemble Ruby code today and then when the framework gets updated next year they're kind of lost or when the company makes a shift to a different framework they don't know how to relearn. We do a number of things to ensure that students are really strong in that front. The first is we do have a robust theoretical computer science fundamentals curriculum that students have to go through to really understand kind of behind the hood, like under the hood, what is going on and how do all these concepts work together. How do the different paradigms and structures underpin the different technologies and tools learning how to use? We also teach the concepts in sort of repeated and different contexts. If you only learn programming in one language or one framework, it's hard to actually differentiate in your mind what is a property of the language, what is a property of the framework, what is a property of best practices, and what's actually a theoretical CS concept that underlies it all. When you start seeing this across different technologies, different languages, different frameworks, and you've had that theoretical CS education behind the scenes, then you're able to pick out and understand what is core to a specific framework versus what is a general and universal concept. As a simple example we see a lot of our students taking a lot of our iOS development courses and then getting jobs as Android developers, right?

Jeremy Rossman [09:44] - We see students learning a number of stacks for web development and then getting a web development job in a totally different stack and language. We're seeing that again repeated across data science and machine learning. There's a number of different packages and tools that different companies use and onboarding onto a new one is not a foreign experience by the time a student has completed their main school education.

Craig Cannon [10:03] - I'm kind of curious about this word in general. What percentage of the world do you think is an autodidact anyway? That might be a false premise.

Jeremy Rossman [10:12] - Right, I think it very much is. While it is absolutely important to be a school that is augmenting students' ability to be lifelong learners and making sure that they are future proof. The way that you do that, I think for most students, has to be through mentorship, dedicated curriculum, structure, and what I found actually was that I was not an autodidact. And I failed over and over and over again to teach myself computer science. I actually tried for the first time in eighth grade. My dad gave me a book. He's a huge autodidact, he taught himself everything out of books.

Craig Cannon [10:46] - Nice.

Jeremy Rossman [10:46] - He was like, "Jeremy, here's a book on Visual Basic." I just couldn't do it. But I was actually a very high-performing programming student because I was lucky to have a really amazing CS teacher in high school. Actually two really amazing CS teachers in high school. What I learned then was that probably the majority of people who could be awesome software engineers are not autodidacts. If you look at courses that are kind of self-serve like the MOOCs, you see that it's industry standard to have two, three, four, 5% completion rates, meaning that probably 95% of people are actually not a fit for the type of education that is autodidact first. What we need to balance is recognizing that actually when we look at industry and we see that the best programmers that we know taught themselves, what we're probably seeing is a survivorship bias. We're seeing the fact that there aren't really good structured forms of education that enable people who are like me, who weren't good at teaching themselves to actually be excellent software engineers. At the other end you see an over representation of self-taught autodidact software engineers that almost has biased the industry towards that profile when in reality when you look at the data behind a lot of different educational programs and you look at frankly what our students are doing, who have landed these awesome jobs, I'm now certain that the majority of people who could be a great software engineer at a really competitive and selective company

Jeremy Rossman [12:07] - that the majority of those people are not by default autodidacts who could just go to a MOOC and get all the information they need. That's why students come to us, right? An 18 year old that's looking for their first higher educational experience generally wants to go to a college because they recognize that that structure is going to accelerate them and it's going to be better than just trying to do something self-serve online. I think that addresses the majority of the population.

Craig Cannon [12:31] - I feel the same way. Basically, everything I've taught myself has been just enough to get the project done, but then if you were to throw me into a Google production level environment, it would be a disaster.

Jeremy Rossman [12:44] - When I tried to deploy our website for the first time, because in the early days we were going through YC in 2012, I was not only writing curriculum and basically one of two instructors, my co-founder and I, were the two faculty. I was also our web developer. We were going to deploy a simple Django website. Even at that level, even though I was like I'm an MIT dropout, I'm like decently clever, I could not get this going without a mentor. I hired a Django developer to tutor me for 30 minutes a day during that week that we going to get the first website off the ground because my speed of learning and ability to actually be high-performing as a software engineer was literally 10X if I had a smart human available in realtime to notice where I was blocked and unblock me as I got stuck and ran into conceptual hurdles. And that's one of the things that I'm most glad that we can provide to our students and just seeing that happen live, a lot of folks who frankly have accumulated a huge amount of self-doubt because with that survivorship bias, you look around in your CS class, right, and you see that maybe the faculty is not so good, teacher is not so good, curriculum is old school and traditional, it's not working for you, it doesn't match your learning style, but there's that one kid who's still crushing it. And you go, "Oh, must not be for me, right?"

Craig Cannon [13:57] - Right.

Jeremy Rossman [13:58] - I can't be like that, right? They've been coding since they were 12, they just read online and they're fine. Actually with the right teacher, with the right curriculum, with project-based learning is in the context of computer science the best way to activate people's passion because it's like the reason you're learning this is because you have an idea that you want to see exist in the world and you're learning so that you can launch the thing, right? And that's what every single one of our classes is about. That kind of structure can get you to the level of the person who's been learning online since they were 12, but people often don't realize that because they look at the industry where it is today and they kind of work backwards and draw the wrong conclusions.

Craig Cannon [14:34] - Well you just like in the fact that you're not sitting next to someone, you don't realize that even the best programmers get stuck like setting up an environment for 10 hours.

Jeremy Rossman [14:44] - Everyday.

Craig Cannon [14:45] - All the time.

Jeremy Rossman [14:45] - All the time. All the time.

Craig Cannon [14:45] - But there's these little things that you bash your head against the wall and then you sleep on it and then you realize it.

Jeremy Rossman [14:50] - Yeah, and you asked me how can you do a bachelor's degree in two years? Another thing is, just from a pure competency and speed of learning perspective, with our faculty in the room who've been engineers in the Silicon Valley who are there and it's all project-based learning. They're not there to lecture to you. They're not there to just be the transmitter of information. The information is already available. We have our curriculum, it's a flipped classroom-ish model. A lot of it is available to students in the form of written materials that we produce. The faculty's job is actually to be the kind of the live tutor, the live mentor, the unblocker. And that is like, again, for most students a 10X acceleration in the speed of learning because you shouldn't be spending 10 hours setting up your IDE when you're starting a new framework, especially as a student. What a waste of time, right? You should be spending 30 minutes and then learning all the concepts and the conceptual stuff that you need to know to be successful, right?

Craig Cannon [15:42] - I got stuck learning Ruby and then I often attribute Python to my learning, but I think actually it was learning Python while I was friends with people who were much more technical than I was because they could just debug me.

Jeremy Rossman [15:53] - Really helps.

Craig Cannon [15:55] - Going back to the parents really briefly, you are in an interesting position where you kind of have two stakeholders making purchasing decisions.

Jeremy Rossman [16:04] - That's right.

Craig Cannon [16:05] - How do you go about communicating to both the potential students and the parents?

Jeremy Rossman [16:10] - For the potential students, the message is very much from the heart. This is the college that I wish existed. I was a student who was at the cusp... learning how to program at the cusp of the app store revolution. My co-founder and I, in our junior and senior years of high school, were amongst the first to start teaching ourselves how to make iOS apps and launched iOS apps and that experience was so fulfilling that when I got to MIT I was pulling all nighters to work on my app with friends and not on my problem sets. That gave me some insights as to what are the motivational factors that drive a college student to focus on their education. What our message to students really resonates because it mirrors my experience and my co-founder's experience I think really mirrors what a lot of students are experiencing, which is a stagnant style of education and the in classroom experience being very old school and a really significant set of questions about whether what they're learning in class is going to translate to what they actually want to do later. For parents it's different. There was some overlap. Parents latch on to the fact that I'm a college dropout who started a college, so that's an interesting thing for them to wrap their heads around. For students, oh that's really cool, right? Like he was at MIT, he thought of something better, my co-founder dropped out of UCLA, we teamed up and we started this. For a parent, they want to know, I think they're thinking a bit more longterm.

Jeremy Rossman [17:33] - They're worried is my child making a short term decision? Is this a shortcut? Are they going to get all the fundamentals and foundations that are going to set them up for success later or should they fall back in a more traditional option because that's what the parents are comfortable with? But what I will say is that there's been a huge shift in the last two to three years. Parents are way more aware of the student debt crisis, the ROI challenges in higher ed, the fact that a huge number of college graduates are underemployed. And so whereas two, three years ago a lot of my conversations with parents were dealing with skeptics, I now get more conversations proportionally that are parents asking how they can advocate, who say we've been freaking out as our child is now a senior or they're at a college accruing debt and we're realizing this is not the way it was when we were going through college. This is not a world where you can take a summer job and graduate without debt. This is not a world in which the economy is booming to such a degree that everyone can have a middle class life out of college, right? That you need to actually be tactical about the higher education you choose to make sure you don't end up in one of the many traps that parents have seen their older children or other folks fall into over the past few years. I had 30 parents visiting campus this weekend and whereas before it was a lot of questions about legitimacy, now I think the biggest questions are about future proofing and just making sure this isn't a shortcut

Jeremy Rossman [18:57] - and that the integrity of education is still very high and not at an opportunity cost to something that might set a student up for longer term success. We had to discuss how the project-based learning that we provide actually encapsulates a whole bunch of future proof skills. Because when you teach computer science in a project-based way, you also got to do some design. You got to do some user acquisition. You got to do some customer discovery. You got to work on a team and actually you get more communication skills than you might in a liberal arts communications course. And so on and so forth. And so these are a lot of the questions that parents have that we have to address.

Craig Cannon [19:29] - It seems like a lot of these learnings... It's just like one generation learns it the way that they were brought up and then they got their jobs.

Jeremy Rossman [19:36] - Right and it worked.

Craig Cannon [19:36] - And then they teach it to their kids and then their kids get screwed. So...

Jeremy Rossman [19:39] - And for many, many years they teach it to their kids and then it worked. And over the past 20 years it stopped working. And so as you say--

Craig Cannon [19:46] - But everyone going to college is a relatively new phenomenon. So maybe since the '50s or '60s a lot of people.

Jeremy Rossman [19:52] - Right and it's been a huge wave since then and we're seeing the crash.

Craig Cannon [19:55] - Yeah, yeah, big time. So what do you think, like for instance, do you have kids?

Jeremy Rossman [20:01] - I don't have kids.

Craig Cannon [20:02] - Me neither, but say we had a kid today and they were one year old. By the time they're college age, what do you think this environment looks like?

Jeremy Rossman [20:10] - The landscape has dramatically shifted by the 18 years from now. So there's a few forces at play. We are I think the first of what I hope to be many new entrants in what has been a market that is traditionally been dominated by incumbents that have not faced any new pressure from new schools. One of the things that's really fascinating when I talk to parents and students is that it takes a few times of repeating for people to be able to visualize that there is a new college in San Francisco. That we have a campus building, we have these beautiful dorms, that there's full-time faculty. People are not used to the idea that a new college could be born because colleges are something that just have been there forever, right? And so in any market where you have the only players have been there forever, they've been stagnating and they've not been facing pressure to sort of improve their efficiencies and their qualities. I think 18 years from now there's going to be an increase in pressure at traditional higher ed to be aligning their incentives with their students as more and more students tune in to the fact that if you just copy the default path to success which is try to get into the highest ranked school that you can and then trust that if you follow your passion, that you will get an education that will set you up for success. That as more and more students realize that's just simply not true, there's going to be demand for alternatives. We are actually one of the first colleges to be created under new accreditation rules

Jeremy Rossman [21:34] - so we were accredited this past fall. We offer a real accredited bachelor's degree, accredited by the same accreditor that accredits Stanford and UC Berkeley and so on and so forth. But they created these new policies in 2014. What that means is we're relatively early in what is potentially a new wave of colleges being born all around the country. I also think that the financial structure of college is going to have to change. Students also start tuning in to the fact that the incentive between them and a college is not right. And for students who really are passionate about research and academia, things are working a little bit better and we have deep respect for students who want to go that direction and are very close to a lot of folks who are in that world. It's awesome to be dedicated to the furthering of fundamental knowledge and to be doing research and to be preparing for that. But a lot of surveys show the majority of students' primary concern is at the end of their bachelor's, are they going to be employable. In the face of that primary concern, that's going to drive a lot of decision making, that's going to put a lot of pressure into colleges. We've started seeing actually is that other colleges, even big ones, are adopting our income share agreements. The largest example is Purdue. The documents that we helped co-author back in 2014 when we piloted our first college program which has turned into this accredited bachelor's that we offer now, those same documents as they've been iterated on over the years are now being used

Jeremy Rossman [22:51] - by a number of other colleges. What we're starting to see is that income share agreements are not just this thing that applies to programming schools and Make School the new CS college, it's actually higher ed is taking notice and is starting to roll it out at a larger and larger scale. And so 18 years from now I think you're going to have options that look like the options we have today, but it's going to be a lot more obvious what they are. Harvard is going to be more obviously recognized as a luxury good, as an expensive purchase, that works for the elites and it's something that if you can to get your kids there and you can afford to not focus on hard skills, then great, you've purchased a luxury education. It's going to be more obvious what is actually tied to real world outcomes and there's going to be schools that are going to increase their level of innovation and curriculum and also in financing to prove to students that they're putting their money where their mouth is and that their incentive is to help students achieve their goals.

Craig Cannon [23:43] - Do you envision they will also shorten their programs like you have? In doing so allow for people to basically make a stack. So you're like, "Okay, I'm going to buy fancy Harvard for two years to drink and then I'm going to go to Make School and like actually maybe learn something."

Jeremy Rossman [23:57] - I think that Dartmouth, but yes.

Craig Cannon [23:58] - Yeah, all right.

Jeremy Rossman [23:59] - I think that students... We've actually seen this line of thinking with students. Like the idea that they're going to stack. It tends not to play out. Students, once they have an opportunity to exit education with a career or a next move they're happy about, are generally not going to look for education again for a little while. Instead of a stack, what I think it's going to be this lifelong learning pattern where students are going to do it, they're going to enter the workforce a bit earlier, they're going to work for a few years, and then they're going to return whether it's for a masters program or second bachelor's that's going to refresh their skills or maybe expose them to something that has emerged that was not a big thing at the time that they graduated. You know, if you graduated college five years ago you might be wanting to go back to really learn what's fresh and new in machine learning for example, right? I think that that kind of phenomenon is going to repeat itself and we're going to see students entering the workforce earlier but then returning for further education at a higher rate. But I think that's not going to be stacked, it's going to be years down the line.

Craig Cannon [24:58] - Okay, so what about degrees in general? Vikram Malhotra asks, "When are we going to do away with degrees?" For instance, I saw this article. I didn't read it, but I saw the headline.

Jeremy Rossman [25:11] - As we all do.

Craig Cannon [25:11] - Yeah, exactly. Like Google and Apple do away with college requirement or something to that effect.

Jeremy Rossman [25:17] - So companies, here and there do PR around this idea that they're dropping college as a requirement. And we've been on the ground talking to companies every week since 2014 when we've had our first inaugural sort of college program and the reality on the ground is quite different. Top schools, the ones that attract majority wealthy students and that have a lot of prestige associated to them, continue to be the major hiring funnels for new grads for these companies including Google and Apple. A large number, at some companies it can be almost all, but a large number of new grad hires are typically sourced from internship classes meaning students who while they were in college intern at that company and then come back for full-time. I can tell you with certainty that there is no university recruiting internship program that I've come across that has dropped degrees as a requirement in any sort of systematic way. Maybe there's been a one off exception here and there, but the reality is university recruiters have a territory of universities they recruit from and they're only there to work with people who are in degree granting programs. On the employer side, we haven't seen this play out, nearly could measure it with the amount of PR that's been associated with it. Interestingly enough though, several of our students without degrees who went through our program before it got accredited landed at Google and Facebook and so on and so forth. So there is some truth that it's not a hard requirement.

Jeremy Rossman [26:46] - It's a question of what is the proportion of their workforce that actually is representative of that shift in policy.

Craig Cannon [26:51] - Yeah, although it should be important to note this is just for CS, right? That's most of your data.

Jeremy Rossman [26:57] - Also true. And so it's probably less true in other fields to be honest. So while it might be strictly true as I've seen with my students and I have two alums who are at Google and neither have degrees. I have two alums who are at Facebook, neither have degrees because they were at our program before it was degree granting. It is true. Now you can get full-time jobs at these companies.

Craig Cannon [27:14] - Yeah, for sure.

Jeremy Rossman [27:15] - Without a degree. But if you look at the proportion of the workforce that's actually being sourced in that way, it's not addressing the fundamental equity problem which is there is no structural pathway for low income Americans to access high-earning software engineering jobs at large tech companies. There's a substantial number of anecdotes, of people who come from lower income backgrounds who are there, but nothing that even makes a small dent in the statistics. And when you think about the fact that 100 companies are going IPO this year in the Silicon Valley, we are having billions of dollars in wealth transferred to the founders, investors, and employees of companies who all on average come from the top 20% of families in the U.S. And what I want, when we talked about 18 years from now what happens, I want us an hopefully other schools like us that are educating students who are lower to mid income to have it such that when there's the next wave of 100 IPOs in the next boom cycle 10 years from now that that wealth creation accrues evenly to folks from all backgrounds and not just to the folks who are kind of the incumbents who've had access to elite education and who had access to elite job opportunities. It's technically true, but if you look at sort of a societal level, it's not moving the needle.

Craig Cannon [28:28] - Well it's the same thing for YC, right? Everyone thinks, "Oh, well Bill Gates and Zuck and all these people dropped out of Harvard so therefore I need to go to Harvard and then I need to drop out and then I'll create a multi-billion dollar company."

Jeremy Rossman [28:40] - And in fact I was an MIT dropout going through YC at the age of 20. I was basically one of like five of my profile.

Craig Cannon [28:48] - Way below average.

Jeremy Rossman [28:50] - In my entire batch, I would meet people who thought, "Oh yeah, you are the prototypical YC founder. You are an MIT dropout, 20 years old, going through YC." And I would tell them actually there's only like five other people in our batch out of over 100 people who are younger than 25. And in fact my co-founder and I are the only young founders in our batch whose company is still alive. When you look at it from that perspective, you look today what other companies from my YC batch that still exist and are still successful? There are zero examples beyond Make School of the still existing company that was founded by a college dropout who was young. So yeah, likewise see people kind of have mistaken perceptions. I think the other part of Vikram's question, when are we doing away with degrees, is less of a practical question about well our companies dropped the requirements and so on and so forth, but more of like a higher ed question, right? Are degrees still relevant and are we going to increasingly have to circumvent degrees because so many degree programs are dropping in relevance? There's a bit of an arms race here. In a lot of the country it is totally true that degrees are dropping in relevance and students are looking for alternative routes of education. There's going to be a pop in a sort of higher ed bubble where a lot of colleges are going to go out of business and it's going to be a lot of pain in higher ed because of this factor. Vikram is on point about that. At the same time there are going to be folks

Jeremy Rossman [30:09] - like us who are going to try to make degrees relevant. We're trying to essentially bust this false choice between should I get a degree or should I get relevant skills? And it's like, why not both? And the answer has often lied, well accreditation standards for some reason hamper your ability to do both. The good new is, at least in the West Coast, our accreditor, WASC, is under new management. Jamienne Studley, new president at WASC, created these new regulations in 2014 that we've fallen under to become accredited and be able to offer accredited bachelor's degrees, involves partnering with established institutions as a quality control measure. It's a really thoughtfully put together set of rules. The end result is now there isn't that false choice and we're a great example of it. And I think if we can pull that off, if we can be a fully project-based, like some of our faculty don't even have bachelor's degrees, right? Things that people think are not possible as an accredited school. But it turns out that the accreditor in the West Coast is very open minded to this and understands. They see what we see, which is all the things that Vikram sees and makes him ask that question. Like are degrees still relevant? And they want to be relevant. The last thing I'll say on that point is our views shifted on this tremendously as we started talking to and better understanding folks who are in our student audience who came from lower income backgrounds. To say that you can succeed without a degree is on the face of it true, but it is most true if you come from privilege.

Jeremy Rossman [31:29] - And as a college dropout, I went to a high school that is in the richest zip code in the United States. When I look at my buddies who are also college dropouts and doing okay, we have something in common which is that we all come from relatively privileged backgrounds.

Craig Cannon [31:43] - Yeah, you have a safety net.

Jeremy Rossman [31:45] - We have a safety net. When you talk to students who are lower income and especially parents of those students you realize that to tell somebody who is African-American or Hispanic, Latino, or otherwise underrepresented in tech, who might be the first in their family to go to college or the first to get a credential, they don't default belong in the way that we've structured this industry, which is a big problem. And they don't have the safety nets and the privileges and the networks. I got a professional network out of my high school that is as good as when people go to get Stanford MBAs for, right? That's totally unfair. If you're like 90% of Americans, that's not you. This notion of degrees no longer being relevant ends up really applying to those with privilege, the two to 4% we discussed who are autodidacts and who can bypass all sort of traditional education and still emerge skilled and it leaves behind basically 90% of Americans.

Craig Cannon [32:39] - What about the schools now that exist that aren't necessarily technical. Evan Ward asks, "Should liberal arts colleges consider adopting income share agreements?"

Jeremy Rossman [32:53] - The advice that YC would give to any organization is talk to your users and make sure that the product you're building is a fit for you users' needs. Universities don't do this. They should do a lot more of it. But other organizations do pull college students and it is known that the majority of college students', even at liberal arts colleges, primary concern is am I going to get a job after graduation? Americans want to live the American dream that very clearly, right? ISAs are a mechanism to align incentives between the college and the student and also to be able to be more open about what is a program that actually can be ISA compatible. I don't think it's just CS. It's actually widely applicable to a whole bunch of fields that have sort of lagging student supply relative to industry demand. Could be everything from medical fields to teaching to software engineering. And any program that you cannot apply ISA to you have to ask yourself is this program really a good fit for the 90% of Americans who don't have that safety net, who are looking for something that will better their lives or is this actually a program that's more of a luxury good, that should have a pay upfront price tag and I think it will make it a lot easier to know actually what you're getting into. It'll be very telling when a college says, "Hey, you can go to our nursing program, our education program, our CS program on ISA. Oh, but English majors have to pay this much upfront." That tells you something, right, about their confidence level in being able to deliver on the American dream

Jeremy Rossman [34:22] - for the students in those schools. ISA is going to turn out to be widely adopted in spirit. I don't know if it's going to look exactly like ISA everywhere. The key feature of ISA is you don't pay if you're not successful. There's ways to replicate that with loans through loan forgiveness. There's ways to do that with income share agreements. The core structure that's going to matter if you want to see hire at adopt is this idea of aligning your incentives and not having students be paying you if the student is not successful. That there might be even more innovation in how that is structured exactly and other schools may do it in a way that's not ISA, but what's important is that more and more higher education institutions should absolutely be looking at what outcomes they provide and be starting to make that their number one priority because it is their students number one priority.

Craig Cannon [35:07] - Have you seen instances of predatory ISAs?

Jeremy Rossman [35:13] - Yes to some degree. There's definitely folks who are using it in a way that makes us nervous and we're like, "Okay. You're not disclosing appropriately to students what their future payback burden might be," things like that. We see also schools use it as a way of actually reducing the amount of scholarships they give. Here's how that might work. You have a school where list tuition is $40,000 and on average students pay 20K upfront and 20K in scholarship. In most schools, by the way, there's no such thing anymore as students paying list tuition. Schools keep track of this thing called the discount rate and basically most schools don't actually charge the list tuition price to almost any students, right? Let's say the average student is getting a $20,000 scholarship and $20,000 in tuition. Some schools are realizing that what they can do is they can replace the $20,000 scholarship with a $20,000 ISA. At enrollment it feels similar. You only have to pay 20K upfront. But now what used to be scholarship money is actually extra revenue for the college and so you haven't expanded access really. You've increased the total cost of education for the student when the whole point is actually not to do that and you are not aligning your incentives with your student 'cause you're still getting half of it upfront, right? ISA or similar structures are most powerful when schools do the kind of like the bet the house model on it. When they say, "Okay, we're really not going to take enough money from you upfront that it's worth it for us.

Jeremy Rossman [36:46] - It's only going to be worth it for us if you are successful after graduation," and schools that do intermediate models where they supplement with paid, you know, I have mixed feelings about that. Even though we do let students mix and match if they want to, 90% of our students go full ISA. And that's what we want. We would love that to be 95, no 99% because we want to be everyday waking up and thinking our only priority is not what is the new fancy renovation for the multi-billion dollar campus building, what is our sports team doing, how is our research going? None of that. We want to be thinking every single day how do we help students be successful? And, you know, taking no money upfront kind of forces you to be that way.

Craig Cannon [37:23] - I think it's awesome in something that only a startup would have tried all out. What do you think about the students who come in who want to be entrepreneurs?

Jeremy Rossman [37:34] - We get a lot of those students. At our perspective student weekend, had 100 students in the room, and we had a guest speaker who was like show of hands if you want to start a company someday. It was like three quarters of the students in the room. What we tell those students is hey, I was a young college dropout entrepreneur. There are almost no people like me out there. All the successful entrepreneurs I know look like somebody who is in their late 20s, early 30s, or older. My father himself is on his eighth startup. It's folks who've had significant exposure to building and launching products. When they understand a problem that they want to solve, they have experience in doing customer discovery, crafting and MVP, iteration cycles, getting feedback, making sure that they're building something that actually has product market fit. Then it's folks who have had experience in the real world enough to expose them to categories of problems that are worth solving. The challenge if you're a college student who wants to start a startup just out of college, which of course there will continue to be students like that and that's awesome, but the general challenge is you haven't had enough exposure to building things so your startup might be your first rodeo in building something which is higher risk. The problems that college students face are limited to problems that are faced by a very narrow segment of the population.

Craig Cannon [38:55] - With no money.

Jeremy Rossman [38:55] - No money. Most of the purchasing power is held to people who are between the ages of 22 and dead. Most of the big problems in the world that really need solving are not necessarily visible to a student in college. What we do to mitigate that is obviously A, the whole education is about building products and solve problems. The entire culture of the school from every brainstorming phase to every welcoming talk at orientation and so on and so forth is about pushing students to see software as a creative tool to make impact on the world and solve real problems. We're always asking students, even in their CS theory class, right, how can you leverage what you've learned and the projects you're building to actually be solving a concrete problem and that forces students to go out and already go through essentially test cycles of being an entrepreneur where they have to conceptualize a product, they actually have to launch it, they actually have to acquire users for it. And doing that in the context of college sets our students up for success as entrepreneurs later. My suspicion is that two to three years after graduation when students have had a couple years of work experience, we're going to see a lot of our students leaving to start companies and I'm excited for that because when they do, they'll probably come back to us to hire and it's going to be great for the ecosystem. We've already seen, there's already three groups of students starting companies at various scales out of the program already.

Craig Cannon [40:11] - Awesome. In closing, we have a new batch of YC coming up. You're an alum, your company's still alive, it's been a while. Winter 2012 and now way longer. What would be your advice to someone going through the batch?

Jeremy Rossman [40:29] - The anti pattern that I saw in my batch and in many batches was to think that you are above the generic foundational YC advice. The generic foundational YC advice as I remember it is make something people want and be darn sure that what you're making is something people want. Focus, don't be doing fake work, don't be going to conferences unless it really impacts your bottom line, don't be taking coffee meetings left and right, don't play entrepreneur and execute to a high degree of fidelity based on what your customers want. Once you get out of YC, one other thing that we see is students playing, not students, you see? You see where my mind is at? Entrepreneurs playing optimization games around funding and that kind of thing and, you know, way more startups that I know, than I would have expected, came within weeks of running out of money. The other advice that I think emerged a little bit later in my YC life which was this notion are you default dead? Are you default alive? How aware are you of that on a weekly or monthly basis and being very, very clear on how at a strategic level you're going to steer your company to ensure that you're shifting from being default dead to default alive. It's probably one of the most significant things you can do. And so if you're making something people want, if you're focusing on only that and not the other stuff that seems like work but isn't, and you're shifting your company towards default alive instead of default deadness without trying

Jeremy Rossman [42:02] - to optimize too much on like the terms of your fundraise and really trying to optimize for not dying, I think you'll do great. The biggest tragedy is to really be onto something and then through a tactical sort of strategic sequencing mistake end up running out of money basically or having to do a fire sale when you could have changed the world.

Craig Cannon [42:22] - Awesome, thanks for coming in.

Jeremy Rossman [42:23] - Thanks so much.

# EXHIBIT E

The Program | Outcomes | Students & Alumni | Admissions & Aid | Parents | FAQs


Admissions

Tuition & Aid

Living Costs & Assistance

International Students

## Admissions

At Make School students explore their world, develop their characters, and master valuable technological skills by building real products for real people. Make School is a small college and a supportive learning community situated in the center of technological innovation in the world: San Francisco. Make Schoolers are original and creative, they have grit and enthusiasm, and they have a passion for collaborating and using technology to solve their community's and the world's problems.

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### How to Apply

A Make School Application includes the following pieces:

1. Digital Application (required)
   a. Personal Information
   b. Short Answer Questions
2. Recorded Interview
3. Links to Projects and Products
4. Links to Code You Are Proud Of
5. Two Letters of Recommendation

While some of the pieces of the application are considered optional, we highly encourage students to submit as much information as possible to aid in the decision making process.

Also, please note that we do not request any standardized test scores (SAT, ACT, etc) or your high school GPA.

We select students based on the evidence they give us in their application, projects, and interviews of the following five characteristics:

- Resilience & Hard Work
- Passion for Solving Problems
- Teamwork & Collaboration
- Kindness & Emotional Intelligence
- Previous Knowledge of Software Development

How to gain the knowledge you need? Start coding today

Previously admitted students have...

1. Code they are proud of in public repos in Github.com - to get started with git and github follow this tutorial.
2. Made attempts to solve problems around them in their communities or in the world using software. These projects are live or there is documentation (like a blog post) about the project and what happened.
3. Attended multiple hackathons and planned or won one (or a few!)
4. Built a startup
5. Personal websites that feature the projects they've made and maintain
6. Software developers or computer science instructors that will write them recommendations
7. Mentors who are software developers who will write them recomendations
8. Secured technical internships or internships in technical companies
9. Taken AP CSP in high school
10. Started or completed a bachelor's degree in Computer Science
11. Written and kept up to date blogs on their technical and non-technical projects and interests.

For more resources and information on how to develop technical skills, check out this guide by Google.

### Admissions Calendar

| | |
|---|---|
| Early Admissions Decisions | January |
| Regular Admissions Decisions | April |
| Enrollment Begins | April |
| Student Orientation | Sept 11, 2017 |

## Tuition & Aid

Make School offers a spectrum of options to pay for your education - from paying full tuition upfront to choosing one of our income-based repayment models.

The Income Share Agreement (ISA) is an innovative funding mechanism for higher education that is being pioneered by Make School. It enables you to pay your tuition through a percentage of your income during your internship period and full-time employment for a specific number of months after graduation.

Our tuition model aligns our incentives with the outcomes of our students - we are successful if you are successful. We are committed to preparing students with the skills necessary to succeed as a software developer. Income Share Agreements support investing in education and investing in the future.

We are committed to offering all US citizens access to the full ISA option should they choose to take it. If you are an international student, please see the International Students section for your tuition options.

## Income share agreement table (2017)

Move slider to see ISA range

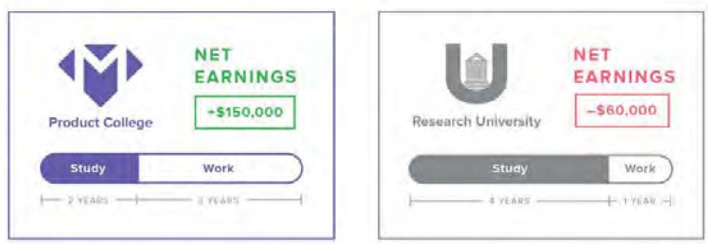
No ISA | 1/2 ISA | 3/4 ISA | **Full ISA**

**$0** upfront tuition (paid in quarterly installments over two years)
**42** months of tuition payback at **25%** of gross salary (6 month internship + 3 years of work)
**$3,300** average monthly take home salary (after taxes and tuition)
**$90,000** expected total tuition paid

At Make School, students who qualify for and want to enroll in an Income Share Agreement will share a percentage of their pre-tax income for a limited number of months after graduation.

Students who qualify for ISA tuition can choose to take the full ISA-based tuition, or pay one quarter, half, or all of their tuition in quarterly installments. The more tuition you choose to pay up front, the fewer months of repayment will be shared with Make School after graduation. When you enroll you will be asked to choose your payment plan of either full tuition, half tuition, quarter tuition, or zero ISA.

The following infographic compares Make School's tuition model with that of a traditional four-year university, showcasing the difference in outcomes five years after beginning each program.




After 5 Years at Product College

**$360,000 Earnings** (1 internship + 3 years of work)
**$150,000 In Pocket** (after taxes and tuition)
**$0 Tuition Owed** (after paying off all of tuition)
**$110,000 Estimated Salary**[3]

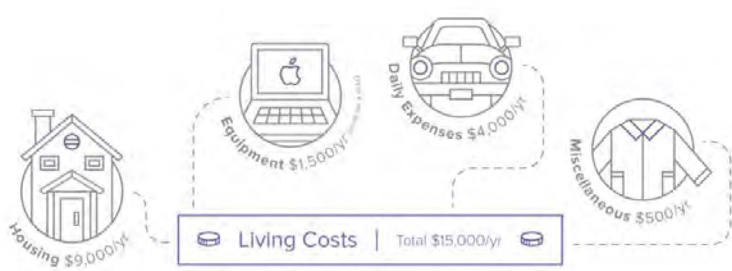
After 5 Years at a Research University

**$150,000 Earnings** (3 internships + 1 year of work)
**$20,000 In Pocket** (after taxes and partial tuition)
**$80,000 Tuition Owed** (after paying off half of tuition)
**$90,000 Estimated Salary**

[1] This model does not factor in room & board, which are costs that are similar for both scenarios.
[2] This model is not meant to be an exact representation of each student that attends college. We calculated our model based on some basic assumptions. If you would like to know more about how we calculated our model, please visit the Tuition & Aid section on our FAQs page.
[3] Estimated based on average starting salary of $90k plus expected pay increases over 3 years of work.

MAKE SCHOOL

## Living Costs & Assistance




Students who demonstrate financial need are eligible for an Income Share Agreement living stipend. If you receive a $1500/mo living stipend for the entire duration of Make School, your ISA payback will increase by a period of 18 months.
To learn more about living stipends for non-tuition expenses and how to qualify, please visit the Tuition & Aid section of the FAQs.

## International Students

Students of all nationalities are welcome at Make School. All applicants go through the same admissions process and Make School has no quotas or limits of any kind for admission.

Make School is not a fully accredited college or university and so follows a different process from other colleges to admit and enroll international students.

It is important to note that you will be ineligible to work in the United States during and after your time at Make School. In addition, Make School cannot sponsor the following visas:

- F-1 Student Visa
- An existing F-1 visa sponsorship from another school or organization
- Optional Practical Training (OPT)
- J-1 Training Visa

If you already have one of the above visas, please be aware that this visa cannot be sponsored by Make School and will be invalidated when you begin your attendance at Make School. However, International students can successfully attend Make School using a B-1/B-2 visa, known as a "Business Visitor" visa.

Admission into Make School does require a strong proficiency with the English language. If there is any question of your English abilities, we may request that you submit your TOEFL scores with your application.

In most cases, being an international student significantly limits Make School's ability to extend our popular Income Share Agreement financial aid. In many cases international students will have to pay half or the full tuition to attend Make School.

### Income Share Agreement Eligibility by Nationality

- US Citizen or Green Card holder - Up to Full Tuition ISA
- O-1 Candidate (Any Nationality) - Up to Full Tuition ISA
- Canada, Mexico, Singapore, Australia, or Chile with BS in Computer Science from a non-US University - Up to Full Tuition ISA
- Canada or Mexico without BS in Computer Science - Up to Half Tuition ISA
- EU, UK, or Japan - Up to Full Tuition Advanced Economy ISA (see table below)
- All other cases - no eligibility for ISA

To qualify for O-1 ISA financial aid, you must demonstrate evidence for at least one and have a plan to attain another two criteria of the official eight O-1 criteria.

### EU & Japan Advanced Economy ISA

If you are a citizen of an EU nation or Japan, we have created an altered ISA formula to account for the lower salaries of tech workers in these nations.

### EU & Japan Income Share Agreement Table (2017)

Move slider to see ISA range

No ISA 1/2 ISA 3/4 ISA **Full ISA**

**$0** upfront tuition (paid in quarterly installments over two years)
**78** months of tuition payback at **25%** of gross salary (6 month internship + 6 years of work)
**$90,000** expected total tuition paid

## Join Make School

Prepare for your career as a founder or software developer

APPLY NOW

## Talk to Us

If you have any questions, please send us an email

EMAIL US

Register For Updates EMAIL ADDRESS SUBMIT

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# EXHIBIT F

**From:** [redacted]
**Subject:** Fwd: [redacted], prepare for your future at Make Schoo
**Date:** [redacted]
**To:** [redacted]

On Wed Apr 15 2020 [redacted] wrote

> Begin forwarded message
>
> **From:** Make Sc oo Ad ss o s <ad ss o s@ akesc oo co >
> **Subject:** [redacted] **prepare for your future at Make Schoo**
> **Date:** Ap 15 2020 at [redacted]
> **To:** [redacted]
> **Rep y-To:** [redacted]
>
> Hi [redacted]
>
> I hope you're doing well and staying safe. We know these are uncertain times. Colleges across the country have been required to adapt extremely quickly to current circumstances. **Make School has risen to this challenge and has successfully shifted all classes online while maintaining our synchronous, personal teaching approach.** But while we may have changed our methods to deliver education, our guiding principles remain untouched.
>
> As a refresher on Make School, here are the 3 most important things you should know about us:
>
> 1. Our students get jobs. Average starting salaries have been over $100,000. You might be worried about whether hiring has slowed down - while the pandemic has undoubtedly hurt the job market, the practical skills we equip students with have really helped them stand out. In the last few weeks alone Apple, Pandora, and Zendesk have made offers to our students. Here's a video that shows why recruiters at Microsoft, Lyft, and Yelp think Make School students stand out.
> 2. We are tightly integrated with the tech industry. Tech companies like Yelp actually send their engineers to teach classes at Make School. We just ran an online version of our industry connect week where Microsoft, Spotify, and top startups ran panels for our students on a variety of tech career topics - think of it as an interactive career fair.
> 3. You don't have to pay unless you get a job. We think it's ridiculous that students have to take on financial risk to get an education, even more so in the middle of a pandemic. If you're not employed after Make School, you don't pay.
>
> The safety of our students and staff has always been our number one priority. We closed our campus one full week before San Francisco announced its shelter-in-place order. We will continue to monitor the situation closely and take action as necessary. We plan to offer our program online until it is safe for students to come back to campus. Once the shelter-in-place order is lifted and gatherings are deemed safe again, we will resume our onsite program.
>
> However, given that we may have to continue our online learning program through the fall, we know many of our prospective students will have questions about what an online learning experience looks like at Make School. You can learn more about our program and how we've adapted to the current crisis here.
>
> And if you'd like to experience our learning model for yourself, meet faculty and students, and interact with our community, **I encourage you to sign up for our upcoming Virtual Preview Weekend on April 25 - everyone is welcome to attend.** If you've already signed up, you can head over to check out our tentative schedule here.
>
> ---
>
> Register Now
>
> ---

If you have any questions, you can always contact admissions@makeschool.com and we'll be happy to help!

Best,
Komal Desai
Admissions, Make School

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*Make School is a college in San Francisco offering an accredited, project-based Bachelor's degree program in Applied Computer Science. Students can complete the degree in 2-3 years and don't pay until they get a job. The average starting salary of graduates is $100,000 and they've been hired by Google, Facebook, Apple, NASA, IDEO, Twitch, and many other top tech companies.*

*The program has been featured in CBS News, Wall Street Journal, Money, The SF Business Times, Inside Higher Ed, Education Dive, and Campus Technology.*

# EXHIBIT G

**From:** **Make School Financial Aid** financ a .a d@makeschoo .com
**Subject:** WARNING - ACTION REQUIRED! Subm t Your PRIVATE LOAN before Ju y 30th
**Date:** Ju y 28, 2020 [redacted]
**To:** [redacted]

Hello [redacted],

**WARNING: You must submit a PRIVATE LOAN application by no later than Thursday, July 30th to maintain eligibility for all Financial Aid options.**

You are receiving this email since we have yet to receive a record of your Private Loan application. The deadline to submit your Private Loan application was July 20th and has now passed.

---

Your Financial Aid Next Steps

Please be aware that you will not be eligible for an ISA to cover any remaining balance for tuition and living expenditures after Federal Aid if you do not complete the following steps.

1. You must submit a Private Loan application **no later than Thursday, July 30th.**

- If you have extenuating circumstances, please share a short narrative (1-2 sentences) to financial.aid@makeschool.com **no later than Thursday, July 30th.**
- For details please review the Financial Aid Checklist here: http://make.sc/finaid-checklist-2020.

WARNING: You will not be approved for an ISA to cover the remaining balance for tuition and living expenditures after Federal Aid if you have not submitted a Private Loan loan application or a short narrative.

**You must submit a PRIVATE LOAN application by no later than Thursday, July 30th.**

---

After completing these steps, we will be able to issue you a Financial Aid Award letter with the necessary aid to cover your remaining financial gap at Make School.

Please reply or email financial.aid@makeschool.com if you have any questions about your next steps. We are here to support you!

Sincerely,

Financial Aid Team
Make School

# EXHIBIT H

MAKE SCHOOL

Bachelor in Applied Computer Science
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## Tuition & Aid

Start Applying Request Info
✕

Request More Information

Tuition & Aid Options Comparing To Traditional Colleges Living Costs & Assistance

## Tuition & Aid

Since 2014, the majority of Make School students have financed their tuition with Make School's Income Share Agreement (ISA). Instead of paying tuition up front, students taking an ISA commit to paying a percentage of their income for a certain number of years after graduating (see table below.) With ISA financing, graduates only pay when they have a job making more than $60,000/year.

**Our ISA financing model aligns our incentives with the outcomes of our students - we are successful if you are successful. With ISA, you only owe when you earn.**

Up front tuition is $15,000 for the fall semester, $15,000 for the spring semester, and $10,000 for the summer semester.
Students taking our accelerated course load can expect to study at Make School for two fall semesters, two spring semesters, and one summer semester, for a total of $70,000 in tuition.

All US Citizens and Permanent Residents are eligible for full ISA financing. Make School also offers the option to pay part or all of tuition up front. The more tuition you choose to pay up front, the fewer months of repayment will be shared with Make School after graduation. When you enroll you will be asked to choose your preferred tuition payment and ISA financing plan.

### Income share agreement table (2018)

No ISA
Partial ISA
Full ISA

**Year 1**

**$40,000** up front tuition

**Year 2**

**$30,000** up front tuition

**Total**

**$70,000** tuition paid

**Year 1**

**$20,000** up front tuition + **18 months** of tuition payback at **20% of gross salary**

**Year 2**

**$15,000** up front tuition + **12 months** of tuition payback at **20% of gross salary**

**Total**



**$35,000** up front tuition + **30 months** of tuition payback at **20% of gross salary**

**Year 1**

**$0** up front tuition + **36 months** of tuition payback at **20% of gross salary**

**Year 2**

**$0** up front tuition + **24 months** of tuition payback at **20% of gross salary**

**Total**

**$0** up front tuition + **60 months** of tuition payback at **20% of gross salary**

## Comparing To Traditional Colleges

Our graduates start their careers with an average salary of $95k/year, on par with graduates from top-tier programs and far ahead of the national average of around $66,000 .

Our graduates start working 2 years earlier than typical computer science undergrads. While their peers are paying up to $80,000 in tuition for their junior and senior years of college, our typical graduate earns $190,000 pre-tax.

## Living Costs & Assistance

Students who demonstrate financial need are eligible for an additional Income Share Agreement that provides living assistance of $1500/month. If you receive a $1500/mo living stipend for the entire duration of your studies at Make School, your ISA payback will be 5-7% of your gross income for 10 years after graduation, stacked with your tuition ISA obligation.

To learn more about living assistance for non-tuition expenses and how to qualify, please visit the Tuition & Aid section of the FAQs.



## Discover what it's like to become a student

- Academics →→

# EXHIBIT I

**From:** **Make School** news etter@makeschoo .com
**Subject:** Upcom ng Samp e C ass on Monday + More! [Make Schoo News etter]
**Date:** Ju y 10, 2020 at 6:15 PM
**To:** [redacted]


**Make School Newsletter | Volume #4 | 07.10.2020**

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# Upcoming Events


**Monday, July 13 at 5pm PT | Web 1.0 - Intro to Front End Web Development**

Wondering what online classes at Make School are like? We're hosting an opportunity to attend a sample class online with Make School instructors Mitchell and Dan! Our instructors will give you a taste of the online learning experience at Make School and teach you a thing or two about programming. **Learn more and register at the link below.**

Register Here

***Note:*** To get the full experience, please make sure to join via laptop or computer as you will be creating your own code. No other software or hardware is required!

---

# Admissions & Enrollment Reminders

**Check your [admissions portal]** for missing items and make sure to submit them as soon as possible! If you have questions or blockers, please email us at admissions@makeschool.com.

**Reminder,** you can complete FAFSA before being admitted and after. Feel free to go to the FAFSA application and list our partner university, Dominican University of California. Their school code is 001196! Please make sure you have listed DU of California as there are several DUs. Once you complete FAFSA, forward your confirmation to financial.aid@makeschool.com.

**Additionally, as the Fall approaches,** we will be sending out requests soon for you to commit to online remote for the Fall or onsite in San Francisco in the near future.

**Important note for International Applicants and Admitted Students:** We are aware of the current DHS and ICE changes for those under and F-1 and M-1 Visa for Fall 2020. We will send out additional information about how this may impact Make School students as soon as we have more details.

---

# Financial Aid Updates

**Financial Aid Counseling now available for admits!** Admits, keep an eye out for an email from the Financial Aid team with details for how to book a call to discuss your financial aid next steps.

**Know your next steps!** All applicants and admits should download and view the updated Domestic Financial Aid Checklist to help you stay on track and meet all deadlines. For questions, you can always email financial.aid@makeschool.com.

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# Student Spotlight

Get to know our students!

### Aleia Knight - Junior, Data Science Track

During last week's Instagram Live, we heard from rising Senior Aleia Knight about her background and her experience learning software engineering at Make School. Aleia grew up in a small city in South Atlanta, Georgia called Fairburn and has been interested in robotics since the 7th grade. She hopes to one day become a NASA engineer, building software and hardware for robots. Learn more about Aleia's journey here.

---

## Staff Spotlight

Get to know the Make School staff family!

### Adriana Gonzalez - iOS Instructor

Adriana has previously been an iOS developer and CTO of a startup. She's been building projects in teams of all sizes since 2014. Adriana is at Make School because she loves contributing to a major change in higher education - making it accessible for everyone.

Learn more about our faculty & staff here.

---

# What are Some Career Paths for a Computer Science Major?

*by Make School Writer Angela Bourassa*

As our world becomes more and more digitized, computer technology continues to extend its reach into every aspect of our lives. That means that whether your interests lie in education or health, government or the arts, finance, or public service; a degree in computer science can help you begin a career in that field.

Beyond the range of industries that employ people with computer science degrees, another great benefit of studying computer science, especially right now, is that people with strong computer science knowledge are in extremely high demand. To put that demand into real numbers, the Bureau of Labor Statistics estimates that the US economy is adding about 100,000 information technology jobs every year but currently only 60,000 qualified applicants are entering the workforce annually.

With a bachelor's degree in computer science, there are a plethora of available careers. Learn more about your possible career paths here.

---

# Admissions & Enrollment FAQs

## Housing [NEW INFO]

- **How much do the rooms cost? [NEW INFO]**
  As of right now, due to safety concerns related to COVID-19, we are only able to offer single and double rooms for Fall 2020. Room assignments are made on a first-come, first-served basis. However, students needing medical accommodations, with supporting documentation, receive priority for single rooms.
  - **Single: $1000/month for a single with shared bath**
  - **Double: $800/month per person for a double with shared bath**

- **How do I apply for housing?**
  Admits will have access to complete the housing survey (rank your room preferences, information to enable roommate matching, or the name of your preferred roommate) and submit a housing deposit. Room placement priority is given in the order the housing survey is complete and housing deposits are received. Please note: the housing deposit is separate from the enrollment deposit. The deadline to apply for housing is July 15th.

*You can find a more exhaustive list of questions about Fall Housing here.*

## Fall 2020 Plans

- **Are online courses just lectures posted online?**
  No. Make School is a live, synchronous education. All classes are delivered live in small groups. You will be virtually studying and attending class alongside your peers all day, 5 days a week.

- **If I move to San Francisco, then decide I want to move back home, can I break my dorm lease**
  Yes, flexibility is our priority in these times. We will allow you to cancel your lease with 30 days' notice.

- **If shelter in place is declared again, will I be sent home? Will I still be on the hook for my dorm lease?**
  If shelter in place is declared again, we will not send you home. We will close campus and increase sanitation and social distancing precautions in the dorms. You have the option of breaking your lease and leaving, but you can also stay.

- **If I start classes online, can I join in-person before January?**
  Yes, there will be a second window to move to San Francisco in October even if you start online.

- **If I start online and decide to leave, can I get a refund?**
  We are offering full tuition refunds if you leave within the first 4 weeks of classes.

## Financial Aid

- **Can I use scholarships, 529 Plan savings, GI Bill to pay for Make School?**
  You can use scholarships or 529 Plan savings. We're working on final approval to accept GI Bill funding from the VA.

- **What school do I list in my FAFSA application?**
  When you file your FAFSA, please list "Dominican University of California" as your school. The school code is 001196.

- **How can you guarantee incentive alignment if loans are now secured upon the student and the students' parents?**
  Incentives are most definitely still aligned despite the shift towards prioritizing student utilization of Title IV funding. The key way that we are maintaining the same downside protection as the ISA is with an Extended Income-Based Repayment protection plan.

  Make School is creating and funding an Extended Income-Based Repayment (EIBR) protection plan to cover Parent Plus and private loans and create full protection coverage for underemployed and unemployed graduates.

- **How is my loan obligation protected under the EIBR protection plan?**
  During the time you are paying off your loan, you can apply for EIBR protection on any month where your loan payment exceeds the EIBR caps. You'll submit

information on your income and loan payments and our EIBR Protection Plan will send you money to cover the excess payment. There are a set of eligibility requirements that you'll need to meet which we will share soon.

*Learn more about Tuition [here](#) and our new EIBR protection plan [here](#).*

## Tuition

- **How do you justify charging that same amount for tuition for Zoom classes, knowing the learning experience in the classroom is not the same between the student and teacher nor the student and other students?**
  We 100% understand why it seems like a reduction in costs would be reasonable given the shift to online learning, especially given the existing reputation of online classes. We agree that the in-person experience is richer and more socially fulfilling in many ways (that's why we were always an in-person program!) We also have worked extremely hard to maintain and support that same community and strong sense of interpersonal connections between both students and staff with the recent mandatory shift to online learning. We know that many other universities were not able to adapt quickly and simply posted video lectures and told students to self-study, but that is not what we have done. We still have live classes, with breakout groups, pair programming sessions, live office hours with instructors and TAs, and an emphasis on continuing to build a thriving community. The majority of our students say that their online student experience has been the same or better than it was in person on campus.

## The Program

- **Who owns the apps I build during Make School?**
  You do! You retain 100% of the rights to all the work you do during the program.

- **What kind of computer do I need? Do I need an iPhone or iPod touch?**
  You'll need a Mac laptop that can run the latest version of OSX. You can check whether your computer will work [here](#). We usually recommend a Mac laptop that is less than two years old. However, any laptop that can run the latest OSX that has at least 8GB of memory and a SSD (Solid State Drive) hard drive will work. In the case of some older mac laptops, additional RAM and an SSD can be added for as little as ~$200. You do not need an iPhone or iPod touch (iOS simulators on Macs will work well enough).

---

# Stay in touch

**Slack workspace**
Want to meet other Make School community members? Join our Slack workspace and get connected to our staff, students, alumni, and other students interested in attending Make School.

Join our Community Slack and start posting your questions in the #ask-admissions channel. You can also view answers from the recent AMA with cofounder Jeremy that took place on Saturday, June 27.

**Instagram**
Follow us on Instagram to get updates on all the latest news and events at Make School.

---

# Share Your Feedback

Have something you'd like us to share in an upcoming newsletter or thoughts on how to make this newsletter the most valuable to you? We welcome all feedback and inquiries with this form.

**[SUBMIT]**

---

# EXHIBIT J

MAKE SCHOOL

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# FAQs

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✕

Request More Information

+

## The Program

**+How does the Bachelor in Applied Computer Science differ from Computer Science programs at other college?**
Our degree program combines relevant liberal arts and project-based computer science to ensure students are prepared to graduate into top tech jobs. Our theoretical computer science courses cover topics employers tell us they value, not the same traditional content that has been static at other institutions for more than a decade. Our in-major courses teach computer science concepts by empowering students to apply those concepts to products they create using the same tools and technologies tech employers do. We offer specific concentrations in data science and machine learning, front-end and backend web development, and mobile development. Whereas the majority of computer science students in US colleges will use real-world tools and technologies on the side - at weekend hackathons or in specific electives - our entire applied computer science degree program has been designed from the ground up to teach students how to build real products that can make real impact on the world. Students will graduate with robust portfolios demonstrating their ability to design, program, and launch cutting-edge software products.
**+What languages and frameworks will I learn?**
We'll teach Python for algorithms and theory, Objective-C and Swift for app development, Flask for backend development, Node.JS and Ruby on Rails for web backend development, HTML/CSS/Javascript and AngularJS for front-end development, and a taste of Haskell and Scheme. Click here for more details.
**+What is the student to instructor ratio?**
We have 1 faculty member for every 13 students. Classes are typically capped at 25 students and upper division courses typically have around 15 students in them. Every student is assigned to an individual coach with whom they'll meet once a week during their entire time at Make School.
**+Do you guarantee a tech internship and job after graduation?**
We align our incentives with the success of our students. As a result of the Income Share Agreement (ISA) tuition financing model, we only receive payment if our students secure high-paying jobs at tech companies. We prepare students for career success by helping them craft their portfolios, resumes, and websites. We perform mock interviews with students and refer them to companies in our network. Career services and searching for jobs are integrated into the curriculum, with several weeks a year dedicated to preparing for career events and polishing student portfolios. We do our best to help place students at an internship through our strong network of tech companies and startups, but ultimately the duty of landing the internship or job will fall on the student. Click here for a list of our corporate partners and here to learn more about ISAs.
**+When is the best time to attend Make School?**
The best time to do the program is right after you graduate high school or after a year or two of community college. We do accept transfer students and offer transfer credit for general education courses. Our typical student is aged 18-25. We do require that you've graduated high school or earned your GED to enroll.
**+What if I can't commit to two years at Make School?**
We strongly encourage a two year commitment to enable you to gather all the skills you need to have a successful tech career. While it is possible that some experienced students become job-ready after one year in the program, most students benefit from the full two year experience. We assess students on job readiness based on our comprehensive job-readiness rubric.
**+Can I do this part time or online?**
No, students taking the lightest course load typically work 40 hours a week and those taking the most intensive course load typically work 60 hours a week. There are no options for part-time students. There are only online courses offered for students who are 3-4 classes short of finishing their degree and who want to start working full time - for those students, we will offer advanced courses online on a schedule that allows them to finish their degree while working full time. There is no way to start as a Make School student online.
**+Who owns the apps I build during Make School?**
You do! You retain 100% of the rights to all the work you do during the program.
**+What kind of computer do I need? Do I need an iPhone or iPod touch?**
You'll need a Mac laptop that can run the latest version of OSX. You can check whether your computer will work here. We usually recommend a Mac laptop that is less than two years old. However, any laptop that can run the latest OSX that has at least 8GB of memory and a SSD (Solid State Drive) hard drive will work. In the case of some older mac laptops, additional RAM and an SSD can be added for as little as ~$200. You do not need an iPhone or iPod touch (iOS simulators on Macs will work well enough).
**+Where is the exact location?**
Make School's campus building is at 555 Post Street, San Francisco, CA 94102. Click here for map directions. We are located near Union Square, in the heart of San Francisco.
+

### Accreditation

**+Is Make School's Bachelor in Applied Computer Science program accredited?**
Yes, the program is accredited by the WASC Senior College and University Commission (WSCUC), the regional accrediting agency covering the State of California.

Make School is the first school in the country to pursue accreditation under a new policy called the "Incubation Policy". Under this policy, an accredited college partners with Make School, vets the quality and compliance of our programs, and submits a proposal with Make School.

After meeting with colleges around California, Make School has partnered with Dominican University of California located across the Golden Gate Bridge from San Francisco in the city of San Rafael. Under the leadership of their president, Mary Marcy, Dominican has implemented a new initiative called the Dominican Experience pairing liberal arts with career focused education, emphasizing project based learning, and providing support for first-gen and underrepresented students of color.

These institutional priorities align with Make School's and we are thrilled to be partnering with what we believe to be the most innovative small liberal arts college in the United States.

For the next few years, degrees will be formally issued by Dominican University and the name of the school will be "Make School at Dominican University". In the next 3-5 years, Make School plans to become an independently accredited school and issue its own degrees.

Make School holds direct relationships with employers and maintain our own facilities, instructors, residence halls, and alumni community. The Bachelors in Applied Computer Science program is offered out of Make School's campus at 555 Post St in San Francisco, not at Dominican's campus.
**+Who is WSCUC?**
WASC Senior College and University Commission (WSCUC) accredits all the top schools in California included Stanford, UC Berkeley, and Caltech. We have found them to be the most open-minded accreditor in the country.
**+When can I graduate with a bachelor's degree?**
Students entering in the fall of 2019 would be able to graduate with a bachelor's degree by end of summer 2021 at the earliest. This makes our bachelor's program one of the most, if not the most accelerated bachelor's programs in the nation.
**+Is it really possible to graduate with a bachelors in 2 years?**
We have designed our academic calendar to allow students to take an accelerated course load.

Students taking the accelerated load will be able to complete the program in 2 years assuming they pass all their classes. Students do not need to hold an Associates Degree to be eligible for the accelerated 2 year degree path.

Students who are less than 4 classes short of graduating after 2 years (for example if they took a light load for a term or failed classes) will have the option to finish their degree online, allowing them to enter the workforce after 2 years of study.

Students who do not take the accelerated course load can expect to graduate in 3 years.
**+Why do you have to partner with another University?**
Only by having an accredited university review our program and submit a proposal with us were we able to transition the Product College to a Bachelors in Applied Computer Science program in time for incoming students to graduate with degrees. Dominican University of California also teach Make School Science and Letters (S&L:) courses, Make School's version of General Education courses, on Make School's campus.
**+What changes were made to Make School's program to be eligible for accreditation?**
There is a common misconception that the standards of accreditation restrict innovation. In the early years of Make School, we believed this too. As we came to learn more about the process, we found that accreditation is really about documenting the processes necessary to maintain consistent quality and student success as a school scales. Fortunately, accreditation does not force us to hire PhDs and does not restrict our ability to iterate on courses and curriculum every term. The reality is that many colleges are slow moving and bureaucratic because of their own structures of governance, not because of their accreditors.

Make School added stronger documentation of each course's and concentration's desired learning outcomes, standardized the structure of our syllabi and assessment methods for each class, and added Science and Letters courses provided by Dominican University of California.

These courses are already being taught at Make School and have received an overwhelmingly positive reception so far.
**+Is this program the same as the Product College?**
The Product College is the name of the program offered at Make School between 2015 and 2018. The Bachelor in Applied Computer Science degree program is the evolution of the Product College run by the same team of faculty, mentors, a student support staff at the same campus at 555 Post St, San Francisco. Starting in 2019, the Product College will no longer exist and Make School will only offer the bachelor's program.
**+Why do I have to take Science and Letters (S&L) courses?**
Increased Science and Letters courses is both an accreditation requirement and a response to consistent feedback we get from employers. Make School's mission is to serve a college-age audience, and an undergraduate education for college students cannot be complete with certain non-technical courses that prepare students to be well-rounded employees, resourceful and communicative colleagues, and engaged members of society.
**+Can I place out of Science and Letters (S&L) courses?**
Students who have taken equivalent courses at other accredited colleges will be able to transfer in those credits to place out of certain GEs. Students who have taken certain Advanced Placement courses (APs) may be able to place out of GEs as well. Once admitted, your enrollment advisor will collect information from you to inform you about which GEs you may place out of.

Whether prior courses or APs place you out of a given GE class is at the ultimate discretion of Dominican University of California.
**+What happens if I already have a Bachelor's Degree?**
You will likely place out of most Science and Letters requirements. You will not be able to get a Masters Degree but will be able to get a second Bachelor's.
**+Which Science And Letters courses will I have to take?**

- Writing/Communication
- Life Sciences
- Mathematics
- Ethics
- Arts
- History
- Religion
- Social Science

**+Can I just not take Science and Letters courses?**
If you do not enroll for Science and Letters courses, you will not be able to graduate with a degree.
**+Will I have to go to Dominican University of California's campus?**
No, all courses including Science and Letters courses will be taught at Make School's campus in San Francisco.
**+Are there changes to the Academic Calendar?**
Students taking the accelerated path to a Bachelor's degree will study for 2 academic years, intern for one summer, and study for one summer. They may intern the first summer and study the second or vice versa.
**+How many classes will students take a term?**
There are four 7-week terms per academic year and two 6-week terms per summer. Each term, you will take 2-3 technical courses and 1-2 Science and Letters courses.
**+What is the tuition for the Bachelor's program?**
All incoming students who are US citizens, permanent residents, or otherwise authorized to work in the United States are eligible for an Income Share Agreement (ISA) to cover all tuition for the accelerated 2 year path to a Bachelor's degree.

Make School charges $15,000 for fall terms and spring terms and $10,000 for summer terms. Since students on the accelerated path to a degree will study two falls, two springs, and one summer, the total tuition for 2 years at Make School is $70,000.
**+Are there any changes to how student created intellectual property is treated?**
No, students will still own 100% of the intellectual property they create at Make School.
**+Will students in the Bachelor's program in Applied Computer Science be eligible for federal financial aid?**
Yes, pending federal government approval. We are in the process of applying for that approval and expect to receive it in time for the Fall 2019 class.
+

## Housing

**+Is housing provided?**
Yes, Make School offers dorm housing to students. Student housing is a 15-minute walk from our campus building at 555 Post St. Students pay $750/month for a triple or $990/month for a double. Students will be required to make a refundable security deposit ranging from $500-$1500 depending on their credit score. Most students find that it is incredibly beneficial to live with other students, as they can collaborate on projects and help each other during nights and weekends. However, students can apply for a waiver to live outside the dorms. Note that students who request living assistance through Make School's ISA program will most likely be required to take dormitory housing.
**+Do I pay for my own food?**
Yes. We recommend budgeting $600/month for food. Our campus is walking distance from Chinatown, known to have the city's cheapest fresh groceries. A shared kitchen is available in the dorms. For qualifying students a living assistance ISA of $1500/month is provided, of which a portion can be used to pay for some of your monthly expenses including food.
+

## Tuition & Aid

**+What is the total cost of attending Make School for two years?**
Tuition for the full two-year program is $70,000. If you are a US Citizen or Permanent resident, the full amount can be financed with an Income Share Agreement (ISA). Students taking an ISA do not have to pay any tuition up front, they commit to paying a percentage of their income for a certain number of years after graduating. With ISA financing, graduates only pay when they have a job making more than $60,000/year. See the Tuition and Aid section for more details.

We estimate living costs during the two year program at $30,000. Students in need may be eligible for up to $1500/month in living assistance to help cover these costs.
**+What is living assistance and how can I apply for it?**
We offer need-based living assistance, in the form of an additional ISA, to students who qualify for aid. We offer living assistance of $1,500/month. The living assistance ISA will require 5-7% of your gross salary to be paid back for 10 years, stacked with your tuition ISA obligation. The living assistance application will be available once you have applied and been admitted to Make School.

In order to determine if you're eligible, we require you to submit documentation that demonstrates your comfort with financial planning and literacy. You will also be required to verify your financial need through submission of financial documentation (e.g. a tax return that shows your family's income and financial situation).
+

### Application & Admissions

**+Are you accepting students for the class of 2020?**
Yes, our next class starts in August 2019. We are currently accepting applications for Fall 2019. Apply here.
**+What are the prerequisites?**
Prospective students must have a high school diploma or equivalent or be on track to receive one before starting Make School. We look for students with a strong demonstrated work ethic, as evidenced by performance at school, work, or extra-curricular activities. We also look for strong analytical skills.

We have expanded our introductory course offerings and are now able to accept students with strong analytical skills but little to no programming experience. However, the typical applicant has two or more years of programming experience before attending, typically including experience with at least one Object-Oriented programming language.
**+How many students will be admitted?**
We plan to enroll 200-300 students for the next cohort.
**+What are the application requirements?**
We do not charge any fee to apply. You will need to submit SAT or ACT scores before you can be formally admitted. Please plan on taking these exams in the fall of 2018 if you expect an admissions decision by January 2019.

We do not look at your GPA or SAT/ACT scores when making our initial admissions decision. However, we do require you to submit those scores before we can formally admit you and enroll you into the program.

While it is acceptable to be a less-advanced programmer, be sure to share other achievements and explain your interest in programming. Mention any information (clubs, activities, projects) that demonstrates both your pattern of hard work, as well as your ability to be collaborative, logical, and empathetic. Lastly, don't forget to add links to your previous coding projects. If you don't have any links, you can put your projects up on GitHub and link that on your application.
**+What does Make School look for in a prospective student?**
Make School looks for traits that include resilience, hard work, a passion for solving problems, the ability to be collaborative, kindness, emotional intelligence, and a high interest in/affinity for software development. We are able to assess these traits by looking at an applicant's written application, their background in computer science, projects they've worked on, and their interview.
**+What happens if I'm not ready to apply to Make School or my application is not successful?**
Keep coding and if something changes in the next few months, let us know. Students have often continued coding on their own, applied again, and been successful at Make School.

## Discover what it's like to become a student

- Academics →→

# EXHIBIT K

**From:** **Make School Financial Aid** financ a .a d@makeschoo .com
**Subject:** How To Rece ve Your F nanc a A d Award [Act on Requ red]
**Date:** Ju y 3, 2020 [redacted]
[redacted]

Dear [redacted]

Welcome to the Make School Class of 2022 and congratulations again on your acceptance!

The Financial Aid Office wants to ensure that you have the information you need to make the best decision on funding your education. In order to receive Federal Financial Aid, new students must first complete the Free Application for Federal Student Aid (FAFSA). More information on how to apply is in the Financial Aid Checklist (updated July 2nd, 2020) linked at the bottom of the email.

If you are declining Financial Aid, please submit THIS FORM no later than July 10th, 2020.

**Financial Aid Process Overview:**

1. Submit your 2020-2021 FAFSA with Dominican University of California as the School Code. If you are under 24, you may need your parents' support in the process.

2. If you are under 24 years of age, have a parent or guardian submit a Parent Plus Loan.
    - It is possible to get denied, and if so you may need to submit a Personal Student Loan application.

3. If you are over 24 years of age, submit a Personal Student Loan application

4. Stay tuned! We will be working diligently after you complete the above steps to issue you a Financial Award Letter. This will be sent to both your physical mailing address and your email address. You will also be able to log on to the Financial Aid system and see your Financial Award.

**Financial Aid Counseling:**
Great news! You can now book a Zoom Video Call with a Financial Aid Counselor to discuss your financial situation and create a custom plan to make the right choices on how to fund your Make School education.

*Note: If you are a Dependent Student (see the linked Checklist below if you aren't sure of your status), we highly recommend that your Parent(s) and/or Guardian(s) attend these Financial Aid Counseling sessions.*

- For quick questions, book a 15-minute call at http://make.sc/finaid-15
- If you have some understanding of Financial Aid but want to clarify some key points, book a 30-minute call at http://make.sc/finaid-30
- If you are totally new to Financial Aid and want a comprehensive meeting to discuss your options, book a 1-hour call at http://make.sc/finaid-60

**For more information on the above steps, including updated deadlines, download the current Domestic Financial Aid Checklist PDF at make.sc/finaid-checklist-2020**

Please reply or email financial.aid@makeschool.com if you have any questions about your next steps. We are here to support you!

Sincerely,
Financial Aid Team
Make School

# EXHIBIT L

**From:** **Make School** adm ss ons@makeschoo .com
**Subject:** Student Counc We comes You + Meet Your Peers! [Make Schoo News etter]
**Date:** August 7, 2020 at [redacted]
**To:** [redacted]

MS


**Make School Newsletter | Volume #8 | 08.07.2020**

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# Welcome from the Make School Student Council

Hi, Incoming Students!

We in the Student Council wanted to welcome you all to Make School! You have taken the next step in your journey and have chosen to dive deeply into learning CS. While this may be challenging at times, *you will not be alone.* We know how difficult it has been since the start of the pandemic. While this might not be the ideal college experience, we are all here to help you whenever needed, so don't be afraid to reach out to your instructors, peers, and The Student Experience Team. Everyone is committed to your success and we can't wait to get to know you!

Looking forward to kicking off the school year with you and see you soon!

Best,
Make School Student Council

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# Incoming Student Spotlights

## Meklit Cherie

Meet Meklit Cherie, who comes from Addis Ababa, Ethiopia. Meklit plays Sudoku for fun and doesn't eat meat except on burgers! Her interest in computer science stems from the fact that she loves the satisfaction of getting to the solution when problem-solving. She's taken a few computer science courses at her previous college, as well as the Google Computer Science Summer Institute extension program at Make School. She's currently working to further her knowledge and understanding of Python. Meklit is most looking forward to the working environment, the diversity, and the community at Make School.

## Brian Ross

Meet Brian Ross, who comes from a town just outside of Atlantic City, NJ! Fun fact: Brian was in a 60's rock band for about 5 years, and can play bass and drums. He was drawn to computer science because he's always wanted to have the ability to build things that a bunch of people could use. He initially tried to teach himself how to code but found it very difficult to learn on his own. However, this summer, during the Google Computer Science Summer Institute extension at Make School, he was able to accelerate his learning. Some of Brian's hobbies include playing Rocket League, watching sports (he's a Sixers fan!), and learning from educational YouTube channels like Wendover, CGP Grey, and Half as Interesting. He's looking forward to being in a community with a bunch of other curious, driven people who like building things!

### Richard Jacobson

Meet Richard Jacobson, who goes by Rick. He comes from a suburb of Pittsburgh, Pennsylvania, known for its zealous sports fans, the steel industry, and more bridges than Venice! He has a Bachelor's Degree in Psychology with a Linguistics Minor from the University of Pittsburgh and will talk about both subjects nonstop when allowed. During the quarantine, he's spent time trying to teach himself Korean, watched a lot of shows, and has been planning out things to create in the future. Rick's interest in computer science stems from his love of modern technology. In his last semester at the University of Pittsburgh, Rick took a course called Computational Linguistics, which taught him the basics of Python, and how Natural Language Processing can be done using it. He has many ideas for applications of Machine Learning, and can't wait to bring them to fruition. Rick is most looking forward to getting into the community at Make School. He firmly believes that frequent interaction with others is fundamental to learning!

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## Staff Spotlight

Get to know the Make School staff family!

### Milad Toutounchian - Data Science Instructor

Milad holds a Ph.D. in Electrical Engineering and, prior to joining Make School, had worked for four years in the tech industry as a Data Scientist and mentor for the Data Science Career Track on Springboard. He loves to convey his expertise in Data Science to students with very practical applications and real-world problems.

Learn more about our faculty & staff here.

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# Make School FAQs

- **How should I prepare for Orientation and the start of classes?**
  Keep an eye out for an email from the college team with more information about confirming laptop requirements and how to get a head start on your laptop environment setup.

- **Can I use a PC while attending remotely and wait to get a Mac until the Spring?**
  No! It's even more critical that students are using Macs when we are remote learning.
    - Diagnosing issues cross-environment is extremely difficult remotely; without dedicated IT support for students and instructors, it's not feasible.
    - Furthermore, the current course materials and projects only support macOS. This is true of all courses at Make School - not just mobile courses.
    - In the widest possible context, most employers (even Microsoft) distribute Macs to their staff as a part of onboarding. It's important that students have working knowledge of macOS to succeed in the workplace.

- **What are the exact computer requirements?**
    - An Apple laptop with at least 8 GB of Random Access Memory (RAM)
    - At least 100 GB of Solid State Drive (SSD) Storage
    - A battery that holds a charge
    - A fully-functioning keyboard
    - A fully-functioning screen
    - A fully functional camera
    - A fully functional microphone
    - *Based on this, a student can reasonably spend $300-600 to upgrade their current Macbook, or $500-1500 to purchase a used or new Macbook.*

*current MacBook, or $500-1500 to purchase a used or new MacBook*

**If you are not 100% sure that you will have access to an Apple laptop** that meets the requirements above before the start of Orientation on August 14th, **please email [admissions@makeschool.com](mailto:admissions@makeschool.com) right away.**

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# Enrollment Reminders

**General Reminder**
Check your admissions portal for missing items and make sure to submit them as soon as possible! If you have questions or blockers, please email us at admissions@makeschool.com.

**Housing**
Want more information about housing? See the Housing FAQs document here for answers to the most common questions about housing. And for any questions not on that document, you can email ResLife@makeschool.com with any housing-related questions you may have!

**Important Reminder: If you are moving to San Francisco and are not 100% sure that you will have the funds to pay for your travel** in order to arrive before the start of Orientation on August 14th, **please email admissions@makeschool.com right away.**

**Fall 2020 Plans**
Please review the email in your inbox titled "[IMPORTANT] Updates about Fall 2020 and Fall tuition" to learn more about our updated plans for the fall semester. Please be sure to read that email and fill/re-fill the form!

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# Financial Aid Reminders

**Questions about Financial Aid?** Email financial.aid@makeschool.com with any financial aid questions you may have!

**Financial Aid Counseling now available for admits!** Admits, keep an eye out for an email from the Financial Aid team with details for how to book a call to discuss your financial aid next steps.

**Know your next steps!** All admits should download and view the updated Domestic Financial Aid Checklist to help you stay on track and meet all deadlines.

**Don't forget to complete FAFSA!** Feel free to go to the FAFSA application and list our partner university, Dominican University of California. Their school code is 001196! Please make sure you have listed DU of California as there are several DUs. Once you complete FAFSA, forward your confirmation to financial.aid@makeschool.com.

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# Stay in touch

**Slack workspace**
Want to meet other Make School community members? Join our Slack workspace and get connected to our staff, students, alumni, and other students interested in attending Make School.

Join our Community Slack and start posting your questions in the #ask-admissions channel. You can also view answers from an AMA conducted a few weeks ago with cofounder Jeremy.

*If you have not already been invited to the private Slack channel just for admits, send a DM to @Jordan [Admissions Manager].*

**Instagram**
Follow us on Instagram to get updates on all the latest news and events at Make School.

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# Share Your Feedback

Have something you'd like us to share in an upcoming newsletter or thoughts on how to make this newsletter the most valuable to you? We welcome all feedback and inquiries with this form.

**[SUBMIT]**

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# EXHIBIT M

File Source:U.S. DEPARTMENT OF EDUCATION, NATIONAL STUDENT LOAN DATA SYSTEM (NSLDS)

File Request Date:[redacted]

Student First Name:[redacted]

Student Middle Initial:[redacted]

Student Last Name:[redacted]

Student Street Address[redacted]

Student Street Address 2:

Student City:[redacted]

Student State Code:[redacted]

Student Country Code:US

Student Zip Code:[redacted]

Student Email Address[redacted]

Student Home Phone Country Code:1

Student Home Phone Number[redacted]

Student Home Phone Preferred:No

Student Cell Phone Country Code:1

Student Cell Phone [redacted]

Phone Preferred:Yes

Student Work Phone Country Code:

Student Work Phone Number:

Student Work Phone Preferred:

Student SULA Maximum Eligibility Period:0.0

Student SULA Subsidized Usage Period:0.0

Student SULA Remaining Eligibility Period:0.0

Student Enrollment Status:WITHDRAWN

Student Enrollment Status Effective Date:09/20/2021

Student Total All Loans Outstanding Principal:$62,347

Student Total All Loans Outstanding Interest:$5,584

Student Pell Lifetime Eligibility Used:0.000%

Student Iraq and Afghanistan Service Lifetime Eligibility Used:0.000%

Student Total All Grants:$0

Total DIRECT STAFFORD UNSUBSIDIZED Outstanding Principal:$3,500

Total DIRECT STAFFORD UNSUBSIDIZED Outstanding Interest:$0

Total DIRECT STAFFORD SUBSIDIZED Outstanding Principal:$2,750

Total DIRECT STAFFORD SUBSIDIZED Outstanding Interest:$0

Total DIRECT CONSOLIDATED UNSUBSIDIZED Outstanding Principal:$46,450

Total DIRECT CONSOLIDATED UNSUBSIDIZED Outstanding Interest:$5,383

Total DIRECT CONSOLIDATED SUBSIDIZED Outstanding Principal:$9,647

Total DIRECT CONSOLIDATED SUBSIDIZED Outstanding Interest:$201

1. **Loan Type:DIRECT STAFFORD UNSUBSIDIZED**

Loan Award ID:*****1526U21G01196001

Loan Attending School Name:DOMINICAN UNIVERSITY OF CALIFORNIA

Loan Attending School OPEID:00119600

Loan Date:07/22/2021

Loan Repayment Begin Date:03/21/2022

Loan Period Begin Date:05/24/2021

Loan Period End Date:07/30/2021

Loan Amount:$3,500

Loan Disbursed Amount:$3,500

Loan Canceled Amount:$0

Loan Canceled Date:

Loan Outstanding Principal Balance:$3,500

Loan Outstanding Principal Balance as of Date:09/30/2021

Loan Outstanding Interest Balance:$0

Loan Outstanding Interest Balance as of Date:09/30/2021

Loan Interest Rate Type:FIXED

Loan Interest Rate:0.00%

Loan Repayment Plan Type:

Loan Repayment Plan Begin Date:

Loan Repayment Plan Scheduled Amount:

Loan Repayment Plan IDR Plan Anniversary Date:

Loan Confirmed Subsidy Status:

Loan Subsidized Usage in Years:

Loan Reaffirmation Date:

Loan Most Recent Payment Effective Date:

Loan Next Payment Due Date:12/16/2025

Loan Cumulative Payment Amount:$0

Loan PSLF Cumulative Matched Months:0

Loan Status:IG

Loan Status Description:IN GRACE PERIOD

Loan Status Effective Date:09/21/2021

Loan Status:IA

Loan Status Description:LOAN ORIGINATED

Loan Status Effective Date:07/22/2021

Loan Disbursement Date:07/22/2021

Loan Disbursement Amount:$3,500

Loan Contact Type:Current ED Servicer

Loan Contact Name:DEPT OF ED/FEDLOAN SERVICING(PHEAA)

Loan Contact Street Address 1:PO BOX 530210

Loan Contact Street Address 2:

Loan Contact City:ATLANTA

Loan Contact State Code:GA

Loan Contact Zip Code:303530210

Loan Contact Phone Number:800-699-2908

Loan Contact Phone Extension:

Loan Contact Email Address:accountinfo@myfedloan.org

Loan Contact Web Site Address:http://myfedloan.org

2. Loan Type:DIRECT STAFFORD SUBSIDIZED

Loan Award ID:*****1526S21G01196001

Loan Attending School Name:DOMINICAN UNIVERSITY OF CALIFORNIA

Loan Attending School OPEID:00119600

Loan Date:07/22/2021

Loan Repayment Begin Date:03/21/2022

Loan Period Begin Date:05/24/2021

Loan Period End Date:07/30/2021

Loan Amount:$2,750

Loan Disbursed Amount:$2,750

Loan Canceled Amount:$0

Loan Canceled Date:

Loan Outstanding Principal Balance:$2,750

Loan Outstanding Principal Balance as of Date:09/30/2021

Loan Outstanding Interest Balance:$0

Loan Outstanding Interest Balance as of Date:09/30/2021

Loan Interest Rate Type:FIXED

Loan Interest Rate:0.00%

Loan Repayment Plan Type:

Loan Repayment Plan Begin Date:

Loan Repayment Plan Scheduled Amount:

Loan Repayment Plan IDR Plan Anniversary Date:

Loan Confirmed Subsidy Status:

Loan Subsidized Usage in Years:

Loan Reaffirmation Date:

Loan Most Recent Payment Effective Date:

Loan Next Payment Due Date:12/16/2025

Loan Cumulative Payment Amount:$0

Loan PSLF Cumulative Matched Months:0

Loan Status:IG

Loan Status Description:IN GRACE PERIOD

Loan Status Effective Date:09/21/2021

Loan Status:IA

Loan Status Description:LOAN ORIGINATED

Loan Status Effective Date:07/22/2021

Loan Disbursement Date:07/22/2021

Loan Disbursement Amount:$2,750

Loan Contact Type:Current ED Servicer

Loan Contact Name:DEPT OF ED/FEDLOAN SERVICING(PHEAA)

Loan Contact Street Address 1:PO BOX 530210

Loan Contact Street Address 2:

Loan Contact City:ATLANTA

Loan Contact State Code:GA

Loan Contact Zip Code:303530210

Loan Contact Phone Number:800-699-2908

Loan Contact Phone Extension:

Loan Contact Email Address:accountinfo@myfedloan.org

Loan Contact Web Site Address:http://myfedloan.org

Loan Type:DIRECT CONSOLIDATED UNSUBSIDIZED

Loan Award ID:*****1526U16G77778102

Loan Attending School Name:SCHOOL CODE FOR CONSOLIDATION LOANS

Loan Attending School OPEID:88888800

Loan Date:01/12/2016

Loan Repayment Begin Date:01/12/2016

Loan Period Begin Date:

Loan Period End Date:

[redacted]

Loan Canceled Amount:$0

Loan Canceled Date:

[redacted]

Loan Interest Rate Type:FIXED

Loan Interest Rate:0.00%

Loan Repayment Plan Type:PAY AS YOU EARN REPAYMENT

Loan Repayment Plan Begin Date:05/01/2019

Loan Repayment Plan Scheduled Amount:$0

Loan Repayment Plan IDR Plan Anniversary Date:02/01/2023

Loan Confirmed Subsidy Status:

Loan Subsidized Usage in Years:

Loan Reaffirmation Date:

Loan Most Recent Payment Effective Date:03/04/2020

Loan Next Payment Due Date:06/14/2025

Loan Cumulative Payment Amount:$0

Loan PSLF Cumulative Matched Months:0

Loan Status:FB

Loan Status Description:FORBEARANCE

Loan Status Effective Date:09/21/2021

Loan Status:DA

Loan Status Description:DEFERRED

Loan Status Effective Date:08/26/2019

Loan Status:RP

Loan Status Description:IN REPAYMENT

Loan Status Effective Date:06/01/2018

Loan Status:FB

Loan Status Description:FORBEARANCE

Loan Status Effective Date:05/04/2017

Loan Status:RP

Loan Status Description:IN REPAYMENT

Loan Status Effective Date:01/12/2016

Loan Disbursement Date:01/12/2016

Loan Disbursement Amount:$40,013

Loan Contact Type:Current ED Servicer

Loan Contact Name:DEPT OF ED/FEDLOAN SERVICING(PHEAA)

Loan Contact Street Address 1:PO BOX 530210

Loan Contact Street Address 2:

Loan Contact City:ATLANTA

Loan Contact State Code:GA

Loan Contact Zip Code:303530210

Loan Contact Phone Number:800-699-2908

Loan Contact Phone Extension:

Loan Contact Email Address:accountinfo@myfedloan.org

Loan Contact Web Site Address:http://myfedloan.org

[redacted]

Loan Interest Rate:0.00%

Loan Repayment Plan Type:PAY AS YOU EARN REPAYMENT

Loan Repayment Plan Begin Date:05/01/2019

Loan Repayment Plan Scheduled Amount:$0

Loan Repayment Plan IDR Plan Anniversary Date:02/01/2023

Loan Confirmed Subsidy Status:

Loan Subsidized Usage in Years:

Loan Reaffirmation Date:

Loan Most Recent Payment Effective Date:03/04/2020

Loan Next Payment Due Date:06/14/2025

Loan Cumulative Payment Amount:$0

Loan PSLF Cumulative Matched Months:0

Loan Status:FB

Loan Status Description:FORBEARANCE

Loan Status Effective Date:09/21/2021

Loan Status:DA

Loan Status Description:DEFERRED

Loan Status Effective Date:08/26/2019

Loan Status:RP

Loan Status Description:IN REPAYMENT

Loan Status Effective Date:06/01/2018

Loan Status:FB

Loan Status Description:FORBEARANCE

Loan Status Effective Date:05/04/2017

Loan Status:RP

Loan Status Description:IN REPAYMENT

Loan Status Effective Date:01/12/2016

Loan Disbursement Date:01/12/2016

Loan Disbursement Amount:$8,839

Loan Contact Type:Current ED Servicer

Loan Contact Name:DEPT OF ED/FEDLOAN SERVICING(PHEAA)

Loan Contact Street Address 1:PO BOX 530210

Loan Contact Street Address 2:

Loan Contact City:ATLANTA

Loan Contact State Code:GA

Loan Contact Zip Code:303530210

Loan Contact Phone Number:800-699-2908

Loan Contact Phone Extension:

Loan Contact Email Address:accountinfo@myfedloan.org

Loan Contact Web Site Address:http://myfedloan.org

[redacted]

Loan Canceled Amount:$0

Loan Canceled Date:

Loan Outstanding Principal Balance:$0

Loan Outstanding Principal Balance as of Date:01/13/2016

Loan Outstanding Interest Balance:$0

Loan Outstanding Interest Balance as of Date:01/13/2016

Loan Interest Rate Type:FIXED

Loan Interest Rate:5.41%

Loan Repayment Plan Type:PAY AS YOU EARN REPAYMENT

Loan Repayment Plan Begin Date:06/23/2015

Loan Repayment Plan Scheduled Amount:$0

Loan Repayment Plan IDR Plan Anniversary Date:06/17/2016

Loan Confirmed Subsidy Status:

Loan Subsidized Usage in Years:

Loan Reaffirmation Date:

Loan Most Recent Payment Effective Date:08/17/2020

Loan Next Payment Due Date:

Loan Cumulative Payment Amount:$0

Loan PSLF Cumulative Matched Months:0

Loan Status:PN

Loan Status Description:NON-DEFAULTED, PAID IN FULL THROUGH CONSOLIDATION LOAN

Loan Status Effective Date:01/13/2016

Loan Status:FB

Loan Status Description:FORBEARANCE

Loan Status Effective Date:12/17/2015

Loan Status:RP

Loan Status Description:IN REPAYMENT

Loan Status Effective Date:06/18/2015

Loan Status:IG

Loan Status Description:IN GRACE PERIOD

Loan Status Effective Date:12/18/2014

Loan Status:IA

Loan Status Description:LOAN ORIGINATED

Loan Status Effective Date:04/09/2014

Loan Disbursement Date:10/28/2014

Loan Disbursement Amount:$5,970

Loan Disbursement Date:09/09/2014

Loan Disbursement Amount:$2,158

Loan Disbursement Date:04/09/2014

Loan Disbursement Amount:$3,812

Loan Contact Type:Current ED Servicer

Loan Contact Name:DEPT OF ED/NAVIENT

Loan Contact Street Address 1:PO BOX 740351

Loan Contact Street Address 2:

Loan Contact City:ATLANTA

Loan Contact State Code:GA

Loan Contact Zip Code:30348

Loan Contact Phone Number:800-722-1300

Loan Contact Phone Extension:

Loan Contact Email Address:

Loan Contact Web Site Address:http://www.navient.com

[redacted]

Loan Outstanding Principal Balance:$0

Loan Outstanding Principal Balance as of Date:01/13/2016

Loan Outstanding Interest Balance:$0

Loan Outstanding Interest Balance as of Date:01/13/2016

Loan Interest Rate Type:FIXED

Loan Interest Rate:6.80%

Loan Repayment Plan Type:PAY AS YOU EARN REPAYMENT

Loan Repayment Plan Begin Date:06/23/2015

Loan Repayment Plan Scheduled Amount:$0

Loan Repayment Plan IDR Plan Anniversary Date:06/17/2016

Loan Confirmed Subsidy Status:

Loan Subsidized Usage in Years:

Loan Reaffirmation Date:

Loan Most Recent Payment Effective Date:08/17/2020

Loan Next Payment Due Date:

Loan Cumulative Payment Amount:$0

Loan PSLF Cumulative Matched Months:0

Loan Status:PN

Loan Status Description:NON-DEFAULTED, PAID IN FULL THROUGH CONSOLIDATION LOAN

Loan Status Effective Date:01/13/2016

Loan Status:FB

Loan Status Description:FORBEARANCE

Loan Status Effective Date:12/17/2015

Loan Status:RP

Loan Status Description:IN REPAYMENT

Loan Status Effective Date:06/18/2015

Loan Status:IG

Loan Status Description:IN GRACE PERIOD

Loan Status Effective Date:12/18/2014

Loan Status:IA

Loan Status Description:LOAN ORIGINATED

Loan Status Effective Date:04/25/2013

Loan Disbursement Date:11/18/2013

Loan Disbursement Amount:$7,960

Loan Disbursement Date:04/25/2013

Loan Disbursement Amount:$7,960

Loan Contact Type:Current ED Servicer

Loan Contact Name:DEPT OF ED/NAVIENT

Loan Contact Street Address 1:PO BOX 740351

Loan Contact Street Address 2:

Loan Contact City:ATLANTA

Loan Contact State Code:GA

Loan Contact Zip Code:30348

Loan Contact Phone Number:800-722-1300

Loan Contact Phone Extension:

Loan Contact Email Address:

Loan Contact Web Site Address:http://www.navient.com

[redacted] SITY

[redacted]

Loan Canceled Amount:$0

Loan Canceled Date:

Loan Outstanding Principal Balance:$0

Loan Outstanding Principal Balance as of Date:01/13/2016

Loan Outstanding Interest Balance:$0

Loan Outstanding Interest Balance as of Date:01/13/2016

Loan Interest Rate Type:FIXED

Loan Interest Rate:6.80%

Loan Repayment Plan Type:PAY AS YOU EARN REPAYMENT

Loan Repayment Plan Begin Date:06/23/2015

Loan Repayment Plan Scheduled Amount:$0

Loan Repayment Plan IDR Plan Anniversary Date:06/17/2016

Loan Confirmed Subsidy Status:

Loan Subsidized Usage in Years:

Loan Reaffirmation Date:

Loan Most Recent Payment Effective Date:08/17/2020

Loan Next Payment Due Date:

Loan Cumulative Payment Amount:$0

Loan PSLF Cumulative Matched Months:0

Loan Status:PN

Loan Status Description:NON-DEFAULTED, PAID IN FULL THROUGH CONSOLIDATION LOAN

Loan Status Effective Date:01/13/2016

Loan Status:FB

Loan Status Description:FORBEARANCE

Loan Status Effective Date:12/17/2015

Loan Status:RP

Loan Status Description:IN REPAYMENT

Loan Status Effective Date:06/18/2015

Loan Status:IG

Loan Status Description:IN GRACE PERIOD

Loan Status Effective Date:12/18/2014

Loan Status:IA

Loan Status Description:LOAN ORIGINATED

Loan Status Effective Date:07/18/2012

Loan Disbursement Date:12/12/2012

Loan Disbursement Amount:$4,250

Loan Disbursement Date:11/26/2012

Loan Disbursement Amount:$0

Loan Disbursement Date:07/18/2012

Loan Disbursement Amount:$4,250

Loan Contact Type:Current ED Servicer

Loan Contact Name:DEPT OF ED/NAVIENT

Loan Contact Street Address 1:PO BOX 740351

Loan Contact Street Address 2:

Loan Contact City:ATLANTA

Loan Contact State Code:GA

Loan Contact Zip Code:30348

Loan Contact Phone Number:800-722-1300

Loan Contact Phone Extension:

Loan Contact Email Address:

Loan Contact Web Site Address:http://www.navient.com

[redacted]

[redacted]

Loan Interest Rate Type:FIXED

Loan Interest Rate:6.80%

Loan Repayment Plan Type:PAY AS YOU EARN REPAYMENT

Loan Repayment Plan Begin Date:06/23/2015

Loan Repayment Plan Scheduled Amount:$0

Loan Repayment Plan IDR Plan Anniversary Date:06/17/2016

Loan Confirmed Subsidy Status:

Loan Subsidized Usage in Years:

Loan Reaffirmation Date:

Loan Most Recent Payment Effective Date:08/17/2020

Loan Next Payment Due Date:

Loan Cumulative Payment Amount:$0

Loan PSLF Cumulative Matched Months:0

Loan Status:PN

Loan Status Description:NON-DEFAULTED, PAID IN FULL THROUGH CONSOLIDATION LOAN

Loan Status Effective Date:01/13/2016

Loan Status:FB

Loan Status Description:FORBEARANCE

Loan Status Effective Date:12/17/2015

Loan Status:RP

Loan Status Description:IN REPAYMENT

Loan Status Effective Date:06/18/2015

Loan Status:IG

Loan Status Description:IN GRACE PERIOD

Loan Status Effective Date:12/18/2014

Loan Status:IA

Loan Status Description:LOAN ORIGINATED

Loan Status Effective Date:07/18/2012

Loan Disbursement Date:12/12/2012

Loan Disbursement Amount:$3,460

Loan Disbursement Date:11/26/2012

Loan Disbursement Amount:$0

Loan Disbursement Date:07/18/2012

Loan Disbursement Amount:$3,460

Loan Contact Type:Current ED Servicer

Loan Contact Name:DEPT OF ED/NAVIENT

Loan Contact Street Address 1:PO BOX 740351

Loan Contact Street Address 2:

Loan Contact City:ATLANTA

Loan Contact State Code:GA

Loan Contact Zip Code:30348

Loan Contact Phone Number:800-722-1300

Loan Contact Phone Extension:

Loan Contact Email Address:

Loan Contact Web Site Address:http://www.navient.com

Program School Name:DOMINICAN UNIVERSITY OF CALIFORNIA

Program School OPEID:00119600

Program CIP Title:Computer Programming/Programmer, General.

Program Credential Level:Bachelor's Degree

Program Begin Date:08/23/2021

Program Published Length in Years:2.5

Program Status Description:WITHDRAWN

Program Status Effective Date:09/20/2021

Program Status Description:LESS THAN HALF TIME

Program Status Effective Date:08/23/2021

Program Status Description:FULL TIME

Program Status Effective Date:06/03/2021

Program School Name:DOMINICAN UNIVERSITY OF CALIFORNIA - THE MAKE SCHOOL

Program School OPEID:00119613

Program CIP Title:Computer Programming/Programmer, General.

Program Credential Level:Bachelor's Degree

Program Begin Date:08/23/2021

Program Published Length in Years:2.5

Program Status Description:WITHDRAWN

Program Status Effective Date:09/20/2021

Program Status Description:FULL TIME

Program Status Effective Date:06/03/2021

Program School Name:DOMINICAN UNIVERSITY OF CALIFORNIA

Program School OPEID:00119600

Program CIP Title:Computer Programming/Programmer, General.

Program Credential Level:Bachelor's Degree

Program Begin Date:08/24/2020

Program Published Length in Years:2.0

Program Status Description:WITHDRAWN

Program Status Effective Date:12/11/2020

Program Status Description:FULL TIME

Program Status Effective Date:08/24/2020

Program School Name:DOMINICAN UNIVERSITY OF CALIFORNIA - THE MAKE SCHOOL

Program School OPEID:00119613

Program CIP Title:Computer Programming/Programmer, General.

Program Credential Level:Bachelor's Degree

Program Begin Date:08/24/2020

Program Published Length in Years:2.0

Program Status Description:WITHDRAWN

Program Status Effective Date:12/11/2020

Program School Name:DOMINICAN UNIVERSITY OF CALIFORNIA

Program School OPEID:00119600

Program CIP Title:Computer Programming/Programmer, General.

Program Credential Level:Bachelor's Degree

Program Begin Date:05/26/2020

Program Published Length in Years:3.0

Program Status Description:WITHDRAWN

Program Status Effective Date:07/31/2020

Program Status Description:HALF TIME

Program Status Effective Date:06/09/2020

Program Status Description:FULL TIME

Program Status Effective Date:01/22/2020

Program School Name:GRAND CANYON UNIVERSITY

Program School OPEID:00107400

Program CIP Title:Secondary Education and Teaching.

Program Credential Level:Master's Degree

Program Begin Date:06/28/2012

Program Published Length in Years:2.5

Program Status Description:GRADUATED

Program Status Effective Date:12/17/2014

Program Status Description:FULL TIME

Program Status Effective Date:06/28/2012

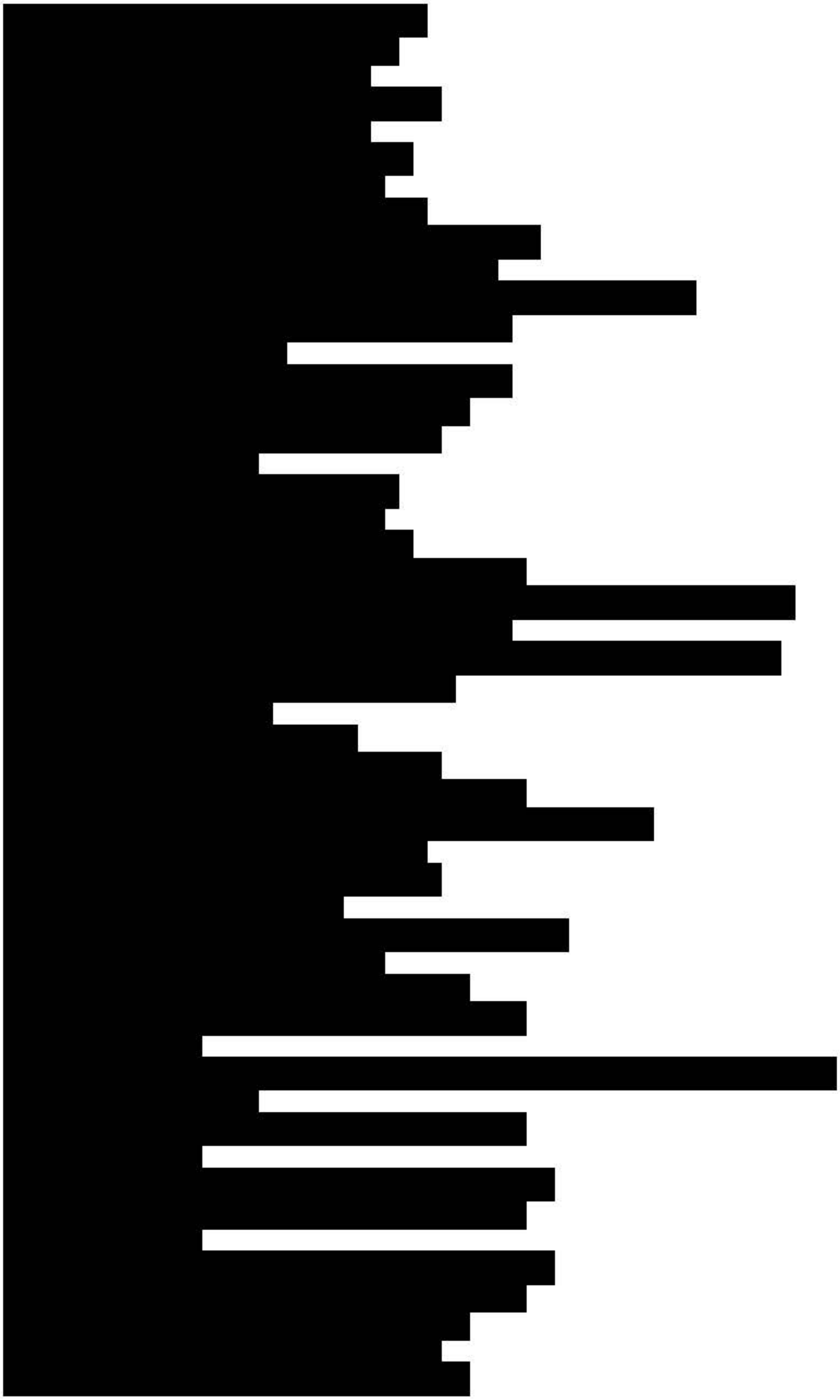
# EXHIBIT N

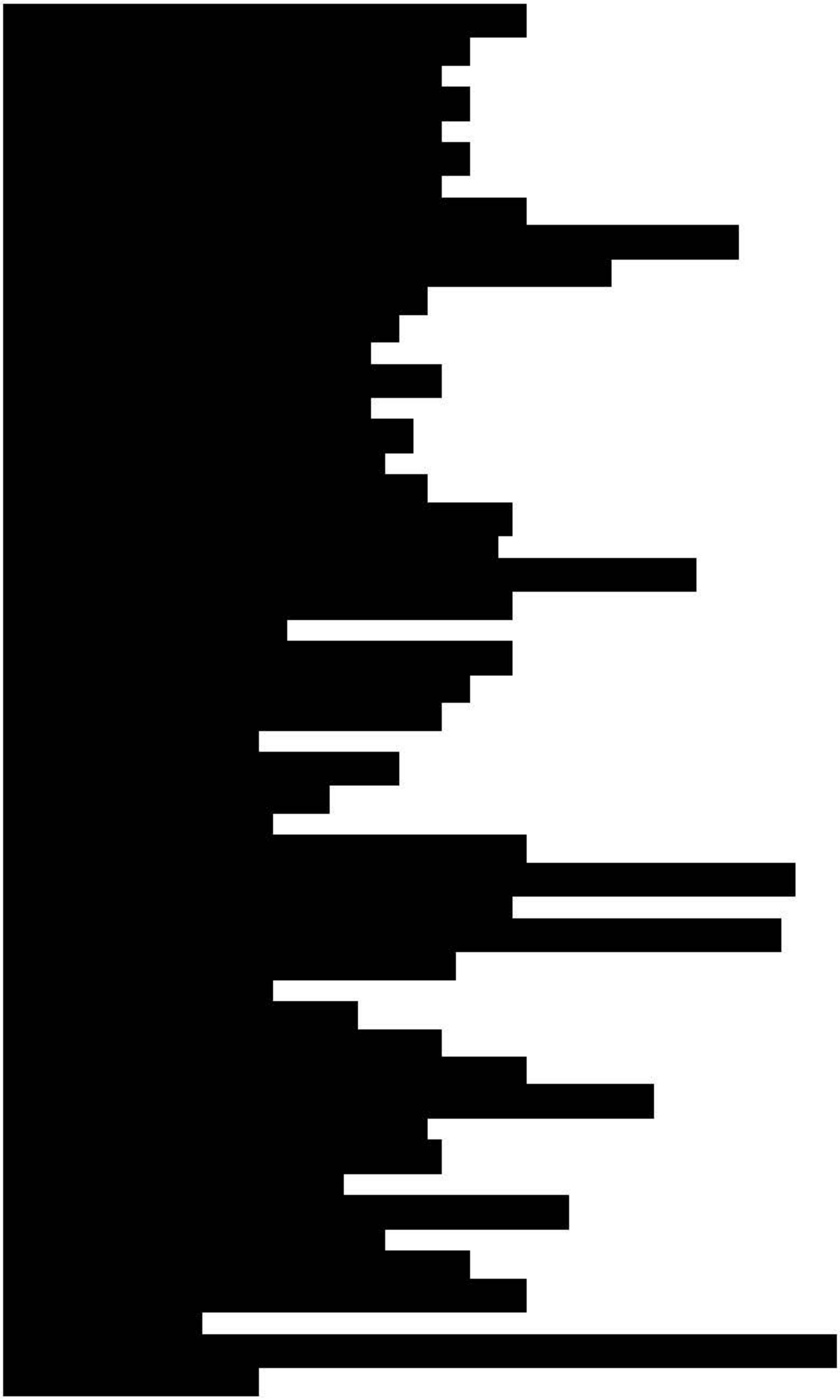
File Source:U.S. DEPARTMENT OF EDUCATION, NATIONAL STUDENT LOAN DATA SYSTEM (NSLDS)
File Request Date:[redacted]
Student First Name:[redacted]
Student Middle Initial:
Student Last Name:[redacted]
Student Street Address [redacted]
Student Street Address 2:
Student City:[redacted]
Student State Code:[redacted]
Student Zip Code:[redacted]
Student Email Address[redacted]
Student Home Phone Country Code:1
Student Home Phone Number:[redacted]
Student Home Phone Preferred:No
Student Cell Phone Country Code:1
Student Cell Phone Number:[redacted]
Student Cell Phone Preferred:Yes
Student Work Phone Country Code:
Student Work Phone Number:
Student Work Phone Preferred:
Student SULA Maximum Eligibility Period:0.0
Student SULA Subsidized Usage Period:1.0
Student SULA Remaining Eligibility Period:-1.0
Student Enrollment Status:WITHDRAWN
Student Enrollment Status Effective Date:07/30/2021
Student Total All Loans Outstanding Principal:$9,500
Student Total All Loans Outstanding Interest:$0
Student Pell Lifetime Eligibility Used:66.666%
Student Iraq and Afghanistan Service Lifetime Eligibility Used:0.000%
Student Total All Grants:$2,700
Total DIRECT STAFFORD UNSUBSIDIZED Outstanding Principal:$6,000
Total DIRECT STAFFORD UNSUBSIDIZED Outstanding Interest:$0
Total DIRECT STAFFORD SUBSIDIZED (SULA ELIGIBLE) Outstanding Principal:$3,500
Total DIRECT STAFFORD SUBSIDIZED (SULA ELIGIBLE) Outstanding Interest:$0
Total DIRECT STAFFORD SUBSIDIZED Outstanding Principal:$0
Total DIRECT STAFFORD SUBSIDIZED Outstanding Interest:$0
Total FEDERAL PERKINS Outstanding Principal:$0
Total FEDERAL PERKINS Outstanding Interest:$0
Total DIRECT CONSOLIDATED SUBSIDIZED Outstanding Principal:$0
Total DIRECT CONSOLIDATED SUBSIDIZED Outstanding Interest:$0
Total DIRECT CONSOLIDATED UNSUBSIDIZED Outstanding Principal:$0
Total DIRECT CONSOLIDATED UNSUBSIDIZED Outstanding Interest:$0
Total FFEL CONSOLIDATED Outstanding Principal:$0
Total FFEL CONSOLIDATED Outstanding Interest:$0
Loan Type:DIRECT STAFFORD UNSUBSIDIZED
Loan Award ID:*****4714U21G01196001

Loan Attending School Name:DOMINICAN UNIVERSITY OF CALIFORNIA
Loan Attending School OPEID:00119600
Loan Date:09/17/2020
Loan Repayment Begin Date:01/31/2022
Loan Period Begin Date:08/24/2020
Loan Period End Date:05/12/2021
Loan Amount:$6,000
Loan Disbursed Amount:$6,000
Loan Canceled Amount:$0
Loan Canceled Date:
Loan Outstanding Principal Balance:$6,000
Loan Outstanding Principal Balance as of Date:03/07/2022
Loan Outstanding Interest Balance:$0
Loan Outstanding Interest Balance as of Date:03/07/2022
Loan Interest Rate Type:FIXED
Loan Interest Rate:0.00%
Loan Repayment Plan Type:
Loan Repayment Plan Begin Date:
Loan Repayment Plan Scheduled Amount:
Loan Repayment Plan IDR Plan Anniversary Date:
Loan Confirmed Subsidy Status:
Loan Subsidized Usage in Years:
Loan Reaffirmation Date:
Loan Most Recent Payment Effective Date:
Loan Next Payment Due Date:05/31/2022
Loan Cumulative Payment Amount:$0
Loan PSLF Cumulative Matched Months:0
Loan Status:FB
Loan Status Description:FORBEARANCE
Loan Status Effective Date:02/18/2022
Loan Status:IG
Loan Status Description:IN GRACE PERIOD
Loan Status Effective Date:07/31/2021
Loan Status:IA
Loan Status Description:LOAN ORIGINATED
Loan Status Effective Date:09/17/2020
Loan Disbursement Date:01/14/2021
Loan Disbursement Amount:$3,000
Loan Disbursement Date:09/17/2020
Loan Disbursement Amount:$3,000
Loan Contact Type:Current ED Servicer
Loan Contact Name:DEPT OF ED/AIDVANTAGE
Loan Contact Street Address 1:PO BOX 740351
Loan Contact Street Address 2:
Loan Contact City:ATLANTA
Loan Contact State Code:GA
Loan Contact Zip Code:30348
Loan Contact Phone Number:800-722-1300
Loan Contact Phone Extension:
Loan Contact Email Address:

Loan Contact Web Site Address:http://www.aidvantage.com
Loan Type:DIRECT STAFFORD SUBSIDIZED (SULA ELIGIBLE)
Loan Award ID:*****4714S21G01196001
Loan Attending School Name:DOMINICAN UNIVERSITY OF CALIFORNIA
Loan Attending School OPEID:00119600
Loan Date:09/17/2020
Loan Repayment Begin Date:01/31/2022
Loan Period Begin Date:08/24/2020
Loan Period End Date:05/12/2021
Loan Amount:$3,500
Loan Disbursed Amount:$3,500
Loan Canceled Amount:$0
Loan Canceled Date:
Loan Outstanding Principal Balance:$3,500
Loan Outstanding Principal Balance as of Date:03/07/2022
Loan Outstanding Interest Balance:$0
Loan Outstanding Interest Balance as of Date:03/07/2022
Loan Interest Rate Type:FIXED
Loan Interest Rate:0.00%
Loan Repayment Plan Type:
Loan Repayment Plan Begin Date:
Loan Repayment Plan Scheduled Amount:
Loan Repayment Plan IDR Plan Anniversary Date:
Loan Confirmed Subsidy Status:Subsidized
Loan Subsidized Usage in Years:1.0
Loan Reaffirmation Date:
Loan Most Recent Payment Effective Date:
Loan Next Payment Due Date:05/31/2022
Loan Cumulative Payment Amount:$0
Loan PSLF Cumulative Matched Months:0
Loan Status:FB
Loan Status Description:FORBEARANCE
Loan Status Effective Date:02/18/2022
Loan Status:IG
Loan Status Description:IN GRACE PERIOD
Loan Status Effective Date:07/31/2021
Loan Status:IA
Loan Status Description:LOAN ORIGINATED
Loan Status Effective Date:09/17/2020
Loan Disbursement Date:01/14/2021
Loan Disbursement Amount:$1,750
Loan Disbursement Date:09/17/2020
Loan Disbursement Amount:$1,750
Loan Contact Type:Current ED Servicer
Loan Contact Name:DEPT OF ED/AIDVANTAGE
Loan Contact Street Address 1:PO BOX 740351
Loan Contact Street Address 2:
Loan Contact City:ATLANTA
Loan Contact State Code:GA
Loan Contact Zip Code:30348

Loan Contact Phone Number:800-722-1300
Loan Contact Phone Extension:
Loan Contact Email Address:
Loan Contact Web Site Address:http://www.aidvantage.com
[redacted]





[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

Loan Contact Web Site Address:
[redacted]

[redacted]
Grant Type:FEDERAL PELL GRANT

[redacted]
Program School Name:DOMINICAN UNIVERSITY OF CALIFORNIA
Program School OPEID:00119600
Program CIP Title:Computer Programming/Programmer, General.
Program Credential Level:Bachelor's Degree
Program Begin Date:05/24/2021
Program Published Length in Years:2.5
Program Status Description:WITHDRAWN
Program Status Effective Date:07/30/2021
Program Status Description:THREE QUARTER TIME
Program Status Effective Date:05/24/2021
Program Status Description:FULL TIME
Program Status Effective Date:01/19/2021
Program School Name:DOMINICAN UNIVERSITY OF CALIFORNIA - THE MAKE SCHOOL
Program School OPEID:00119613
Program CIP Title:Computer Programming/Programmer, General.
Program Credential Level:Bachelor's Degree
Program Begin Date:05/24/2021
Program Published Length in Years:2.5
Program Status Description:WITHDRAWN
Program Status Effective Date:07/30/2021
Program Status Description:THREE QUARTER TIME
Program Status Effective Date:05/24/2021
Program Status Description:FULL TIME
Program Status Effective Date:01/19/2021
Program School Name:DOMINICAN UNIVERSITY OF CALIFORNIA
Program School OPEID:00119600
Program CIP Title:Computer Programming/Programmer, General.
Program Credential Level:Bachelor's Degree
Program Begin Date:08/24/2020
Program Published Length in Years:2.0
Program Status Description:WITHDRAWN
Program Status Effective Date:12/11/2020
Program Status Description:FULL TIME

Program Status Effective Date:08/24/2020
Program School Name:DOMINICAN UNIVERSITY OF CALIFORNIA – THE MAKE SCHOOL
Program School OPEID:00119613
Program CIP Title:Computer Programming/Programmer, General.
Program Credential Level:Bachelor's Degree
Program Begin Date:08/24/2020
Program Published Length in Years:2.0
Program Status Description:WITHDRAWN
Program Status Effective Date:12/11/2020
Program Status Description:FULL TIME
Program Status Effective Date:08/24/2020
[redacted]
Award School Name:DOMINICAN UNIVERSITY OF CALIFORNIA
Award School OPEID:00119600
Award Earliest Disbursement Date:09/17/2020
Award Loan Period Begin Date:08/24/2020
Award Loan Period End Date:05/12/2021
Award Subsidized Usage:1.0
Award Subsidy Status:Subsidized

# EXHIBIT O

**From:** **Make School Financial Aid** financ a .a d@makeschoo .com
**Subject:** Your F nanc a A d Next Steps [Act on Requ red]
**Date:** June 19, 2020 at 7:08 AM
**To:** [redacted]

Dear [redacted],

Congratulations once again on your admissions to Make School for fall 2020!

This email is a follow-up to the exciting announcement shared by co-founder, Jeremy Rossmann, that Make School can now accept Federal Financial Aid and Student Loans, providing students a lower financing cost, while still offering downside protection through our innovative Extended Income-Based Repayment (EIBR) protection plan.

As part of this recent change, all new admits need to take a number of steps to receive a Financial Aid package, but rest assured that the Make School Financial Aid Team will be here to help throughout the process!

Financial Aid Process Summary

1. Submit your 2020-2021 FAFSA with Dominican University of California as the School Code. If you are under 24, you may need your parents' support in the process.

2. If you are under 24 years of age, have a parent or guardian to submit a Parent Plus Loan.

   Note: It is possible to get denied, and if so you may need to submit a Personal Student Loan application.

3. If you are over 24 years of age, submit a Personal Student Loan application.

4. Stay tuned! We will be working diligently after you complete the above steps to issue you a Financial Award Letter.

**For more information on the above steps, or to learn how to confirm that you are not seeking Financial Aid, see the Financial Aid Checklist PDF (make.sc/finaid-checklist-2020).**

Please reply or email financial.aid@makeschool.com if you have any questions about your next steps.

Sincerely,
Financial Aid Team
Make School

# EXHIBIT P

MAKE SCHOOL
www.makeschool.com

Make School
555 Post Street
San Francisco, CA
95102

20 January 2022

To whom it may concern,

I am writing this letter to verify that [redacted] was a student at Make School from August 2020 until July 2021. In July 2021, the Applied Computer Science Program was transferred to Dominican University of California as part of an incubation relationship. All students enrolled in the Make School program were given the opportunity to transfer at this time. However, the financial support and tuition for the program changed, and as a result some students were unable to transfer to the new program. It is my understanding the [redacted] was impacted by these changes and unable to continue the program after the transfer in July 2021.

Dr. Anne Spalding
(former) President of Make School
anne@makeschool.com

# EXHIBIT Q

---------- Forwarded message ---------
From: **Vemo education** <answers@vemo.com>
Date: Mon, 17 Jan 2022, [redacted]
Subject: Your monthly statement is enclosed - payment due on your Income Share Agreement.
To: [redacted]

Vemo Education Account: [redacted]

[redacted]:

Your monthly account statement for an upcoming payment due on your Income Share Agreement(s) (ISA) is detailed below. Your current payment total of $400.00 is due on 1/1/2022.

**STATEMENT DETAILS - due on or before 1/1/2022**

| | |
|---|---|
| **Scheduled Monthly Payment** | $200.00 |
| **Amount Past Due** | $200.00 |
| **Account Reconciliation Due** | $0.00 |
| **Account Reconciliation Past Due** | $0.00 |
| **Fees** | $0.00 |
| **TOTAL DUE*** | $400.00 |

*HOW WE ALLOCATE YOUR PAYMENT: We will first apply your payment to any outstanding account fees. We hen apply all or the remaining payment to reconciliation underpayment, past due and/or scheduled monthly payment amounts on your Income Share Agreement(s), in that order.

To make a payment, please take action on one of the following options on or before your payment due date:

- Log into your Vemo Education online account to pay via ACH direct debit.
- Set up an employer payroll deduction. To enroll, call Vemo Education at (813) 724-3411.
- Mail a copy of this notice along with your payment check made payable to Vemo Education to:
  Vemo Education
  P.O. Box 2453
  Oldsmar, FL 34677

If paying by check, be sure to include your account number on the check. **If you have already set up automatic payments via ACH direct debit or an employer payroll deduction, no action is required at this time.**

**If you are unemployed or earning below the minimum income threshold,** please complete a Payment Deferment Request through your online Vemo Education account at https://makeschool.vemo.com.

If you have any questions regarding this monthly statement or making a payment, please contact Vemo Education's ISA Servicing Center, open Monday through Friday from 8:00 a.m. to 5:00 p.m. ET:

- Web chat: https://makeschool.vemo.com
- Email: answers@vemo.com
- Call or text: (813) 724-3411

Sincerely,
Vemo Education

# EXHIBIT R

MAKE SCHOOL

# INCOME SHARE AGREEMENT (ISA)

**PARTICIPANT:**
[redacted]

**INSTITUTION:**
Make School
1547 Mission St
San Francisco, CA
94103

*****THIS IS NOT A LOAN OR CREDIT *****

## PARTICIPATION DISCLOSURE

| ISA Amount | Income Share | Payment Term | Payment Cap |
|---|---|---|---|
| $ 40,000.00 | 20.00% | 36 months | $ 100,000.00 |
| The market charge for the training services you will receive through this ISA, plus any funding charges | The percent of your total earned income that you will share each month | The maximum number of months during which you will share your income | The maximum amount you will pay over the Payment Term |

### ITEMIZED TOTAL ISA AMOUNT

| | |
|---|---|
| **Amount paid to you** | 0.00 |
| **Amount credited to others on your behalf**<br>• Make School | + $ 40,000.00 |
| **Initial funding charges**<br>• Origination fee<br>• Disbursement fee | + $ 0.00 |
| **ISA Amount** | = $ 40,000.00 |

### ABOUT YOUR CONTRACT TERMS

- **Your Income Share is the percentage of your future earned income you will owe in return for the ISA Amount credited to your account.** It is not an interest rate or annual percentage rate.
- **Your Income Share is fixed.** This means that it will never differ from the income share percentage shown above.
- **Your payments will vary based on your earned income.** The total amount you will pay may be more or less than your ISA Amount.
- **The maximum you will pay is $ 100,000.00 over the Payment Term, regardless of your earned income.** You may also prepay this amount, less any payments made to date plus any outstanding fees, in order to extinguish your obligation before the Payment Term ends.

**FEES: Late Fee –** The lesser of $5 and 5% of the payment amount due. **Returned Payment Fee –** $25.

## Payment Illustration

An ISA is different from a loan (which has principal and interest payments) or a conventional tuition payment plan (which requires payment in full and may charge interest). An ISA requires you to pay a fixed percentage of your earned income each month for a fixed period of time. The table below compares illustrative monthly and total ISA payments for different levels of earned income.

| Annual Earned Income | **$ 40,000.00 ISA** 20.00% income share, 36 monthly payments | |
|---|---|---|
| | Monthly Payments | Total Payments |
| $ 40,000 | $ 0 | $ 0 |
| $ 60,000 | $ 1,000 | $ 36,000 |
| $ 80,000 | $ 1,333 | $ 48,000 |
| $ 100,000 | $ 1,667 | $ 60,000 |
| $ 120,000 | $ 2,000 | $ 72,000 |

**About this illustration**

- The illustration assumes that you make 36 monthly payments tied to earned income and that your income is fixed.
- If you return to school or when your monthly earned income is less than $ 5,000.00 (equivalent to $ 60,000/year), your account will be placed in a deferment status, and you will not make payments for every month your income is below this threshold.
- If your cumulative payments reach the Payment Cap, then you will make no further payments, and your account will be closed in good standing.
- Your actual payments may be a blend of the payments displayed since your earnings may fluctuate over time. Remember that your earned income will depend on many factors, including your credentials, occupation, industry, and the area of the country in which you work.
- All payments have been rounded to the nearest dollar.

## Next Steps & Terms of Acceptance

| This offer is good until: September 16, 2018 | 1. **Questions?** Contact the Enrollment Office (hello@makeschool.com) for more information.<br>2. **You have thirty (30) days to accept this offer.** The terms of this offer will not change except as required by law. **To accept the terms of this ISA, sign and date below.** |
|---|---|

## Participation Disclosure Reference Notes

**Income Share Agreement (ISA)**

- An ISA is not a loan or other credit instrument. It represents your obligation to make payments linked to a specific percentage of your earned income and does not give us any rights regarding your educational, training, or employment pursuits.
- The amount you will be required to pay under this ISA may be **more or less** than the ISA amount credited to your account and will vary in proportion to your future earned income. If you withdraw from the program, you are still responsible for your ISA payments, subject to Make School's refund policy.

**Eligibility Criteria**

- You must be enrolled for year 1 at Make School.
- At the time of the application, you must be at least the age of majority for your current state of residence.
- Your total obligations under all income-based agreements with us or another person must not require you to pay an aggregate income share in excess of twenty-five (25) percent of your earned income in any given month.

**Grace Period, Monthly Payments, Reconciliation, and Prepayment**

- Your payment term will begin on the first day of the month following a grace period of 3 months after you conclude, withdraw from, or discontinue active participation in the program.
- Your monthly payments equal your income share times the amount of your total earned income.
  - We calculate your initial payments using your pay stub, letter from your employer, or other source acceptable to us. If you do not provide documentation of your initial earnings or documentation for deferment, we will assume your earned income matches the average full-time income for occupations directly related to your program (determined based on federal U.S. data).
  - We re-calculate your monthly payments any time your earned income changes, based on information you provide us, such as an updated pay stub.
  - We re-calculate your payments for the *current* calendar year using updated documentation of your earned income you provide on or before April 30, dated within 30 days of submission. If you do not provide documentation, we will assume your earned income has increased by ten (10) percent each year and adjust your monthly payments accordingly, effective June 1 each year.
- Each year we reconcile over- or under-payments made in the *prior* calendar year using copies of your year-end pay stub, Form W-2, Form 1099, Schedule K-1, consulting agreement, or similar source and validation of the dates of your employment (due on or before April 30), all of which must reflect each source of your earned income. Each year we may also require your authorization to access your tax return information directly from the Internal Revenue Service or similar taxing authority for any and all years of your Payment Term. You must reimburse us for any underpayments, and we will credit your account for any overpayments (or refund the excess amount if your Payment Term has ended).
- You may extinguish your obligations under your ISA before the Payment Term ends by paying a prepayment amount equal to $ 100,000.00, less payments made to date plus any outstanding fees.

**Deferment and Default**

- After you leave the program, your account will be placed in a deferment status and you will not make payments if: (i) you have enrolled at least half time in higher education or training or (ii) you earn less than $ 5,000.00/month (equivalent to $ 60,000/year), including if you are unemployed or not in the labor force.
  - We may extend your Payment Term by one month for each deferment month, up to an additional 36 months.
- If you do not pay the required amount listed on your bill for three (3) months or do not furnish the required documentation for one (1) year, your account will be placed in a payment or informational default status, respectively.

See the Additional Terms for further information about deferment, nonpayment, and prepayment.

***MAKE SCHOOL WILL ENFORCE THE TERMS OF ITS ISAS TO THE FULLEST EXTENT ALLOWED BY LAW.***

**ADDITIONAL TERMS**

THIS INCOME SHARE AGREEMENT IS NOT A LOAN OR CREDIT. THIS AGREEMENT IS NOT AN ASSIGNMENT OF WAGES.

THIS INCOME SHARE AGREEMENT REQUIRES THE USE OF ARBITRATION ON AN INDIVIDUAL BASIS TO RESOLVE DISPUTES, RATHER THAN JURY TRIALS OR CLASS ACTIONS. YOU MAY OPT-OUT OF ARBITRATION BY FOLLOWING THE PROCEDURE SET FORTH IN SECTION 29 BELOW. PLEASE READ SECTION 29 CAREFULLY AS IT AFFECTS YOUR LEGAL RIGHTS IN THE EVENT OF A DISPUTE.

YOU SHOULD SEEK ADVICE ABOUT YOUR FINANCING OPTIONS FROM A TRUSTED ADVISOR BEFORE SIGNING THIS AGREEMENT.

Read this entire document carefully and note Section 13 (about your tax liability), Section 17 (about information about you that we use and reports about you that we make to credit bureaus), and Section 26 (about this being an arms-length transaction between you and us).

This Income Share Agreement ("ISA" or "Agreement") includes: (i) this document, including the Participation Disclosure above and the Arbitration Agreement in Section 29 below (which you can reject); (ii) the Registration Form; (iii) the Final Disclosure, which will be provided to you upon execution of this Agreement to summarize the terms of the Agreement and your obligations (collectively with the Participation Disclosure referenced as the "Disclosures"); and (iv) the Consent to Electronic Communications. In the event of any inconsistency between this document and the Final Disclosure, or between the Final Disclosure and the other Disclosures, the Final Disclosure controls. In this Agreement, "you," "your," and "Participant" mean the person who completes and/or signs the Application and/or Registration Form and this Agreement. "We," "our," "us," and "Make School" mean Make School and any of its successors, successors-in-interest, transferees, assignees, agents, designees, or servicers.

This Agreement is not a loan or other credit instrument. It represents your obligation to pay a specific percentage of your future earned income and does not give us any rights regarding your educational, training, or employment pursuits. The amount of the payments you will make will depend upon your future earned income. The total amount you will pay under this Agreement will vary depending upon your future earned income and may be more or less than the amount of funds credited to your account with us.

1. **<u>Definitions</u>.**

(a) "Business Day" means Monday through Friday, except for federal holidays in the United States.

(b) "Earned Income" means your total wage and self-employment income. On an annual basis, this amount is currently the sum of Line 7 ("Wages, salaries, tips, etc.") and Line 12 ("Business income or (loss).") of IRS Form 1040 or Line 1 ("Wages, salaries, and tips.") of IRS Form 1040EZ on U.S. federal income tax returns (2015 revision). If applicable, "Earned Income" includes all income reported on a joint income tax return, *minus*, to the extent documented to our satisfaction, any income earned solely by your spouse. In our discretion, we may estimate your Earned Income using documentation other than your U.S. federal income tax return, provided the documentation is another verifiable source acceptable to us. Earned income may include but is not limited to income from internships, contracting work, full time work, and part time work.

(c) “Higher Education or Training” means a program of study at an institution that is eligible under Title IV of the Higher Education Act, as amended from time to time, a gap year program, or a proprietary or vocational education or training program (e.g., a coding bootcamp program) that provides a more advanced degree or certification than you are receiving through this Agreement.

(d) “Income Share” means the fixed percentage of your Earned Income that you will owe during the Payment Term in return for the ISA Amount you receive. It is not an interest rate or annual percentage rate.

(e) “ISA Amount” means the amount of funds credited to your account with Make School. Together with any up-front payment, scholarship, or other financial assistance, the ISA Amount represents the market charge for the educational or training services you will receive from Make School, plus any funding charges.

(f) “Monthly Payment” means your Income Share multiplied by the amount of your monthly Earned Income.

(g) “Payment Cap” means the maximum amount you will pay under this ISA, not including fees and collection costs.

(h) “Payment Term” means the number of months during which you pay us a fixed percentage of your Earned Income.

2. **Allocation; Setoff.** We will allocate the ISA Amount set forth in your Final Disclosure and send you an account confirmation notice that itemizes the allocated amounts. You understand that we may have a right to set off the allocations against amounts due to us.

3. **Your ISA Contract Terms.** The Participation Disclosure above sets forth your ISA Amount, Income Share, Payment Term, and Payment Cap, which terms will also be reflected in your Final Disclosure. In the event that these terms are adjusted during a review or certification process, you will be provided with a new or amended Final Disclosure. Your Final Disclosure and any new or amended Final Disclosure(s) will also inform you of your right-to-cancel period and instructions for exercising your right to cancel this Agreement in its entirety. In the event of any inconsistency between this ISA and the Disclosures, or between the Disclosures, the last Final Disclosure controls.

4. **Withdrawal.** If you leave the program before completion, you may be entitled to a reduction of your ISA Amount, Income Share, and other terms based on our refund policy. We will notify you as provided in Section 23 of any changes to your ISA Amount or other terms.

5. **Grace Period.** You will not make any payments based on income earned while you are enrolled in the program or during your 3-month Grace Period. Your Grace Period begins on the first day of the month following the date you complete or withdraw from the program.

6. **Payment of Your ISA**.

(a) **Payment Term.** Your Payment Term begins on the first day of the month following the end of your Grace Period. For example, if your Grace Period ends on February 28, 2019, your Payment Term will begin on March 1, 2019. As another example, if your Grace Period ends on June 30, 2019, your Payment Term will begin on July 1, 2019. Your Payment Term may be extended for up to an additional 36 months in certain circumstances as explained in Section 6(g) (“Documentation for Deferment”).

(b) **Monthly Payments.** Except as set forth below, during the Payment Term, you agree to make your Monthly Payments to us by the first Business Day of each month. Payments are applied first to fees, if any, and then to the Monthly Payment amount owed. If you make all required payments on time during your Payment Term, you will not owe anything at the end of your Payment Term even if your payments sum to less than your ISA Amount.

(c) **Calculation of Your Initial Monthly Payments.** Not later than one month before your first scheduled payment is due, you agree to provide us with one of the following kinds of documentation, dated not earlier than thirty (30) days before the date you provide it to us:

(i) A copy of any pay stub or letter from your employer containing your salary information, a self-employment contract, a consulting agreement, a good faith estimate of your self-employment income for the current calendar year (along with documentation of the basis for your estimate), or another verifiable source acceptable to us (collectively, "Informal Earned Income Documentation") for each source of Earned Income; or

(ii) Documentation acceptable to us demonstrating a circumstance that qualifies you for a deferment as described in Section 6(g) ("Documentation for Deferment").

(d) **Annual Reconciliation.** On or before April 30 each year of the Payment Term and April 30 following the end of the Payment Term, you agree to provide us with:

(i) A completed and signed IRS Form 4506-T or Form 4506T-EZ (or any successor form), designating us as the recipient of your tax return information for returns covering any and all months of your Payment Term, dated not earlier than thirty (30) days before the date you provide it to us; and one of the following to verify your Earned Income or deferment status for the preceding year:

(ii) A year-end pay stub, Form W-2, Form 1099, Schedule K-1, or other verifiable source acceptable to us (collectively, "Formal Earned Income Documentation") for each source of Earned Income in the prior calendar year, or

(iii) If your ISA is in a deferment status, updated documentation to re-verify your Documentation for Deferment.

If you are not in deferment status, we will use the Formal Earned Income Documentation to determine whether the payments you made in the prior calendar year were more or less than what you actually owed. If you underpaid, we will bill you for, and you agree to pay, the difference by the deadline stated in the bill. If you overpaid, we will apply excess amounts first to unpaid fees and second as a credit toward future payments due. If you overpaid in the final year of your Payment Term, we will refund the excess amounts.

(e) **Annual Adjustment of Monthly Payments.** We will re-calculate your Monthly Payment effective each June 1. You have two options:

(i) On or before April 30 each calendar year of your Payment Term, you can provide us with Informal Earned Income Documentation for each source of Earned Income for the current calendar year and we will use this to re-estimate your Monthly Payments.

(ii) Alternatively, if you do not provide us with new documentation and you are not in deferment, we will assume your Earned Income has increased by ten (10) percent and adjust your Monthly Payments accordingly, beginning with the payment due June 1. Since this is an estimate of your current Earned Income, it may result in Monthly Payments that are either higher or lower than what you actually owe. Any overpayments or underpayments will be reconciled the following calendar year as described in Section 6(d).

(f) **Periodic Adjustment of Monthly Payments.** If you are not in a deferment status, you must inform us as soon as you know of any changes in your monthly Earned Income and you must send us updated Informal Earned Income Documentation as soon as it is available to you. For example, if you sign a new employment agreement that will change your Earned Income, Informal Earned Income Documentation is available to you once you receive a copy signed by all of the parties to that employment agreement. When you send us Informal Earned Income Documentation, we will re-calculate your Monthly Payments. This may or may not result in a change in the amount of your Monthly Payments. In addition, if information that you provide us pursuant to Section 8 shows that your Earned Income has changed during the year, we may also modify your Monthly Payments at that time even if you did not supply us with updated Informal Earned Income Documentation. This includes changes in your Earned Income due to fluctuations in your self-employment income, whether as a consultant or otherwise. Periodic modifications in your Monthly Payments may avoid significant underpayments or overpayments during the annual reconciliation process set forth in Section 6(d).

(g) **Payment Deferment and Extensions of Payment Term**. After you leave the program, certain circumstances, such as going back to school or earning below an Earned Income threshold, qualify you for a deferment. For the avoidance of doubt, employment means any source of Earned Income as defined in Section 1. If you provide Documentation for Deferment (as defined in Section 6(c)(ii)), we will place your account in an inactive/deferment status and you will not make Monthly Payments. Depending on the qualifying circumstance, we may extend your Payment Term by one month for each month of deferment, up to an additional 36 months, as described in the table below.

| **Qualifying Circumstance** | **Monthly Payment** | **Is Payment Term Extended?** |
|---|---|---|
| At least half time enrollment (as defined by your institution) in Higher Education or Training and making satisfactory academic or training progress toward a degree or certification in the program | $0 | Yes |
| Employed full-time (working 35 hours or more per week on average at one or more jobs, including self employment) and earning less than $ 5,000.00 monthly (equivalent to an annual Earned Income of $ 60,000) | $0 | Yes |
| Employed part-time (working less than 35 hours per week on average at one or more jobs, including self employment) and earning less than $ 5,000.00 monthly (equivalent to an annual Earned Income of $ 60,000) | $0 | Yes |
| Unemployed (not working but actively seeking employment) | $0 | Yes |
| Not in the labor force (not working and not actively seeking employment; for instance, taking time off due to illness or to care for a child, relative or spouse) | $0 | Yes |

If your account is in an inactive/deferment status, you must notify us as soon as you know that you will no longer qualify for deferment under any of the circumstances described above, and you must send us updated Informal Earned Income Documentation as soon as it is available to you. For example, if you accept a three-month consulting agreement that will pay you $15,300, an amount which is in excess of $ 5,000.00 per month, Informal Earned Income Documentation is available to you once you receive an e-mail confirming your engagement and the terms of the consulting agreement.

If annual reconciliation or other verifiable documentation demonstrates that, while your account was in deferment, (a) you were not enrolled in a higher education or training program, (b) you worked and had an average monthly earned income of $ 5,000.00 or more for the months in which you worked, and (c) you made payments based on that income, we will retroactively count those months in which you worked toward your Payment Term obligation. For example, if your account was in deferment for an entire calendar year but you were paid $15,000 at the end of the year for contract work performed over the last three (3) months of the year, your average monthly income over those three (3) months would be $5,000, which exceeds the $ 5,000.00 threshold. If you make the full, required payment based on that $15,000 of earned income, we will retroactively count your three (3) months of work towards your remaining Payment Term obligation.

(h) **Prepayment Amount; Cap on Payments.** If you desire to extinguish your obligations under this ISA prior to the expiration of your Payment Term, you may at any time pay an amount (the "Prepayment Amount") equal to (i) the Payment Cap, (ii) less any Monthly Payments you already made, (iii) plus any outstanding fees, as satisfaction in full of your payment obligations under this Agreement. In addition, the sum of the payments you owe under this Agreement will not exceed the Payment Cap, plus fees described in the disclosures (as applicable), regardless of your earned income.

(i) **<u>Limit on Other Income-Based Agreements</u>.** You agree that you have not and will not enter into additional private income-based agreements with us or another person that, in the aggregate, obligate you to pay a total share of your income exceeding twenty-five (25) percent of your Earned Income in any given month. Loans with income-driven repayment plans, including federal student loans, will not be considered private income-based agreements under this Section.

(j) **<u>Waiver of ISA Due to Death or Total and Permanent Disability</u>.** We will waive the remainder of what you owe under this Agreement, including any past due amounts and fees, if you die or become totally and permanently disabled. You or your estate must provide us with any tuition refund, which we will apply to the ISA Amount. If you would like to assert a waiver based on total and permanent disability, you will need to submit an application accompanied by a physician's statement and such other information or documentation that we may require, showing that you are unable to work in any occupation due to a condition that began or deteriorated after the date of the Final Disclosure and that the disability is expected to be permanent. Unless your Monthly Payments already are deferred under Section 6(g), you must continue to make payments until the time the disability application is completed to our satisfaction. If we approve your disability waiver application, the waiver will be effective as of the date of the completed application.

7. **<u>Fees</u>**. The following fees apply, subject to applicable law:

| **Description** | **Amount** |
|---|---|
| **Late Payment Fee**<br>A fee charged if you do not make any payment due under this ISA on or before the 10th day after the due date. Any payment received after 6:00 PM Eastern time on a Business Day is deemed received on the next Business Day. | The lesser of $5 and 5% of the payment amount due |
| **Returned Payment Fee**<br>A fee charged if any payment is returned or fails due to insufficient funds in your account or for any other reason. | $25 |

8. **<u>Notice of Certain Changes</u>.** You agree to notify us within thirty (30) days as provided in Section 23 of any change in your:

(a) primary residence address, phone number or email, or any other material change to information previously provided to us;

(b) employment status, including both terminations of employment and new employment;

(c) Earnedincome measured on a monthly basis;

(d) marital status, to the extent reasonably required for us to exclude earnings of your spouse from the calculation of your Earned Income; and

(e) enrollment status in Higher Education or Training.

9. **Review of Your Tax Returns.** For the tax year in which your Payment Term begins through the tax year in which your Payment Term ends, you agree either (a) to file your U.S. federal income tax returns by no later than April 15 of the following year or (b) to notify us as provided in Section 23 of any extension you seek for filing federal income tax returns. Moreover, if we request, you agree to complete, sign, and provide to us IRS Form 4506-T or Form 4506T-EZ (or any successor form), designating us as the recipient of your tax return information for returns covering any and all years of your Payment Term, within thirty (30) days of our request. You agree to perform any similar requirements or procedures for any other applicable country's taxing authority.

10. **Default and Remedies**.

(a) **Default.** Without prejudice to our other rights and remedies hereunder, and subject to applicable law, we may deem you to be in default under this Agreement upon: (i) your failure to make any payment in full and on time for three (3) consecutive months; (ii) your failure to provide Formal or Informal Earned Income Documentation or Documentation for Deferment as required by Sections 6(c), 6(d), and 6(g) within one (1) year of its due date; (iii) your failure to provide us a completed and signed IRS Form 4506-T or Form 4506T-EZ (or any successor form) within thirty (30) days of the annual deadline or our separate request, as set forth in Sections 6(d) and 9; or (iv) your violation of any other provision of this Agreement that impairs our rights, including but not limited to our receipt of information we deem to be materially false, misleading, or deceptive.

(b) **Remedies Upon Default.** Subject to applicable law (including any notice and/or cure rights provided by applicable law), upon default, we may elect to (i) collect the Prepayment Amount, (ii) enforce all legal rights and remedies in the collection of such amount and related fees (including any rights available to us to set off any state tax refund) or (iii) utilize any combination of these remedies. You agree to pay our court costs, reasonable attorneys' fees, collection fees charged by states for state tax refund set-off, and other collection costs related to the default (including our fees and costs due to your bankruptcy or insolvency, if applicable) to the extent permitted by applicable law.

(c) **Equitable Remedies.** If we conclude that money damages are not a sufficient remedy for any particular breach of this Agreement, then we will be entitled to seek injunctive or other equitable relief as a remedy for any such breach to the fullest extent permitted by applicable law. Such remedy shall be in addition to all other remedies available at law or equity to us.

11. **Truthfulness of Information.** You represent that all information provided in connection with your Application and/or Registration Form is true and accurate and you have not provided any false, misleading or deceptive statements or omissions of fact. You represent that: (i) you have never been convicted of a felony or of any crime involving dishonesty or breach of trust under any federal or state statute, rule or regulation; (ii) you are not contemplating bankruptcy and you have not consulted with an attorney regarding bankruptcy in the past six (6) months; (iii) you are at least the age of majority based on your current state of residence; (iv) you are a U.S. citizen (includes naturalized citizens) or permanent resident; and (v) you have filed all federal tax returns and reports as required by law, they are true and correct in all material respects, and you have paid all federal taxes and other assessments due.

12. **Correction of Errors.** All parties to this Agreement agree to fully cooperate and adjust all typographical, computer, calculation, or clerical errors discovered in any or all of the ISA documents including this document, the Application and/or Registration, the Application and Solicitation Disclosure, the Participation Disclosure, the Final Disclosure, and any Notice to Married

Residents of Arizona or Wisconsin, as applicable. Errors in the names and/or addresses of the parties will be corrected by notice to all parties. In the event this procedure is used for any other errors, all parties involved will be notified and will receive a corrected copy of the changed document.

13. **Tax Reporting.** You acknowledge and agree that the federal, state, and local income tax consequences of this Agreement are not certain and that we have not provided you with any tax advice or assurance of specific consequences. You agree that you have had an opportunity to consult with your own trusted advisor about the tax consequences of entering into this Agreement.

Notwithstanding the foregoing, recognizing that all parties are best served by consistent, good faith tax reporting of the transaction in accordance with what the parties believe to be its economic substance, except as otherwise required by law, you agree to report the transaction for federal, state, and local income tax purposes as a financial contract (in other words, as the "sale" by you of part of the income stream you will earn in the future) and not as a loan or any other form of indebtedness. Whether the financial contract results in a gain or loss will be unknown until the end of the Payment Term or until this Agreement is terminated, if prior to the end of the Payment Term. Under the tax law, when the parties do not know the extent of the gain or loss from a transaction when it occurs, they can treat the transaction as an "open transaction" and determine the consequences once the final terms are known. Under this tax treatment, it is expected that you will not recognize the ISA Amount as income when you enter into this Agreement. **Upon the maturity or termination of this Agreement, if the aggregate amount of funding credited to others on your behalf is greater than the aggregate sum of payments you made to us during your Payment Term, then you will likely recognize the difference as ordinary income equal to the difference between the amount of funding credited to others on your behalf and the sum of payments you made to us.** You agree to file your federal, state, and local income tax returns in accordance with this expected tax treatment unless you notify us in writing at least thirty (30) days before filing any such return (as provided in Section 23) that you intend to take a contrary position.

You acknowledge that because the appropriate tax reporting is uncertain, the IRS and/or state or local taxing authorities may challenge the method of reporting described above, and new legislation may affect the federal, state, or local tax treatment of this Agreement. If such a challenge were to succeed, you could have significantly greater tax liability at a significantly earlier time or times than would be the case under the method described above. While we are under no obligation to do so, it also is possible that we may seek a ruling from the IRS during your Payment Term regarding these tax consequences. **You agree and acknowledge that you have had an opportunity to consult with your own trusted advisor about the tax consequences of entering into this ISA and receiving the ISA Amount.**

14. **Electronic Delivery.** We may decide to deliver any documents or notices related to this Agreement by electronic means. Except as otherwise provided in the Consent to Electronic Communications, you agree to receive such documents or notices by electronic delivery and to participate through an on-line or electronic system established and maintained by us or a third party designated by us.

15. **Automatic Reminders.** We may use automated telephone dialing, text messaging systems and electronic mail to provide messages to you about payment due dates, missed payments, and other important information. The telephone messages may be played by a machine automatically when the telephone is answered, whether answered by you or someone else. These messages may also be recorded in your voicemail. You give us your permission to call or send a text message to any telephone number you provide us now or in the future and to play pre-recorded messages or send text

messages with information about this Agreement over the phone. You also give us permission to communicate such information to you via electronic mail. You agree that we will not be liable to you for any such calls or electronic communications, even if information is communicated to an unintended recipient. You understand that, when you receive such calls or electronic communications, you may incur a charge from the company that provides you with telecommunications, wireless, and/or Internet services. You agree that we have no liability for such charges. If you want to change your communication preferences, such as no longer wanting to receive automatic reminders, you can update your preferences through your online servicing account or by contacting us at answers@vemo.com.

16. **Telephone Recording.** You understand and agree that we may monitor and/or record any of your phone conversations with us.

17. **Consent to Credit and Income Verification; Credit Reporting**. You authorize us to obtain your credit report, verify the information that you provide to us, and gather additional information that may help us assess and understand your performance under this Agreement. You understand that we may verify your information and obtain additional information using a number of sources, including but not limited to consumer reporting agencies, other third-party databases, past and present employers, other school registrars, public sources, and personal references provided by you. If you ask, you will be informed whether or not we obtained a credit report and, if so, the name and address of the consumer reporting agency that furnished the report. You also understand and agree that we may obtain a credit report and gather additional information, including from the sources described above, in connection with the review or collection of your ISA. You consent to our sharing of your information with our affiliates and financing parties, which we will do using reasonable data security procedures.

**You authorize us to report information about this Agreement to credit bureaus. Although this Agreement is not a loan or other credit instrument, we may inform credit bureaus about your positive payment behavior when you make payments as agreed. However, this also means that late payments, missed payments or other defaults under this Agreement may be reflected in your credit report.**

18. **Amendments and Waivers.** We may amend this Agreement by providing you with 30 days advance written notice as provided in Section 23 of any significant changes to the address in our records. However, if an amendment is necessary to comply with changes in applicable law, we may amend this Agreement without providing you with advance notice. No delay or failure to require performance of any provision of this Agreement shall constitute a waiver of that provision as to that or any other instance.

19. **Customer Identification Policy.** To help the government fight the funding of terrorism and money laundering activities, we will obtain, verify, and record information that identifies each person who enters into this Agreement. What this means for you: when you enter into this Agreement, we reserve the right to ask for your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents, or for you to provide true and correct copies to us.

20. **Governing Law.** The validity, interpretation, construction, and performance of this Agreement, and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto and thereto shall be governed, construed, and interpreted in accordance with the laws of the

State of California, without giving effect to principles of conflicts of law. Notwithstanding the foregoing, federal law shall govern the Arbitration Agreement in Section 29.

21. **Entire Agreement.** This Agreement sets forth the entire agreement and understanding of the parties relating to the subject matter herein and supersedes all prior or contemporaneous discussions, understandings, and agreements, whether oral or written, between you and us relating to the subject matter hereof.

22. **Successors and Assigns.** Except as otherwise provided in this Agreement, this Agreement, and the rights and obligations of the parties hereunder, will be binding upon and inure to the benefit of their respective successors, assigns, heirs, executors, administrators, and legal representatives. We may sell, assign, or otherwise transfer any of our rights, economic benefits, or obligations under this Agreement. You may not assign, whether voluntarily or by operation of law, any of your rights, economic benefits or obligations under this Agreement, except with our prior written consent given in accordance with Section 23.

23. **Notices.** Any notice, demand or request required or permitted to be given under this Agreement shall be in writing and, except as otherwise provided, shall be deemed sufficient when sent by email or two (2) Business Days after being deposited in the U.S. mail as certified or registered mail with postage prepaid. Notices to Make School shall be sent to answers@vemo.com or to Make School c/o Vemo Education, 3905 Tampa Rd #2453, Oldsmar, FL, 34677, or as subsequently modified by written notice. Notices to Participant shall be sent to the e-mail and/or physical mail addresses you provided in your Application and/or Registration Form, or as subsequently modified by written notice to us.

24. **Severability.** Except as set forth in the Arbitration Agreement, if one or more provisions of this Agreement are held to be unenforceable under applicable law, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (i) such provision shall be excluded from this Agreement, (ii) the balance of the Agreement shall be interpreted as if such provision were so excluded, and (iii) the balance of the Agreement shall be enforceable in accordance with its terms.

25. **Execution; Electronic Transactions.** This Agreement may be executed electronically or manually. Execution may be completed in counterparts (including both counterparts that are executed on paper and counterparts that are electronic records and executed electronically), which together constitute a single agreement. Any copy of this Agreement (including a copy printed from an image of this Agreement that has been stored electronically) shall have the same legal effect as an original.

26. **Independent Decision to Enter into this ISA. You agree that this Agreement is an arms-length transaction. You agree that we are not an agent or fiduciary or advisor in your favor in connection with the execution of this Agreement. You agree that we have not provided any legal, accounting, investment, regulatory or tax advice with respect to this Agreement.**

27. **Marriage**. If you are married or get married, you agree to document your income separately from your spouse's and to provide us with the necessary documentation to calculate your individual Earned Income. If you are married and live in Wisconsin on the date you sign this Agreement or during the term hereof, your signature on this ISA confirms that any financial obligation incurred as a result of this ISA is being incurred in the interest of your marriage or family. If you are

married and live in Texas on the date you sign this Agreement or during the term hereof, you agree to hold your Earned Income in a separate bank account from your spouse.

28. **Notice and Cure**. Prior to initiating a lawsuit or arbitration regarding a Claim (as defined in Section 29 below), the party asserting the Claim (the "Complaining Party") shall give the other party (the "Defending Party") written notice of the Claim (a "Claim Notice") and a reasonable opportunity, not less than 30 days, to resolve the Claim. If we are the Complaining Party, we will send the Claim Notice to you at your e-mail and/or physical mail address appearing in our records or, if you are known to be represented by an attorney, to your attorney at his or her office address. Any Claim Notice must explain the nature of the Claim and the relief that is demanded. The Complaining Party must reasonably cooperate in providing any information about the Claim that the Defending Party reasonably requests.

29. **Arbitration Agreement.** Except as expressly provided below, Participant and Make School agree that any past, present or future claim, dispute or controversy, regardless of the legal theory on which it is based, arising out of, relating to or in connection with this ISA, or that arises from or is related to any relationship resulting from this ISA (a "Claim"), shall be submitted to and resolved on an individual basis by binding arbitration under the Federal Arbitration Act, 9 U.S.C. §§1 et seq. (the "FAA") before the American Arbitration Association (the "AAA") under its Consumer Arbitration Rules (the "AAA Rules"), in effect at the time the arbitration is brought, unless Make School and the Participant agree in writing to arbitrate before a different party. If a Claim is arbitrated, it will be resolved by a neutral third-party arbitrator, and not by a judge or a jury, and Participant and Make School knowingly and voluntarily waive the right to a jury trial on such Claim. "Claim" has the broadest possible meaning, and includes initial claims, counterclaims, cross-claims and third-party claims. It includes disputes based upon contract, tort, consumer rights, fraud and other intentional torts, constitution, statute, regulation, ordinance, common law and equity (including any claim for injunctive or declaratory relief). If the AAA is unable to serve as administrator and Make School and the Participant cannot agree on a replacement, a court with jurisdiction will select the administrator or arbitrator. The AAA Rules are available online at www.adr.org. For purposes of this Arbitration Agreement, (1) the term "Make School" includes (a) Make School, Inc., (b) any assignee, agent, designee or servicer of Make School, Inc.; (c) any affiliates, subsidiary, and/or parent of the persons and entities referenced in (a) or (b), (d) the officers, directors, employees, stockholders, members, affiliates, subsidiaries, and parents of all of the foregoing in (a) through (c); and (e) any party named as a co-defendant with Make School, Inc. in a Claim asserted by the Participant, such as servicers and debt collectors; and (2) the term "Participant" means the Participant. Notwithstanding the above, if a Claim that the Participant or Make School wishes to assert against the other is cognizable in a small claims court (or your state's equivalent court) having jurisdiction over the Claim and the parties, the Participant or Make School may pursue such Claim in that small claims court; however, if the Claim is transferred, removed, or appealed to a different court, it shall be resolved by arbitration. Moreover, any dispute concerning the validity or enforceability of this Arbitration Agreement must be decided by a court; any dispute concerning the validity or enforceability of the ISA as a whole is for the arbitrator.

Any arbitration hearing that you attend will take place in a location that is reasonably convenient for you. If you cannot obtain a waiver of the AAA's or arbitrator's filing, administrative, hearing and/or other fees, we will consider in good faith any request by you for us to bear such fees. Each party will bear the expense of its own attorneys, experts and witnesses, regardless of which party prevails, unless applicable law or this ISA gives a right to recover any of those fees from the other party. The arbitrator shall follow applicable substantive law to the extent consistent with the FAA, applicable statutes of limitation and privilege rules that would apply in a court proceeding, and shall be authorized to award all remedies available in an individual lawsuit under applicable substantive law, including, without limitation, compensatory, statutory and punitive damages (which shall be governed by the constitutional standards applicable in judicial proceedings), declaratory, injunctive and other equitable relief, and attorneys' fees and costs. Upon the timely request of either party, the arbitrator shall write a brief explanation of the basis of his or her award. The arbitrator's award will be final and binding, except for any appeal right under the FAA. Any court with jurisdiction may enter judgment upon the arbitrator's award.

This Arbitration Agreement shall survive the termination of this ISA, your fulfillment or default of your obligations under this ISA and/or your or our bankruptcy or insolvency (to the extent permitted by applicable law). In the event of any conflict or inconsistency between this Arbitration Agreement and the administrator's rules or other provisions of this ISA, this Arbitration Agreement will govern.

**CLASS ACTION WAIVER: IF A CLAIM IS ARBITRATED, NEITHER PARTICIPANT NOR MAKE SCHOOL WILL HAVE THE RIGHT TO PARTICIPATE IN A CLASS ACTION, PRIVATE ATTORNEY GENERAL ACTION OR OTHER REPRESENTATIVE ACTION IN COURT OR IN ARBITRATION, EITHER AS A CLASS REPRESENTATIVE OR CLASS MEMBER.** Further, unless both Participant and Make School agree otherwise in writing, the arbitrator may not join or consolidate Claims with claims of any other persons. The arbitrator shall have no authority to conduct any class, private attorney general or other representative proceeding, and shall award declaratory or injunctive relief only in favor of the party seeking relief and only to the extent necessary to provide relief warranted by that party's individual claim. If a determination is made in a proceeding involving Make School and the Participant that the class action waiver is invalid or unenforceable, only this sentence of this Arbitration Agreement will remain in force and the remainder of this Arbitration Agreement shall be null and void, provided that the determination concerning the class action waiver shall be subject to appeal.

**RIGHT TO REJECT: Participant may reject this Arbitration Agreement by mailing a signed rejection notice to Make School, c/o Vemo Education, 3905 Tampa Rd #2453, Oldsmar, FL, 34677, or by faxing it to (813) 438-7862 within thirty (30) calendar days after the date of this ISA. Any rejection notice must include Participant's name, address, email address, telephone number and account number. If you reject this Arbitration Agreement, that will not affect any other provision of the ISA.**

30. **Waiver of Jury Trial.** YOU ACKNOWLEDGE AND AGREE THAT, INASMUCH AS THE PURPOSE OF THE ARBITRATION AGREEMENT IN SECTION 29 IS TO REQUIRE THAT ALL CLAIMS BE RESOLVED BY BINDING ARBITRATION, NO PARTY TO THIS AGREEMENT SHALL BE ENTITLED TO A TRIAL BY JURY IF SUCH ARBITRATION AGREEMENT IS IN EFFECT. MOREOVER, TO THE EXTENT YOU TIMELY AND ADEQUATELY REJECT THE ARBITRATION AGREEMENT IN SECTION 29, OR IF FOR ANY OTHER REASON A CLAIM IS NOT ARBITRATED, MAKE SCHOOL AND THE PARTICIPANT KNOWINGLY AND VOLUNTARILY WAIVE, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT TO A TRIAL BY JURY WITH RESPECT TO ANY CLAIM.

[Signature Page Follows]

The parties, intending to be legally bound, have executed this Agreement as of the date set forth below.

**NOTICE TO PARTICIPANT**

1. **Do not sign this ISA before you read it or if it contains any blank terms.**
2. **You are entitled to a completely filled-in copy of this ISA.**
3. **You have the right to pay off this Agreement in advance by paying the amount set forth in Section 6(h).**

**PARTICIPANT: By signing below, you acknowledge that you have read this entire Agreement carefully and agree to its terms, including Section 13 (about your tax liability), Section 17 (about information about you that we use and reports about you that we make to credit bureaus), Section 26 (about this being an arms-length transaction between you and us), and Section 29 (about arbitration on an individual basis and class-action waiver, including your opt-out right).**

| **MAKE SCHOOL:** | | **PARTICIPANT:** | |
|---|---|---|---|
| By: | Ashutosh Desai<br>*(Signature)* | By: | [redacted]<br>*(Signature)* |
| Date: | Aug 17, 2018 | Date: | Aug 17, 2018 |
| Name: | Ashutosh Desai | Name: | [redacted] |
| Title: | CEO | | |
| Address: | **Make School**<br>1547 Mission St<br>San Francisco, CA<br>94103 | Address: | [redacted] |
| Phone: | (415) 814-0980 | Phone: | [redacted] |
| E-mail: | ashu@makeschool.com | E-mail: | [redacted] |

# EXHIBIT S

Make School
555 Post St
San Francisco, CA 94102

Dominican University of California
50 Acacia Ave
San Rafael, CA 94901

Dear [redacted]

Congratulations on your acceptance to the Bachelor of Science degree program in Applied Computer Science offered through Make School at Dominican University of California Class of 20[redacted]!

We are so excited to welcome you to a truly remarkable, close-knit, and innovative community. We really liked getting to know you through your application essays and conversations with our team, and think you will be a great addition to our classrooms and our community.

Please visit your applicant status page to check out next steps to begin your enrollment.

We feel honored and privileged to admit you to our community and can't wait to have you join us in the fall. In the meantime, we'll be reaching out often to share updates and are here to answer any questions you have.

Cheers!

Anne Spalding
Dean of Computer Science, Make School

# EXHIBIT T

**Rose Briseno** 6:46 PM

Today

Opened my email to find this.

Dear Students,

As Make School transitions fully into a non-profit college, one of the key changes is that we will no longer be offering ISAs to cover living stipend or tuition gaps next fall.

We are discontinuing ISA funding primarily because there are no longer viable investment options to support this program. The ISA program relied heavily on investors purchasing the future payback of these loans in exchange for loaning Make School the money it needed to operate on a day to day basis. Without those investors, there is no money to provide up front.

A secondary reason for discontinuing ISAs is that now that Make School students have full access to federal funding, this is a more sustainable and often lower loan cost option. In addition, as a non-profit organization we are now able to raise philanthropic funds for scholarships to support gaps in federal funding.

Living ISA: We will be phasing out the ISA program for students currently on living or tuition ISA in the following way.
Students on living ISA will receive their final distribution on June 1, 2021.
Make School has created a needs based living support scholarship available over the summer for students who previously had a living ISA with the following requirements:
Students must meet with financial aid and fill out all financial aid paperwork immediately.
Students must show there is no other financial aid available to cover the expenses previously received through a living ISA.
Students must be enrolled full time (4 courses) in the summer program, or receive an academic waiver due to being on track to graduate with less courses.
Students must meet attendance requirements and be on-track in all courses at midterm and final grades.
All students who apply for the scholarship and meet the requirements below will receive up to the amount of their previous living ISA for the remaining summer distribution (July 1).
Make School is working to secure additional philanthropic funding to be able to offer similar living support scholarships in the fall.
Make School will provide 1:1 advising and support for students to apply for external scholarships to cover living expenses.

Tuition ISA: There will be no new tuition ISAs offered going forward. Students who currently are using tuition ISAs to cover a gap in financial aid funds will need to now cover this with scholarships or other means.
Make School is working to secure philanthropic funding for scholarships to cover any tuition gaps. Tuition Scholarships will have the following requirements:
Students must meet with financial aid and fill out all financial aid paperwork and show that there is no other financial aid available to cover the tuition expense.
Students must be enrolled full time (4 courses) each term, or receive an academic waiver due to being on track to graduate with less courses.
Students must meet attendance requirements and be on-track in all courses at midterm and final grades.

Previous ISA Contracts: All previously distributed tuition and living ISA contracts are still in effect and are not being waived or reduced in any format at this time.

We know that many of you have previously relied on the ISA model to fund your tuition and living expenses. We are committed to working with you to find additional funding options and to make sure you will be able to continue your studies at Make School. We need you to work with us to submit all financial aid paperwork and meet other requirements so that we can quickly and effectively transition to this model.

We will be hosting two separate meetings to discuss living ISA and tuition ISA questions and make sure you have the support you need. If you are currently on a living ISA you have been invited to the summer living ISA meeting on Friday, May 21. If you cannot attend this meeting, you can set up time to discuss individually next week. Meetings to discuss Tuition ISA funding for fall will be held in June.

We realize this is a big change in a short time frame and we are sorry for any added stress it causes. We will work with each of you to meet your funding needs.

1 reply Today at 7:33 PM

**Rose Briseno** 6:51 PM

WTH @Anne Spalding [Dean] @JeremyR Halfway through school, still on the hook for loans and my ISAs ... funding is snatched and I'm basically left scrambling to figure out how the hell to fund the gap in my tuition and live while finishing school. So what... I drop out and am in debt for school I couldn't finish!!!??? This was assured to me when I started so I could complete. Obviously, I would not have put myself on the hook if I had known half way through I'd be left hanging. I'm so disappointed in Make School for this. This is absolutely disgusting to last minute drop this in students laps who took a leap with Make School. What the hell am I supposed to do now!?

3 5 1

2 replies Last reply today at 8:09 PM