

February 28, 2022

ATTORNEY GENERAL RAOUL ANNOUNCES NEARLY \$2.1 MILLION IN PRIVATE DEBT RELIEF FOR FORMER ARGOSY UNIVERSITY STUDENTS

Entities Controlling Argosy Student Debt Agree to Cancel Private Debt; Includes Nearly \$90,000 in Relief for Illinois Students; Bars Further Collection and Negative Credit Reporting

Chicago — Attorney General Kwame Raoul today announced a bipartisan agreement that cancels nearly \$2.1 million in “institutional debt,” or outstanding principal and interest, taken out by students who attended Argosy University before the school’s abrupt closure in 2019. The agreement with the current owners of students’ debt includes nearly \$90,000 in relief for Illinois students who attended Argosy’s Chicago and Schaumburg campuses, as well as those who took classes online. The agreement also prevents further collection and negative credit reporting against impacted students.

“Students of Argosy University, through no fault of their own, have been left with debt and even negative credit ratings – but not the degrees they were promised,” Raoul said. “I am pleased with this agreement that provides some relief to those students and holds Argosy accountable to the students abandoned when the school abruptly closed.”

[In the agreement](#), Attorney General Raoul alleged that when Dream Center Education Holdings purchased Argosy in 2017, it falsely marketed the school to prospective students as a “nonprofit” institution. The Attorney General also alleged that the owners misled students about their ability to obtain degrees, and provided misleading and incomplete information leading up to the school’s ultimate closure. In addition, Argosy allegedly issued so-called “institutional loan debt” to students who were enrolled based on those misleading marketing and recruitment practices.

Mismanagement by Dream Center ultimately led to insolvency and the closure of Argosy schools nationwide in 2019. Argosy ended up entering federal receivership, a process similar to bankruptcy that can limit the financial relief available to students and other aggrieved creditors. Once in receivership, ownership of the institutional student debt changed hands, but Attorney General Raoul and the multistate group were able to secure today’s agreement with the entities that now control the debt.

In March 2020, the Attorney General’s office entered a settlement with Dream Center which discharged over \$2.15 million in institutional loans and refunded over \$37,000 to Illinois borrowers who attended the Illinois Institute of Art and were deceived with respect to accreditation status.

The Illinois Attorney General’s office has long been a national leader in investigating and enforcing consumer protection violations in the higher education field. Raoul’s office has discharged more than \$14 million in other fraudulent private student loans since 2019. Earlier this year, Raoul’s office announced a \$1.85 billion national settlement with Navient that includes nearly \$5 million in restitution payments and more than \$133 million in debt cancellation for Illinois borrowers. In addition, Illinois will receive a direct payment of more than \$7 million.

In November 2019, Attorney General Raoul announced that more than \$10 million in student loans for former Illinois Institute of Art and Colorado Art Institute students would be discharged by the Department of Education following an application by Colorado and Illinois under the 2016 Borrower Defense to Repayment Rule. Attorney General Raoul’s office also recently worked to pass “Know Before You Owe,” initiated by Raoul to alert borrowers of their remaining federal student loan eligibility to help them steer clear of

predatory private loans like those provided by Argosy. Raoul has also overseen the rollout of the state's first Student Loan Ombudsman, a position created by the Student Loan Servicing Rights Act, to provide resources for student borrowers who are struggling to make student loan payments.

Joining Attorney General Raoul in the settlement were the attorneys general of Arizona, Colorado, Florida, Georgia, Hawaii, Minnesota, Tennessee, Utah, and Virginia. The agreement will be filed in the Ohio federal court overseeing the receivership.

In the Matter of Argosy University
Institutional Debt,

ASSURANCE OF VOLUNTARY COMPLIANCE/
ASSURANCE OF DISCONTINUANCE¹

This Assurance of Voluntary Compliance/Assurance of Discontinuance (“Assurance”) is being entered into between the attorneys general of the states of Minnesota, Arizona, Colorado, Florida, Georgia, Hawaii², Illinois, Tennessee, Utah, and Virginia (collectively, “the Attorneys General”), and U.S. Bank National Association, not in its individual capacity but solely in its capacity as administrative agent and collateral agent under the Credit Agreements (as defined herein) (in such capacity, “the Respondent”). This Assurance will be effective as of the date that the Proposed Order (as defined herein) is entered by the United States District Court for the Northern District of Ohio (the “Effective Date”).

PARTIES

1. The Attorneys General are vested with statutory and/or *parens patriae* authority to enforce their respective UDAP laws, including by investigating potential violations and commencing civil enforcement actions for injunctive relief, civil penalties, and restitution. The Attorneys General are also authorized to enter assurances of voluntary compliance/assurances of discontinuance to obtain relief for consumers affected by violations of state law.

2. (a) Respondent is party to this Assurance solely in its capacity as administrative agent and collateral agent under (i) that certain Senior Secured Credit and Guaranty Agreement dated as of October 17, 2017 by and among Dream Center Education Holdings, LLC, The Arts Institutes International, LLC, Dream Center South University, LLC, Dream Center Argosy University of California, LLC, and Dream Center Education Management, LLC, as Borrowers, The Dream Center Foundation, as Parent, certain subsidiaries of the Borrowers, as Guarantors, the lenders party thereto from time to time, and Respondent (as amended, restated, or supplemented from time to time, and including all security and other documents ancillary thereto, the “DCEH Credit Agreement”), and (ii) that certain Credit and Guaranty Agreement, dated as of January 5, 2015, by and among Education Management II LLC, as Company, Education Management Corporation, Education Management Holdings II LLC, as Holdings, certain subsidiaries of Holdings, as Guarantors, various lenders, and Respondent (as amended, restated, or supplemented from time to time, and including all security and other documents ancillary thereto, the “EDMC Credit Agreement” and, together with the DCEH Credit Agreement, the “Credit Agreements” and

¹ For purposes of Virginia, this document shall be titled “Agreement,” and any reference to the “Assurance” shall instead be construed to reference an “Agreement,” and not “Assurance of Voluntary Compliance/Assurance of Discontinuance.

² Hawaii is represented on this matter by its Office of Consumer Protection, an agency which is not part of the state Attorney General's Office, but which is statutorily authorized to undertake consumer protection functions, including legal representation of the State of Hawaii. For simplicity purposes, reference to “Attorney General,” as it pertains to Hawaii, refers to the Executive Director of the State of Hawaii's Office of Consumer Protection.

each as applicable, “the Credit Agreement”). Respondent is incorporated under the laws of Delaware but headquartered in Minneapolis, Minnesota.

(b) Respondent is entering into this Assurance at the written direction of the Requisite Lenders (as defined in the Credit Agreements). Notwithstanding anything to the contrary herein, the Attorneys General and the Respondent agree that all agreements, duties, covenants or other obligations entered into or undertaken by the Respondent, as applicable, under or in connection with this Assurance, are entered into or undertaken, as applicable, at the express written direction of the Requisite Lenders.

DEFINITIONS

3. “**Affected Consumer**” means any consumer, in any state or location, who is a debtor or otherwise liable and owing on one or more Argosy Institutional Loan Debt.

4. “**Argosy**” means the business entities owned and operated by EDMC or Dream Center (each as defined herein) and operating the institutions of higher education located at those campuses identified in paragraph 14 below that are located in the Attorneys General.

5. “**Argosy Institutional Loan Debt**” means (a) debt extended directly by Argosy to students that began attending, on or after October 17, 2017, the institutions of higher education located at those campuses identified in paragraph 14 below that are located in the states of the Attorneys General, and (b) associated accounts receivable related to such debt.

6. “**AUSF**” means AU Student Funding, LLC, a limited liability company formed under the laws of Delaware and pursuant to an Amended and Restated Limited Liability Company Agreement dated January 15, 2019 and effective January 7, 2019.

7. “**Consumer Information**” means identifying information obtained by Argosy or the Servicers and Debt Collectors about any Affected Consumer in connection with the Argosy Institutional Loan Debt, including that consumer’s name, address, telephone number, email address, social security number, or any data that enables access to any account of that consumer (including a credit card, bank account, or other financial account). Consumer Information does not include any compilation or summary of Consumer Information if such compilation or summary does not include sufficient information to identify individual consumers.

8. “**Consumer Reporting Agency**” has the same meaning as set forth in the Fair Credit Reporting Act, 15 U.S.C. § 1681a(f).

9. “**Dream Center**” means Dream Center Education Holdings, LLC, a limited liability company organized under the laws of Arizona.

10. “**EDMC**” means Education Management Corporation, a corporation organized under the laws of Pennsylvania.

11. “**Servicers and Debt Collectors**” means Tuition Options, Williams and Fudge, and any other third party contracted by Argosy, Respondent, or any other entity, directly or indirectly, to perform servicing or debt collection related to the Argosy Institutional Loan Debt, including

performing all collections actions and acceptance of payments related to the Argosy Institutional Loan Debt.

12. “UDAP laws” means all of the consumer protection and trade practice statutes in the Attorneys General’s states that prohibit, among other things, unfair and deceptive acts and practices. These include:

- a. Minnesota: Minn. Stat. § 325F.69, subd. 1; Minn. Stat. § 325D.44, subd. 1(1)-(13); Minn. Stat. § 325D.44, subd. 1(1)-(13);
- b. Arizona: Ariz. Rev. Stat. §§ 44-1521-1534;
- c. Colorado: Colo. Rev. Stat. §§ 6-1-101, et seq;
- d. Florida: Chapter 501, Part II, Florida Statutes (the Florida Deceptive and Unfair Trade Practices Act);
- e. Georgia: Fair Business Practices Act, O.C.G.A. § 390 et seq;
- f. Hawaii: Haw. Rev. Stat. Sects. 480-2 and 481A-3;
- g. Illinois: Illinois Consumer Fraud and Deceptive Business Practices Act, 815 ILCS 505/1 et seq;
- h. Tennessee: Tenn. Code Ann. § 47-18-101-131;
- i. Utah: Utah Code 13-11-1, et seq. and
- j. Virginia: Va. Code. Ann. §§ 59.1-196 to 59.1-207

THE STATES’ ALLEGATIONS

13. The Attorneys General make the following allegations based on their investigation and review of the activities related to the Argosy Institutional Loan Debt. Respondent neither admits nor denies the allegations in paragraphs 14 through 30 and reserves all rights with respect thereto.

Argosy Schools and Sale to Dream Center

14. From 2001 until 2017, EDMC owned and operated several campuses in the United States under the Argosy University name, including the following campuses:

- Argosy University, Atlanta
- Argosy University, Chicago
- Argosy University, Denver
- Argosy University, Hawaii
- Argosy University, Nashville
- Argosy University, Northern Virginia
- Argosy University, Phoenix

Argosy University, Online
Argosy University, Sarasota
Argosy University, Schaumburg
Argosy University, Salt Lake City
Argosy University, Tampa
Argosy University, Twin Cities

15. In November 2015, attorneys general from 39 states and Washington D.C. settled allegations of UDAP law violations by EDMC, including claims that EDMC: (a) used deceptive solicitations broadly touting educational benefits that were only available to a few students; (b) engaged in extremely high-pressure recruitment; (c) falsely claimed that programs were accredited by an accreditor necessary to obtain licensure in certain professions; and (d) misrepresented job-placement and graduation rates. The settlement required EDMC to undertake compliance obligations, including making certain disclosures, prohibitions on deceptive recruiting practices, and oversight by an administrator, and also required EDMC to cancel certain institutional loan debt incurred prior to the effective date. The effective date of the settlement is January 1, 2016.

16. In March 2017, EDMC announced it was in the process of selling Argosy and other schools to Dream Center. Federal regulations required approval by the U.S. Department of Education of the change in ownership of the schools and required approval of the conversion to nonprofit status. The change in ownership also required approval by the institution's accreditors.

17. While the U.S. Department of Education gave tentative permission for the sale to proceed on October 17, 2017, it made clear that it did not formally approve the sale or conversion to nonprofit status, and that it would have to undertake a comprehensive review of Dream Center's capabilities before the sale and conversion could be considered approved:

[F]ormal approvals of the [sale] and nonprofit institution status are contingent on the [] parties' compliance with the requirements of 34 C.F.R. § 600.20(g) and (h), the Department's review and approval of any submissions required by those regulatory provisions, and any further documentation and information requested by the Department following the [sale] or in th[e] Preacquisition Review Response, including all documents related to the Transaction and the Institutions' conversion to nonprofit status.³

18. The U.S. Department of Education also noted that Dream Center would need to: "submit additional documentation and information to confirm the other elements of nonprofit status," "need to establish that the Institutions' net income does not benefit any party other than the Institutions," and "confirm . . . that control is not concentrated in any person (or group of

³ Letter from Michael Frola, Department of Education, to Brent Richardson, Dream Center Education Holdings, LLC (Sept. 12, 2017) at HLC-OPE 7083, <https://opefiles.hlcommission.org/HLC-OPE%207081-7106%2020171009%20DOE%20Pre-acquisition%20Information.pdf>

persons) who might benefit financially from the Institutions' operations.”⁴

19. Under Dream Center's ownership and management, Argosy's financial and administrative capability deteriorated. In January 2019, Dream Center suddenly announced that it was entering receivership. In March 2019, Argosy abruptly closed its campuses.

20. The U.S. Department of Education announced on February 27, 2019, that it was denying Argosy's application for change of ownership and was revoking the school's eligibility to receive federal financial aid due to its failure to meet financial responsibility standards. As part of its revocation of Argosy's eligibility for federal financial aid, the U.S. Department of Education found that Argosy mishandled federal student aid funds and student stipends.

Misrepresentations by Dream Center to Argosy Prospective and Current Students

21. Dream Center engaged in the following misrepresentations and omissions of material fact with respect to prospective students:

- In late 2017, Dream Center programs deemed “failing” under the U.S. Department of Education's Gainful Employment Rule triggered Dream Center's obligation to post Gainful Employment failure warnings, but Dream Center did not make those disclosures. The settlement administrator appointed by the states found that a Dream Center manager expressly instructed employees not to comply with these disclosure requirements.⁵ This failure was not only a violation of federal regulations to remain eligible to receive Title IV federal financial aid;⁶ it was also a violation of the states' prior settlement and their UDAP laws.⁷
- The settlement administrator found that, despite lacking approval to the conversion to non-profit status, Dream Center falsely boasted to students that it was a non-profit educational institution. A “fact sheet” posted on Argosy's website stated that the school was now a “nonprofit academic institution.” This again, constituted a violation of the settlement and violation of the states' laws.
- On July 2, 2018, Dream Center announced closures of 30 ground campuses over email. The email did not provide dates on which the schools would close, or information regarding future options for students. Dream Center only vaguely told

⁴ *See id.*

⁵ Third Annual Report of the Settlement Administrator Under the Consent Judgments with Education Management Corporation (EDMC) as Succeeded by Dream Center Education Holdings, Report by Settlement Administrator Thomas J. Perrelli, at 29 (October 1, 2017 through September 30, 2018).

⁶ 34 C.F.R. § 668.401.

⁷ Stipulated General Judgement, *State of Or. v. Educ. Mgmt. Corp.*, No. 15CV30936 at ¶ 74 (Cir. Ct. Marion Cty., Or. 2015); *see also, e.g., Graphic Commc'ns Loc. 1B Health & Welfare Fund A v. CVS Caremark Corp.*, 850 N.W.2d 682, 696 (Minn. 2014) (holding that Minnesota consumer-fraud statutes are violated when seller fails to make disclosure when there is a legal duty to disclose); O.C.G.A. § 383(a).

students that their schools were closing, sometime. In doing so, Dream Center failed to provide students borrowers with accurate and complete information that would have been necessary to inform students of their rights and options.⁸

- In late July 2018, Dream Center distributed guidance to its campus presidents, with three options Dream Center was making available for students whose schools were closing. The communications initially made to students did not include clear information about students' ability to request discharge of their federal student loans based on the school's closure.⁹ The failure to provide timely information about "closed school" discharge, particularly because of a 120-day default timeframe for eligibility, combined with the failure to provide information about expected or planned closure dates, was consequential. Students who chose to withdraw upon the July 2, 2018 announcement to avoid incurring further debts thought they were making a sound financial choice. Information about closed-school discharge could have informed students staying enrolled longer would have been a better financial choice.
- In August 2018, six weeks after Dream Center announced the closings, it emailed students about closed-school discharge. However, that email failed to include a clear statement of the schools' closing dates. Thus, students would not know how long to stay in school if they ultimately wanted to take advantage of closed-school discharge. It was not until September 20, 2018—two-and-a-half months after the closing announcement—that Dream Center issued clear information to students about closed-school discharge and closing dates.
- Dream Center falsely promised that Argosy campuses would provide "an array of career services designed to assist" graduates "in developing [their] career plans and reaching [their] employment goals." No such services were available to students and graduates after the school closed.
- Argosy falsely marketed and promised to students that, if the student enrolled at the school, the school would provide them with "high quality professional education programs" and offered "doctoral, masters, post-graduate certificate and undergraduate programs" and "[p]rofessional development services." The school stated that it was "able to serve effectively its student body and the needs of the professions served by its programs." The school, however, did not in fact have the capability to and did not deliver an educational program to students that were enrolled during the sudden closure.

22. The UDAP laws prohibit false and misleading representations and omissions of material fact made in association with sales of services, including sales and enrollment of students in higher education programming.

⁸ Third Annual Report of the Settlement Administrator, *supra* at 8, 31-35.

⁹ See 34 C.F.R. § 685.214.

23. The false or misleading statements identified in paragraph 21 above had the capacity, tendency, or effect of deceiving or misleading consumers and the failure to state material facts deceived or tended to deceive consumers, in violation of the UDAP laws.

Institutional Debt Taken Out Pursuant to Misrepresentations and Omissions of Material Fact

24. Most Argosy students could not afford to pay its high tuition out-of-pocket. Therefore, Argosy relied on students to obtain federal financial aid, mostly loans, to pay tuition costs. Federal aid did not, however, always provide students with enough money to cover Argosy's tuition and many of Argosy's students could not afford to cover this tuition gap with their own money. To close this tuition gap, Argosy marketed and issued institutional loans to students payable to the school. Argosy used the misrepresentations and omissions of material fact described above to encourage students into obtaining institutional loans in order to pay for their education.

25. Under the federal Holder Rule, lenders related to or that have a relationship with sellers must include contractual language in lending agreements that the lender or a "holder of this consumer credit contract" is subject to "all claims and defenses which the debtor could assert against the seller of goods or services obtained pursuant hereto or with the proceeds hereof."¹⁰ The FTC enacted the Rule to prevent consumers from being "legally obligated to make full payment to a creditor despite . . . misrepresentation and even fraud on the part of the seller."¹¹ The Uniform Commercial Code has similar requirements related to the inclusion of Holder Rule language in consumer loan contracts and provides that Holder Rule provision is read into any qualifying credit agreement or promissory note that does not include it.¹² It is well-established that the Holder Rule applies to student loans extended by for-profit schools.¹³

26. Dream Center also engaged in lending in some states without obtaining necessary licenses to originate, make, or enter into student loans with Argosy students.¹⁴

27. Because of the statutory violations described herein, the holder of the Argosy Institutional Loan Debt is subject to claims based on the misrepresentations and material omissions of fact set forth above and, thus, is not legally entitled to collect or enforce the debt. The Argosy Institutional Loan Debt is void and unenforceable.

¹⁰ 16 C.F.R. § 433.2.

¹¹ *Guidelines on Trade Regulation Rule Concerning Preservation of Consumers' Claims or Defenses*, 41 FED. REG. 20,022-024.

¹² *See, e.g.*, U.C.C. § 3-305(e).

¹³ *See, e.g., Jackson v. Culinary Sch. of Wash.*, 788 F. Supp. 1233, 1249-51 (D.D.C. 1992); *Morgan v. Markerdowne Corp.*, 976 F. Supp. 301 (D.N.J. 1997).

¹⁴ *See, e.g.*, Minn. Stat. ch. 56 (lender licensing statute). Colorado states that Argosy filed notification with its UCCC Administrator and thus complied with Colorado law in this specific regard.

OWNERSHIP AND RIGHTS TO DEBT PROCEEDS

28. When it was issued, the Argosy Institutional Loan Debt was controlled by Dream Center, Dream Center Argosy University of California, LLC, and/or Argosy Education Group, LLC.

29. Pursuant to the Credit Agreement, Dream Center pledged the Argosy Institutional Loan Debt and the proceeds thereof to Respondent as collateral for obligations incurred by Dream Center and its subsidiaries under the Credit Agreements.

30. In connection with a January 2019 restructuring, the Argosy Institutional Loan Debt was contributed to AUSF. AUSF is a bankruptcy remote entity that was created for the special purpose of acquiring, holding, collecting, and otherwise monetizing accounts receivable related to the Argosy student institutional debt. AUSF is not party to any bankruptcy cases or the Dream Center receivership proceedings. While owned by AUSF, the Argosy Institutional Loan Debt continues to remain subject to liens held by Respondent.

31. Respondent and the Lenders¹⁵ have no relationship with EDMC, Dream Center, Dream Center Argosy University of California LLC, Argosy, or AUSF other than in their capacities set forth in the Credit Agreements, and have no relationship with Argosy Education Group, LLC. Respondent and the Lenders have no relationship to, or involvement with (i), the origination or issuance of the Argosy Institutional Loan Debt, ii) the servicing of the Argosy Institutional Loan Debt, including monetizing accounts receivable related to the Argosy Institutional Loan Debt, or (iii) the management or operation of EDMC, Dream Center, Dream Center Argosy University of California LLC, Argosy Education Group LLC, Argosy, or AUSF.

32. After the execution of this Assurance, a motion will be filed by the Receiver at the Receivers' expense in the Dream Center receivership proceedings pending in the United States District Court for the Northern District of Ohio that seeks entry of an order (the "Proposed Order") approving the discharge and cancellation of all outstanding balances of any Argosy Institutional Loan Debt owed or allegedly owed by an Affected Consumer, which are discussed below.

INJUNCTIVE RELIEF

33. As of the Effective Date, Respondent shall not collect any Argosy Institutional Loan Debt owed or allegedly owed by an Affected Consumer. As of the Effective Date, Respondent shall not directly or indirectly through any agent, contractor, or Servicers and Debt Collectors, enforce or collect any Argosy Institutional Loan Debt.

34. As of the Effective Date, Respondent agrees that AUSF shall be entitled to (a) discharge and permanently cease collection of any and all Argosy Institutional Loan Debt, (b) refrain from selling, transferring, or assigning any Argosy Institutional Loan Debt owed or

¹⁵ As used herein, the term "Lenders" means those parties that currently are, or were in the past, "Lenders" as such term is defined in the Credit Agreements.

allegedly owed by an Affected Consumer, and (c) direct AUSF's affiliated entities, the Servicers and Debt Collectors, or any other service provider from doing the same.

35. Respondent shall consent to the entry of the Proposed Order by the United States District Court for the Northern District of Ohio which shall provide for the following:

- a. Discharge and cancellation of all outstanding balances of any Argosy Institutional Loan Debt owed or allegedly owed by an Affected Consumer, including associated fees, charges, and interest;
- b. Termination of all collections activities undertaken through the Servicers and Debt Collectors related to any Argosy Institutional Loan Debt owed or allegedly owed by an Affected Consumer;
- c. That the Servicers and Debt Collectors are authorized to cease current and future acceptance of automatic payments from any Argosy Institutional Loan Debt owed or allegedly owed by an Affected Consumer;
- d. That the Servicers and Debt Collectors are authorized to not accept, any payments from an Affected Consumer related to any Argosy Institutional Loan Debt;
- e. That the Servicers and Debt Collectors are directed to submit written or electronic requests to all Consumer Reporting Agencies to which AUSF or the servicer or collector has reported information about any Argosy Institutional Loan Debt owed or allegedly owed by an Affected Consumer, directing those Consumer Reporting Agencies to delete the consumer trade lines associated with the Argosy Institutional Loan Debt by updating those consumer trade lines with the appropriate codes to reflect that each of those consumer trade lines has been deleted and, if an explanation is required, with codes referencing a negotiated settlement;
- f. That the Servicers and Debt Collectors are directed to send a notification, provided by the Attorneys General or AUSF, to each Affected Consumer stating the outstanding balance of any Argosy Institutional Loan Debt owed or allegedly owed by the Affected Consumer, including associated fees, charges, and interest has been discharged and cancelled pursuant to an agreement with the Attorneys General.
- g. That Respondent and AUSF shall not disclose, use, or benefit from Consumer Information, and that the Servicers and Debt Collectors shall comply with the same, except as follows:
 - i. Consumer Information may be disclosed if requested by a government agency or required by law, regulation, or court order; and
 - ii. Consumer Information may be used to effectuate and to carry out the obligations set forth in this Assurance;

- h. That the Servicers and Debt Collectors shall comply with reasonable requests from the Attorneys General and Respondent regarding the effectuation of the discharge of the Argosy Institutional Loan Debt;
- i. That the Servicers and Debt Collectors, within 60 days of the Effective Date, shall submit to the Attorneys General an accurate written report that:
 - i. Confirms that all outstanding balances of any Argosy Institutional Loan Debt owed or allegedly owed by an Affected Consumer, including associated fees, charges, and interest has been discharged and cancelled and that the Servicers and Debt Collectors are in compliance with the directives required by paragraphs 35(c) and (d);
 - ii. Confirms that the Servicers and Debt Collectors are in compliance with paragraphs 35(e), (f), and (g);
 - iii. Includes a list of all Affected Consumers to the best of their knowledge, who owe or allegedly owe any Argosy Institutional Loan Debt setting forth the following information with separate fields for: (i) name; (ii) unique identifying loan or student number(s); (iii) last known contact information (mailing address, email address and telephone number, including any updated information obtained by AUSF's Servicers and Debt Collectors); and (iv) outstanding balance(s) as of the day before the execution of the Assurance (broken down among principal, interest, fees and any other amount due and owing); and
 - iv. Includes a list of all Affected Consumers who owe or allegedly owe any Argosy Institutional Loan Debt whose notices of discontinuance of billing and collection of the institutional debts, after commercially reasonable efforts, were undeliverable; and
- j. That AUSF and the Servicers and Debt Collectors maintain all documents and records necessary to demonstrate full compliance with this Assurance; provided, notwithstanding anything to the contrary herein, Respondent and the Lenders shall have no obligation with respect to compliance by AUSF or the Servicers and Debt Collectors with the provisions of this paragraph.

36. As of the Effective Date, Respondent will not instruct the Servicers and Debt Collectors to issue IRS Forms 1099 and will not otherwise take action to issue IRS Forms 1099s as a result of this Assurance.

RELEASE

37. As of the date of entry of the Proposed Order, the Attorneys General hereby forever release Respondent and the Lenders with prejudice from any and all civil claims, actions, causes of action, damages, losses, fines, costs, and penalties pursuant to each of the UDAP laws, that have been or could have been brought against Respondent and the Lenders or any of their respective current or former subsidiaries, affiliates, divisions, agents, representatives, and each of their

respective officers, directors, shareholders, members, insurers, attorneys or employees on or before the Effective Date related to (1) the allegations set forth in paragraphs 14 - 30 and (2) all institutional lending practices connected to the Argosy Institutional Loan Debt. Notwithstanding any other term of this Assurance, the following do not comprise released claims: private rights of action; criminal claims; claims of environmental or tax liability; claims for property damage; claims alleging violations of State or federal securities laws or non-UDAP laws; claims alleging violations of State or federal antitrust laws; claims brought by any other agency or subdivision of the State that the Attorney General of such State does not have the authority to release; claims alleging violations of State or federal privacy laws or State data breach laws; and claims alleging a breach of this Assurance.

ENFORCEMENT

38. Respondent understands that if a court of competent jurisdiction holds that Respondent committed a violation of this Assurance, that such violation may subject Respondent to sanctions for contempt and other remedies provided under the Attorneys General respective state laws. Respondent understands that the Attorneys General may thereafter initiate legal proceedings against Respondent for any and all violations of this Assurance and all of Respondent's rights with respect thereto are expressly reserved.

GENERAL TERMS

39. Other than as set forth in this Assurance, including the Release, nothing in this Assurance shall relieve Respondent of its obligation to comply with all applicable laws and regulations of the Attorneys Generals' respective states.

40. This Assurance is neither an admission nor denial of liability by Respondent.

41. This Assurance may be executed in counterparts, each of which constitutes an original, and all of which shall constitute one and the same agreement. This Assurance may be executed by facsimile or electronic copy in any image format.

42. This Assurance constitutes the full and complete terms of the agreement.

43. The failure of a party to exercise any rights under this Assurance shall not be deemed to be a waiver of any right or any future rights.

44. Nothing in this Assurance shall be construed to waive or limit any right of action by any individual, person or entity, or by any local, state, federal or other governmental entity.

45. Each of the parties participated in the drafting of this Assurance, was represented and obtained advice from counsel, and agrees that the Assurance's terms may not be construed against or in favor of any of the parties by virtue of draftsmanship.

46. Each party shall perform such further acts and execute and deliver such further documents as may reasonably be necessary to carry out this Assurance.

47. Respondent agrees that the Attorneys General, after the Effective Date, may file this Assurance in state court on an *ex parte* basis and that state courts may issue an order approving or adopting the Assurance without further proceedings, provided that the Attorneys General shall thereafter provide a copy of any such order to Respondent.

48. Service of notices or any other document required by this Assurance shall be served on the following persons, or any person subsequently designated by the parties to receive such notices:

To the Attorneys General:

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160 East 300 South, 5th Floor
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801-366-0254
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--and--

Mark S. Kubiak
Assistant Attorney General
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202 North Ninth Street
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To Respondent:

U.S. Bank, National Association
1011 Centre Road, Suite 203
Delle Donne Corporate Center
Wilmington, DE 19805
Attn: James A. Hanley

With a copy to:

Winston & Strawn LLP
200 Park Avenue
New York, NY 10166
212-294-6700
Attn: Carey D. Schreiber & Bart Pisella
cschreiber@winston.com
bpisella@winston.com

**U.S. BANK NATIONAL
ASSOCIATION,
AS ADMINISTRATIVE AGENT AND
COLLATERAL AGENT**

By: _____
Name: James A. Hanley
Title: Vice President

DATE: January 26, 2022

In the Matter of Argosy University
Institutional Debt,

THE STATE OF MINNESOTA

Keith Ellison
Attorney General

/s/ Adam Welle

Adam Welle
Assistant Attorney General

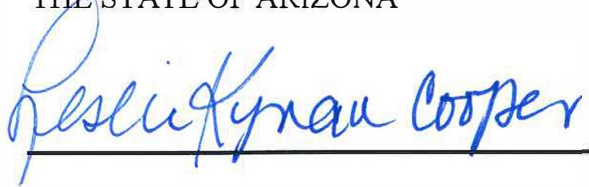
Minnesota Attorney General's Office
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St. Paul, MN 55101
adam.welle@ag.state.mn.us
(651) 757-1425
Minn. Bar. No. 0389951

Counsel for the State of Minnesota

DATE: January 26, 2022

In the Matter of Argosy University
Institutional Debt,

THE STATE OF ARIZONA



Leslie Kyman Cooper

Counsel for the State of Arizona

DATE: Dec. 17, 2021

In the Matter of Argosy University
Institutional Debt,

THE STATE OF COLORADO

/s/ Hanah Harris _____

Hanah Harris
Assistant Attorney General
Consumer Protection Section
Colorado Department of Law
1300 Broadway, 7th Floor
Denver, CO 80203
Hannah.Harris@coag.gov
Counsel for the State of Colorado

DATE: 1/31/2022

**THE OFFICE OF THE ATTORNEY GENERAL
STATE OF FLORIDA, DEPARTMENT OF LEGAL AFFAIRS**

Christina M. Blackburn

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Assistant Attorney General
Office of Attorney General
State of Florida
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Victoria Butler

Victoria Butler
Director, Consumer Protection Division
Office of Attorney General
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Accepted this 20th day of Dec 2021

STATE OF GEORGIA

A handwritten signature in black ink, appearing to read "Christopher Carr", written in a cursive style.

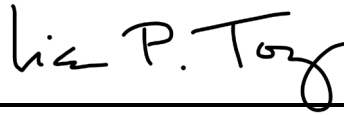
By:

Christopher M. Carr
Attorney General of the State of Georgia

Date: *1-31-2022*

In the Matter of Argosy University
Institutional Debt,

STATE OF HAWAII OFFICE OF
CONSUMER PROTECTION

Handwritten signature of Lisa P. Tong in black ink, written over a horizontal line.

Lisa P. Tong
Enforcement Attorney

Counsel for the State of Hawaii

DATE: December 20, 2021

In the Matter of Argosy University
Institutional Debt,

Investigation #: 2015-CONSL-00000083

ASSURANCE OF VOLUNTARY COMPLIANCE
2021 AVC 14-C

**PEOPLE OF THE STATE OF ILLINOIS, by KWAME
RAOUL,
Attorney General of Illinois,**

By: */s/ Andrew Dougherty*

Andrew Dougherty, Deputy Chief
Consumer Fraud Bureau

KWAME RAOUL,
Attorney General of Illinois Attorney General

SUSAN ELLIS, Chief
Consumer Protection Division

GREG GRZESKIEWICZ, Chief
ANDREW DOUGHERTY, Deputy Chief
GREGORY W. JONES, Supervising Attorney
Consumer Fraud Bureau
Illinois Attorney General's Office
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Chicago, Illinois 60601
312-814-3000

Counsel for the People of the State of Illinois

DATE: 12/20/21

In the Matter of Argosy University
Institutional Debt,

THE STATE OF UTAH



Kevin McLean

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Salt Lake City, UT 84114-0872
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*Counsel for the State of Utah,
Division of Consumer Protection*

DATE: January 18, 2022

In the Matter of Argosy University
Institutional Debt,

COMMONWEALTH OF VIRGINIA, *EX*
REL. JASON S. MIYARES, ATTORNEY
GENERAL



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Counsel for Commonwealth of Virginia, ex
rel. Jason S. Miyares, Attorney General

DATE: January 21, 2022