

COMMONWEALTH OF MASSACHUSETTS  
SUFFOLK, ss. SUPERIOR COURT  
BUSINESS LITIGATION SESSION  
CIVIL ACTION NO.

COMMONWEALTH OF MASSACHUSETTS,	)
	)
Plaintiff,	)
	)
v.	)
	)
PREMIER EDUCATION GROUP. L.P.,	)
SALTER COLLEGE: A PRIVATE TWO-YEAR	)
COLLEGE, LLC,	)
	)
Defendants.	)
	)

**FINAL JUDGMENT BY CONSENT**

Whereas Plaintiff Commonwealth of Massachusetts (the “Commonwealth”), by and through its Attorney General, Martha Coakley, conducted an investigation of, *inter alia*, various admissions, enrollment, disclosure and educational practices by Premier Education Group, L.P. and Salter College: A Private Two-Year College, LLC (collectively, “Defendants”), and filed and served its Complaint on December 9, 2014, in the above-captioned matter pursuant to G.L. c. 93A, § 4, alleging that Defendants committed unfair or deceptive acts or practices in violation of c. 93A, section 2;

Whereas the parties have agreed to resolve this matter in accordance with this Final Judgment by Consent (“Final Judgment”);

Whereas Defendants have consented to the entry of this Final Judgment, waiving any right to appeal and without trial or adjudication of any issue of fact or law;

Whereas Defendants acknowledge that this Court has subject matter jurisdiction and personal jurisdiction over Defendants, and that venue is proper in this Court;

Whereas the Commonwealth acknowledges that Defendants have fully cooperated with the Commonwealth's investigation;

Whereas, Defendants deny any and all allegations of wrongdoing and any liability for the purported claims asserted in the Complaint, but nonetheless consent to the entry of this Final Judgment in order to avoid the time, burden, and expense of contesting such liability; and

Whereas nothing in this Final Judgment constitutes an admission, declaration, or other evidence of any fact or law or, except with respect to the terms provided in this Final Judgment, the rights or liabilities of any person or entity.

NOW THEREFORE, upon Defendants' consent, the Court finding there is good and sufficient cause to enter this Final Judgment, and there being no just reason for delay:

I. IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that this Court has jurisdiction over the subject matter and the Commonwealth and Defendants.

Venue in this Court is proper under G.L. c. 223, section 5. The Attorney General is authorized to bring this action under G.L. c. 93A, section 4.

II. IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendants shall, beginning on or before January 1, 2015, make the disclosures described in subsections IIIA, IIIB, and IIIC below, as applicable, (the "Required Disclosures")  
(i) on Defendants' website on a webpage that prospective students must pass

through before obtaining information applicable to any School<sup>1</sup> program and (ii) in writing to all students of the School at least 72 hours<sup>2</sup> prior to entering into an enrollment agreement and (iii) in all Massachusetts advertisements or written solicitations made by Defendants for the Schools that refer to any of the topics identified in those subsections (IIIA, IIIB, and IIIC), unless the subsection's exception applies. The Required Disclosures on Defendants' website shall be clear and conspicuous to consumers viewing information about any School. The Required Disclosures provided in writing pursuant to II(ii) above shall be double-spaced, upper case, and in 12-point type. When the Required Disclosures are made pursuant to II(ii) above, the prospective student shall be required to sign and date the Required Disclosures, with a copy to be provided to the student and a copy retained by Defendants.

III. IT IS HEREBY ORDERED, ADJUDGED, AND DECREED,

A. *Placement services*

1. Unless Defendants have entered into an agreement with an employer under which the employer is required to provide employment to Defendants' students, Defendants shall disclose that  
  
THE SCHOOL HAS NO EXISTING AGREEMENT WITH  
  
EMPLOYERS TO PROVIDE JOBS TO STUDENTS AND DOES  
  
NOT GUARANTEE EMPLOYMENT.

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<sup>1</sup> As used herein, "School" refers to the Massachusetts campuses of Branford Hall Career Institute, Salter College, and the Salter School.

<sup>2</sup> If the Attorney General's regulations are altered to require a different time period or no time period, such altered time period will be deemed to replace the 72 hour time period in Section II.

2. Defendants shall disclose that MANY OF THE JOB LISTINGS PROVIDED BY THE SCHOOL ARE COMPILED FROM PUBLIC SOURCES. THE SCHOOL MAY ALSO RECEIVE DIRECT REQUESTS FROM EMPLOYERS OR REFERRALS FOR JOB LISTINGS FROM GRADUATES WORKING IN THE FIELD, INSTRUCTORS, STAFF MEMBERS, EXTERN PROVIDERS, ETC.

B. *Admissions Standards.* Unless a School has rejected at least 10% of consumers who applied to enroll at that School during the preceding year, each of Defendants' Schools shall disclose that THE SCHOOL IS AN OPEN ADMISSIONS SCHOOL AND ADMITS ALL STUDENTS WHO MEET THE ADMISSION CRITERIA AS SET FORTH IN THE CATALOG.

C. *Certification.* Each School shall disclose that THE CERTIFICATE OR DEGREE YOU OBTAIN FROM THIS SCHOOL UPON GRADUATION IS NOT THE SAME AS LICENSURE OR CERTIFICATION FOR EMPLOYMENT, WHICH MAY BE REQUIRED FOR SOME OCCUPATIONS, EMPLOYERS, OR STATES. THE COST OF ANY LICENSURE OR CERTIFICATION OR THE COST OF ANY EXAMINATION FOR LICENSURE OR CERTIFICATION IS NOT INCLUDED IN THE TUITION COST OF THE PROGRAM AND IS ONLY INCLUDED IN THE TOTAL PROGRAM COST IF IT IS



SPECIFICALLY ITEMIZED ON YOUR ENROLLMENT  
AGREEMENT.

- IV. IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that in calculating placement percentages or rates for their Massachusetts programs,
- A. With respect to the Medical Assistant, Medical Billing and Coding, Health Claims Specialist, Medical Office Assistant, and Massage Therapy programs, Defendants shall not include as “placements”: home health aide, nurse’s assistant, certified nurse’s assistant, personal care assistant, companion, homemaker, daycare provider, receptionist, customer service representative, firefighter;
  - B. Defendants shall include only those placements for which it has obtained verification in the form permitted by the applicable accreditor standards or by law. For each of the Schools, such verification shall be provided to the Attorney General’s office, together with the last known name, address, and telephone number of the students whose employment has been verified, within ten (10) days of any written request by the Attorney General’s office;
  - C. For each of the Schools, Defendants shall not alter or falsify job descriptions or count as “placed” students merely serving in externships or temporary jobs.<sup>3</sup>
- V. IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendants shall (i) pay to the Attorney General the sum of three million, five hundred thousand dollars (\$3,500,000), which shall be paid in three equal installments

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<sup>3</sup> If no applicable Attorney General regulation prohibits the counting of temporary jobs as “placements,” section IV.C will be deemed to permit the counting of such temporary “placements.”

on or before January 15, 2015, May 15, 2015, and September 15, 2015, and which shall be distributed by the Attorney General to or on behalf of students of the Schools at the sole discretion of the Attorney General; and (ii) separately forgive two hundred thousand dollars (\$200,000) of debt consisting of unpaid balances owed to Defendants by certain former graduates, and (iii) in conjunction with subpart (ii), provide up to forty thousand dollars (\$40,000) in the aggregate, to be paid to any such students to cover the tax liability, if any, resulting from the cancellation of the debt, provided that this obligation set forth in subpart (iii) shall expire on April 15, 2016. Defendants will provide notice to the former students of the debt forgiveness applicable to them and of the fact that Premier Education Group will pay for any tax liability resulting from the debt forgiveness, and provide documentation to the Attorney General of the notices, the amounts of debt forgiven, and the amount of taxes paid. To the extent that Defendants have made negative reports regarding the forgiven loans to credit reporting agencies, Defendants will provide notice to such agencies that the loans have been forgiven.

- VI. IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendants shall provide certain services for current and former students of the School, which are designed to enhance the students' ability to effectively obtain placement in fields related to their education at the School. Such services shall be on such terms and timing as are mutually agreed upon by Defendants and the Attorney General.

- VII. IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that in the event Defendants fail to comply with the obligations of paragraphs IV and V (i) such material failure to comply may, upon clear and convincing proof, be subject to civil contempt under paragraph XIII below and (ii) paragraph XI below shall be null and void, and the Attorney General may refile the Complaint and pursue the claims set forth therein, and those claims will not be subject to res judicata or any other defenses (including statute of limitations) that were not available at the time the Complaint was originally filed on December 9, 2014.
- VIII. IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendants shall provide, on request by the Attorney General, within a reasonable time but in no event exceeding thirty (30) days after such a request, documents sufficient to demonstrate Defendants' compliance with the terms of this Final Judgment, including but not limited to documents sufficient to verify (i) that all required disclosures have been made, and (ii) that Defendants' placement calculations are being conducted in accordance with this Final Judgment. The Attorney General agrees that, prior to taking any action against Defendants to enforce this Judgment, the Attorney General shall provide Defendants written notice of any suspected violations of this Judgment and thirty (30) calendar day period to address any such suspected violations, within which period the parties shall make good faith efforts to meet and confer regarding the suspected violations. Any efforts by Defendants during the thirty (30) calendar day period to address any such violations shall not bar or limit the Attorney General from taking actions that it deems necessary to protect the public interest. Nor shall any such



efforts by Defendants be proffered to establish that Defendants were in alleged violation of this Judgment. Nothing in this section shall affect or apply to any action that might be brought by the Attorney General except actions to enforce this Judgment.

- IX. IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the provisions of this Final Judgment shall apply to and are binding upon Defendants, their officers, managers, agents, servants, employees, successors and assigns, and upon any persons or entities in active concert or participation with them.
- X. IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendants shall ensure that each of their current officers, managers, and placement and admissions employees at each School review the Final Judgment in its entirety within fourteen (14) days of entry of the Final Judgment and, within ten (10) days thereafter, provide a list of the names of those recipients. For new employees of any School at the director level or above, review shall occur prior to their assuming their responsibilities.
- XI. IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that by entry of this Consent Judgment and subject to paragraph V, the Commonwealth releases and forever discharges Defendants, including any of their current or former employees (relating solely to their conduct during their employment by Defendants), agents, subsidiaries and subdivisions, partners, predecessors, successors, or assigns (the "Released Parties"), from all civil claims, causes of action, *parens patriae* claims, damages, restitution, fines, costs, attorneys' fees,



remedies and/or penalties that were or could have been asserted against the Released Parties by the Attorney General (i) based on or arising from the Attorney General's investigation in this matter or the allegations of the Complaint and (ii) based on or arising from acts or occurrences prior to the date of the entry of this Judgment.

- XII. IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that nothing contained herein, nor any negotiations or transactions connected in any way with this Final Judgment, shall be offered or received in evidence in any proceeding to prove any liability, any wrongdoing, or an admission on the part of Defendants by any individual or entity not a party hereto; provided, however, that nothing herein shall prevent this Final Judgment from being used, offered, or received in evidence in any proceeding to enforce any or all of its terms.
- XIII. IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court retains jurisdiction of this case pursuant to G.L. c. 93A § 4 for purposes of enforcing this Final Judgment and granting such further relief as the Court deems just and proper.
- XIV. IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that any material violation of the Final Judgment may be deemed civil contempt.
- XV. IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that nothing herein shall prevent the parties from petitioning the Court for a modification of this Final Judgment in the event that amendments or changes in federal or state law, future changes in accreditation or other standards, or unforeseen events create a conflict with the mandated provisions of this Final Judgment.

XVI. IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that nothing in this Final Judgment shall relieve Defendants of their duty to comply with all applicable provisions of law.

XVII. IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Final Judgment may not be changed, altered, or modified, except by further order of the Court.

XVIII. IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that each party shall bear its own attorneys' fees and costs.

SO ORDERED:

  
Justice, Superior Court

Date: Dec. 11, 2014