

ENROLLMENT AGREEMENT

The Art Institute of CaliforniaSM -Sunnyvale
 1120 KIFER ROAD, SUNNYVALE, CALIFORNIA 94086
 408-962-6400 Toll Free: 866-583-7961
 www.artinstitutes.edu/sunnyvale

Check quarter starting date:

- October 4, 2010 FA I
- November 11, 2010 FA II
- January 10, 2011 WI I
- February 17, 2011 WI II
- April 4, 2011 SP I
- May 12, 2011 SP II
- July 11, 2011 SU I
- August 18, 2011 SU II

Program For Which You Are Applying (Check one):

Bachelor of Science Degree Programs:

- Culinary Management** (132 Academic Weeks, 192 credits, 2618 hours)
- Interior Design** (132 Academic Weeks, 192 credits, 2629 hours)
- Media Arts & Animation** (132 Academic Weeks, 192 credits, 2618 hours)
- Web Design & Interactive Media** (132 Academic Weeks, 192 credits, 2618 hours)
- Digital Filmmaking & Video Production** (132 Academic Weeks, 192 credits, 2929 hours)
- Fashion Marketing & Management** (132 Academic Weeks, 192 credits, 2629 hours)
- Game Art & Design** (132 Academic Weeks, 192 credits, 2629 hours)
- Graphic Design** (132 Academic Weeks, 192 credits, 2629 hours)

Associate of Science Degree Programs:

- Culinary Arts** (77 Academic Weeks, 112 credits, 1683 hours)
- Graphic Design** (77 Academic Weeks, 112 credits, 1540 hours)
- Web Design & Interactive Media** (77 Academic Weeks, 112 credits, 1540 hours)

* Students who choose an internship/externship will have additional contract hours.

Student Name _____
 (Last Name) (First Name) (Middle)

Address _____
 (Street or P.O. Box)

 (City) (State) (Zip)

Home Phone: (_____) _____ Student ID: _____

Email: _____

Admissions Representative: _____

STUDENT'S AGREEMENT

I understand that this Agreement becomes a legally binding document after I sign it and it is accepted by The Art Institute of California-Sunnyvale ("The Art Institute"). I understand the total amount for the course of instruction for _____ is \$ _____ (as presented on the Program Cost Addendum) at the per credit hour rate shown below. However, I also understand that the per credit hour rate will increase at least once per year, which will increase the total amount for the program. My signature below certifies that I have read, understood, and agreed to my rights and responsibilities, and that The Art Institute cancellation and refund policies have been clearly explained to me and that I received a copy of this agreement. I agree that I am responsible for this amount. If I obtain a student loan, I am responsible for repaying the loan amount plus any interest.

I understand that my acceptance by The Art Institute is subject to my completion of an essay, submission of my high school transcript documenting graduation or evidence of my completion of a high school equivalency exam, submission of results of a nationally based exam (if required), a personal interview and other factors to be considered by The Art Institute. It is my responsibility to provide necessary documents and other information to The Art Institute in connection with the admissions process. The Art Institute will notify me of acceptance if I successfully complete the admissions process and am accepted to The Art Institute.

PAYMENT: I agree that the payment of the program cost will be satisfied by (check all that apply):

- Cash Credit Card Will Apply for Financial Aid Third Party (e.g., VA, Voc Rehab, Employer)

 Student's Signature Date Parent's Signature (If applicant is under 18 years of age) Date

 The Art Institute Official Date Title of The Art Institute Official

A Student Financial Plan including a retail installment agreement will be attached to this Agreement and is incorporated by reference.

DISCLOSURE CERTIFICATION

My signature below certifies that The Art Institute of California - Inland Empire has met all the disclosure requirements of Article 6 of The New Private Postsecondary and Vocational Education Reform Act, and, for schools receiving federal financial aid funds, has met all of the requirements for administration of any California financial aid program under the Higher Education Act as amended and regulated.

 Signature of The Art Institute Official

 Date

STUDENT COMPLAINTS

Any questions or problems concerning this school which have not been satisfactorily answered or resolved by The Art Institute should be directed to the Bureau for Private Postsecondary Education, Consumer Affairs, at 1625 North Market Blvd., Suite S202, Sacramento, CA 95834, P.O. Box 980818, West Sacramento, CA 95798-0813. Telephone: (916) 574-7720.

Tuition is charged at \$518.00 per credit (with an average of 16 credits per quarter). Tuition and fees applicable to The Art Institute's programs are as follows:

FINANCIAL INFORMATION

Current Schedule of Charges⁵

	CULINARY ARTS (Associate's) (7 Quarters)	CULINARY MANAGEMENT (Bachelor's) (12 Quarters)	DIGITAL FILMMAKING & VIDEO PRODUCTION (Bachelor's) (12 Quarters)	FASHION MANAGEMENT & MARKETING (Bachelor's) (12 Quarters)	GAME ART & DESIGN (Bachelor's) (12 Quarters)	GRAPHIC DESIGN (Associate's) (7 Quarters)	GRAPHIC DESIGN (Bachelor's) (12 Quarters)	INTERIOR DESIGN (Bachelor's) (12 Quarters)	MEDIA ARTS & ANIMATION (Bachelor's) (12 Quarters)
Tuition per Quarter (16 credits)	\$8,288	\$8,288	\$8,288	\$8,288	\$8,288	\$8,288	\$8,288	\$8,288	\$8,288
Non-refundable Application Fee ¹	50	50	50	50	50	50	50	50	50
Administrative Fee ¹	100	100	100	100	100	100	100	100	100
Student Activity Fee	50	50	50	50	50	50	50	50	50
Program Lab Fee	-	-	300	-	-	-	-	-	-
Non-refundable STRF Assessment Fee (estimated) ²	0	0	0	0	0	0	0	0	0
Lab Fee (Food) per quarter ³	315	315	0	0	0	0	0	0	0
Annual Tuition ⁴	24,864	24,864	24,864	24,864	24,864	24,864	24,864	24,864	24,864
Total Tuition/Fees for Program⁶	\$60,371	\$101,811	\$99,656	\$99,656	\$99,656	\$58,216	\$99,656	\$99,656	\$99,656
Starting Kit (estimated)	1460	1460	1030	1010	1100	1100	1100	1300	1100

	WEB DESIGN & INTERACTIVE MEDIA (Associate's) (7 Quarters)	WEB DESIGN & INTERACTIVE MEDIA (Bachelor's) (12 Quarters)
Tuition per Quarter (16 credits)	\$8,288	\$8,288
Non-refundable Application Fee ¹	50	50
Administrative Fee ¹	100	100
Student Activity Fee	50	50
Program Lab Fee	-	-
Non-refundable STRF Assessment Fee (estimated) ²	0	0
Lab Fee (food) per Quarter ³	0	0
Annual Tuition ⁴	24,864	24,864
Total Tuition/Fees for Program⁶	\$58,216	\$99,656
Starting Kit (estimated)	1100	1100

1 Application and Administrative Fee* Fees are paid by new and transfer students only. The \$50 application fee is non-refundable.

2 STRF Assessment based on \$2.50 per \$1,000 of tuition charged. Refer to back of enrollment agreement under heading "Student Recovery Fund"

3 Monthly consumable supplies included with the \$315 per quarter lab fee. The Culinary lab fee will be treated as part of the tuition for refund purposes.

4 Annual tuition costs are based on an academic year of three quarters and average of 16 credits per quarter.

5 Not including starting kit. Total tuition cost based on 112 credit units for associate degree program and 192 credit units for bachelor degree program. Diploma programs based on 58 or 62 credit units/12 credits.

6 A separate financial plan exists, which complies with the Truth in Lending Regulation Z, and is part of the Student's Enrollment Agreement.

STUDENT'S RIGHT TO CANCEL

You the student have the right to cancel this Agreement, including any equipment or other goods, and services included in the Agreement, and receive a full refund less a cancellation fee of \$100 (includes the non-refundable \$50 application fee and \$50 of the administrative fee) until midnight of the first day of instruction, or the seventh day after enrollment, whichever is later. Your cancellation takes effect when you give written Notice of Cancellation to The Art Institute at the address above. Please direct the Notice to the attention of the Registrar. Any written expression that you wish not to be bound to this Agreement will serve as a Notice of Cancellation of this Agreement if provided to The Art Institute by midnight of the first day of instruction. If you mail your Notice of Cancellation to The Art Institute, it becomes effective as of the postmark, if properly addressed with proper postage. You are due a complete refund within 30 days after The Art Institute receives a valid Notice of Cancellation. However, if you have received any equipment or a Starting Kit, you must return it to The Art Institute within 20 days of the date of the Notice of Cancellation. If you do not return it, The Art Institute may deduct the documented cost of the equipment from the amount of your refund.

STUDENT ACKNOWLEDGMENTS

I have read and understand all provisions of this agreement, and I have been given a copy of it for my records. (Parents must also sign if you are under 18 years of age.) I understand that my enrollment and The Art Institute's obligations under this Enrollment Agreement (except the cancellation and refund provisions) may be terminated by The Art Institute if I fail to comply with The Art Institute's attendance, conduct, academic, and/or financial requirements. I understand that The Art Institute also reserves the right to deny my enrollment if it is determined (i) that I have demonstrated poor academic potential as determined through evaluation of transcript records or any other academic evaluations deemed appropriate for the program selected, and/or (ii) that I do not meet all financial obligations related to enrollment and continuing enrollment. I understand that my financial obligations to The Art Institute must be paid in full before a diploma or degree may be awarded and before transcripts will be issued.

Both sides of the Enrollment Agreement and the financial plan, together with the catalog and other published Art Institute policies, procedures, provisions of any attached rider(s) signed by me, student conduct codes, and separate student housing agreement, if any, shall constitute the entire Agreement between the

student and The Art Institute. I understand and agree that they supersede any prior or contemporaneous oral or written agreements or statements and may not be modified without the written agreement of The Art Institute President.

I understand that if I obtain a loan to pay for an educational program, I will have the responsibility to repay the full amount of the loan plus interest, less the amount of any refund. I further understand that if I am eligible for a loan guaranteed by the federal of state government and I default on the loan, one or both of the following may occur: 1.) The federal or state government or a loan guarantee agency may take action against me, which includes applying any income tax refund to which the person is entitled to reduce the balance owed on the loan, 2.) I may not be eligible for any other federal student financial aid at another institution or other government assistance until the loan is repaid.

I accept that, to the extent permitted by law, I am responsible for all reasonable collection agency and attorney fees incurred in attempting to collect my unpaid debt to The Art Institute.

I also understand that this agreement constitutes a binding contract upon signature by student and acceptance by The Art Institute. Any 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. Recovery here under by the debtor shall not exceed amounts paid by the debtor. My signature below signifies that I have read and understand all aspects of this agreement and do recognize my legal responsibilities in regard to this contract.

Estimated Monthly Consumable Supplies:

Supplies: \$100/month
 Texts: \$75/month

The student is responsible for tuition and fees pertaining to the program's required course of study. The student can expect an increase in the per credit hour rate at least once per year, which will increase the total amount for the program. The tuition and fees contained in this Enrollment Agreement are subject to change. Any changes to tuition and fees will be published to students as they are made.

The starting kit consists of basic equipment, first-quarter textbooks, and material required for beginning each program. A list of the components of the starting kit is provided to each enrolled student. These materials may be purchased at The Art Institute or most supply stores.

FINANCIAL INFORMATION

Each Art Institute academic quarter is 11 weeks. The tuition charge shown above is subject to adjustment during the academic year as explained in the above bolded paragraph under "Financial Information."

Special U.S. and overseas trips are voluntary and are not included in the regular tuition. The starting kit consists of the basic equipment, texts, and materials required for beginning each program. A list of the components of the starting kit is provided to each enrolled student. In addition to the starting kit, the average cost of consumable supplies, textbooks, and equipment by program is listed below.

Interest on outstanding balances:

For any student enrolling on or after August 5, 2002, the student understands and agrees that he/she will be liable for interest charges that will be assessed on his/her account until the balance is paid in full. Interest will be charged at 12% per annum on the student's adjusted outstanding balance at the end of each month. The adjusted outstanding balance is defined as all charges incurred by the student for attendance at The Art Institute at the end of each month, including but not limited to tuition, fees, housing charges, late registration fees, fines, damages, etc., less the total amount paid to the student's account at the end of the current month including financial aid that the student has been awarded but has not been paid for the quarter provided that the student and/or the student's parent(s) have completed all of the requirements for the award. The student understands and agrees that his/her adjusted balance is different from his/her student payment plan and that the student's financial aid award may be reduced or eliminated if the student does not complete all of the requirements for financial aid.

Refund Policy Prior to Matriculation

Applicants may cancel their enrollment in person or in writing and be entitled to a refund of money paid, as described further in this section, before the beginning of classes. An applicant not requesting cancellation before the starting date indicated on the Enrollment Agreement will be considered a student.

1. The Art Institute will notify the applicant, in writing, of his/her acceptance/rejection. All monies paid by the applicant will be refunded if he/she is not accepted for admission. Diploma students are refunded the application fee.

2. All monies, less the nonrefundable \$50 application fee paid by the applicant, will be refunded if requested by the applicant within five business days after signing the Enrollment Agreement. Diploma students are refunded the application fee.

3. Applicants who postpone starting school after the original start date noted on the Enrollment Agreement may be required to reapply and will be subject to the tuition, fees, and other conditions on the revised Enrollment Agreement.

4. Applicants requesting cancellation more than five business days after signing the Enrollment Agreement (and making an initial tuition payment), but prior to the first day of classes, will receive a refund of all monies paid, less a cancellation fee of \$100 (includes the non-refundable \$50 application fee and \$50 of the administration fee). The cancellation fee does not apply to Diploma students.

5. All tuition and fee monies paid by an applicant, less the non-refundable application fee, will be refunded if requested within three business days after his/her first tour of the school and inspection of equipment, or, if requested, within three business days of the student's attendance at the regularly scheduled orientation program for their starting date, whichever is sooner. The application fee is refunded to Diploma students. Refunds will be made within 30 calendar days after the applicant's/student's request or within 30 calendar days after his/her first scheduled class day.

REFUND POLICY

Return of Federal Title IV Aid:

In compliance with Federal regulations, the school will determine how much Federal student financial assistance the student has earned or not earned when a student withdraws from school.

The school will calculate the percentage and amount of awarded Federal student financial assistance that the student has earned if the student withdraws up through the 60 percent point of the term. If the student has completed more than 60 percent of the term, the student earns 100 percent of the Federal student financial assistance.

The amount earned will be based on the percentage of the term that was completed in days up to and including the last date of attendance. To calculate the amount earned, the school will determine the percentage by dividing the number of calendar days completed in the term up to and including the Last date of attendance by the total number of calendar days in the term.

If the student received more than the amount of Federal student financial assistance earned, the difference will be returned to the Federal student financial assistance programs from which funds were received in the following order: Unsubsidized Stafford Loan, Unsubsidized Direct Loan, Subsidized Stafford Loan, Subsidized Direct Loan, Perkins Loan, PLUS Loan, Pell Grant, ACG, SMART, SEOG. Funds will be returned to the aid source within 45 days of the date that the school determines that the student has withdrawn.

If more Federal student financial assistance has been earned than has been received, the student may be eligible for a post-withdrawal disbursement. The school will notify the student of any post-withdrawal disbursement for which the student may be eligible and what steps need to be taken for the Federal financial assistance funds to be received.

If Federal student financial assistance funds need to be returned, the institution must return a portion or all of the unearned funds equal to the lesser of:

- The institutional charges multiplied by the percentage of the unearned Federal student financial assistance funds; or
- The entire amount of unearned funds.

If there are remaining unearned Federal financial aid funds to be returned, the student must return any loan funds that remain to be returned in accordance with the terms and conditions of the promissory note. If the remaining amount of funds to be returned include grant funds, the student must return any amount of the overpayment that is more than half of the grant funds received. The school will notify the student as to the amount owed and how and where it should be returned.

Withdrawal Definitions

A student may voluntarily withdraw from The Art Institute by notifying the Office of the Registrar in writing. The refund policies outlined above shall apply in the event that a student withdraws, is suspended, or is terminated from the school. In the calculation of refunds, a student is deemed to have withdrawn from a course of instruction when any of the following occur:

1. Student officially notifies The Art Institute that he/she is withdrawing at that time. The notification date is the date of withdrawal.
2. Student officially notifies The Art Institute that he/she is withdrawing at a later date. The later date is the last date of attendance and the date of withdrawal.
3. Student does not notify The Art Institute that he/she is withdrawing but stops attending. The date that The Art Institute determines that the student is not attending the current term or is not returning for the next term is the date of withdrawal.
4. The Art Institute terminates the student's enrollment in accordance with institutional policies. The termination date is the date of withdrawal. Refund is made within 30 calendar days from the date of withdrawal described above.

ADJUSTMENT OF CHARGES

If a student withdraws from the program after the first day of instruction, The Art Institute may retain earned tuition and fees up to the 60 percent point in the term. This calculation is as follows:

Tuition and fees for the term divided by the number of classroom hours in the term equals the cost per hour. Number of hours that the student was scheduled to attend the last date of attendance multiplied by the cost per hour equals the amount of tuition and fees that The Art Institute can retain.

California Refund Policy All Students

When a student totally withdraws from The Art Institute, The Art Institute will retain tuition and fee charges based on the daily charge for the term (total institutional charges for the term divided by the number of days in the term multiplied by the number of days attended) up to the 60% point in the term. At and after the 60% point of the term, the student will be charged for 100% of the tuition and fees. See example below.

For those students who are Title IV recipients, The Art Institute will first calculate how much needs to be returned as unearned under the federal return of Title IV Aid Policy. The

amount will then be subtracted from the amount Title IV funding that was disbursed for the quarter in which the student withdraws to arrive at the adjusted amount paid by Title IV funds.

The Art Institute will then calculate how much of the tuition and fee charges can be retained based on The Art Institute policy. The amount that can be retained will be subtracted from the adjusted amount paid from all sources. If there is additional money to be refunded from federal funds after calculating the Return of Title IV formula and the refund policy, the refund will be made to the student, or, with the student's authorization, to the federal loan program(s) in the following order, up to the amount received, for the term of withdrawal: Unsubsidized Stafford or Direct Loan, Subsidized Stafford or Direct Loan, Perkins Loan, Federal Direct PLUS Loan. If kits, components of the kit, books, or supplies, are returned to the bookstore in re-salable condition within 21 days of withdrawal, a credit will be given. All refunds and return of funds will be made within 30 days of the date that the student notifies the school of his/her intent to withdraw or the date on which the institution determined that the student withdrew from The Art Institute.

Cancellation Refund Example (prior to matriculation)

A student enrolls in a program delivered in quarter and pays for just the first quarter (including kit), with tuition cost totaling \$5,760 and \$790 for a starting kit. If the student cancels the Enrollment Agreement on or before the first day of class, the student receives a full refund. The refund amount would be \$6,550 assuming the student returns the starting kit as described in the kit return policy. As later described, if the kit is not returned in re-salable condition within 21 days, the student would receive \$5,760 back.

California Policy – Withdrawal Refund Example

A student enrolls in a 12 quarter program. For this example, the quarter in which the student withdraws is 75 days in length and after attending on the 25th calendar day since the first day of the quarter, the student withdraws. The tuition and fees charged for that student's days attended are \$5,760 and \$250 of fees (not including equipment). Therefore, the tuition and fees that The Art Institute may retain equals \$6,010.

The Art Institute calculates the daily cost by dividing the total tuition charge by the days in the quarter in which the student is enrolled (charge period) or \$6,010 / 75 days = \$80.13 per day.

Since the student attended the 25th day of the quarter, which is less than 60% of the quarter, The Art Institute would multiply \$80.13 times 25 days and thus be able to retain \$2,003.25 of tuition and fees. The student in this example is assumed to have paid cash and received no financial aid.

Non-payment of charges

Non-payment of tuition, housing, fees and/or other charges due to The Art Institute will result in the student being obligated for interest, collection agency costs and additional collection costs, and legal costs. In addition, The Art Institutes reserves the right to report the student's failure to pay amounts owed to one or more national credit bureau organizations and not release the student's academic transcript until all debts to The Art Institute are paid in full.

MID QUARTER SESSION

I. Refund Policy after Matriculation, All Quarters

This academic quarter is approximately 5 weeks in duration.

II. Adjustments of the Tuition and Fee Charges

If a student withdraws from the program after the first day of instruction, The Art Institute may retain earned tuition and fees up to the 60 percent point in the term. This calculation is as follows:

Tuition and fees for the term divided by the number of classroom hours in the term equals the cost per hour. Number of hours that the student was scheduled to attend the last date of attendance multiplied by the cost per hour equals the amount of tuition and fees that The Art Institute can retain.

III. Kit Return Policy

Students who leave The Art Institute during the first three weeks of the mid quarter session may return the starting kit and/or individual components of the starting kit within 10 days of your last date of attendance of the mid quarter.

IV. Information in the Catalog or Student Handbook will Apply Except for the Following Changes:

ADD/Drop period is two days from the start of the mid quarter session. If you drop or add one or more class, your financial aid eligibility may change. Please see your Financial Aid Officer before you drop or add a class.

V. Return of Title IV Funds

The Return of Title IV Calculation as described in the Enrollment Agreement for the mid quarter session will apply using the mid quarter start and end dates.

Refund Policy for Online Course Withdrawal

Students who withdraw from a Session I or Session II online course after the add/drop period are treated the same way as if they withdrew from a residential class. Session II classes begin the day after the Session I classes end and run five weeks. The ending date of the second session may not coincide with the ending date of the on-ground classes.

POLICIES AND DISCLOSURES

Each student is on a continuing quarter-by-quarter enrollment basis and agrees to comply with all published Art Institute policies and procedures. The Art Institute reserves the right to add, delete, or modify its policies and procedures.

Cancellation of a Start Date

Cancellation of a scheduled class start date for any program shall entitle the enrollee to elect either: [1] a guaranteed reservation in the next scheduled class for that program, or [2] cancellation of enrollment with a full refund of all monies paid.

Course Completion and Graduate Employment Information

To help you make a sound decision about whether to sign up for one of The Art Institute's programs, The Art Institute wants you to know that all of the degree programs may have not been offered long enough for reliable completion and graduate employment data to be available for students.

Attendance

20 hours per week, except Culinary Arts which attends on average 23 hours per week. The Art Institute reserves the right to modify curriculum and class schedules as it deems necessary. When size and curriculum permit, classes may be combined to contribute to the level of interaction among students. Days of attendance will vary for students according to their program of study and may change from quarter to quarter.

Evening/weekend students will attend class evenings from 6pm-10pm and Saturdays from 8am to noon and or 1pm-5pm. The Art Institute will not require an evening student to attend during the day time. Days of attendance will vary for students according to their program of study and may change from quarter to quarter. In order to assure class availability students must adhere to the established evening/weekend schedule.

Class Sessions

Classes are in session six (6) days a week, Monday through Saturday. Each student is scheduled by The Art Institute to meet his/her total weekly hourly requirement through a combination of morning, afternoon, and evening classes. The weekly hour requirement is scheduled to be completed in a minimum of three (3) days and a maximum of six (6) days during each week. Classes are assigned and generally announced to the students in advance of each quarterly start date. The Art Institute will not require an advance of each quarterly start date. The Art Institute will not require an evening student to attend during the daytime. Days of attendance will vary for students, according to their program of study and may change from quarter to quarter. Some classes may be scheduled on Saturdays.

Average attendance is 20 hours a week.

Class Session:	Hours:
A	8:00 a.m. – 12:00 p.m.
B	1:00 p.m. – 5:00 p.m.
C	6:00 p.m. – 10:00 p.m.
D*	7:00 a.m. – 12:00 p.m.
E*	12:30 p.m. – 5:30 p.m.
F*	6:00 p.m. – 11:00 p.m.

* D, E, and F are Culinary Class schedules

The Art Institute reserves the right to change a class session schedule from time to time, including cancelling classes and/or sessions, according to classrooms, studio shop, and/or lab availability, and academic and student distribution circumstances. From time to time, instructional activities may occur at an off-site location appropriate for the particular activity.

Instructional Equipment

Use of instructional equipment will be made available according to the program curriculum to enable the student to

acquire an understanding of those fundamental principles of such equipment which the student would be expected to encounter in an entry-level position in the field. Such equipment must be shared by students accordingly. The Art Institute cannot guarantee students hands-on usage of such equipment beyond that called for in the curriculum. To complete the requirements of his/her program, the student may have to schedule use of the equipment outside normal class hours.

Homework

In addition to regular attendance at scheduled classes, the student will be required to devote additional time each week outside the classroom studying and working on assigned projects.

Curriculum

The Art Institute reserves the right to revise course contents, course titles, and the sequence of classes, subject to applicable regulatory approval.

Non-Discrimination Policy

The Art Institute does not discriminate on the basis of race, color, creed, religion, national origin, ancestry, sex, age, sexual orientation, disability, genetic marker or any other characteristic protected by state, local or federal law in the administration of any of its educational programs or activities, or with respect to admission or employment. For information on the Art Institutes equal opportunity and grievance procedure, please contact the Dean of Academic Affairs for your campus location.

Sale, discount or Transfer of Agreement

The student consents to the sale, discount or other transfer of this Agreement with the understanding that, in such event, the cancellation and refund policies would continue to apply.

Housing

Art Institute-sponsored housing costs are in addition to tuition and a separate agreement is entered for that purpose. See Housing office for details.

Student Right To Know

According to regulations published by the Department of Education based on the Student Right-to-Know Act, the graduation/completion rates for first time, full-time students who are entered in school and graduated/completed within 150% of the normal time to complete the program must be made available to current and prospective students. You may obtain this information in the admissions office.

Employment Assistance

The Art Institute does not guarantee employment or any particular level of compensation prior to or following graduation. The Art Institute, however, offers assistance in finding employment to all eligible graduates at no additional charge. Graduates who confine employment considerations to the metropolitan area served by The Art Institute may limit the particular employment opportunities available to them.

Graduation Requirements

To be qualified to graduate and become eligible to participate in the Portfolio Review, for those programs requiring a portfolio, a student must fulfill the following requirements:

1. Receive a passing grade or credit for all required course work.
2. Achieve a minimum CGPA of 2.00.
3. Maintaining satisfactory academic progress standards as outlined in the academic catalog.
4. Satisfy all financial obligations with The Art Institute.
5. Meet portfolio or other requirements, as outlined in the course syllabi.

MILITARY SERVICES

Post 9/11 GI Bill (Chapter 33) Benefits The Art Institute is an active participant in the Post-9/11 GI Bill, (Chapter 33) which can include a Yellow Ribbon GI Education Enhancement Program component. The Yellow Ribbon component allows institutions of higher learning (degree granting institutions) in the United States to voluntarily enter into an agreement with the U.S. Department of Veteran's Affairs (the "VA") to fund tuition and/or fee expenses at a school if they exceed the highest public in-state undergraduate tuition rate. Institutions that voluntarily enter into a Yellow Ribbon Agreement with VA choose the percentage of tuition and fees that will be waived. VA will match that percentage and issue payment directly to the institution.

Military Discount for students not utilizing Post 9/11 GI Bill (Chapter 33) Benefits

The Art Institute offers a special military tuition of 20 percent less than our current rate for U.S. Military personnel who are on active duty, in the reserves, or starting classes within one year of a discharge under honorable conditions. Special military tuition offered provided the student remains enrolled (maintain a minimum of 12 credits per quarter) and completes his or her program of study without interruption (including voluntary withdrawal, suspension, or termination) within 150% of the standard program length or 54 consecutive months (18 consecutive quarters) whichever first occurs.

Students receiving Post 9-11 GI Bill (Chapter 33) benefits are not eligible to receive the Military discount.

TRANSFERABILITY OF CREDITS

The transferability of credits you earn at The Art Institute is at the complete discretion of an institution to which you may seek to transfer. Acceptance of the degree, diploma, or certificate you earn in your program is also at the complete discretion of the institution to which you may seek to transfer. If the credits or degree, diploma, or certificate that you earn at this institution are not accepted at the institution to which you seek to transfer, you may be required to repeat some or all of your coursework at that institution. For this reason you should make certain that your attendance at this institution will meet your educational goals. This may include contacting an institution to which you may seek to transfer after attending The Art Institute to determine if your credits or degree, diploma or certificate will transfer.

TRANSITIONAL STUDIES

The Art Institute is committed to student success. We recognize that students come with many strengths and skill sets, and to help us determine academic preparation especially in the areas of mathematics and English, we have selected to ACCUPLACER test.

Exception to taking the ACCUPLACER test will be granted to:

1. Those with transferable college credits in 100-level and above mathematics and/or English courses (grades of "C" or higher).
2. Those with scores of 450 or higher in the verbal portion of the SAT and/or 400 or above in the mathematics portion.
3. Those with a composite score of 17 or higher on the ACT.
4. Those with the Advanced Placement (AP) scores of 3 or higher in English and/or mathematics.
5. Those with an associate's or bachelor's degree from an accredited educational institution.
6. Those with a CLEP score of 50 or greater on the math or English composite exam.

To ensure proper placement in English and mathematics courses, entering students are required to take this diagnostic test. Based on the results of the academic placement test, students may be required to take transitional studies courses. The courses included in this program are designed to help build and strengthen the basic foundation skills. To receive the benefits of such a program, students must enroll in the courses in their first quarter.

Students enrolled in transitional studies classes may be required to take from three to six credits in addition to their normal program of study credit requirements. Students must successfully complete such courses with a grade of "C" or better in order to progress in their program. These credits will increase the total number of credits students must take and they will not count toward graduation, not do they count in the CGPA; however, they will be included in determining the maximum time frame and the incremental completion rate. These credits will be charged at the current per-credit-hour rate. Transitional studies courses may be individually attempted no more than three (3) times. Failure to do so will result in termination.

The Art Institute also recognizes that the students may have had professional work experience that might be comparable to the competencies of certain courses. For these students who are without documentation of such competencies, proficiency testing is available for a fee (currently \$100.00). Proficiency tests are available for the following courses: College Algebra, Computer Applications.

The Art Institute also accepts The College Level Examination Program (CLEP Test Scores). Please see an Assistant Director of Admissions for details on examining subjects and score levels.

HANDLING OF STUDENT COMPLAINTS

Any questions or complaints a student may have regarding this Enrollment Agreement that have not been satisfactorily

answered by the institution may be directed to the Bureau for Private Postsecondary Education at 1625 North Market Boulevard, Suite S-308, Sacramento, CA 95834, Tel. 1.916.574.8200. A student or any member of the public may file a complaint about this institution with the Bureau for Private Postsecondary Education by calling 1.916.574.8200 or by completing a complaint form which can be obtained on the Bureau's Internet Web site .

Or you may contact:

Accrediting Counsel for Independent Colleges and Schools

750 First Street, NE, Suite 980

Washington, DC, 20002-4223

(202) 336-6780

A copy of the Commission's complaint For is available at the school and may be obtained by contacting the Dean of Academic Affairs

ARBITRATION OF DISPUTES

You and The Art Institute agree that any dispute or claim between you and The Art Institute (or any company affiliated with The Art Institute, or any of its officers, directors, trustees, employees or agents) arising out of or relating to this enrollment agreement or, absent such agreement, your enrollment or attendance at The Art Institute, whether such dispute arises before, during, or after your attendance and whether the dispute is based on contract, tort, statute, or otherwise, shall be, at your or The Art Institute's election, submitted to and resolved by individual binding arbitration pursuant to the terms described herein.

If you decide to initiate arbitration, you may select either, JAMS or the National Arbitration Forum ("NAF") to serve as the arbitration administrator pursuant to its rules of procedure. If The Art Institute intends to initiate arbitration, it will notify you in writing by regular mail at your latest address on file with The Art Institute, and you will have 20 days from the date of the letter to select one of these organizations as the administrator. If you fail to select an administrator within that 20-day period, The Art Institute will select one.

The Art Institute agrees that it will not elect to arbitrate any individual claim of less than \$5,000 that you bring in small claims court (or in a similar court of limited jurisdiction subject to expedited procedures). If that claim is transferred or appealed to a different court, however, or if your claim exceeds \$5,000, The Art Institute reserves the right to elect arbitration and, if it does so, you agree that the matter will be resolved by binding arbitration pursuant to the terms of this Section.

IF EITHER YOU OR THE ART INSTITUTE CHOOSES ARBITRATION, NEITHER PARTY WILL HAVE THE RIGHT TO A JURY TRIAL, TO ENGAGE IN DISCOVERY, EXCEPT AS PROVIDED IN THE APPLICABLE ARBITRATION RULES, OR OTHERWISE TO LITIGATE THE DISPUTE OR CLAIM IN ANY COURT (OTHER THAN IN SMALL CLAIMS OR SIMILAR COURT, AS SET FORTH IN THE PRECEDING PARAGRAPH, OR IN AN ACTION TO ENFORCE THE ARBITRATOR'S AWARD). FURTHER, YOU WILL NOT HAVE THE RIGHT TO PARTICIPATE AS A REPRESENTATIVE ORMEMBER OF ANY CLASS OF CLAIMANTS PERTAINING TO ANY CLAIM SUBJECT TO ARBITRATION. THE ARBITRATOR'S DECISION WILL BE FINAL AND BINDING. OTHER RIGHTS THAT YOU OR THE ART INSTITUTE WOULD HAVE IN COURT ALSO MAY NOT BE AVAILABLE IN ARBITRATION.

The arbitrator shall have no authority to arbitrate claims on a class action basis, and claims brought by or against you may not be joined or consolidated with claims brought by or against any other person. Any arbitration hearing shall take place in the federal judicial district in which you reside. Upon your written request, The Art Institute will pay the filing fees charged by the arbitration administrator, up to a maximum of \$3,500. Per claim. Each party will bear the expense of its own attorneys, experts and witnesses, regardless of which party prevails, unless applicable law or this Agreement gives a right to recover any of those fees from the other party. If the arbitrator determines that any claim or defense is frivolous or wrongfully intended to oppress the other party, the arbitrator may award sanctions in the form of fees and expenses reasonably incurred by the other party (including arbitration administration fees, arbitrators' fees, and attorney, expert and witness fees), to the extent such fees and expenses could be imposed under Rule 11 of the Federal Rules of Civil Procedure.

The Federal Arbitration Act ("FAA"), 9 U.S.C. §§ 1, et seq., shall govern this arbitration provision. This arbitration provision shall survive the termination of your relationship with The Art Institute. If you have a question about the arbitration administrators mentioned above, you can contact them as follows: JAMS, 45 Broadway, 28th Floor, New York, NY, 10006, www.jamsadr.com, 800-352-5267; National Arbitration Forum, P.O. Box 50191, Minneapolis, MN, 55405, www.arb-forum.com, Tel. 800-474-2371. The above supersedes any inconsistent arbitration provision published in any other document.

STUDENT TUITION RECOVERY FUND

"You must pay the state-imposed assessment for the Student Tuition Recovery Fund (STRF) if all of the following applies to you:

1. You are a student, who is a California resident and prepays all or part of your tuition either by cash, guaranteed student loans, or personal loans, and
2. Your total charges are not paid by any third-party payer such as an employer, government program or other payer unless you have a separate agreement to repay the third party.

You are not eligible for protection from the STRF and you are not required to pay the STRF assessment, if either of the following applies:

1. You are not a California resident.
2. Your total charges are paid by a third party, such as an employer, government program or other payer, and you have no separate agreement to repay the third party."

"The State of California created the Student Tuition Recovery Fund (STRF) to relieve or mitigate economic losses suffered by California residents who were students attending certain schools regulated by the Bureau for Private Postsecondary and Vocational Education. You may be eligible for STRF if you are a California resident, prepaid tuition, paid the STRF assessment, and suffered an economic loss as a result of any of the following:

1. The school closed before the course of instruction was completed.
2. The school's failure to pay refunds or charges on behalf of a student to a third party for license fees or any other purpose, or to provide equipment or materials for which a charge was collected within 180 days before the closure of the school.
3. The school's failure to pay or reimburse loan proceeds under a federally guaranteed student loan program as required by law or to pay or reimburse proceeds received by the school prior to closure in excess of tuition and other cost.
4. There was a decline in the quality of the course of instruction within 30 days before the school closed or, if the decline began earlier than 30 days prior to closure, the period of decline determined by the Bureau.

California law requires that, upon enrollment, a fee be assessed by the institution in relation to the cost of tuition (New California Education Code §94945). These fees support the Student Tuition Recovery Fund (STRF), a special fund established by the California legislature to reimburse students who might otherwise experience a financial loss as a result of (a) the closure of the institution; (b) the institution's breach of or anticipatory breach of the agreement for the program of instruction; or (c) a decline in the quality or value of the program or instruction within the 30 day period before the institution's closure. The STRF fund protects only California students and The Art Institute's participation is mandatory.

Please note that (a) if the student is a recipient of third-party payer tuition and course cost, the student is not eligible for protection under the STRF, and (b) the student is responsible for paying the state assessment amount for the STRF. A third party payer means any employer, government program, or other payer that pays a student's total charges directly to the institution when no separate agreement for the repayment of the payment exists between the third party and the student.