

## SETTLEMENT AGREEMENT

This Agreement is made by and between Wesley College ("Wesley" or "the Institution") of Dover, Delaware (OPE ID # 00143300) and the United States Department of Education (Department), Federal Student Aid (FSA), acting through its Director, Administrative Actions and Appeals Service Group, and is effective the latest date opposite the signatures below.

A. On March 23, 2012, the Department sent a letter to Wesley informing the Institution that the Department intended to impose a fine of \$60,000 (hereafter "the proposed fine action") based on the Department's findings that Wesley had failed to comply with the requirements of the Jeanne Clery Disclosure of Campus Security Policy and Campus Crime Statistics Act (the "Clery Act") included in §485(f) of the Higher Education Act of 1965, as amended. Under the Clery Act, institutions of higher education are required to report and distribute accurate and complete campus crime statistics to the Department and to the Institution's students and employees, the student's families and the public and to disclose the Institution's policies in certain areas relating to campus crime and security.

B. The proposed fine action was based on the results of an off-site program review of Wesley's compliance with the Clery Act, which resulted in a Final Program Review Determination ("FPRD") issued by FSA on April 26, 2010. The FPRD concluded that Wesley had violated the Clery Act by: failing to issue a timely warning; failing to make its crime log open to public inspection; failing to include certain required statements of the Institution's campus security policies and procedures in its 2005 Annual Security Report (ASR); and failing to include certain information about its crime statistics in the 2005 ASR.

C. In accordance with the Department's regulations, in a letter dated April 11, 2012, Wesley appealed the proposed fine action and requested a hearing. The appeal was assigned to the

Department's Office of Hearings and Appeals and docketed as In the Matter of Wesley College.

Docket No. 12-31-SF.

D. Wesley and the Department have now agreed to resolve the proposed fine action without any further administrative procedures.

E. Nothing in this Agreement constitutes an admission of liability or wrongdoing by Wesley.

In consideration of the mutual covenants and conditions contained in this Agreement, and intending to be legally bound, the parties agree as follows:

1. Wesley agrees to pay \$45,000 to the Department to resolve the proposed fine action. Wesley will pay the \$45,000 sum in one check made payable to the U.S Department of Education with duplicate originals of this Agreement signed by an authorized official of Wesley on or before December 31, 2012.
2. Wesley hereby withdraws its appeal of the proposed fine action. The Department and Wesley agree that the proposed fine action is fully resolved. The parties agree to file a motion to dismiss the pending appeal upon full execution of this Agreement and the Department's receipt of Wesley's payment under this Agreement.
3. The Department agrees not to initiate any further administrative action against Wesley based on the findings included in the FPRD issued on April 26, 2010.
4. Wesley agrees not to challenge FSA's proposed fine in any other proceeding.
5. The parties acknowledge that Wesley has provided FSA with a letter and exhibits regarding the improvements it has made to its compliance with the Clery Act and submitted that letter to FSA for review. Wesley has fully implemented the action items set forth in that letter.

6. Wesley agrees to continue to take appropriate action to fully comply with the Clery Act and to ensure that all future Clery Act reports are accurate and complete.

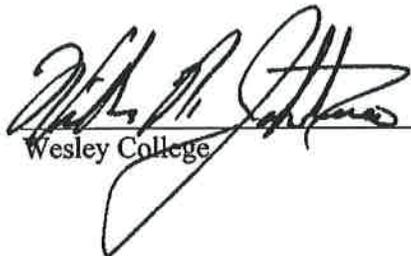
7. This Agreement constitutes a settlement and full accord and satisfaction of the Proposed Fine Action. This Agreement does not waive, compromise, restrict, or settle:

a. Any past, present, or future violation of the criminal or civil fraud laws of the United States; or

b. Any presently pending or future action taken by the United States under the criminal laws or civil fraud laws of the United States. The Department is not aware of any such actions pending against Wesley based on the issues addressed in the FPRD and this Settlement Agreement.

Wesley and the Department each warrant that the undersigned representative is authorized to sign this Agreement on its behalf.

Dated: 12/17/12, 2012

  
Wesley College

Dated: 1/2/13, 2012

Bonnie Gibbons for  
Mary E. Gust  
Director, Administrative Actions  
and Appeals Service Group  
Federal Student Aid/Program Compliance  
for the United States Department of Education