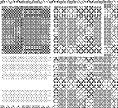
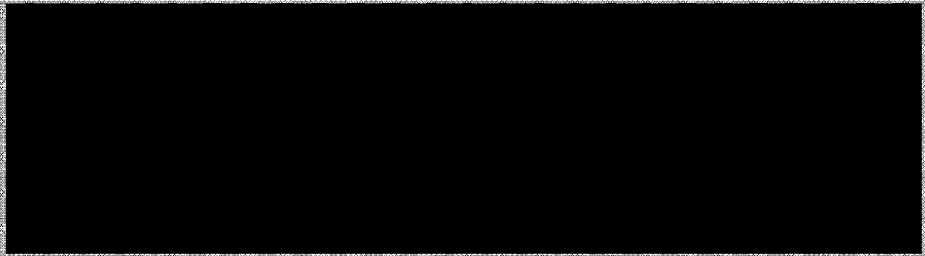


Default Management Plan for



DEFAULT MANAGEMENT PLAN FOR WESTWOOD COLLEGE

ENTRANCE INTERVIEW:

All students receiving Title IV loans are required to attend this informative interview on student's rights and responsibilities as borrowers. The entrance interview starts with an overview from a financial aid administrator. The session ends with a detailed question and answer period. The goal of this entrance interview is to have a student who understands that pursuing his/her educational objectives involves serious financial commitment.

EXIT INTERVIEW:

Any student receiving Title IV loans is required to attend (unless they simply disappear), an exit interview upon leaving school. A complete financial aid packet is given to the student informing them of lender and guaranty agency names and phone numbers, as well as samples of the most commonly used deferment and forbearance forms. Once again, an overview of the student's rights and responsibilities is discussed. This assures they have a full understanding concerning the details of their financial obligations. A detailed question and answer period completes the interview with a strong emphasis on the student's responsibility to communicate with lenders and stay in touch with the school for any assistance in the future.

EXIT PACKETS:

Whether a student graduates, withdrawals, or simply disappears, a complete student loan exit packet is handed or mailed to the borrower. The packet contains important information on their Federal student loan(s) and vital telephone numbers for the student's convenience and reference. An Emergency Kit is also included in this packet and it contains the most commonly used Deferment forms and Forbearance. This exit packet helps in the exit interview process by, informing the student in detail of his/her rights and responsibilities.

FUTURE STUDENT FINANCIAL AID INTERVIEWS:

Financial aid administrators meet with all incoming students on an individual basis when physically possible, to complete financial aid paperwork and discuss in detail the student's personal financial situation. If a personal entrance interview is

not possible, one will be conducted via telephone or by mail. Our school policy is that Admission Representatives do not discuss specific financial aid awards in any manner whatsoever. This advance interview gives the student detailed information in a comfortable forum enabling the student to ask questions and receive expert financial aid advice.

COMPLETING LOAN APPLICATIONS WITH FINANCIAL AID:

In most cases, student loan applications are completed with the assistance of financial aid personnel. In this way, a student can be accurately advised on his or her rights and responsibilities as a student borrower. This includes loan status, repayment guidelines and general financial advising.

PLACEMENT:

Our placement statistics for the last three years have consistently been above 95%. We believe this fact has a high correlation to our students' ability to repay their student loans. The school's number one emphasis has always been on our graduates going to work. The office of Career Development Services offers ongoing placement assistance to our graduates.

CAREER DEVELOPMENT SEMINARS:

Our Career Development Specialists visit each classroom and explain the importance of career placement and emphasize the significance of graduating and career placement. These seminars focus the student on his/her ultimate goal and results in higher retention, placement, and ultimately, loan repayments.

ORIENTATION:

Over 95% of our students attend an orientation presentation where representatives from each department explain procedures to and expectations of the student. Families and "supporting friends" are also encouraged to attend. The orientation introduces the student to the school; financial aid problems are ironed out and from the start placement is emphasized. We want our students to be thinking from day one about what they will be doing when they graduate from Westwood. If we can keep that "dream" in front of them, they will successfully receive jobs and we will continue to have a low default rate.

PACKAGING POLICY:

From the beginning, we believe in the philosophy of a student receiving the least amount of loan debt possible. Therefore, we encourage students to have part-time employment to assist with tuition cost or to make interest payments on unsubsidized loans. Over 90% hold part-time jobs to help pay for their education expenses; in some cases, students have more than one part-time job. Furthermore, we also believe that the fewer loan sources a student has, the less difficult it is for them to track their payments. They are therefore less likely to become discouraged and thus have a higher probability of repaying their student loans. This policy directly results in lower defaults.

RETENTION:

Our goal is to see the student through graduation. There is a school wide emphasis on retention, including but not limited to:

1. An onsite student advisor available to students on an individual basis.
2. Regular surveys are administered throughout the year. A Faculty Course Evaluation (FCE) survey is completed by the students to get constructive suggestions and criticisms about the course and instructor. Student Satisfaction Inventory (SSI) surveys are completed each quarter by the student body to evaluate the performance and service of all other departments. Annually, beginning in the summer of 2001 a comprehensive survey is given to all students, staff and faculty for input on the overall effectiveness of the college.
3. The Student Services department in conjunction with the Education department tracks attendance on a daily basis. If a student is absent on two consecutive days, he or she may be contacted by a school representative to discover or assist with any potential problems in attendance.

We believe that if students are retained they will become successful by obtaining jobs and repaying their student loans.

DEFAULT PREVENTION:

Our Company has made a commitment to dedicate a large effort to default prevention internally. We have a department staffed with Student Loan Specialists who were hired to assist our students in helping to manage their loan(s), making them aware of the options available to them. We have found that by working closely with the borrower it builds a positive rapport which in turn gives positive

results. Although we find some students to be a little harder to reach, we try several different ways to make contact with a borrower. Specialists mail out monthly letters, send post cards, reference letters, send emails, make calls and that's just to name a few. We will continue to review our procedures and practices to insure that we are doing everything possible to help our borrowers. In addition, each year we will also review the staffing ratio and evaluate if additional resources are needed.

POST-GRADUATION FINANCIAL AID ASSISTANCE:

We promote the availability of our financial aid office to all our former students to assist with any potential student loan problems. We believe this is an important service to our students and lessens the possibility of "structural" defaults.