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AG MARSHALL ANNOUNCES THAT FORMER CORINTHIAN COLLEGE STUDENTS ELIGIBLE FOR FEDERAL STUDENT LOAN CANCELLATION

(MONTGOMERY) – Alabama Attorney General Steve Marshall announced that approximately 2,293 former students in Alabama of Corinthian Colleges, Inc., are eligible to have their federal student loans forgiven as a result of fraudulent activities by the organization that suddenly closed in 2015. This covers students who attended the schools during a period between 2010 and 2014. If a student’s federal loan is cancelled, the student will make no more payments on the loan, and any payments already made will be refunded.

Attorney General Marshall is joining with the Attorneys General of at least 43 other states and the District of Columbia, in an effort to notify affected students and provide them with information about the procedures for cancellation of their federal student loans. The campuses operated by Corinthian Colleges, Inc., which were attended by students in Alabama are Everest Institute, Everest University and Wyotech.

Attorney General Marshall will send letters in May to affected students in Alabama explaining the relief available and enclosing a short application that must be filed with the U.S. Department of Education. The Attorney General’s Office will not have additional information, but students may refer to the website www.corinthianoutreach.com, contact the U.S. Department of Education through its hotline at 1-855-279-6207 or e-mail questions about discharge of their federal student loans to FSAOperations@ed.gov.

After intense scrutiny by various government entities, for-profit Corinthian Colleges abruptly ceased operations in 2015, transferring some of its campuses to a non-profit called Zenith Education Group. The U.S. Department of Education then found that while it was operating, Corinthian Colleges made widespread misrepresentations between 2010 and 2014 about post-graduation employment rates at its campuses across the nation.

“These students made life plans and commitments based upon what turned out to be serious misrepresentations by Corinthian Colleges,” said Attorney General Marshall. “Students should not be held financially responsible for fraudulent services that did not provide them with the promised benefits. But it is important that they carefully follow the appropriate procedures and continue to make payments until their loan forgiveness has been finalized.”

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Lists of the affected campuses, programs, and dates of enrollment are available at <https://www.StudentAid.gov/ev-wy-findings> and at <https://www.StudentAid.gov/health-findings>. Students who first enrolled in the identified campuses and programs during the specified time periods are eligible for streamlined discharge of their federal student loans.

The Attorney General's letter will be sent to students who fall within the U.S. Department of Education's findings of fraud discussed above, and who are eligible for a special "streamlined" process to discharge their federal student loans. However, *any* student who attended Corinthian Colleges and believes that the school lied about job prospects, the transferability of credits, or other issues may apply to have their federal student loans cancelled using the Department of Education's universal discharge application at <https://borrowerdischarge.ed.gov>. More information is available at <https://studentaid.ed.gov/borrower-defense>.

Borrowers should beware of student loan scams that offer loan forgiveness services for a fee. You can apply for loan forgiveness, or get information on loan forgiveness, for **FREE** through the U.S. Department of Education. The U.S. Department of Education never charges application or maintenance fees, so if you're asked to pay, walk away.

It may take time for the U.S. Dept. of Education to process applications, so students who apply for loan discharge should continue making payments on the affected loans until informed by the U.S. Dept. of Education or their loan servicer that their federal loans are in forbearance while their application is pending or that his loans have been cancelled.