

## Notice of Binding Arbitration and Class Action/Collective Arbitration Waiver

### **A. Binding Arbitration**

Your enrollment agreement with IBT contains includes your agreement to resolve certain disputes that may arise between IBT and yourself through a process called BINDING ARBITRATION. Arbitration is an alternative to litigating a dispute in a court of law. It is a private process where the parties to a dispute agree that one or several individuals can make a decision about the dispute after receiving evidence and considering arguments.

As a condition of your enrollment, you have agreed to GIVE UP YOUR RIGHT TO GO TO COURT to assert or defend your rights under the enrollment agreement (EXCEPT for matters that may be taken to a SMALL CLAIMS COURT with jurisdiction over you and the IBT).

This means, in most cases, that any claims that you or IBT may have will be heard by a NEUTRAL ARBITRATOR instead of a judge or jury.

Under the arbitration process you are entitled to a FAIR HEARING, BUT the arbitration procedures are designed to be SIMPLER AND MORE LIMITED THAN RULES THAT APPLY IN A COURT OF LAW.

You are entitled (but not required) to be represented by an attorney during arbitration, if you so choose.

The decision of the Arbitrator is enforceable just as any order issued by a court of law.

The Arbitrator's Decision Is Final, And As Such, Can Be Reviewed By A Court Of Law Only In Very Limited Circumstances.

The costs of the arbitration filing fee, Arbitrator's compensation, and facilities fees that exceed the applicable court filing fee will be paid by IBT.

### **B. Class Action/Collective Arbitration Waiver**

Your enrollment agreement with IBT also contains a further condition for enrollment, that requires you to agree that any dispute or claim that you may bring against IBT will be brought solely in your individual capacity. THIS MEANS YOU MAY NOT BE A PLAINTIFF OR PARTICIPATE AS A CLASS MEMBER IN ANY PURPORTED CLASS ACTION, REPRESENTATIVE PROCEEDING, MASS ACTION OR CONSOLIDATED ACTION, WHETHER IN A COURT OF LAW OR IN ARBITRATION.

### **C. Effect on Borrower Defense To Repayment Applications**

Nothing in your enrollment agreement requires you to participate in arbitration or any internal dispute resolution process offered by IBT prior to filing a borrower defense to repayment application with the U.S. Department of Education pursuant to 34 CFR § 685.206(e);

IBT does not, in any way, require students to limit, relinquish, or waive their ability to pursue filing a borrower defense claim, pursuant to 34 CFR § 685.206(e) at any time; and

If you go to arbitration with IBT per the requirements of the pre-dispute arbitration agreement provision in your enrollment agreement this will pause the limitations period for filing a borrower defense to repayment application pursuant to 34 CFR § 685.206(e)(6)(ii).

#### **D. How to Commence Arbitration**

Binding arbitration is conducted according to the American Arbitration Association (the “AAA”), under its Supplementary Rules for Consumer Related Disputes (“Consumer Rules”). You can access a copy of the AAA Rules Consumer Rules by visiting the AAA’s website at: <https://www.adr.org/sites/default/files/Consumer-Related%20Disputes%20Supplementary%20Procedures%20Sep%2015%2C%202005.pdf>

You may start an arbitration proceeding as set forth in the AAA Consumer Rules by filing a “Demand for Arbitration” with AAA along with the filing fee and a copy of your enrollment agreement that contains the pre-dispute agreement to arbitrate.

The AAA’s Demand for Arbitration in a Consumer Dispute form is available at: [https://www.adr.org/sites/default/files/Consumer\\_Demand\\_for\\_Arbitration\\_Form\\_3.pdf](https://www.adr.org/sites/default/files/Consumer_Demand_for_Arbitration_Form_3.pdf)

IBT will reimburse you for the filing fee. The Demand for Arbitration must contain the following: 1) a brief explanation of the dispute; 2) your name and current address and the name and address of the School, and, if known, the names of any person who is representing you in the arbitration; 3) the amount of money in dispute, if applicable; 4) the requested location for the hearing if an in-person hearing is requested; 5) a statement explaining what you want to resolve the dispute.

You may file your Demand for Arbitration with the AAA in the following ways:

- Online: <https://apps.adr.org/webfile>
- Email box: [casefiling@adr.org](mailto:casefiling@adr.org)
- Fax to: 1 877-304-8457 or +1 212-484-4178 (if fax number outside the US)

When you have filed a Demand for Arbitration with the AAA you must also deliver a copy to IBT at: Institute for Business & Technology, 2400 Walsh Ave., Santa Clara, CA 95051, ATTN: Campus Director

If you have any questions regarding how to start the arbitration process, you may contact the Campus Director for an additional information at Institute for Business & Technology, 2400 Walsh Ave., Santa Clara, CA 95051, ATTN: Campus Director, [campusdirector@ibt.edu](mailto:campusdirector@ibt.edu), 408-727-1060.