SETTLEMENT AGREEMENT

This settlement agreement (the "Agreement") is made by and between Brooklyn Law School ("BLS") (OPE ID: 00267700, TIN: 237227990, UEI: XHSCXMK1VCK8, RCN: INV-00267700-2023-11),[1] and the United States Department of Education, Federal Student Aid ("Department"), acting through the Director of the Administrative Actions and Appeals Service Group ("AAASG"), and is effective as of the latest date written below (the "Effective Date"). BLS and the Department are collectively referred to hereinafter as the "Parties," and individually as a "Party."

RECITALS

A. Institutions may only disburse funds pursuant to Title IV of the Higher Education Act of 1965, as amended, 20 U.S.C. § 1070 *et seq.* ("HEA") to students enrolled in programs at eligible institutions. For an institution to be eligible to disburse Title IV, HEA program funds, it must, among other requirements, be accredited or pre-accredited by a nationally recognized accrediting agency. 34 C.F.R § 600.4(a)(5)(i). Institutional accreditation provides Title IV eligibility to a school's programs in accordance with the scope of the grant of authority provided to the institutional accrediting body by the Department of Education.

B. The approved scope of recognition from the Department of Education for the American Bar Association (ABA) is "the accreditation throughout the United States of programs in legal education that lead to the first professional degree in law, including those offered via distance education, as well as freestanding law schools offering such programs."

C. Because the ABA does not accredit Master of Laws (LL.M.) programs, students enrolled in those programs at stand-alone law schools accredited by the ABA are ineligible to

[1] The TIN is Brooklyn Law's Taxpayer Identification Number, the UEI is Brooklyn Law's Unique Entity Identifier, and the RCN is the Department's Reference Control Number.

receive Title IV funds unless the law school also has separate institutional accreditation from an accrediting agency whose scope of recognition by the Department includes masters' programs such as an LL.M. program.

D. On August 3, 2022, the Department's Investigations Group sent BLS a request for information to determine BLS' compliance with the HEA and its implementing regulations (the "Inquiry"), related to its disbursement of Title IV, HEA program funds in its LL.M. program.

E. Based on the Inquiry, the Department determined that BLS disbursed $2,115,747 in Title IV funds to 63 students enrolled in BLS' LL.M. program during the 2017–18 through and including the 2021–22 award years (the "LL.M. Loan Disbursements").

F. During the award years in which Title IV, HEA program funds were disbursed to students in BLS' LL.M. program, BLS was only accredited by the ABA.

G. The Department has determined that the LL.M. Loan Disbursements were not eligible for Title IV program funds because BLS was only accredited by the ABA and LL.M. programs are not within the scope of the ABA's recognition by the Department.

H. BLS and the Department desire to resolve the matter without opening a program review or instituting administrative action, which could include but would not be limited to, a Subpart G fine action or limitation action.

In consideration of the mutual covenants and conditions contained in this Agreement, the sufficiency of which is hereby expressly acknowledged, and intending to be legally bound to the terms hereof, the Parties agree as follows:

TERMS AND CONDITIONS

1. BLS agrees to pay One Hundred Ninety-Three Thousand, Four Hundred Fifty-Eight Dollars and Thirteen Cents ($193,458.13), to resolve the potential liabilities related to the

LL.M. Loan Disbursements which represents the amount of estimated loss the Department may incur with respect to the LL.M. Loan Disbursements. *See* **Attachment A,** which shows the calculations performed by the Department to determine the estimated loss for the LL.M. Loan Disbursements.

2. BLS will pay a fine in the amount of One Hundred Twenty Thousand Dollars ($120,000) to resolve any potential fine action that the Department believes it could impose for the LL.M. Loan Disbursements made during the 2018-2019, 2019-2020, 2020-2021, and 2021-2022 award years.

3. BLS will pay the amounts referenced in paragraphs 2 and 3, equaling Three Hundred Thirteen Thousand, Four Hundred Fifty-Eight Dollars and Thirteen Cents ($313,458.13) (the "Settlement Amount"), in complete and total satisfaction for all potential liabilities, fines, and other potential administrative action related to the LL.M. Loan Disbursements.

4. BLS will pay the Settlement Amount through FEDWIRE on or before the expiration of three business days following the Effective Date of this Agreement. BLS should include the billing number INV00267700202311 for the amount attributable to the potential liabilities related to the LL.M. Loan Disbursements and billing number AAA202304042 for the amount attributable to the fine to ensure proper accounting of the payment. Instructions for completing the electronic fund transfer message format are included on the attached FEDWIRE form. Include the UEI and RCN with payment. See **Attachment B.**

5. BLS agrees not to seek reimbursement or to recoup any portion of the Settlement Amount from any students or former students of BLS.

6. Nothing contained in this Agreement shall be construed as an admission of wrongdoing or liability by BLS, or an admission of error by the Department.

7. Nothing contained in this Agreement shall be construed as a determination by the Department that BLS's juris doctor program does not have ABA accreditation, or that students in the juris doctor program are not eligible for Title IV aid.

8. BLS attests that it has established policies and procedures to ensure compliance with all Title IV requirements and that it will not make further disbursements of Title IV, HEA program funds to students enrolled in its LL.M. program or any other program unless it obtains accreditation from an accrediting agency whose scope of recognition from the Department includes that program.

9. The Department agrees not to initiate a program review or any administrative action against BLS based on the LL.M. Loan Disbursements for the period at issue described in the Agreement.

10. As set forth above, as a result of this Agreement, the Department will not initiate a fine action against BLS and will not conduct a program review relating to the LL.M. Loan Disbursements. Accordingly, BLS acknowledges that no right to appeal exists under either Subpart G or H relating to the Settlement Payment or otherwise. By entering this Agreement, both Parties consider this matter resolved and no further action will be taken in regard to the LL.M. Loan Disbursements for the period at issue described in this Agreement.

11. 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.

b. Any presently pending or future action taken by the United States under the criminal laws or civil laws or civil fraud laws of the United States.

12. The persons executing this Agreement on behalf of the Parties hereto warrant that they are fully authorized to do so on behalf of the Party which they are signing this Agreement and to bind such Party to the terms hereof.

13. This Agreement and any documents referenced herein constitute the entire agreement between the Parties with respect to the subject matter hereof.

14. This Agreement may be executed in two or more duplicate counterparts, each of which shall be treated as an original, but all of which together shall constitute one and the same instrument. The counterparts of this Agreement and any amendments hereto may be executed and delivered by facsimile, .pdf attachment, or electronic signature by either Party to the other Party, and the receiving Party may rely on the receipt of such document so executed and delivered by facsimile or other electronic method as if the original had been received.

15. Each of the Parties warrants that its undersigned representative is fully authorized to sign this Agreement on its behalf.

FOR BROOKLYN LAW SCHOOL:

[redacted]

David D. Meyer
President
Brooklyn Law School

8/3/23
Date

FOR THE UNITED STATES DEPARTMENT OF EDUCATION:

Susan D. Crim
Director
Administrative Actions and Appeals Service Group
U.S. Department of Education
Federal Student Aid

8-8-2023
Date