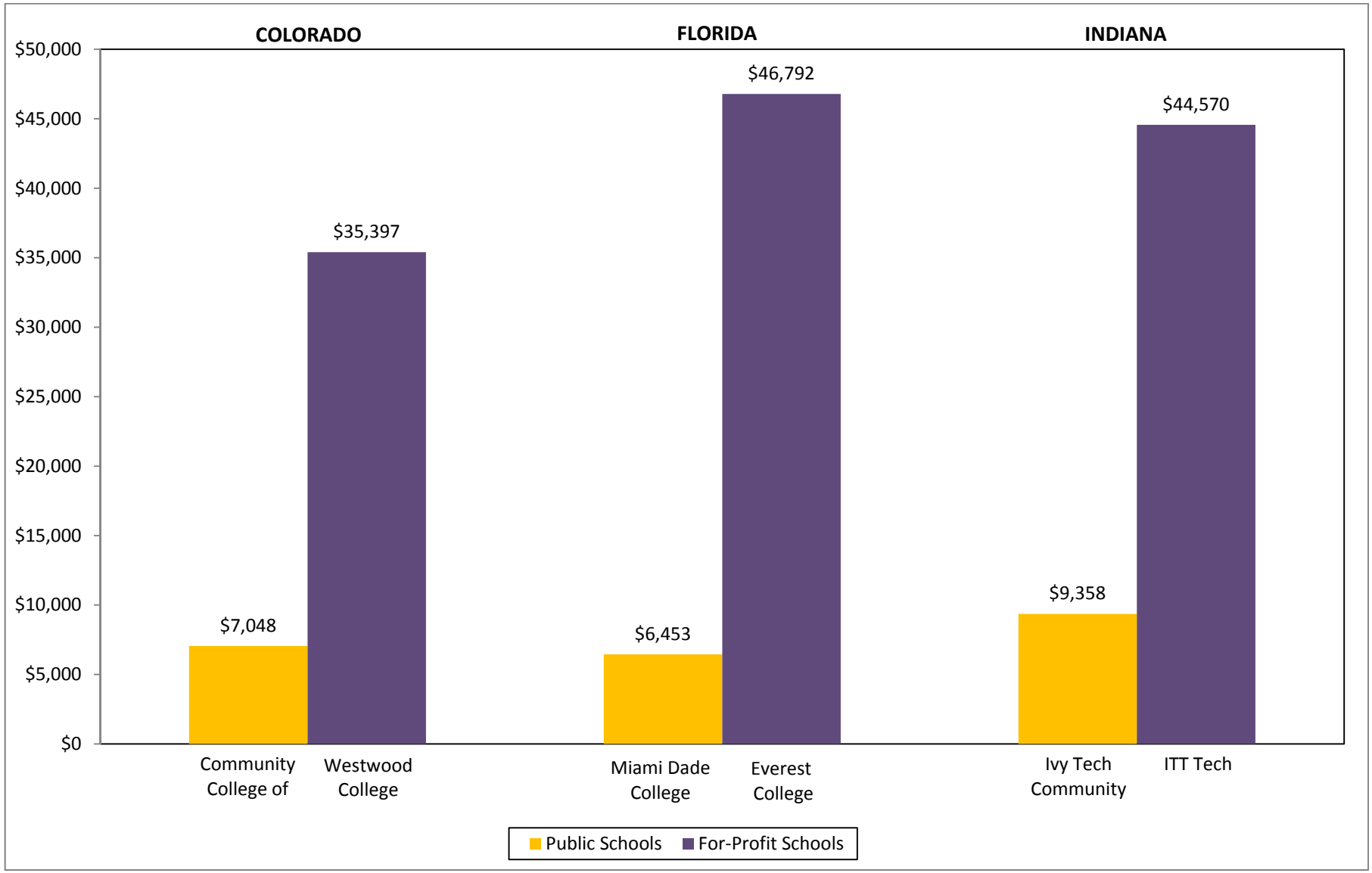
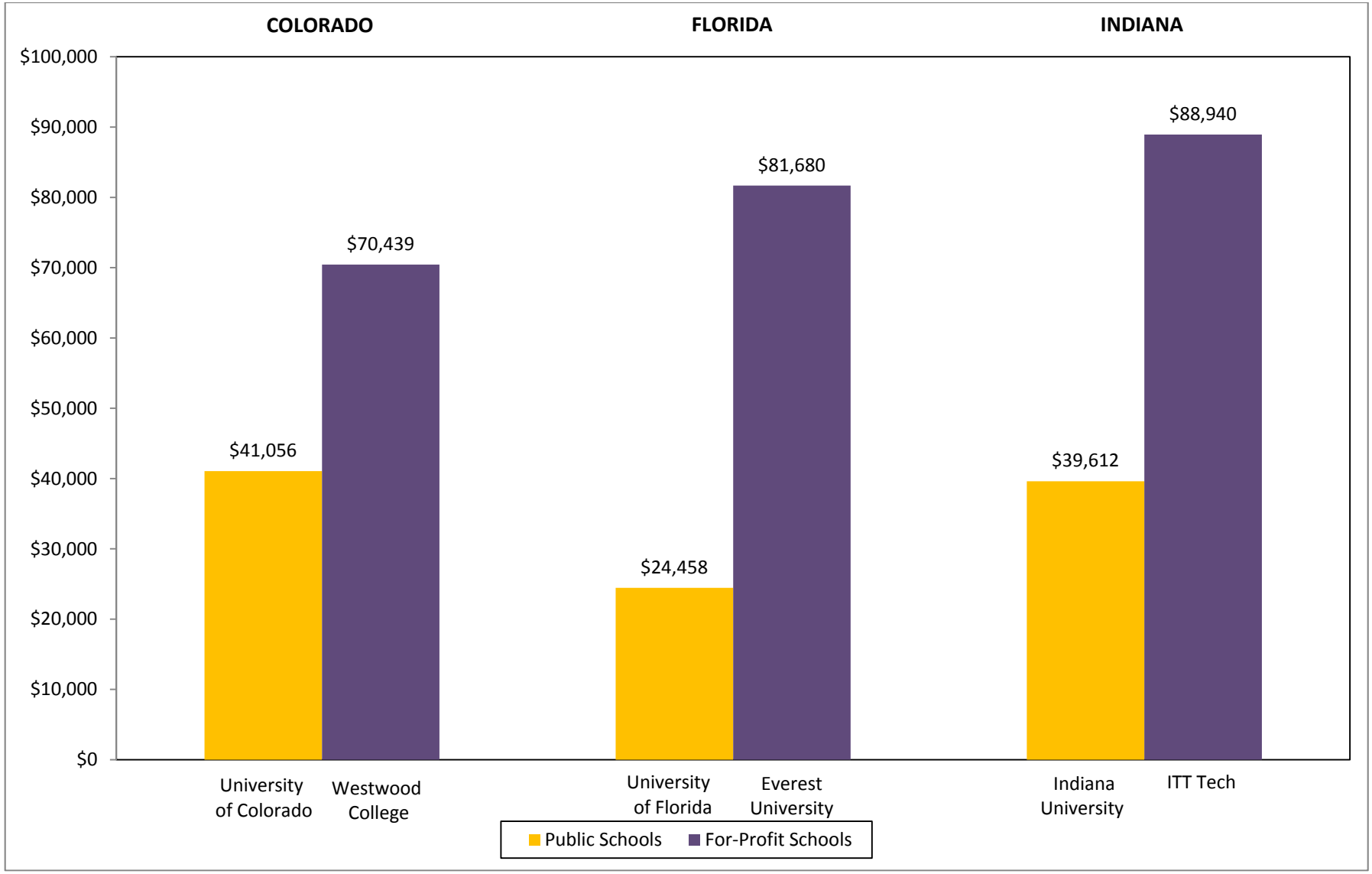
Cost of Associate Degree Business Programs – Community College v. For-Profit College



Source: Course Catalog or Tuition Information Available on School Websites

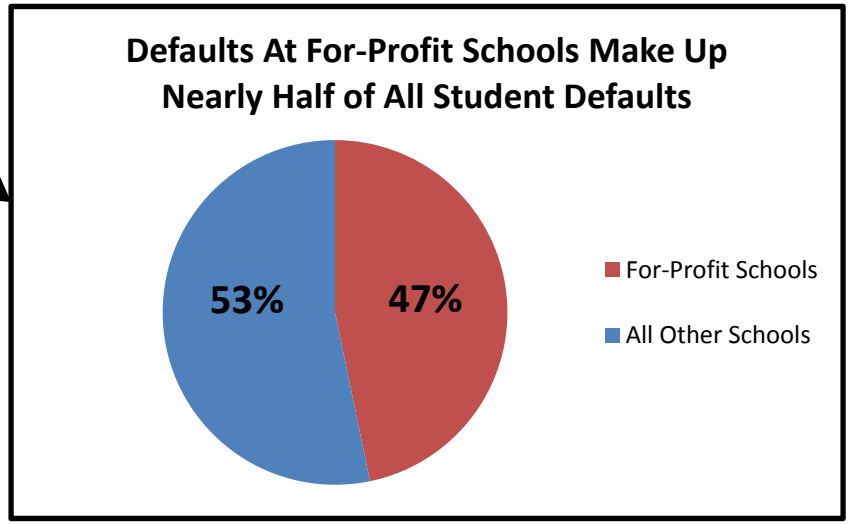
Cost of Bachelor's Degree Business Programs – Public University v. For-Profit College



Source: Course Catalog or Tuition Information Available on School Websites

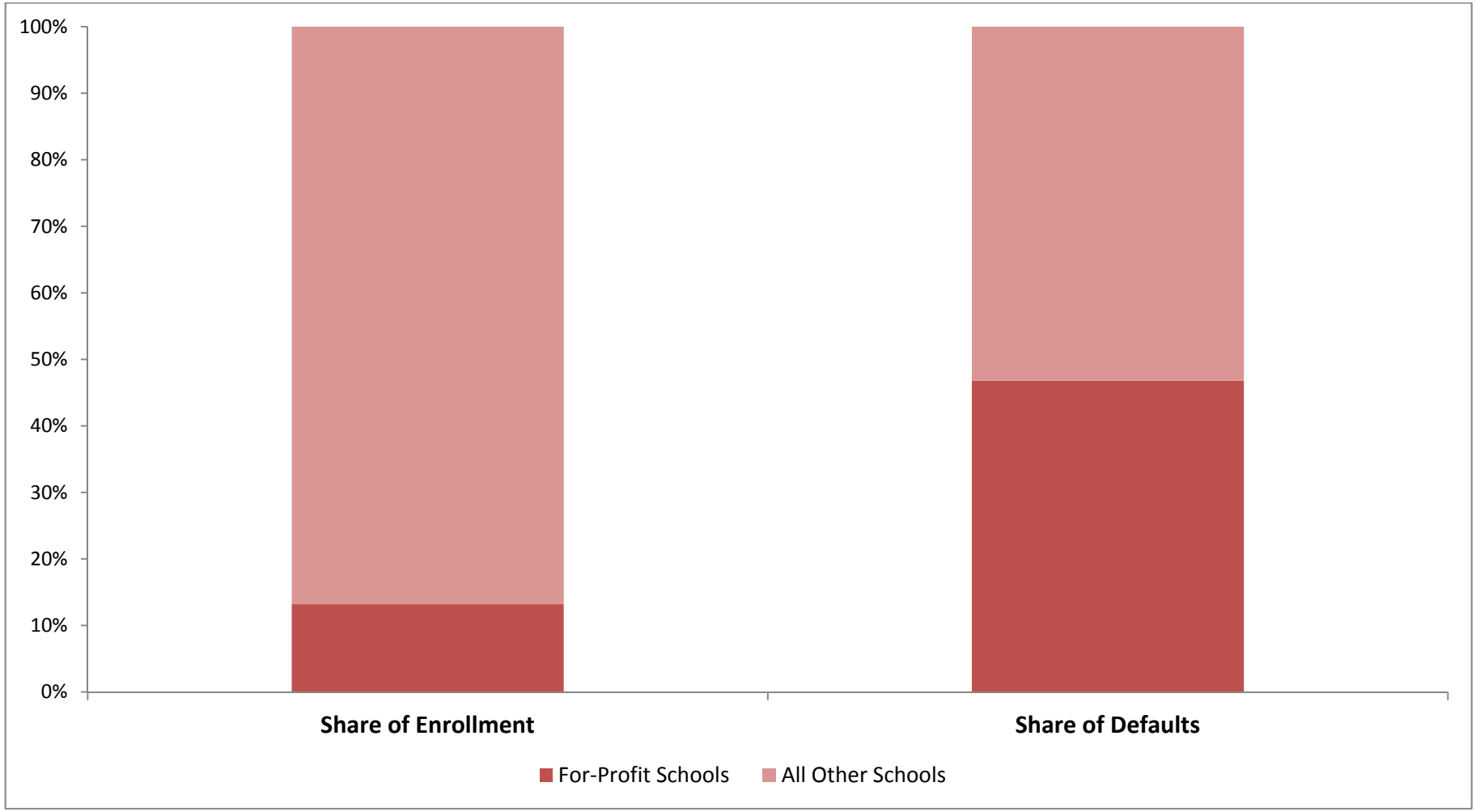
Students at For-Profit Schools are Defaulting at Higher Rates Than Other Sectors

Sector	Number in Default	Number in Repayment	3-Year Cohort Default Rate
Public Schools	166,571	1,715,377	9.7%
Private, Non-Profit Schools	51,269	757,004	6.8%
For-Profit Schools	191,922	859,597	22.3%
All Schools	410,032	3,339,554	12.3%



Source: U. S. Department of Education

Borrowers At For-Profit Colleges Account for Almost Half of All Loan Defaults



Source: U. S. Department of Education Cohort Default Rate Data

Institutional Loans:
High Interest Rate -- Low Expected Repayment

Company	Interest Rate*	Reserve Fund/ Expected Defaults**
Federal Stafford Loan Program	6.8%	16%
Education Management Corporation	11.2%	42%
Kaplan	15%	80%
Career Education Corporation	13%	48%
Corinthian	18%	55%
DeVry	12%	45%
Westwood	18%	44%
ITT	14.75%	N/A

Source: U.S. Department of Education; HELP Committee Analysis of Documents Provided by Schools; Company SEC Statements; Company Quarterly Earnings Call Transcripts

***Highest interest rate charged to students in 2009-2010. Some schools have lowered interest rates significantly.**
**** Reserve amounts and allowances may be adjusted periodically to account for changing delinquency and default rates.**

Corinthian Colleges, Inc. Institutional Loan Program: Large Volume, High Interest Rates and Low Expected Repayment

Category	Amount
Amount Lent to Students (2009 and 2010)	$240 million (Projected to double in future years)
Interest Rate (Variable Rate – Highest Amount)	18 percent
Average Interest Rate (2009)	15 percent
Average Interest Rate (2010)	13 percent
Percent of Loan Volume Set Aside as a Reserve Fund (Expected Default Levels)	55 percent

Source: HELP Committee analysis of documents provided by Corinthian Colleges, Inc., Corinthian Colleges, Inc. SEC Statements, Corinthian Colleges, Inc. Earnings Conference Calls.