

UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ALABAMA

**IF YOU WERE A STUDENT AT
CLAYTON COLLEGE OF NATURAL HEALTH, INC. AS OF JULY 2010
YOU COULD GET A PAYMENT FROM A CLASS ACTION SETTLEMENT.**

A federal court authorized this notice. This is not a solicitation from a lawyer.

- A settlement will provide a settlement fund to pay claims of former students of Clayton College of Natural Health, Inc., (referred to as “CCNH”) along with other benefits.
- The settlement resolves a lawsuit over whether Clayton College of Natural Health, Inc., its management company Magnolia Corporate Services, Inc., and others (collectively referred to as “Clayton College”) are liable to plaintiffs for actions taken in connection with the operation of the school and in connection with the closure of the school after accepting prepaid tuition in advance for classes and education that Clayton College could not provide because the school closed.
- Court-appointed lawyers for the students will ask the Court to approve the settlement and payments to Class Members. The Court will also be asked to approve payment from the settlement fund of legal fees and expenses for investigating the facts, litigating the case, and negotiating the settlement.
- The two sides disagree on how much money could have been won, if any, if students went to trial.
- Your legal rights are affected whether you act, or don’t act. Read this notice carefully.

| YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT | |
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| Submit A Claim Form By January 31, 2012 | The only way to get a payment and qualify for other benefits. |
| Exclude Yourself By January 31, 2012 | Get no payment. This is the only option that allows you to ever be part of any other lawsuit against Clayton College or anyone else about the legal claims in this case. |
| Object By January 31, 2012 | Write to the Court about why you don’t like the settlement. |
| Go to a hearing on February 15, 2012 | Ask to speak in Court about the fairness of the settlement. |
| Do Nothing | Get no payment. Give up rights. |

- These rights and options – **and the deadlines to exercise them** – are explained in this notice.
- The Court in charge of this case still has to decide whether to approve the settlement. Payments will be made and other benefits will become available if the Court approves the settlement and after appeals are resolved. Please be patient.

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BASIC INFORMATION

1. Why did I get this notice package?

Clayton College's records show that you were enrolled as a student at Clayton College when the school closed in July 2010.

The Court sent you this notice because you have a right to know about a proposed settlement of a class action lawsuit, and about all of your options, before the Court decides whether to approve the settlement. If the Court approves it and after objections and appeals, if any, are resolved, settlement benefits will become available and an administrator will make the payments that the settlement allows. You will be informed of the progress of the settlement.

This package explains the lawsuit, the settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them. The Court in charge of the case is the United States District Court for the Northern District of Alabama, and the case is known as *Goldberg, et al. v. Clayton College of Natural Health, Inc., et al*, Civil Action No CV-10-2990-HGD.

2. What is this lawsuit about?

Clayton College was a for-profit holistic health college licensed by the State of Alabama. For many years, Clayton College charged tuition in advance for entire programs, with many students pre-paying in full for certificate, bachelor, masters and Ph.D. programs. In July 2010, after accepting substantial amounts of prepaid tuition, Clayton College abruptly closed its doors and went out of business, making it impossible for students to complete their education at Clayton College. The lawsuit alleges that Clayton College did not provide any refunds to students of the prepaid tuition. Plaintiffs filed this lawsuit to obtain a recovery from Clayton College for their damages.

3. Why is this a class action?

In a class action, one or more people called Class Representatives (in this case, Suzanne Goldberg and Juli Madacey) sue on behalf of other people who have similar claims. The people together are a "Class" or "Class Members." The students who sued—and all the Class Members like them—are called the Plaintiffs. The companies and individuals they sued (in this case including Clayton College of Natural Health, Inc., Magnolia Corporate Services, Inc., Lloyd Clayton, Jeff Goin, William Fishburne and Kay Channell) are called the Defendants. One court resolves the issues for everyone in the Class—except for those who exclude themselves from the Class. U.S. Magistrate Judge Harwell G. Davis, III is in charge of this class action.

4. Why is there a settlement?

The Court did not decide in favor of Plaintiffs or Defendants. Plaintiffs think they could have won if they went to trial. Defendants think the Plaintiffs would not have won anything from a trial. But there was no trial. Instead, both sides agreed to a settlement. That way, they avoid the cost of a trial, and the people affected will get compensation.

The Class Representatives and the attorneys think the settlement is best for all Class Members. The settlement provides a benefit to the Class now. This benefit must be compared to the risk that no recovery might be achieved. Even if Plaintiffs were successful at trial and on any appeal, there would be risks that a smaller or no recovery might be obtained. The proposed settlement includes substantial proceeds from an insurance policy covering the Defendants. The insurance policy pays the costs of the defense, so the amount of insurance money available to pay damages to Plaintiffs declines as Clayton College continues to defend the case. If the case had proceeded to trial and appeals, the insurance may have been depleted completely and this may have significantly reduced or eliminated any potential recovery.

WHO IS IN THE SETTLEMENT

To see if you will get money or other benefits from this settlement, you first have to decide if you are a Class Member.

5. How do I know if I am part of the settlement?

Judge Davis decided that everyone who fits the following description is a Class Member:

All individuals who were enrolled in but had not graduated or withdrawn from CCNH in a distance education program as of July 2010.

6. Are there exceptions to being included?

The Class includes only students who were enrolled in but had not graduated or withdrawn from CCNH at the time the school closed. If you had graduated or withdrawn from CCNH at the time the school closed, you may not be included. In order to receive any benefits from this settlement, you must submit a claim form establishing that you are a member of the Class.

7. I'm still not sure if I am included.

If you are not sure whether you are included, you can ask for free help. You can get free help at www.ccnhclassaction.com, or by calling the phone number listed at the bottom of this page. Or you can fill out and return the claim form described in question 10, to see if you qualify.

THE SETTLEMENT BENEFITS – WHAT YOU GET

8. What does the settlement provide?

The settlement creates a Total Settlement Fund of \$2.31 Million and also provides tuition discounts. The Net Settlement Fund -- that portion of the Total Settlement Fund remaining after payment of fees, expenses and incentives -- will be divided among all Class Members who send in a valid claim form according to a formula set forth below. The Net Settlement Fund will be at least \$1.33 Million.

The settlement also provides substantial tuition discounts ranging from \$900 to \$4,500, exclusive of books, as well as potential credit transfers for interested Class Members who were enrolled in a program at Clayton College at the time of its closure in July 2010 and who are verified as former Clayton College students through the process of submitting a valid claim form. These discounts and potential credit transfers are available through two other schools of natural health or medicine in the United States that are not related in any way to Clayton College, but have agreed to provide tuition discounts as a means of assisting former Clayton College students interested in pursuing further education in another available program. Class Members must make their own decisions regarding enrollment in these discounted programs based on their own circumstances and analysis. These benefits are described further on page 8 of this notice.

The \$2.31 Million Settlement Fund will be held in escrow. If the Court approves the settlement, any interest accrued on the Settlement Fund will be applied to the benefit of Class Members.

9. How much will my payment be?

Whether you are entitled to a share of the Net Settlement Fund and the amount of your share will depend on the number of valid claim forms that Class Members send in and the amount of tuition paid by those Class Members along with the amount of tuition you incurred and whether you are determined to be a Group A Claimant, Group B Claimant, or a Group C Claimant. Group C Claimants are not eligible for a settlement payment. Here's how it works:

This Class is comprised of approximately 14,000 adults who had paid tuition in advance for degree or certificate programs at Clayton College during the Class period. Group A includes students who enrolled within the five years preceding the closure of the school as well as other students who submitted coursework in pursuit of completion of a program in the months prior to the closure of the school, or demonstrate compelling circumstances, as outlined below. Group B includes all students who enrolled in a program more than five years before the school closed but did not complete the program. Group C includes all students who enrolled in a program and completed the program through the teach-out offered by Clayton College after the closure of the school. Group B Claimants can be moved into Group A through the claims process by demonstrating to the Claims Administrator: (1) submission of coursework within twelve months of the closure of the school; (2) submission of coursework between 12 and 36 months of the closure and good cause for not submitting coursework more recently; or (3) compelling circumstances for not submitting any coursework within 36 months of the school's closure. In order to receive a payment each Class Member must submit a valid claim form. Once all claim forms are submitted, the Claims Administrator will total the amount of all tuition claims for Group A and Group B students. Group C Claimants cannot be moved into Group A or Group B and are eligible for tuition discounts, but are not eligible for a payment from the Net Settlement Fund.

If you submit a valid claim form and are eligible for a settlement payment, the payment you get will reflect your "My Tuition Amount" in relation to the "My Tuition Amount" of all Claimants submitting valid claim forms. See page 7 for more specific information on how this works.

Group A students will receive a larger percentage of their tuition than Group B students. In general, those who incurred more tuition for uncompleted programs at Clayton College will get more money, and those who incurred less tuition at Clayton College will get less. The number of Claimants who send in claims varies widely from case to case. It is unlikely that you will get a payment for all the tuition you incurred at Clayton College, and the maximum amount that you can recover is 100% of the total amount of tuition you incurred. The amount that you receive will depend on the number of Claimants, the amount of tuition you incurred, and whether you are in Group A or Group B. If the number of Claimants and the amount of tuition claimed precludes recovery of 100% of the total amount of tuition paid, Claimants in Group A and Group B will receive pro rata recoveries.

HOW YOU GET A PAYMENT OR OTHER BENEFITS – SUBMITTING A CLAIM FORM

10. How can I get a payment or other benefits?

To qualify for payment or the other benefits provided by the settlement, **you must send in a fully completed claim form, and must provide any additional information requested by the Claims Administrator.** The Court has appointed Garden City Group, Inc. as Claims Administrator to administer the claims process and to process, review, and determine the validity and amount of claims. A claim form is included with this notice. You may also get a claim form at www.ccnhclassaction.com. Read the instructions carefully, fill out the form, include everything the form asks for, sign it, and mail it postmarked no later than January 31, 2012.

11. When would I get my payment or other benefits?

The Court will hold a hearing on February 15, 2012, to decide whether to approve the settlement. If Judge Davis approves the settlement after that, there may be appeals. It's always uncertain whether these appeals can be resolved, and resolving them can take time, perhaps more than a year. Please be patient. Information on the progress of the settlement will be posted on www.ccnhclassaction.com.

12. What am I giving up to get a payment or benefits or stay in the Class?

Unless you exclude yourself, you are staying in the Class, and that means that you can't sue, continue to sue, or be part of any lawsuit against Clayton College or anyone else about the legal issues in this case. It also means that all of the Court's orders will apply to you and legally bind you. If you sign the claim form, you will agree to a "Release of Claims," which is part of the claim form, and describes exactly the legal claims that you give up if you get settlement benefits.

EXCLUDING YOURSELF FROM THE SETTLEMENT

If you don't want a payment from this settlement, but you want to keep the right to sue or continue to sue Clayton College or anyone else on your own about the legal issues in this case, then you must take steps to get out. This is called excluding yourself – or is sometimes referred to as “opting out” of the Class.

13. How do I get out of the settlement?

To exclude yourself from the settlement, you must send a letter by mail saying that you want to be excluded from *Goldberg, et al. v. Clayton College of Natural Health, Inc., et al.* Be sure to include your name, address, telephone number, and your signature. You must mail your exclusion request postmarked no later than January 31, 2012 to: Clayton College Class Action Exclusions, c/o The Garden City Group, Inc., PO Box 9790, Dublin, Ohio 43017-5690.

If you ask to be excluded, you will not get any settlement payment or benefits, and you cannot object to the settlement. You will not be legally bound by anything that happens in this lawsuit. You may be able to sue (or continue to sue) Clayton College in the future using your own lawyer.

14. If I don't exclude myself, can I sue for the same thing later?

No. Unless you exclude yourself, you give up any right to sue Clayton College or anyone else for the claims that this settlement resolves. If you have a pending lawsuit, speak to your lawyer in that case immediately. You must exclude yourself from this Class to continue your own lawsuit. Remember, the exclusion deadline is January 31, 2012.

15. If I exclude myself, can I get money from this settlement?

No. If you exclude yourself, do not send in a claim form to ask for any money. But, you may sue, continue to sue, or be part of a different lawsuit against Clayton College.

THE LAWYERS REPRESENTING YOU

16. Do I have a lawyer in this case?

The Court asked attorneys Thomas Howlett and Dean Googasian of The Googasian Firm, P.C., of Bloomfield Hills, Michigan, to represent you and other Class Members. The law firm is referred to as “Class Counsel.” You will not be charged for these lawyers. If you want to be represented by your own lawyer, you may hire one at your own expense.

17. How will the lawyers be paid?

Class Counsel will ask the Court for reimbursement of expenses incurred in connection with prosecution of this action in the approximate amount of \$200,000. This includes approximately \$50,000 in expenses already incurred plus expenses expected to be incurred in connection with administration of the settlement. Class Counsel will also ask the Court to approve payment of up to \$775,000 to them for attorneys' fees. The fees would pay Class Counsel for investigating the facts, litigating the case, and negotiating the settlement. Class Counsel have expended considerable time and effort in the prosecuting of this action on a contingent fee basis in the expectation that if they were successful in obtaining a recovery for the Class they would be paid from such recovery, but that if they did not obtain a recovery they would not get paid. In this type of litigation, it is customary for lawyers to be awarded a percentage of the common fund recovery as their attorney fees. Clayton College has agreed not to oppose these fees and expenses. Class Counsel will also ask the Court to award incentives of up to \$1,000 to Class Representatives Suzanne Goldberg and Juli Madacey for their time and effort in bringing this case on behalf of the Class. The Court may award less than these amounts.

OBJECTING TO THE SETTLEMENT

You can tell the Court that you don't agree with the settlement or some part of it.

18. How do I tell the Court that I don't like the settlement?

If you're a Class Member, you can object to the settlement if you don't like any part of it. You can give reasons why you think the Court should not approve it. The Court will consider your views. To object, you must send a letter saying that you object to the settlement of *Goldberg, et al. v. Clayton College of Natural Health, Inc., et al.* Be sure to include your name, address, telephone number, your signature, and the reasons you object to the settlement. Mail the objection to these three different places postmarked no later than January 31, 2012:

Court

Clerk of the Court
U.S. District Court
Northern District of Alabama
Hugo L. Black U.S. Courthouse
1729 Fifth Avenue North
Birmingham, AL 35203

Class Counsel

Clayton College Class Action
6895 Telegraph Road
Bloomfield Hills, MI 48301

Defense Counsel

LaBella Alvis, Esq.
Christian & Small, LLP
1800 Financial Center
505 North 20th Street
Birmingham, AL 35203-2696

19. What's the difference between objecting and excluding?

Objecting is simply telling the Court that you don't like something about the settlement. You can object only if you stay in the Class. Excluding yourself is telling the Court that you don't want to be part of the Class. If you exclude yourself, you have no basis to object because the case no longer affects you.

THE COURT'S FAIRNESS HEARING

The Court will hold a hearing to decide whether to approve the settlement and payment of attorneys' fees and expenses. You may attend and you may ask to speak, but you don't have to.

20. When and where will the Court decide whether to approve the settlement?

The Court will hold a Fairness Hearing at 10:00 a.m. on February 15, 2012 at the United States District Court for the Northern District of Alabama, Hugo L. Black U.S. Courthouse, 1729 Fifth Avenue North, Birmingham, Alabama. At this hearing, the Court will consider whether the settlement is fair, reasonable, and adequate. If there are objections, the Court will consider them. Judge Davis will listen to people who have asked to speak at the hearing. The Court may also decide whether to approve the request for costs and attorney fees. After the hearing, the Court will decide whether to approve the settlement. We do not know how long these decisions will take.

21. Do I have to come to the hearing?

No. Class Counsel will answer questions Judge Davis may have. But, you are welcome to come at your own expense. If you send an objection, you don't have to come to Court to talk about it. As long as you mailed your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but it's not necessary.

22. May I speak at the hearing?

You may ask the Court for permission to speak at the Fairness Hearing. To do so, you must send a letter saying that it is your "Notice of Intention to Appear in *Goldberg, et al. v. Clayton College of Natural Health, Inc., et al.*" Be sure to include your name, address, telephone number, and your signature. Your Notice of Intention to Appear must be postmarked no later than January 31, 2012, and be sent to the Clerk of the Court, Class Counsel, and Defense Counsel at the three addresses in question 18. If you wish to be heard in opposition to the settlement or to the request for attorney fees, you must include a written statement that indicates the basis for your opposition along with any supporting documentation. You cannot speak at the hearing if you excluded yourself or if you have not sent the Notice described in this paragraph.

IF YOU DO NOTHING

23. What happens if I do nothing at all?

If you do nothing, you'll get no money from this settlement. But, unless you exclude yourself, you won't be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against Clayton College or anyone else about the legal issues in this case, ever again.

GETTING MORE INFORMATION

24. Are there more details about the settlement?

This notice summarizes the proposed settlement. You can get more details at www.ccnhclassaction.com.

25. How do I get more information.

You can call the Claims Administrator toll-free at (888) 714-2544, write to Clayton College Class Action Claims c/o The Garden City Group, Inc., P.O. Box 9790, Dublin, OH 43017-5690, e-mail the Claims Administrator at ccnhclaims@gcginc.com, or visit the website at www.ccnhclassaction.com, where you will find answers to common questions about the settlement, a claim form, plus other information to help you determine whether you are a Class Member and whether you are eligible for a payment.

DATE: November 28, 2011

UNDERSTANDING YOUR PAYMENT AND BENEFITS

A. UNDERSTANDING YOUR PAYMENT

A payment is available to those Class Members who submit valid claim forms before the deadline and qualify as Group A or Group B Claimants.

STEP 1: Submit a valid claim form postmarked no later than January 31, 2012.

STEP 2: The Claims Administrator will determine whether you are a “Group A Claimant,” a “Group B Claimant,” or a “Group C Claimant” and will determine your “My Tuition Amount”, if applicable.

All Class Members meeting the definition of Group A Claimants or Group B Claimants and submitting timely, valid claims will be entitled to a settlement payment. Class Members will be divided into Group A Claimants and Group B Claimants depending upon whether the Claimant was an active student at the time Clayton College closed. Group A includes students who enrolled within the five years preceding the closure of the school as well as other students who submitted coursework in pursuit of completion of a program in the months prior to the closure of the school, or demonstrate compelling circumstances. Group B Claimants are all other Claimants who were enrolled at the time of the school’s closure and did not complete their program through the teach-out offered by the school. Group B Claimants can be moved into Group A through the claims process by demonstrating to the Claims Administrator: (1) submission of coursework within twelve months of the closure of the school; (2) submission of coursework between 12 and 36 months of the closure and good cause for not submitting coursework more recently; or (3) compelling circumstances for not submitting any coursework within 36 months of the school’s closure. The Claims Administrator will determine whether you qualify as a Group A Claimant, Group B Claimant, or Group C Claimant based upon your claim form and the records of Clayton College. If you disagree with the Claims Administrator’s determination of your status as a Group A, Group B, or Group C Claimant, you must write to the Claims Administrator pursuant to the Claims Administrator’s instructions and explain why you think the determination is wrong and you must include any support or documentation of your claim the Claims Administrator requires. If you do not dispute this determination, or the Claims Administrator does not change your status, your status as a Group A, Group B, or Group C Claimant will not be changed, and this status will be used to determine the amount of any payment.

If you are eligible for a payment, the Claims Administrator will also determine your “My Tuition Amount” and mail this information to you. The “My Tuition Amount” for Group A Claimants is the amount of tuition paid to Clayton College in connection with enrollment in any program that the Group A Claimant did not complete before the school closed. The “My Tuition Amount” for Group B Claimants is twenty-five percent (25%) of the amount of tuition paid to Clayton College in connection with enrollment in any program that the Group B Claimant did not complete before the school closed. If you disagree with this number and believe you incurred more or less tuition, you must write to the Claims Administrator pursuant to the Claims Administrator’s instructions and explain why you think the number is wrong. If you do not dispute this number, the number will become your “My Tuition Amount” and will be used to determine the amount of your payment.

STEP 3: The Claims Administrator will determine the “Total Tuition Amount”.

The “Total Tuition Amount” is the sum of the “My Tuition Amounts” for all Group A Claimants and Group B Claimants.

STEP 4: The Claims Administrator will determine the Tuition Percentage. This will involve the Claims Administrator determining what percentage your “My Tuition Amount” constitutes of the “Total Tuition Amount” and will use that to determine the amount of payments to Claimants.

STEP 5: The Claims Administrator will mail you your check for your payment after approval and after any appeals are resolved.

| Example – Group A Determination and Payment Calculation | |
|---|---|
| Suppose Jane Doe Enrolled in Clayton College in 2007 and Her Tuition Totaled \$5,000 For A Program She Did Not Complete. | |
| Step 1: | Jane submits a valid claim form on time. |
| Step 2: | The Claims Administrator sends Jane a letter reporting that Clayton College’s records show Jane incurred \$5,000 of tuition at Clayton College and that Jane is a Group A Claimant because she enrolled within the five years before Clayton College closed. Jane does not dispute the amount of tuition or her status as a Group A Claimant. |
| Step 3: | Suppose the total of “My Tuition Amount” claimed by all Class Members who send in claim forms is \$15 million. |
| Step 4: | In our example, the Claims Administrator would divide Jane’s “My Tuition Amount” (\$5,000) by the “Total Tuition Amount” (\$15 million). In this example, Jane’s share of the total tuition payments is .000333. |
| Step 5: | In order to determine the amount of Jane’s payment, the Claims Administrator would multiply her percentage share (.000333 in this example) by the Net Settlement Amount (\$1.33 Million in this example). $\$1.33\text{Million} \times .000333 = \442.89 . The Claims Administrator would then send Jane a payment check for \$442.89. |

Example – Group B Determination and Payment Calculation

Suppose John Doe Enrolled At Clayton College in 1997, Had Submitted No Coursework In The Last Five Years, and His Tuition Totaled \$5,000 For A Program He Did Not Complete.

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| Step 1: | John submits a valid claim form on time. |
| Step 2: | The Claims Administrator sends John a letter reporting that Clayton College’s records show John incurred \$5,000 of tuition at Clayton College, that John is a Group B Claimant, and that John’s “My Tuition Amount” is \$1250 (25% of the tuition he incurred). John enrolled more than five years before the school closed and had not submitted any coursework toward completion of a program in more than three years. John does not dispute the amount of tuition or the determination of his Group B status. |
| Step 3: | Suppose the total of “My Tuition Amount” claimed by all Class Members who send in claim forms is \$15 million. |
| Step 4: | In our example, the Claims Administrator would divide John’s “My Tuition Amount” (\$1250) by the “Total Tuition Amount” (\$15 million). In this example, John’s share of the total tuition payments is .000083. |
| Step 5: | In order to determine the amount of John’s payment, the Claims Administrator would multiply his percentage share (.000083 in this example) by the Net Settlement Amount (\$1.33 Million in this example). $\$1.33 \text{ Million} \times .000083 = \110.39 . The Claims Administrator would then send John a payment check for \$110.39. |

B. UNDERSTANDING YOUR OTHER BENEFITS

There are other benefits available to Class Members who submit valid claim forms before the deadline and qualify.

1. Tuition Discounts From Global College Of Natural Medicine For Class Members Who Were Enrolled In A Program At Clayton College At The Time Of Closure.

For Class Members who were enrolled in a program at Clayton College at the time of its closure in July 2010 and who submit valid claim forms before the deadline, tuition discounts are available at Global College of Natural Medicine (“GCNM”). Specifically, GCNM has agreed to enroll interested Class Members in the following programs at the following reduced tuition rates, exclusive of the cost of books (i.e. you will be purchasing your own texts and supplemental materials in addition to this tuition, also you will be responsible for the costs of mailing in materials to GCNM for grading at the completion of the programs. Electronic PDF program lessons are included in cost): certificate programs, \$900; holistic health practitioner diploma program, \$1,200; bachelor’s, master’s and Ph.D. programs, \$2,000; combined bachelor’s, master’s and Ph.D. programs, \$6,000. In addition, Class Members enrolling in degree programs at GCNM are eligible for credit transfer consideration for courses completed at Clayton College with additional tuition reductions. These tuition discounts and credit transfer opportunities will be available to Class Members at GCNM through December 31, 2012.

GCNM is a school licensed by California’s Bureau of Private Postsecondary Education, and is accredited by the American Association of Drugless Practitioners and the American Naturopathic Medical Accreditation Board. GCNM is not affiliated with or connected to Clayton College or Magnolia Corporate Services, neither of which share any officers or board members with GCNM. This discount opportunity for Class Members has been arranged in cooperation with GCNM in an effort to provide additional benefits to Class Members. Further information regarding GCNM is available at www.gcnm.com. In order to obtain the tuition discounts and potential credit transfer consideration or to receive additional information, Class Members may call GCNM at 1-800-605-6520.

2. Tuition Discounts From Natural Healing Institute of Naturopathy, Inc. (NHI) For Class Members Who Were Enrolled In A Program At Clayton College At The Time Of Closure.

For Class Members who were enrolled in a program at Clayton College at the time of its closure in July 2010 and who submit valid claim forms before the deadline, tuition discounts are also available at Natural Healing Institute of Naturopathy, Inc. (“NHI”). Specifically, NHI has agreed to enroll interested Class Members in the following programs at tuition rates that are 50-75 percent lower than the fee schedule for other students. These reduced rates are as follows, exclusive of the cost of books and shipping: Holistic Health Practitioner (“HHP”) program: 75% discount thus \$1,200 tuition; Certified Nutritionist Consultant (“CNC”)™ program: 50% discount thus \$900 tuition; Certified Clinical Master Herbalist (“CCMH”)™ program: 50% discount thus \$900 tuition; Naturopathic Practitioner (“NP”): 60% discount thus \$5998 tuition. The HHP and NP programs include Certifications and diplomas for the full CNC™ and CCMH™ programs. In addition, Class Members at NHI are eligible for credit transfer consideration for courses completed at Clayton College though any such credit transfers would not result in further discounts. These tuition discounts and credit transfer opportunities will be available to Class Members at NHI at least through December 31, 2012.

NHI is a vocational college, fully State-Licensed and State-Approved by California’s Bureau of Private Postsecondary Education, California Board of Nursing, Board of Behavioral Sciences, Department of Consumer Affairs, and approved by other state and national agencies.

NHI is not affiliated with or connected to Clayton College or Magnolia Corporate Services, neither of which share any officers or board members with NHI. This discount opportunity for Class Members has been arranged in cooperation with NHI in an effort to provide additional benefits to Class Members. Further information regarding NHI is available at www.naturalhealinginst.com. In order to obtain the tuition discounts or to receive additional information, Class Members may contact NHI at 760-943-8485 or distancelearning@naturalhealinginst.com.