

Evan C. Borges  
Direct Dial: (949) 383-2860  
EBorges@GGTrialLaw.com

June 29, 2015

**VIA E-MAIL**

Mr. Jay D. Majors  
U.S. Department of Justice, Civil Division  
601 D Street, NW  
Washington, DC 20004  
Jay.Majors@usdoj.gov

**Re: In the Matter of Corinthian Colleges**

Dear Mr. Majors:

Pursuant to our prior letters of May 1, 2015, May 4, 2015, and May 8, 2015, on behalf of Corinthian Colleges and its affiliates (“Corinthian” or the “School”), we write for the limited purpose of advising you of the timeline and related timing constraints in connection with to retention of certain records compiled as a result of the recent closure of 30 local campuses of the School (identified on Attachment A to our May 1, 2015 letter). We identify below warehouses and other locations where records are being maintained, subject to limited time periods and/or under the control of third parties (including Zenith Education Group (“Zenith”), the Bureaus of Private Postsecondary Education of California, Arizona, Hawaii, and Oregon, and Bryant & Stratton school in New York). If your agency wishes to inspect and copy the records identified below, we suggest that you do so as soon as reasonably practicable (including, in some instances, no later than **August 31, 2015**).

As before, Corinthian asserts and reserves, and does not waive or relinquish, any and all applicable privileges, protections, and guarantees of confidentiality (including, without limitation, the attorney-client privilege and work product doctrine). Corinthian expects that attorneys who come across inadvertently produced privileged, protected, or confidential material will abide by their ethical duties and professional rules, including, without limitation, immediately ceasing review of such materials and returning any inadvertently disclosed privileged information.

As you know, Corinthian is in a bankruptcy proceeding with scarce financial and human resources, and is winding down its affairs. Time is of the essence for your agency to make decisions on which records described below you wish to inspect, copy and/or preserve.

Mr. Jay D. Majors

June 29, 2015

Page 2

**1. Zenith Warehouse (1010 Riverside Parkway, Sacramento, California).**

a. Location and Description: The Zenith warehouse is located at 1010 Riverside Parkway, Sacramento, California. The site consists of a single building with 3 warehouses and approximately 6 to 8 large rooms. We are informed that the warehouse contains approximately 16,000-20,000 boxes of records.

b. Contact Person: Diana Scherer, Senior Vice President and Deputy General Counsel, Zenith Education Group, at 5 Hutton Centre Drive, Santa Ana, California, 92707, telephone 714.825.7399.

c. Party in control: Zenith is the lessee and is in control of the warehouse. The School has limited rights to access the records under a transition services agreement with Zenith that is set to expire in the near future. Also, the School has advised Zenith that it has an independent obligation to preserve records. Zenith is in the process of trying to determine what records in the warehouse relate to Corinthian campuses acquired by Zenith.

d. Timing constraints: We expect that in the near future, Zenith will demand that Corinthian retrieve or abandon records that Zenith has determined are not relevant to the schools it acquired; or alternatively, that Corinthian or any agency that wishes to preserve the records pay for their storage. It is important that your agency contact Zenith directly if you have any concerns or if you wish for records to be preserved. We urge you to contact Zenith **no later than August 1, 2015.**

e. Sources of records: The records in the Zenith warehouse were shipped to that location from multiple sources, including, without limitation, Iron Mountain storage, Corinthian campuses from all over the United States, and the campus support center.

f. Description of records: A written inventory has been prepared of the records in the Zenith warehouse. The inventory is for warehousing purposes and the quality, accuracy, and detail of descriptions regarding the boxes vary considerably. It is not a litigation or document-management tool. If your agency wishes to obtain a copy of the inventory, please contact Ms. Scherer.

**2. BPPE Warehouse (960 Riverside Parkway, Sacramento, California).**

a. Location and Description: The BPPE warehouse is located at 960 Riverside Parkway, Sacramento, California. The warehouse consists of 3 storage bays (Bay 1, Bay 2, and Bay 3) and office space.

Mr. Jay D. Majors

June 29, 2015

Page 3

b. Contact Person for Access: Joanne Wenzel, Bureau Chief, Bureau of Private Postsecondary Education, 2535 Capitol Oaks Drive, Suite 400, Sacramento, California, 95833, telephone 916.431.690.

c. Party in control: Corinthian has turned over control of the warehouse, including without limitation all Heald student records and transcripts, to BPPE. Corinthian is the lessee under the warehouse and office leases. The lease for Bay 1, containing the speed-pack boxes, expires **August 31, 2015**. The lease for the remaining bays and office space expires in May, 2016.

d. Timing constraints: Given that the lease for Bay 1 expires August 31, 2015, and the lease for the remaining bays and office space expires May, 2016, we urge your agency to contact BPPE if you wish to inspect and copy records or otherwise take control over the records to the extent they will be abandoned on August 31, 2015. We urge your agency to contact BPPE **at your earliest convenience**, particularly if you are interested in the contents of the speed-pack boxes.

e. Sources of records: The records in the BPPE warehouse were shipped to that location from multiple sources, including, without limitation, Iron Mountain storage, various California and out-of-state campuses, and the campus support center.

f. Description of records: The records relate to the California campuses, but may include documents from other campuses.

Bay 1 of the warehouse contains large speed-pack boxes that were quickly filled with leftover paper documents as the campuses were being closed and vacated. We are informed there are approximately 388 such speed-pack boxes, each weighing approximately 500 pounds. We are informed that Bay 2 contains approximately 11,000 to 12,000 boxes of student records, including student academic records and financial aid records. At this point, shipments from the closed campuses are continuing to arrive, including shipments from the 12 teach-out campuses taken over by Zenith.

The office area of the warehouse is divided into approximately 8 to 15 rooms and contains campus servers, individual employee CPUs, and other computers (including those subject to Hewlett Packard leases as described in our letter of May 8, 2015).

g. Additional information: Security is a potential concern at the warehouse, which does not appear to be locked at all times. When Corinthian representatives recently visited the warehouse, they noticed that access is only slightly monitored, and that due to the heat, doors are left open for ventilation. We point this out only to emphasize the merit in making a rapid

Mr. Jay D. Majors

June 29, 2015

Page 4

determination as to whether you are interested in inspecting, copying or retaining any of the above-described records in the warehouse.

**3. Warehouses/Records in Custody of State Bureaus for Private Postsecondary Education (Arizona, Hawaii, Oregon) and Bryant & Stratton School (New York)**

a. Arizona. Corinthian has delivered, and turned over custody and control, of paper and electronic records from Everest College Phoenix (including, without limitation, records located in a storage facility) to the Arizona State Board for Private Postsecondary Education (“AZ BPPE”). Corinthian is in receipt of a letter from AZ BPPE, dated June 8, 2015, confirming that they “have taken possession of the available student records for Everest College Phoenix[,]” and that “[t]he State Board has received both electronic copies of the currently enrolled students of ECP at the time of closure as well as hard copies of materials.” If your agency is interested in reviewing, inspecting or copying any of these records, we request that you contact Terri Stanfill, Executive Director, AZ BPPE, telephone 602.542.2399.

b. Hawaii. Corinthian has delivered, and turned over custody and control, of paper and electronic records from its campus in Hawaii (including, without limitation, records located in a storage facility) to the Hawaii Post-Secondary Education Authorization Program (“HI PEAP”). Corinthian is in receipt of a letter, dated June 5, 2015, from HI PEAP stating that “[t]his is to confirm that we received a disk of electronic records and an inventory list of boxes and other items which are stored at a storage facility in Honolulu. We also received a key to the facility.” If your agency is interested in reviewing, inspecting or copying any of these records, we request that you contact Bobbi W.Y. Lum-Mew, Program Administrator, Hawaii Post-Secondary Education Authorization Program, telephone 808.586.2850.

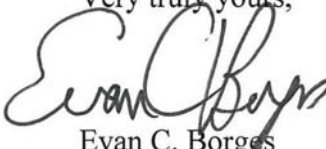
c. New York. Corinthian has delivered, and turned over custody and control, of paper and electronic records from its Everest Institute campus in Rochester, New York (including, without limitation, records located in a storage facility) to another school, Bryant & Stratton College. Corinthian is in receipt of a letter from Bryant & Stratton College, dated June 17, 2015, acknowledging receipt of electronic and paper records and two keys to a warehouse located at 39 Cascade Drive, Rochester, New York. The letter acknowledges that, as of June 15, 2015, Bryant & Stratton College became the custodian of the records described in the letter, for the students that were previously attending Everest Institute in Rochester, New York. If your agency is interested in reviewing, inspecting or copying any of these records, we request that you contact Jeffrey P. Tredo, Director of New York State Campuses, telephone 585.720.0660.

d. Oregon. Corinthian has delivered, and turned over custody and control, of paper and electronic records from its Heald College (Portland) campus, including, without limitation, records located in a storage facility, to the Oregon Higher Education Coordinating Commission

Mr. Jay D. Majors  
June 29, 2015  
Page 5

("HECC"). If your agency is interested in reviewing, inspecting or copying any of these records, we request that you contact Helen Dunford, Ed.D., College and University Program Specialist, Oregon Higher Education Coordinating Commission, Office of Degree Authorization, telephone 503.373.0014.

We hope that this update, consistent with the School's history of document retention and cooperation, is helpful to your agency. If you have any questions or concerns, please do not hesitate to contact me.

Very truly yours,  
  
Evan C. Borges

cc: Mark D. Collins (collins@rlf.com)  
Amanda R. Steele (steele@rlf.com)  
Wayne R. Gross (wgross@ggtriallaw.com)  
Michael P. McMahon (mmcmahon@ggtriallaw.com)