

IN THE MATTER OF

UNIVERSAL TRAINING SERVICE, INC., ET AL.

CONSENT ORDER, ETC., IN REGARD TO ALLEGED VIOLATION OF THE
FEDERAL TRADE COMMISSION ACT*Docket 9106. Complaint, Jan. 11, 1978 — Decision, July 27, 1979*

This consent order, among other things, requires eight affiliated vocational schools, headquartered in Miami, Fla., and five corporate officers to cease misrepresenting the prospective earnings, employment opportunities and demand for graduates of their respective courses; the effectiveness of their job placement service; and the extent of job placement assistance they provide to their graduates. They must furnish potential customers with prescribed disclosures concerning educational and other factors considered by employers in hiring; the job success of former graduates; and contracting party's right to cancellation and refund within the provided 14-day "cooling-off" period. Additionally, the schools are required to make restitution to former eligible students in a specified manner.

Appearances

For the Commission: *Charles Peterson, Arnold C. Celnicker, and H. Marshall Korschun.*

For the respondents: *David Yelen, Yelen & Yelen, Coral Gables, Fla.*

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act, as amended, and by virtue of the authority vested in it by said Act, the Federal Trade Commission, having reason to believe that Universal Training Service, Inc., Universal Heavy Construction Schools, Inc., Universal Truck Drivers School, Inc., Universal Airlines Personnel Schools, Inc., Universal Motel Schools, Inc., Insurance Adjusters Schools, Inc., Universal Diesel Mechanic Schools, Inc., corporations, and E. McSwiggan & Associates, a partnership, and Edward McSwiggan, Edward W. McSwiggan, Jr., Gerald W. McSwiggan and Agnes McSwiggan, individually and as officers or directors of each of the above-listed corporations and as a partner in E. McSwiggan & Associates, and Marilyn Anne McSwiggan, individually and as an officer of each of the above-listed corporations, hereinafter sometimes referred to as respondents, have violated the provisions of said Act, and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, the Commission hereby issues its complaint, stating its charges in that respect as follows:

PARAGRAPH 1. Respondents Universal Training Service, Inc., Univer-

sal Heavy Construction Schools, Inc., Universal Truck Drivers School, Inc., Universal Airlines Personnel Schools, Inc., Universal Motel Schools, Inc., Insurance Adjusters Schools, Inc., and Universal Diesel Mechanic Schools, Inc., are corporations organized, existing and doing business under and by virtue of the laws of the State of Florida, and all have their principal offices and places of business located at 1901 N.W. Seventh St., Miami, Florida.

Respondent E. McSwiggan & Associates is a partnership not registered under the laws of the State of Florida, with its principal office and place of business at 1901 N.W. Seventh St., Miami, Florida.

Respondent Edward McSwiggan is an individual and is a partner in E. McSwiggan & Associates, and he has been an officer in each of the respondent corporations except Universal Diesel Mechanic Schools, Inc., and is now Chairman of the Board of Directors of each of the respondent corporations.

Respondents Edward W. McSwiggan, Jr., and Gerald W. McSwiggan are individuals, and each is a partner in E. McSwiggan & Associates, and each is an officer and/or director in all of the respondent corporations.

Respondent Agnes McSwiggan has been an officer in each of the respondent corporations.

Respondent Marilyn Anne McSwiggan is, or has been, an officer of all of the respondent corporations.

The said individual respondents cooperate and act together in formulating, directing and controlling the acts and practices of the corporate respondents and the partnership, including the acts and practices hereinafter set forth. Their addresses are the same as that of the corporate respondents.

PAR. 2. Respondents are now, and for some time last past have been, engaged in the business of formulating, developing, advertising, offering for sale, selling, distributing, administering and servicing courses of instruction purporting to prepare graduates thereof for employment as heavy equipment operators, tractor-trailer drivers, airline stewardesses, airline hostesses, airline customer service representatives, motel managers, insurance claims adjusters and investigators, diesel mechanics, welders, motorcycle mechanics and other closely related occupations. Said courses include a number of correspondence lessons and a period of resident training at facilities located at Homestead, Florida; Miami Beach, Florida; or Las Vegas, Nevada, which facilities are operated by respondents.

PAR. 3. In the course and conduct of their business, respondents now cause, and for some time last past have caused, advertisements relating to the said courses of instruction to be published in newspa-

pers of general circulation and in magazines and in interstate radio and television broadcasts and by and through the use of such advertisements, respondents have obtained the names and addresses of prospective purchasers of the said courses of instruction and have furnished such names and addresses to salesmen authorized by respondents to sell such courses. Such salesmen have contacted the prospective purchasers identified through the use of respondents' advertisements and have sold such courses to members of the public located in states other than the State of Florida. Said salesmen receive from and transmit to respondents through the U.S. mail "enrollment agreements," contracts, checks and other instruments of a commercial nature relating to the sale of said courses to said purchasers. Respondents maintain, and at all times mentioned herein have maintained, a substantial course of trade in said courses of instruction in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, as amended.

PAR. 4. In the course and conduct of their business as aforesaid, and for the purpose of enrolling prospective students and thereby promoting the sale of the aforesaid courses and various other courses of instruction, respondents make numerous statements through advertisements inserted and published in newspapers and periodicals having general circulation throughout the United States; in pamphlets, leaflets, circulars, form letters, cards, printed contracts and other media distributed through the U.S. mail; and through oral representations made by said representatives, on radio and television, and by other means and media, with respect to the nature of such courses of instruction and the advantages and benefits which the enrollees therein will receive from completion of said courses.

PAR. 5. By and through the use of the aforesaid statements, respondents and their salesmen now represent, and have represented, directly or by implication, that:

1. Persons who purchase and complete one of respondents' courses may reasonably expect to secure entry-level employment in the job classification for which they purportedly have been trained without additional training.

2. a. Persons graduating from respondents' courses at the time such representations were made, were earning; or

- b. Persons then enrolling in respondents' courses would earn, when they graduated,

"big money" or high pay.

3. There is an urgent need or demand by employers for many

additional persons who have purchased and completed respondents' courses of instruction.

4. Respondents' placement service will secure an entry-level position in the subject fields of the courses offered by respondents for most, if not all, graduates of said courses who request placement assistance.

PAR. 6. In truth and in fact:

1. Persons who purchase and complete one of respondents' courses may not reasonably expect to secure entry-level employment in the job classifications for which they purportedly have been trained without additional training.

2. a. Persons graduating from respondents' courses, at the time such representations were made, were not earning; or

b. Persons then enrolling in respondents' courses would not earn, when they graduated,

"big money" or high pay.

3. There was not, and is not, an urgent need or demand by employers for many additional persons who have purchased and completed respondents' courses of instruction.

4. Respondents' placement service has not secured, and will not now secure, an entry-level position in the subject fields of the courses offered by respondents for most, if not all, graduates of said courses who request placement assistance.

Therefore, the statements and representations referred to in Paragraphs Four and Five hereof were, and are, false, misleading, unfair or deceptive acts or practices.

PAR. 7. Respondents have offered, and are now offering for sale training courses purporting to prepare purchasers thereof for employment as heavy equipment operators, tractor-trailer drivers, airline stewardesses, airline hostesses, airline customer service representatives, motel managers, insurance claims adjusters and investigators, diesel mechanics, welders, motorcycle mechanics and other closely related occupations without disclosing in advertising, promotional brochures or through sales representatives that many employers hire on the basis of other factors, such as, but not limited to, age, union membership, prior actual experience, college education, and participation in employer training programs. In many cases, the foregoing factors have prevented or have substantially impeded purchasers of respondents' courses from obtaining employment in the positions for which they have purportedly been trained.

Knowledge by prospective purchasers of respondents' training courses of factors such as those set out above is pertinent for the purpose of evaluating the possibility of securing future employment upon completion of the training courses and the nature of such employment. Thus, respondents have failed to disclose material facts which, if known to certain consumers, would be likely to affect their consideration of whether or not to purchase such training courses. Therefore, the aforesaid acts or practices were, and are, false, misleading, unfair or deceptive acts or practices.

PAR. 8. In the further course of their aforesaid business, and at all times mentioned herein, respondents have offered for sale courses intended to train students for employment in certain positions or career fields without disclosing in their advertising, promotional brochures or through sales representatives:

1. The percentage of students recently completing the courses who were able to secure employment in the positions or career fields for which they were trained;
2. The initial salary received by such completing students; and
3. The percentage of recent students for each course offered that have failed to complete their course of instruction.

Knowledge of such facts by prospective students of respondents' courses would indicate that a significant number of students have not completed such courses and not secured employment. Thus, respondents have failed to disclose material facts which, if known to certain prospective students, would be likely to affect their consideration of whether to purchase such courses.

Therefore, the aforesaid acts or practices were and are false, misleading, deceptive or unfair acts or practices.

PAR. 9. In a substantial number of instances, through the use of false, misleading or deceptive acts or practices set forth herein, respondents or their representatives have been able to induce prospective enrollees into executing enrollment contracts upon initial contact without affording the enrollee sufficient time to carefully consider the purchase of the training course and the consequences thereof. Therefore, the aforesaid acts or practices of respondents were and are unfair acts or practices.

PAR. 10. Through the false, misleading, deceptive, or unfair acts or practices herein set forth, respondents have induced students and other persons or entities to pay, or contract to pay, to respondents substantial sums of money to purchase or pay for respondents' courses. In many instances such monies were paid to and received by respondents although such courses were of little value to students.

Respondents have received the aforesaid monies and have failed to offer or refund such sums to, or to rescind the contractual obligations of, many students and other persons or entities participating in the financing of such courses.

By inducing students and other persons or entities to pay, or contract to pay, to respondents substantial sums of money for respondents' courses where such courses are of little value to students and by failing to offer or refund such sums to, or to rescind the contractual obligations of many students and other persons or entities where such courses are of little value, respondents have engaged in unfair acts or practices.

Therefore, the said acts or practices constitute unfair acts or practices in violation of Section 5 of the Federal Trade Commission Act, as amended.

PAR. 11. By and through the use of the aforesaid acts, practices, or representations, respondents have placed in the hands of others the means and instrumentalities by and through which they may mislead and deceive the public in the manner and as to the things hereinabove alleged.

PAR. 12. The use by respondents of the false, misleading, unfair or deceptive statements, representations, acts or practices and their failure to disclose material facts, as aforesaid, has had, and now has, the capacity and tendency to mislead members of the public into the erroneous and mistaken belief that said statements and representations were, and are, true and complete and to induce a substantial number of such persons to purchase said courses of study and instruction offered by respondents by reason of such erroneous and mistaken belief.

PAR. 13. The aforesaid acts or practices of respondents, as herein alleged, were, and are, all to the prejudice and injury of the public and constituted, and now constitute, unfair or deceptive acts or practices in or affecting commerce in violation of Section 5 of the Federal Trade Commission Act, as amended.

DECISION AND ORDER

The Commission having heretofore issued its complaint charging the respondents named in the caption hereof with violation of Section 5 of the Federal Trade Commission Act, and the respondents having been served with a copy of that complaint, together with a notice of contemplated relief; and

The respondents, their attorneys, and counsel for the Commission having thereafter executed an agreement containing a consent order, an admission by the respondents of all the jurisdictional facts set forth

in the complaint, a statement that the signing of said agreement is for settlement purposes only and does not constitute an admission by respondents that the law has been violated as alleged in such complaint, and waivers and other provisions as required by the Commission's Rules; and

The Secretary of the Commission having thereafter withdrawn this matter from adjudication in accordance with Section 3.25(c) of its Rules; and

The Commission having considered the matter and having thereupon accepted the executed consent agreement and placed such agreement on the public record for a period of sixty (60) days, and having duly considered the comments filed thereafter by interested persons pursuant to Section 3.25 of its Rules, now in further conformity with the procedure prescribed in Section 3.25 of its Rules, the Commission hereby makes the following jurisdictional findings and enters the following order:

1. Respondents Universal Training Service, Inc., Universal Heavy Construction Schools, Inc., Universal Truck Drivers School, Inc., Universal Airlines Personnel Schools, Inc., Universal Motel Schools, Inc., Insurance Adjusters Schools, Inc., Universal Diesel and Construction Mechanic Schools, Inc., and Universal School of Heavy Equipment Operations, Inc., are corporations organized, existing and doing business under and by virtue of the laws of the State of Florida, and all have their principal office and place of business at 1901 N.W. Seventh St., Miami, Florida.

Respondent E. McSwiggan & Associates is a partnership with its principal office and place of business at 1901 N.W. Seventh St., Miami, Florida.

Respondent Edward McSwiggan is an individual and is a partner in E. McSwiggan & Associates and he has been an officer in each of the respondent corporations except Universal Diesel and Construction Mechanic Schools, Inc., and is now Chairman of the Board of Directors of each of the respondent corporations.

Respondents Edward W. McSwiggan, Jr., and Gerald W. McSwiggan are individuals, and each is a partner in E. McSwiggan & Associates, and each is an officer or director in all of the respondent corporations.

Respondent Agnes McSwiggan is an individual, a partner in E. McSwiggan & Associates, and has been an officer in each of the respondent corporations.

Respondent Marilyn Anne McSwiggan is, or has been, an officer of all of the respondent corporations.

The said individual respondents' addresses are the same as that of the corporate respondents.

2. The Federal Trade Commission has jurisdiction of the subject

matter of this proceeding and of the respondents, and the proceeding is in the public interest.

ORDER

I

It is ordered, That respondents Universal Training Service, Inc., a corporation, Universal Heavy Construction Schools, Inc., a corporation, Universal Truck Drivers School, Inc., a corporation, Universal Airlines Personnel Schools, Inc., a corporation, Universal Motel Schools, Inc., a corporation, Insurance Adjusters Schools, Inc., a corporation, Universal Diesel and Construction Mechanic Schools, Inc., a corporation, and Universal School of Heavy Equipment Operations, Inc., a corporation, their successors and assigns and their officers, E. McSwiggan & Associates, a partnership, Edward McSwiggan, Edward W. McSwiggan, Jr., Gerald W. McSwiggan and Agnes McSwiggan, individually, as officers or directors of said corporations, and as partners trading and doing business as E. McSwiggan & Associates, and Marilyn Anne McSwiggan, individually and as an officer of said corporations, and respondents' agents, representatives and employees, directly or through any corporation, subsidiary, division or other device in connection with the advertising, promoting, offering for sale, sale or distribution of courses of study, training or instruction in the field of heavy equipment operation, tractor-trailer driving, airline personnel, motel management, insurance claim adjusting, diesel and construction mechanics, welding, motorcycle mechanics, or any other subject, trade or vocation in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Representing, orally, visually, in writing or in any other manner, directly or by implication, except as hereafter provided in Paragraph 10 of Part I of this order that:

a. Graduates of respondents' courses may reasonably expect to secure entry-level employment in the job classification for which they purportedly have been trained.

b. Graduates of respondents' courses have earned or will or may earn any specified amount of money, or otherwise representing by any means, the prospective earnings of respondents' graduates.

c. There is a significant and substantial need or demand for graduates of respondents' courses.

d. Respondents' placement service has secured or will secure an entry-level position in the subject fields of the courses offered by

respondents for most, if not all, graduates of said courses who requested or request placement assistance.

2. Representing orally, visually, in writing or in any other manner, directly or by implication, unless respondents disclose the information required in Paragraph 10 of Part I of this order:

a. The general conditions or employment demand in any employment market now or any time in the future.

b. The amount of salary or earnings generally available to persons employed in any occupation.

3. Misrepresenting, orally, visually, in writing or in any other manner, directly or by implication:

a. The employment opportunities available to graduates of any of respondents' courses.

b. The effectiveness or success of respondents' placement service in obtaining employment for graduates of any of respondents' courses.

c. The extent of any placement assistance or service furnished by respondents to help graduates of respondents' courses obtain employment.

4. Failing to disclose, in writing, clearly and conspicuously, prior to the signing of any contract, to any prospective enrollee of any tractor-trailer or truck driving course offered by respondents, the following information:

a. The title "IMPORTANT INFORMATION" printed in ten (10) point boldface type above the information specified in subparts b, c and d of this paragraph.

b. Many employers of tractor-trailer or truck drivers prescribe a minimum age of 21 years for drivers.

c. Many employers of tractor-trailer or truck drivers give preferential consideration in hiring to driver applicants who are 25 years of age or more.

d. Many employers of tractor-trailer or truck drivers give preferential consideration in hiring to driver applicants with actual tractor-trailer or truck driving experience.

5. Failing to disclose, in writing, clearly and conspicuously, prior to the signing of any contract, to any prospective enrollee of any heavy equipment operators training course offered by respondents, the following information:

a. The title "IMPORTANT INFORMATION" printed in ten (10) point

boldface type above the information specified in subpart b of this paragraph.

b. Many employers of heavy equipment operators hire only operators belonging to unions and heavy equipment operators' unions will not necessarily grant graduates of [name of school] membership based upon the school's training.

6. Failing to disclose, in writing, clearly and conspicuously, prior to the signing of any contract, to any prospective enrollee of any insurance adjusters training course offered by respondents, the following information:

a. The title "IMPORTANT INFORMATION" printed in ten (10) point boldface type above the information specified in subparts b, c and d of this paragraph.

b. Many employers of insurance adjusters prescribe a minimum educational level of two (2) or four (4) years of college.

c. Many employers of insurance adjusters give preferential consideration in hiring to applicants with actual adjusting experience.

d. Many employers of insurance adjusters train their own personnel and training given by [name of school] is not accepted as a replacement for the employers' own training.

7. Failing to disclose, in writing, clearly and conspicuously, prior to the signing of any contract, to any prospective enrollee of any airlines personnel course offered by respondents, the following information:

a. The title "IMPORTANT INFORMATION" printed in ten (10) point boldface type above the information specified in subpart b of this paragraph.

b. Most, if not all, airlines train their own personnel and training given by [name of school] is not accepted as a replacement for the airlines' own training.

8. Failing to disclose, in writing, clearly and conspicuously, prior to the signing of any contract, to any prospective enrollee of any motel management course offered by respondents, the following information:

a. The title "IMPORTANT INFORMATION" printed in ten (10) point boldface type above the information specified in subparts b, c and d of this paragraph.

b. Many employers of motel managers require significant work experience in subordinate positions, either within their own organization, or with other companies within the industry.

c. Many employers of motel managers require that applicants without significant work experience within the industry be college graduates.

d. Many employers of motel managers have their own training programs and training given by [name of school] is not accepted as a replacement for their own programs.

9. Failing to disclose, in writing, clearly and conspicuously, prior to the signing of any contract, to any prospective enrollee of any diesel mechanics course offered by respondents, the following information:

a. The title "IMPORTANT INFORMATION" printed in ten (10) point boldface type above the information specified in subparts b and c of this paragraph.

b. Many employers of diesel mechanics require significant work experience or, for applicants without significant work experience within the industry, completion of a training or apprenticeship program lasting several years.

c. Many employers of diesel mechanics require new diesel mechanics to provide their own tools.

10. Failing to disclose, in writing, clearly and conspicuously, prior to the signing of any contract, to any prospective enrollee of any course of instruction or study offered by respondents, the following information concerning that course in the format depicted in Appendix A for the most recent base period:

For purposes of this paragraph, the "most recent base period" shall mean the most recent six month period, either from January 1 through June 30, or from July 1 through December 31, in which the course was offered, not including any base period that ended within four months of the time disclosures are required to be made pursuant to this paragraph.

a. The number and percentage of enrollees who have failed to complete their course of instruction.

b. The job placement rate, ratio or percentage for enrollees and graduates of the course, and also the numbers upon which such rates, ratios or percentages are based. Job placement shall be determined by the number of enrollees and graduates who (1) left or completed the course within the most recent base period and (2) within four months of leaving or completing the course, obtained employment in jobs for which respondents' course prepared them.

c. The salary range of respondents' graduates, stated in salary increments of \$2,000, based upon annual gross salary.

The above disclosures, however, shall not be required for any course newly introduced by respondents, until such time as the new course has been in operation for one base period (either from January 1 through June 30, or from July 1 through December 31) and an additional four months after the base period. However, during such time, the following statement, and no other, shall be made in lieu of the Appendix A Disclosure Form required by this paragraph:

DISCLOSURE NOTICE

This course has not been in operation long enough to indicate what, if any, actual employment or salary may result upon graduation from this course.

A course previously offered, but discontinued for at least two (2) years before being offered again shall also be considered as a "course newly introduced" for purposes of this paragraph.

11. Failing to keep adequate records which may be inspected by Commission staff members upon reasonable notice which substantiate the data and information required to be disclosed by Paragraph 10 of Part I of this order.

12. Contracting for the sale of any course of instruction in any subject, trade or vocation in the form of a sales contract or any other agreement which does not contain in immediate proximity to the space reserved in the contract for the signature of the prospective enrollee in boldface type of a minimum size of ten (10) points a statement in the following form:

You, the prospective enrollee, may cancel this transaction at any time prior to midnight of the fourteenth (14) day after the date of this transaction. Use attached notice of cancellation form to cancel this transaction.

13. Failing to furnish each prospective enrollee, at the time he signs the sales contract or otherwise agrees to enroll in a course of instruction in any subject, trade or vocation offered by respondents, a complete form in duplicate, which shall be attached to the contract or agreement, and easily detachable, and which shall contain in boldface type of a minimum size of ten (10) points the following:

CANCELLATION FORM

THE ENROLLMENT CONTRACT THAT YOU SIGNED WITH [NAME OF SCHOOL] ON [DATE] TO ENROLL IN [NAME OF COURSE] MAY BE CANCELLED BY YOU, FOR ANY REASON, IF YOU SIGN THIS STATEMENT AND MAIL IT TO THE ABOVE NAMED SCHOOL WITHIN FOURTEEN (14) DAYS FROM THE TIME THAT YOU RECEIVED THIS STATEMENT. YOU ARE THUS FREE TO CANCEL YOUR ENROLLMENT AND RECEIVE A FULL REFUND OF ANY MONIES YOU HAVE PAID TO THE SCHOOL. IF YOU DO WANT TO CANCEL, YOU SHOULD SIGN YOUR NAME BELOW AND MAIL THIS STATEMENT TO THE SCHOOL

WITHIN FOURTEEN (14) DAYS. KEEP THE DUPLICATE COPY FOR YOUR OWN RECORDS.

DATE

SIGNATURE

14. Failing to orally inform each prospective enrollee of his right to cancel at the time he signs a contract or agreement for the sale of any course of instruction.

15. Misrepresenting in any manner the prospective enrollee's right to cancel.

16. Failing or refusing to honor any valid notice of cancellation by a prospective enrollee and within fourteen (14) days after the receipt of such notice, to: (a) refund all payments made under the contract or sale; and (b) cancel and return any negotiable instrument executed by the prospective enrollee in connection with the contract or sale.

17. Making any representations of any kind whatsoever which are not otherwise prescribed by other provisions of this order for which respondents have no reasonable basis prior to the making or disseminating thereof.

18. In the event the Commission promulgates a final Trade Regulation Rule on Advertising, Disclosure, Cooling-Off and Refund Requirements Concerning Proprietary Vocational and Home Study Schools, then, upon the effective date of such Rule, it shall completely supersede the provisions of this order set forth in Paragraphs 1, 2, 10, 12, 13, 14, 15, and 16 of Part I of this order provided that if no provision of the Rule relates in whole or in part to any matter covered by provisions of one of the aforesaid paragraphs of this order, then said provisions of said paragraph shall remain in full force and effect.

II

It is further ordered, That:

1. Within sixty (60) days after the date this order is served on respondents (hereinafter "date of service") Commission staff shall name an independent contractor to be employed by respondents, subject to respondents' approval. Approval shall be granted except for good cause shown.

2. Within sixty (60) days after the date of service, respondents shall compile a list from records in respondents' possession, custody, or control and from information which may be transmitted to respondents by the Commission or by others within said number of days. To the extent said records or information so indicate, that list shall state the following with respect to each person who graduated from respondents' tractor-trailer drivers, heavy equipment operators, diesel

mechanics, welders, motorcycle mechanics, insurance adjusters, motel management or airline personnel courses between January 11, 1975 and January 11, 1978:

- a. Name;
- b. Last known address;
- c. Course and date of completion;
- d. Total tuition paid by or for such graduate to respondents;
- e. Student number;
- f. Social Security Number; and
- g. The names and addresses of individuals listed as references or persons likely to know the whereabouts of the graduate.

3. Within sixty (60) days after the date of service, respondents shall give to the independent contractor and to Commission staff a copy of the list described in Part II, Paragraph 2 of this order.

4. Within one hundred (100) days after the date of service, the independent contractor shall deposit in the U.S. mail, first class postage prepaid, an envelope addressed to each graduate at his or her last known address. Each envelope shall bear the independent contractor's return address and shall contain:

- a. A copy of the letter in the form set out in Appendix B.
- b. A copy of the appropriate Questionnaire in the language, manner, and form shown in Appendices C-H.
- c. A first class postage prepaid envelope addressed to the independent contractor.

5. a. If any envelope mailed to a graduate pursuant to Part II, Paragraph 4 of this order is returned to the independent contractor by the United States Postal Service, then the independent contractor shall determine whether the graduate's social security number is included as part of the list described in Paragraph 2 of Part II of this order.

b. For those graduates whose social security number is available, the independent contractor shall compile a list of names and social security numbers. The independent contractor shall maintain said list for thirty (30) days after the date of the mailing done pursuant to Paragraph 4 of Part II of this order.

c. Within one hundred thirty-five (135) days after the date of service, the independent contractor shall deliver to Commission staff the list described in Paragraph 5(b).

d. Within one hundred fifty (150) days after the date of service, Commission staff shall deliver to the independent contractor or his designee a magnetic computer tape containing the names and social security numbers from the list described in Paragraph 5(b) and such

other names and social security numbers as Commission staff have obtained regarding potentially eligible class members who have not been located.

6. Within one hundred fifty (150) days after the date of service, the independent contractor shall request the assistance of the Social Security Administration, hereinafter SSA, in locating the potentially eligible class members by:

a. Signing a contract with SSA which, among other things, obligates the independent contractor to pay SSA's charges, *provided, however*, that the independent contractor shall not obligate itself to pay more than six dollars per potentially eligible class member unless the Commission agrees to reimburse it for said overage;

b. Providing SSA with the magnetic computer tape referred to in Paragraph 5(d) of Part II of the order;

c. Providing SSA with a letter for each potentially eligible class member in the form set out in Appendix I and a first class, postage prepaid envelope addressed to the independent contractor; and

d. Requesting SSA to mail such letters and return envelopes to the potentially eligible class members. SSA shall mail such letters within two hundred twenty (220) days after the date of service.

7. If the graduate's social security number is not available from the list, or if SSA is unwilling or unable to provide the services described in Paragraph 6 of Part II of the order, the independent contractor shall, within one hundred thirty-five (135) days after the date of service, mail an envelope to each name and address described in Part II, Paragraph 2(g) of this order. Each envelope shall bear the independent contractor's return address and shall contain:

a. A letter in the language, manner, and form shown in Appendix J; and

b. A first class postage prepaid envelope addressed to the independent contractor.

8. a. If, within two hundred seventy (270) days after the date of service, the independent contractor receives from any source a new address or addresses for graduates whose names appear on the list described in Part II, Paragraph 2 of this order, then, within seven (7) days after receiving such new addresses, the independent contractor shall deposit in the U.S. mail, first class postage prepaid, envelopes which shall be addressed to the graduates at the new address or addresses, bear the independent contractor's return address, and

contain the items described in Part II, Paragraphs 4(a), 4(b) and 4(c) of this order.

b. If, within two hundred seventy (270) days after the date of service, the independent contractor receives requests from anyone for a copy of Appendices B-H, or for information necessary for the implementation of Part II of this order, then, within seven (7) days after receiving such requests, the independent contractor shall deposit in the U.S. mail, first class postage prepaid, envelopes which shall be addressed to the persons making the requests, bear the independent contractor's return address, and contain the items described in Part II, Paragraphs 4(a), 4(b) and 4(c) of this order.

9. Within three hundred fifteen (315) days after the date of service, the independent contractor shall make an initial determination of those students who are eligible class members pursuant to the criteria enumerated in this paragraph, and in accordance with the instructions set forth in Appendix K of this order. An eligible class member is defined as a person who:

a. Graduated from one of respondents' courses between January 11, 1975, and January 11, 1978.

b. Took the course to get a job in a new or different field or to get a better job in the same field.

c. Did not have all of his tuition paid for by an employer or a governmental agency other than the Veterans Administration.

d. After graduation, made a serious effort to find a job in the field of his training.

e. After graduation, contacted four (4) or more companies for the purpose of securing employment.

f. Failed to secure a job in the field of his training.

g. Failed to obtain an offer for a job in the field of his training.

h. Demonstrated his eligibility by responses to the questionnaire and any subsequent inquiry mailed by the contractor pursuant to the provisions of this order before three hundred ten (310) days after the date of service.

Any person who does not satisfy the criteria in a-h listed above is an ineligible class member.

10. Within three hundred fifteen (315) days after the date of service, the independent contractor shall transmit to the respondents and to the Commission staff a list of the tentatively eligible class members as initially determined pursuant to Paragraph 9 of Part II of this order. This list shall be referred to as "tentatively eligible class

members." Said list shall be segregated by year of graduation and shall contain the following information:

- a. The graduate's name.
- b. The graduate's current address.
- c. The graduate's student number as stated in the answer to question 4 of the Eligibility Questionnaire.
- d. Total tuition paid as stated in the answer to question 7 of the Eligibility Questionnaire.
- e. Whether the course was taken under Universal's special rate for couples and, if so, with whom, as stated in the answer to question 8 of the Eligibility Questionnaire.
- f. The amount of the tuition paid by a government agency other than the Veterans Administration as stated in the answer to question 9 of the Eligibility Questionnaire.
- g. The amount of the tuition paid by the graduate's employer and which the graduate did not have to repay, as stated in the answer to question 10 of the Eligibility Questionnaire.
- h. The amount of the tuition previously refunded to the graduate by Universal as stated in the answer to question 11 of the Eligibility Questionnaire.

11. Within three hundred fifteen (315) days after the date of service, the independent contractor shall transmit to the respondents and to the Commission staff a list of the tentatively ineligible class members as initially determined pursuant to Paragraph 9 of Part II of this order. This list shall be referred to as "tentatively ineligible class members." Said list shall contain the following information:

- a. Graduate's name.
- b. Graduate's address.

12. Within three hundred fifteen (315) days after the date of service, the independent contractor shall transmit to respondents a copy of all Eligibility Questionnaires and other documents used in compiling the lists of tentatively eligible class members and tentatively ineligible class members.

13. Respondents may challenge the classification of any graduate and the factual accuracy of information appearing on the list of tentatively eligible class members; provided, however, that respondents set forth the factual basis for their challenges and furnish copies of documents relied upon. Respondents shall not rely upon information secured subsequent to September 29, 1978, directly or indirectly from the mailing of job information requests similar in form or substance to

Appendix U; *provided, however*, that respondents may rely upon an employer's verification that a graduate secured employment in a specific occupation. Respondents' challenges shall be contained in a document entitled "Respondents' Challenges."

Within three hundred forty-five (345) days after the date of service, respondents shall transmit to Commission staff "Respondents' Challenges," and the copies of the Eligibility Questionnaires and other documents used in compiling the lists of tentatively eligible class members and tentatively ineligible class members.

14. Within three hundred seventy-five (375) days after the date of service, Commission staff shall advise respondents if they agree with any of respondents' challenges. If Commission staff do not agree with a certain challenge, they shall so state and provide documentary evidence relied upon.

15. Commission staff may challenge the classification of any graduate and the factual accuracy of information appearing on the list of tentatively eligible class members; *provided, however*, that Commission staff set forth the factual basis for their challenges and furnish copies of documents relied upon. Commission challenges shall be contained in a document entitled, "Commission Staff's Challenges."

Within three hundred seventy-five (375) days after the date of service, Commission staff shall transmit to respondents "Commission Staff's Challenges," and the copies of the Eligibility Questionnaires and other documents used in compiling the lists of tentatively eligible class members and tentatively ineligible class members.

16. Within three hundred ninety (390) days after the date of service, respondents shall advise Commission staff if they agree with any of Commission staff's challenges. If respondents do not agree with a certain challenge, they shall so state and provide documentary evidence relied upon.

17. Within three hundred ninety-five (395) days after the date of service, Commission staff shall notify the independent contractor of reclassifications of graduates and any other mutually agreed upon changes in the list of tentatively eligible class members. The independent contractor shall incorporate said changes in the lists of tentatively eligible class members and tentatively ineligible class members.

18. Any remaining disputes concerning the factual information contained in the list of tentatively eligible class members shall be resolved by the independent contractor based upon the information and documents contained in "Respondents' Challenges" and "Commission Staff's Challenges." The independent contractor shall incorporate said changes in the lists of tentatively eligible class members and tentatively ineligible class members. The remaining disputes concern-

ing the classification of a graduate as eligible shall be resolved by arbitration pursuant to Paragraph 19.

19. a. Within three hundred ninety-five (395) days after the date of service, if either party continues to believe a graduate is improperly classified they may demand arbitration by mailing a letter in the form and manner set out in Appendix M and \$100.

b. Arbitration shall be governed by the special rules set out in Appendix N and such rules of AAA as are not inconsistent therewith.

c. The arbitrator's decision in each matter shall be limited to finding whether the graduate is an eligible class member and such decision shall be final.

d. The arbitrator's decision in each and every matter shall be transmitted to respondents, Commission staff and the independent contractor within four hundred fifty-five (455) days after the date of service. The independent contractor shall incorporate said changes in the list of tentatively eligible class members and tentatively ineligible class members.

e. If neither party demands arbitration, the time periods following herein shall be advanced by sixty (60) days.

20. Subsequent to the procedures contained in Paragraph 19, the list of tentatively eligible class members shall be referred to as the "list of eligible class members" and the list of tentatively ineligible class members shall be referred to as the "list of ineligible class members."

21. Within four hundred ninety (490) days after the date of service, the independent contractor shall determine the refund due each graduate on the list of eligible class members by the following method:

a. For each graduate who did not take a course under respondents' special rate for couples:

(1) Subtract from the total tuition paid:

a) amount of tuition paid by a government agency other than the Veterans Administration;

b) amount of tuition paid by the graduate's employer and which the graduate did not have to repay;

c) amount of tuition previously refunded to the graduate by respondents.

The remainder shall be defined as "net tuition paid" and shall be recorded on the list of eligible class members.

b. For each graduate who did take a course under respondents' special rate for couples:

1) Subtract from the total tuition paid:

a) amount of tuition paid by a government agency other than the Veterans Administration;

b) amount of tuition paid by the graduate's employer and which the graduate did not have to repay;

c) amount of tuition previously refunded to the graduate by respondents.

2) Add together the results obtained through the procedure in subparagraph 21(b)(1) for each of the two graduates comprising a couple and divide the sum by 2. The quotient shall be defined as "net tuition paid" and shall be recorded on the list of eligible class members.

c. Multiply "net tuition paid," as defined by Paragraph 21(a) or 21(b), by .75. The product shall be defined as "75% of net tuition paid."

d. Add together 75% of net tuition paid for each eligible class member. Determine if this total exceeds \$750,000 less administrative costs, hereinafter referred to as "the cap."

e. If the total derived in subparagraph (d) above is less than the cap, enter 75% of net tuition paid for each eligible class member on the list of eligible class members under the heading "refund due." Enter 1/3 of "refund due" on the list under the heading "1/3 refund due."

f. If the total derived in subparagraph (d) above exceeds the cap, reduce the 75% of tuition paid for each eligible class member on a pro rata basis so that the total refunds due equal the cap. Enter the pro rata refund so derived for each eligible class member on the list of eligible class members under the heading "refund due." Enter 1/3 of refund due on the list under the heading "1/3 refund due."

22. Administrative costs shall only include:

a. The independent contractor's fee, including such mailings, and only such mailings, as are provided for in this order.

b. Reimbursement of one half of the arbitration fee paid by the party requesting arbitration.

c. The sum charged by the Social Security Administration for locating potential class members, not to exceed six dollars per potential class member.

Administrative costs shall be borne by respondents.

23. Within five hundred five (505) days after the date of service,

the independent contractor shall deposit in the U.S. mail letters to eligible class members in the form set out in Appendix O and accompanied by a release in the form set out in Appendix P. The envelopes shall be mailed first class, postage prepaid.

24. Within five hundred five (505) days after the date of service, the independent contractor shall deposit in the U.S. mail to each person on the list of ineligible class members a letter in the form set out in Appendix Q. The envelopes shall be mailed first class, postage prepaid.

25. Within five hundred forty-five (545) days after the date of service, the independent contractor shall indicate on the list of eligible class members those graduates who returned releases within five hundred forty (540) days after the date of service and shall provide a copy of said list to respondents and to Commission staff.

26. Any letters, documents or other communications received by the independent contractor subsequent to five hundred forty-five (545) days after the date of service shall be provided to Commission staff.

27. Within five hundred sixty (560) days after the date of service, respondents shall mail the first one-third of the refund due to eligible class members who returned releases as indicated on the list provided by the independent contractor pursuant to Paragraph 25. All refunds made pursuant to this order shall be mailed first class, postage prepaid. The letter accompanying the refund shall be in the form set out in Appendix R.

28. Within nine hundred twenty-five (925) days after the date of service, respondents shall mail the second one-third of the refund due to eligible class members who returned releases as indicated on the list provided by the independent contractor pursuant to Paragraph 25.

The letter accompanying the refund shall be in the form set out in Appendix S and shall be mailed first class, postage prepaid.

29. Within one thousand two hundred ninety (1290) days after the date of service, respondents shall mail the final one-third of the refund due to eligible class members who returned releases as indicated on the list provided by the independent contractor pursuant to Paragraph 25.

The letter accompanying the refund shall be in the form set out in Appendix T and shall be mailed first class, postage prepaid.

30. If a letter mailed pursuant to Paragraphs 27, 28 or 29 is returned unopened, the Commission shall be so notified upon its return and shall have one hundred twenty (120) days after respondents so notify to secure a more recent address for the addressee. If the Commission cannot secure an address to which the letter is deliverable, the sum represented by the undelivered check shall be added to the sum remaining in the cap.

31. Within one thousand four hundred ten (1410) days after the

date of service, the Commission staff shall advise respondents of any graduate who should have received a refund under this part of the order, but did not, due to error in administering the procedures of this part. If funds remain in the cap to make additional disbursements, Commission staff and respondents shall make a good faith effort to determine if refunds should be made to said graduates.

32. For good cause shown, the Regional Director of the Commission's Atlanta Regional Office may grant extensions of time to respondents, the independent contractor, or Commission staff. The Regional Director shall grant extensions requested by the arbitrator or the Social Security Administration. When an extension of time is granted, all other time periods in this order shall be automatically adjusted accordingly.

33. Subsequent to January 8, 1979, and prior to three hundred fifteen (315) days after the date of service, respondents shall not initiate contact with any person graduating from respondents' courses between January 11, 1975, and January 11, 1978, *provided, however*, that respondents may communicate job vacancies evidenced by a current letter from the potential employer.

III

It is further ordered, That respondents distribute a copy of this order to all operating divisions of said corporations and said partnership, and to present or future personnel, agents or representatives having sales, advertising, or policy responsibilities with respect to the subject matter of this order and that respondents secure from each such person a signed statement acknowledging receipt of said order.

It is further ordered, That respondents notify the Commission at least thirty (30) days prior to any proposed change in the corporate respondents such as dissolution, assignment or sale resulting in the emergence of a successor corporation, the creation or dissolution of subsidiaries or any other change in the corporation which may affect compliance obligations arising out of the order.

It is further ordered, That each individual respondent named herein promptly notify the Commission of the discontinuance of his or her present business or employment and of his or her affiliation with a new business or employment. In addition, for a period of ten (10) years from the date of service of this order, the respondents shall promptly notify the Commission of each affiliation with a new business or employment whose activities include the advertising, promoting, offering for sale, sale or distribution of courses of study, training or instruction in any subject, trade or vocation. Such notice shall include the respondent's new business address and a statement of the nature of the business or

employment in which the respondent is newly engaged as well as a description of respondent's duties and responsibilities in connection with the business or employment. In addition, until such time as the final compliance report is submitted pursuant to Part III of this order, each individual respondent shall promptly notify the Commission of any change in his or her address. The expiration of the notice provisions of this paragraph shall not affect any other obligation arising under this order.

It is further ordered, That the respondents herein shall, within sixty (60) days after service upon them of this order, file with the Commission a report, in writing, setting forth in detail the manner and form in which they have complied with Parts I and III of this order.

It is further ordered, That respondents herein shall, within six hundred twenty (620) days, nine hundred eighty-five (985) days, and one thousand four hundred seventy (1470) days after service upon them of this order, file with the Commission a report, in writing, setting forth in detail the manner and form in which they have complied with Part II of this order.

APPENDIX A

[NAME OF SCHOOL]

IMPORTANT INFORMATION FOR PROSPECTIVE STUDENTS

Below is the dropout rate, job placement rate and starting salaries for students in the [name of course] between [date] and [date]. Please read this page carefully before you decide whether or not to enroll in this course.

1. Total number of students: [number]
2. Students who failed to complete the course: [number] - [percent]
3. Students (whether graduating or not) who obtained employment as [occupation]: [number] - [percent]
4. Graduates who obtained employment as [occupation]: [number] - [percent]
5. Starting salaries of students who obtained employment as [occupation]:

Less than \$6,000 per year:	[number] - [percent]
\$6,000 — \$7,999 per year:	[number] - [percent]
\$8,000 — \$9,999 per year:	[number] - [percent]
\$10,000 — \$11,999 per year:	[number] - [percent]
\$12,000 — \$13,999 per year:	[number] - [percent]
\$14,000 — \$15,999 per year:	[number] - [percent]
Over \$16,000 per year:	[number] - [percent]

NOTE: In compiling the foregoing data, information was sought from all students (indicated by item 1 above) and responses were received from _____ students.

Decision and Order

94 F.T.C.

APPENDIX B

[Name]
[Address]

Dear [Name]:

In accordance with an agreement between the United States Federal Trade Commission and Universal Training Service, Universal has consented to an order whereby Universal shall make adjustments in tuition for certain individuals who graduated from Universal's schools between January 11, 1975 and January 11, 1978.

Enclosed you will find a questionnaire. You may already have received a similar questionnaire from the Federal Trade Commission, the Veterans Administration or Universal Training Service. The enclosed questionnaire, however, seeks different information which is necessary to determine your eligibility for a tuition adjustment. We urge you to answer this questionnaire to the best of your ability no matter how you answered past questionnaires.

You are under no obligation to fill out and return the enclosed questionnaire. However, if you wish to be considered for a tuition adjustment, you must fill out and return the enclosed questionnaire.

DIRECTIONS: Please complete the questionnaire and return it in the enclosed, stamped, addressed envelope. It is suggested that you fill out and mail this questionnaire as soon as possible. If you don't mail it within 21 days, it may not arrive in time for us to consider you for a tuition adjustment. If you misplace the envelope provided, please mail your questionnaire to [name and address of party on return envelope].

You must follow the directions and should answer all questions which apply to you *completely and truthfully*, to the best of your knowledge. Questionnaires which are incomplete or improperly filled out could affect your eligibility.

During 1977, a few students took "combination courses" which consisted of 3 weeks of one subject plus 2 weeks of another subject (for example, heavy equipment plus diesel mechanics, diesel mechanics plus truck driving, heavy equipment plus truck driving, etc.). If you took a combination course, we enclosed a questionnaire which should reflect your major (that is, the course you took for 3 weeks). This is the questionnaire that will be used to determine your eligibility for a tuition adjustment.

Universal sometimes offered a special tuition rate when 2 people signed up for a course together (for example, husband & wife). If you took the course under this plan, we would like you and the person you enrolled with each to fill out a separate questionnaire. If the person you enrolled with did not receive a questionnaire, please make a copy of the enclosed questionnaire for their use or write to us and we will send an additional questionnaire.

After you have answered every applicable question in the questionnaire, do not sign the questionnaire. Take it to a Notary Public. Then sign and swear to the questionnaire in the presence of that person. He or she will then notarize it. Notaries can usually be found at banks, real estate offices, auto dealers, and, in some areas, pharmacies.

You will be notified whether or not you are eligible. Therefore, it is important that we

know your current address. Please send notification of any change in your home address to [name and address on the return envelope].

If you have any questions regarding this letter, please contact [name and address of independent contractor].

Your cooperation is appreciated.

Sincerely,

[Independent Contractor]

Enclosure

APPENDIX C

QUESTIONNAIRE FOR GRADUATES
OF
UNIVERSAL DIESEL AND CONSTRUCTION MECHANIC
SCHOOL

1. Did you ever take Universal's Diesel Mechanic, Welding or Motorcycle Mechanic Course?
Yes ☐ No ☐
If your answer to Question 1 was "Yes", skip to Question 3.
2. If your answer to Question 1 was "No", did you take a different course from Universal?
Yes ☐ No ☐
If so, which one? _____
(Skip to Question 18, sign this document and return it in the enclosed postage paid envelope *without having it notarized*).
3. Did you receive a certificate of completion?
Yes ☐ No ☐
If so, give the date you received it, if known: _____
(If your answer to Question 3 was "No", skip to Question 18, sign this document and return it in the enclosed postage paid envelope *without having it notarized*).
4. Give your Universal student identification number, if known: _____
5. Did you have a job in the field of your course *when you enrolled in the course*?
Yes ☐ No ☐
If so, what kind of job did you have?

6. What was the *most important* reason you took the course? (Look over all of the reasons below and then put a check next to the *one* most important reason).
A. To get a job in a new or different field. ☐
B. To get a better job in the same field. ☐
C. To learn something new or useful, but not to get a new or better job. ☐
D. Other, please explain: ☐

7. What was the total tuition cost for the course?
\$ _____
8. Did you take the course with a friend or relative under Universal's special rate for couples?
Yes ☐ No ☐
If so, please give the name of the friend or relative:

9. Did a governmental agency other than the Veterans Administration (for example, a Job Corps agency or a manpower rehabilitation agency) pay any part of this tuition?
Yes ☐ No ☐
If so, how much? \$ _____
(Give amount which a government agency other than VA paid. Do not give amount which VA paid).

10. Did your employer pay any part of this tuition?
 Yes ☐ No ☐
 If so, how much? \$ _____
 If so, did you have to repay your employer?
 Yes ☐ No ☐
11. Did you ever get a full or partial tuition refund from Universal?
 Yes ☐ No ☐
 If so, how much? \$ _____
12. After finishing the resident training part of the course, did you make a *serious effort* to find a job as a diesel mechanic, welder or motorcycle mechanic?
 Yes ☐ No ☐
 If the answer is "No", skip to Question 18.
13. ANSWER ALL PARTS OF THIS QUESTION AS *PRECISELY AS POSSIBLE*.
 (a) After you finished the resident training part of the course, did you personally visit, telephone, or write any companies for the purpose of getting a job in the field of your training course?
 Yes ☐ No ☐
 (b) If your answer to Question 13(a) is "Yes", what is the total number of companies you personally visited, telephoned, or wrote for the purpose of getting a job?
 (If you do not know the exact number, give your best estimate).

 (c) Give the names and locations of the companies that you contacted for the purpose of getting a job. Check type of contact. (Do not give more than seven companies, even if you remember more).
- | NAME OF COMPANY | LOCATION | VISITED | TELEPHONED | WROTE |
|-----------------|----------|--------------------------|--------------------------|--------------------------|
| (1) _____ | _____ | ☐ | ☐ | ☐ |
| (2) _____ | _____ | ☐ | ☐ | ☐ |
| (3) _____ | _____ | ☐ | ☐ | ☐ |
| (4) _____ | _____ | ☐ | ☐ | ☐ |
| (5) _____ | _____ | ☐ | ☐ | ☐ |
| (6) _____ | _____ | ☐ | ☐ | ☐ |
| (7) _____ | _____ | ☐ | ☐ | ☐ |
- (d) After you contacted companies which you described in 13(c), did you make a *second* contact to any of these companies for the purpose of obtaining employment?
 Yes ☐ No ☐
14. After you completed the resident training part of the course, and after you started looking for a job, did you ever contact Universal for more help in finding a job?
 Yes ☐ No ☐
15. Since completing your resident training, have you ever worked as a diesel mechanic, welder or motorcycle mechanic?
 Yes ☐ No ☐
 (If your answer is "Yes", skip to Question 17).
16. Since completing your resident training, have you ever been offered a job as a diesel mechanic, welder or motorcycle mechanic?
 Yes ☐ No ☐
17. My present job is: _____

Decision and Order

94 F.T.C.

My present business address is:

Employer's Name

Number

Street

City

State

Zip Code

My business telephone number is: (Area Code) _____

18. My present home address is:

Number

Street

Apartment

City

State

Zip Code

My home telephone number is: (_____) _____

Signature

(Please read the accompanying
letter before signing).

State of _____

County of _____

Subscribed and sworn to before me
this _____ day of _____,
19____.

Notary Public

My commission expires: _____

WARNING: It is a federal crime for anyone to knowingly and willfully make a false, fictitious, or fraudulent statement or representation in any matter within the jurisdiction of any department or agency of the United States. 18 U.S.C. Sec. 1001.

APPENDIX D

QUESTIONNAIRE FOR GRADUATES
OF
UNIVERSAL TRUCK DRIVERS SCHOOL

1. Did you ever take Universal's Truck Driving Course?
Yes ☐ No ☐
If your answer to Question 1 was "Yes", skip to Question 3.
2. If your answer to Question 1 was "No", did you take a different course from Universal?
Yes ☐ No ☐
If so, which one? _____

(Skip to Question 18, sign this document and return it in the enclosed postage paid envelope *without having it notarized*).

3. Did you receive a certificate of completion?

Yes ☐ No ☐

If so, give the date you received it, if known: _____

(If your answer to Question 3 was "No", skip to Question 18, sign this document and return it in the enclosed postage paid envelope *without having it notarized*).

4. Give your Universal student identification number, if known: _____

5. Did you have a job in the field of your course *when you enrolled in the course*?

Yes ☐ No ☐

If so, what kind of job did you have?

6. What was the *most important* reason you took the course? (Look over all of the reasons below and then put a check next to the *one* most important reason).

A. To get a job in a new or different field. ☐

B. To get a better job in the same field. ☐

C. To learn something new or useful, but not to get a new or better job. ☐

D. Other, please explain: ☐

7. What was the total tuition cost for the course?

\$ _____

8. Did you take the course with a friend or relative under Universal's special rate for couples?

Yes ☐ No ☐

If so, please give the name of the friend or relative:

9. Did a governmental agency other than the Veterans Administration (for example, a Job Corps agency or a manpower rehabilitation agency) pay any part of this tuition?

Yes ☐ No ☐

If so, how much? \$ _____

(Give amount which a government agency other than VA paid. Do not give amount which VA paid).

10. Did your employer pay any part of this tuition?

Yes ☐ No ☐

If so, how much? \$ _____

If so, did you have to repay your employer?

Yes ☐ No ☐

11. Did you ever get a full or partial tuition refund from Universal?

Yes ☐ No ☐

If so, how much? \$ _____

12. After finishing the resident training part of the course, did you make a *serious effort* to find a job as a tractor-trailer driver or a second driver of a tractor-trailer?

Yes ☐ No ☐

If the answer is "No", skip to Question 18.

13. ANSWER ALL PARTS OF THIS QUESTION AS *PRECISELY AS POSSIBLE*.

FEDERAL TRADE COMMISSION DECISIONS

Decision and Order

94 F.T.C.

- (a) After you finished the resident training part of the course, did you personally visit, telephone, or write any companies for the purpose of getting a job in the field of your training course?

Yes ☐ No ☐

- (b) If your answer to Question 13(a) is "Yes", what is the total number of companies you personally visited, telephoned, or wrote for the purpose of getting a job?

(If you do not know the exact number, give your best estimate).

- (c) Give the names and locations of the companies that you contacted for the purpose of getting a job. Check type of contact. (Do not give more than seven companies, even if you remember more).

NAME OF COMPANY	LOCATION	VISITED	TELEPHONED	WROTE
(1) _____	_____	☐	☐	☐
(2) _____	_____	☐	☐	☐
(3) _____	_____	☐	☐	☐
(4) _____	_____	☐	☐	☐
(5) _____	_____	☐	☐	☐
(6) _____	_____	☐	☐	☐
(7) _____	_____	☐	☐	☐

- (d) After you contacted companies which you described in 13(c), did you make a second contact to any of these companies for the purpose of obtaining employment?

Yes ☐ No ☐

14. After you completed the resident training part of the course, and after you started looking for a job, did you ever contact Universal for more help in finding a job?

Yes ☐ No ☐

15. Since completing your resident training, have you ever worked as a tractor-trailer driver or second driver on a tractor-trailer?

Yes ☐ No ☐

(If your answer is "Yes", skip to Question 17).

16. Since completing your resident training, have you ever been offered a job as a tractor-trailer driver or second driver on a tractor-trailer?

Yes ☐ No ☐

17. My present job is: _____

My present business address is:

Employer's Name

Number

Street

City

State

Zip Code

My business telephone number is: (Area Code) _____

8. My present home address is:

Number

Street

Apartment

 City State Zip Code
 My home telephone number is: (_____) _____

 Signature
 (Please read the accompanying
 letter before signing).

State of _____
 County of _____
 Subscribed and sworn to before me
 this _____ day of _____,
 19____

 Notary Public

My commission expires: _____

WARNING: It is a federal crime for anyone to knowingly and willfully make a false, fictitious, or fraudulent statement or representation in any matter within the jurisdiction of any department or agency of the United States. 18 U.S.C. Sec. 1001.

APPENDIX E

QUESTIONNAIRE FOR GRADUATES OF UNIVERSAL AIRLINES PERSONNEL SCHOOL

1. Did you ever take Universal's Airlines Personnel Course?
 Yes ☐ No ☐
 If your answer to Question 1 was "Yes", skip to Question 3.
2. If your answer to Question 1 was "No", did you take a different course from Universal?
 Yes ☐ No ☐
 If so, which one? _____
 (Skip to Question 18, sign this document and return it in the enclosed postage paid envelope *without having it notarized*).
3. Did you receive a certificate of completion?
 Yes ☐ No ☐
 If so, give the date you received it, if known: _____
 (If your answer to Question 3 was "No", skip to Question 18, sign this document and return it in the enclosed postage paid envelope *without having it notarized*).
4. Give your Universal student identification number, if known: _____
5. Did you have a job in the field of your course *when you enrolled in the course*?
 Yes ☐ No ☐
 If so, what kind of job did you have? _____
6. What was the *most important* reason you took the course? (Look over all of the reasons below and then put a check next to the *one* most important reason)

Decision and Order

94 F.T.C.

- A. To get a job in a new or different field. ☐
B. To get a better job in the same field. ☐
C. To learn something new or useful, but not to get a new or better job. ☐
D. Other, please explain: ☐
-
-

7. What was the total tuition cost for the course?
\$ _____
8. Did you take the course with a friend or relative under Universal's special rate for couples?
Yes ☐ No ☐
If so, please give the name of the friend or relative: _____
9. Did a governmental agency other than the Veterans Administration (for example, a Job Corps agency or a manpower rehabilitation agency) pay any part of this tuition?
Yes ☐ No ☐
If so, how much? \$ _____
(Give amount which a government agency other than VA paid. Do not give amount which VA paid).
10. Did your employer pay any part of this tuition?
Yes ☐ No ☐
If so, how much? \$ _____
If so, did you have to repay your employer?
Yes ☐ No ☐
11. Did you ever get a full or partial tuition refund from Universal?
Yes ☐ No ☐
If so, how much? \$ _____
12. After finishing the resident training part of the course, did you make a *serious effort* to find a job as a flight attendant, ticket agent, reservations agent, cargo agent, travel agent or ship-line agent?
Yes ☐ No ☐
If the answer is "No", skip to Question 18.
13. ANSWER *ALL* PARTS OF THIS QUESTION AS *PRECISELY AS POSSIBLE*.
- (a) After you finished the resident training part of the course, did you personally visit, telephone, or write any companies for the purpose of getting a job in the field of your training course?
Yes ☐ No ☐
- (b) If your answer to Question 13(a) is "Yes", what is the total number of companies you personally visited, telephoned, or wrote for the purpose of getting a job?
(If you do not know the exact number, give your best estimate).

- (c) Give the names and locations of the companies that you contacted for the purpose of getting a job. Check type of contact. (Do not give more than seven companies, even if you remember more).

167

Decision and Order

NAME OF COMPANY	LOCATION	VISITED	TELEPHONED	WROTE
(1) _____	_____	☐	☐	☐
(2) _____	_____	☐	☐	☐
(3) _____	_____	☐	☐	☐
(4) _____	_____	☐	☐	☐
(5) _____	_____	☐	☐	☐
(6) _____	_____	☐	☐	☐
(7) _____	_____	☐	☐	☐

(d) After you contacted companies which you described in 13(c), did you make a *second* contact to any of these companies for the purpose of obtaining employment?

Yes ☐ No ☐

14. After you completed the resident training part of the course, and after you started looking for a job, did you ever contact Universal for more help in finding a job?

Yes ☐ No ☐

15. Since completing your resident training, have you ever worked as a flight attendant, ticket agent, reservations agent, cargo agent, travel agent, or ship-line agent?

Yes ☐ No ☐

(If your answer is "Yes", skip to Question 17).

16. Since completing your resident training, have you ever been offered a job as a flight attendant, ticket agent, reservations agent, cargo agent, travel agent, or ship-line agent?

Yes ☐ No ☐

17. My present job is: _____

My present business address is:

Employer's Name

Number

Street

City

State

Zip Code

My business telephone number is: (Area Code) _____

18. My present home address is:

Number

Street

Apartment

City

State

Zip Code

My home telephone number is: (_____) _____

Signature

(Please read the accompanying letter before signing).

Decision and Order

94 F.T.C.

State of _____
 County of _____
 Subscribed and sworn to before me
 this _____ day of _____,
 19____.

Notary Public

My commission expires: _____

WARNING: It is a federal crime for anyone to knowingly and willfully make a false, fictitious, or fraudulent statement or representation in any matter within the jurisdiction of any department or agency of the United States. 18 U.S.C. Sec. 1001.

APPENDIX F

QUESTIONNAIRE FOR GRADUATES
 OF
 UNIVERSAL MOTEL SCHOOL

1. Did you ever take Universal's Motel Course?
 Yes ☐ No ☐
 If your answer to Question 1 was "Yes", skip to Question 3.
2. If your answer to Question 1 was "No", did you take a different course from Universal?
 Yes ☐ No ☐
 If so, which one? _____
 (Skip to Question 18, sign this document and return it in the enclosed postage paid envelope *without having it notarized*).
3. Did you receive a certificate of completion?
 Yes ☐ No ☐
 If so, give the date you received it, if known: _____
 (If your answer to Question 3 was "No", skip to Question 18, sign this document and return it in the enclosed postage paid envelope *without having it notarized*).
4. Give your Universal student identification number, if known: _____
5. Did you have a job in the field of your course *when you enrolled in the course*?
 Yes ☐ No ☐
 If so, what kind of job did you have?

6. What was the *most important* reason you took the course? (Look over all of the reasons below and then put a check next to the *one* most important reason).
 A. To get a job in a new or different field. ☐
 B. To get a better job in the same field. ☐
 C. To learn something new or useful, but not to get a new or better job. ☐
 D. Other, please explain: ☐

7. What was the total tuition cost for the course?
 \$ _____
8. Did you take the course with a friend or relative under Universal's special rate for couples?
 Yes ☐ No ☐
 If so, please give the name of the friend or relative: _____

Decision and Order

a Job Corps agency or a manpower rehabilitation agency) pay any part of this tuition?

Yes ☐ No ☐

If so, how much? \$ _____

(Give amount which a government agency other than VA paid. Do not give amount which VA paid).

10. Did your employer pay any part of this tuition?

Yes ☐ No ☐

If so, how much? \$ _____

If so, did you have to repay your employer?

Yes ☐ No ☐

11. Did you ever get a full or partial tuition refund from Universal?

Yes ☐ No ☐

If so, how much? \$ _____

12. After finishing the resident training part of the course, did you make a *serious effort* to find a job as a hotel or motel manager, assistant manager, front desk clerk, executive housekeeper or night auditor?

Yes ☐ No ☐

If the answer is "No", skip to Question 18.

13. ANSWER ALL PARTS OF THIS QUESTION AS *PRECISELY AS POSSIBLE*.

(a) After you finished the resident training part of the course, did you personally visit, telephone, or write any companies for the purpose of getting a job in the field of your training course?

Yes ☐ No ☐

(b) If your answer to Question 13(a) is "Yes", what is the total number of companies you personally visited, telephoned, or wrote for the purpose of getting a job?

(If you do not know the exact number, give your best estimate).

(c) Give the names and locations of the companies that you contacted for the purpose of getting a job. Check type of contact. (Do not give more than seven companies, even if you remember more).

NAME OF COMPANY	LOCATION	VISITED	TELEPHONED	WROTE
(1) _____	_____	☐	☐	☐
(2) _____	_____	☐	☐	☐
(3) _____	_____	☐	☐	☐
(4) _____	_____	☐	☐	☐
(5) _____	_____	☐	☐	☐
(6) _____	_____	☐	☐	☐
(7) _____	_____	☐	☐	☐

(d) After you contacted companies which you described in 13(c), did you make a *second* contact to any of these companies for the purpose of obtaining employment?

Yes ☐ No ☐

14. After you completed the resident training part of the course, and after you started looking for a job, did you ever contact Universal for more help in finding a job?

Yes ☐ No ☐

15. Since completing your resident training, have you ever worked as a hotel or

Decision and Order

94 F.T.C.

motel manager, assistant manager, front desk clerk, executive housekeeper or night auditor?

Yes ☐ No ☐

(If your answer is "Yes", skip to Question 17).

16. Since completing your resident training, have you ever been offered a job as a hotel or motel manager, assistant manager, front desk clerk, executive housekeeper or night auditor?

Yes ☐ No ☐

17. My present job is: _____

My present business address is: _____

Employer's Name

Number

Street

City

State

Zip Code

My business telephone number is: (Area Code) _____

18. My present home address is: _____

Number

Street

Apartment

City

State

Zip Code

My home telephone number is: (_____) _____

Signature

(Please read the accompanying letter before signing).

State of _____

County of _____

Subscribed and sworn to before me
this _____ day of

_____,

19____.

Notary Public

My commission expires: _____

WARNING: It is a federal crime for anyone to knowingly and willfully make a false, fictitious, or fraudulent statement or representation in any matter within the jurisdiction of any department or agency of the United States. 18 U.S.C. Sec. 1001.

APPENDIX G

QUESTIONNAIRE FOR GRADUATES
OF
UNIVERSAL HEAVY CONSTRUCTION SCHOOL

1. Did you ever take Universal's Heavy Equipment Operating Course?
Yes ☐ No ☐
If your answer to Question 1 was "Yes", skip to Question 3.
2. If your answer to Question 1 was "No", did you take a different course from Universal?
Yes ☐ No ☐
If so, which one? _____
(Skip to Question 18, sign this document and return it in the enclosed postage paid envelope *without having it notarized*).
3. Did you receive a certificate of completion?
Yes ☐ No ☐
If so, give the date you received it, if known: _____
(If your answer to Question 3 was "No", skip to Question 18, sign this document and return it in the enclosed postage paid envelope *without having it notarized*).
4. Give your Universal student identification number, if known: _____
5. Did you have a job in the field of your course *when you enrolled in the course*?
Yes ☐ No ☐
If so, what kind of job did you have?

6. What was the *most important* reason you took the course? (Look over all of the reasons below and then put a check next to the *one* most important reason).
A. To get a job in a new or different field. ☐
B. To get a better job in the same field. ☐
C. To learn something new or useful, but not to get a new or better job. ☐
D. Other, please explain: ☐

7. What was the total tuition cost for the course?
\$ _____
8. Did you take the course with a friend or relative under Universal's special rate for couples?
Yes ☐ No ☐
If so, please give the name of the friend or relative:

9. Did a governmental agency other than the Veterans Administration (for example, a Job Corps agency or a manpower rehabilitation agency) pay any part of this tuition?
Yes ☐ No ☐
If so, how much? \$ _____
(Give amount which a government agency other than VA paid. Do not give amount which VA paid).
10. Did your employer pay any part of this tuition?
Yes ☐ No ☐
If so, how much? \$ _____
If so, did you have to repay your employer?
Yes ☐ No ☐

11. Did you ever get a full or partial tuition refund from Universal?
Yes ☐ No ☐
If so, how much? \$ _____
12. After finishing the resident training part of the course, did you make a *serious effort* to find a job as a heavy equipment operator?
Yes ☐ No ☐
If the answer is "No", skip to Question 18.
13. ANSWER ALL PARTS OF THIS QUESTION AS *PRECISELY AS POSSIBLE*.
- (a) After you finished the resident training part of the course, did you personally visit, telephone, or write any companies for the purpose of getting a job in the field of your training course?
Yes ☐ No ☐
- (b) If your answer to Question 13(a) is "Yes", what is the total number of companies you personally visited, telephoned, or wrote for the purpose of getting a job?
(If you do not know the exact number, give your best estimate).

- (c) Give the names and locations of the companies that you contacted for the purpose of getting a job. Check type of contact. (Do not give more than seven companies, even if you remember more).

NAME OF COMPANY	LOCATION	VISITED	TELEPHONED	WROTE
(1) _____	_____	☐	☐	☐
(2) _____	_____	☐	☐	☐
(3) _____	_____	☐	☐	☐
(4) _____	_____	☐	☐	☐
(5) _____	_____	☐	☐	☐
(6) _____	_____	☐	☐	☐
(7) _____	_____	☐	☐	☐

- (d) After you contacted companies which you described in 13(c), did you make a *second* contact to any of these companies for the purpose of obtaining employment?
Yes ☐ No ☐
14. After you completed the resident training part of the course, and after you started looking for a job, did you ever contact Universal for more help in finding a job?
Yes ☐ No ☐
15. Since completing your resident training, have you ever worked as a heavy equipment operator?
Yes ☐ No ☐
(If your answer is "Yes", skip to Question 17).
16. Since completing your resident training, have you ever been offered a job as a heavy equipment operator?
Yes ☐ No ☐
17. My present job is: _____

My present business address is: _____

Employer's Name _____

167

Decision and Order

Number	Street	
City	State	Zip Code

My business telephone number is: (Area Code) _____

18. My present home address is:

Number	Street	Apartment
City	State	Zip Code

My home telephone number is: (_____) _____

Signature
(Please read the accompanying
letter before signing).

State of _____
County of _____
Subscribed and sworn to before me
this _____ day of _____,
19____.

Notary Public

My commission expires: _____

WARNING: It is a federal crime for anyone to knowingly and willfully make a false, fictitious, or fraudulent statement or representation in any matter within the jurisdiction of any department or agency of the United States. 18 U.S.C. Sec. 1001.

APPENDIX H

QUESTIONNAIRE FOR GRADUATES
OF
UNIVERSAL INSURANCE ADJUSTERS SCHOOL

- Did you ever take Universal's Insurance Adjusting Course?
Yes ☐ No ☐
If your answer to Question 1 was "Yes", skip to Question 3.
- If your answer to Question 1 was "No", did you take a different course from Universal?
Yes ☐ No ☐
If so, which one? _____
(Skip to Question 18, sign this document and return it in the enclosed postage paid envelope *without having it notarized*).
- Did you receive a certificate of completion?
Yes ☐ No ☐

Decision and Order

94 F.T.C.

If so, give the date you received it, if known: _____

(If your answer to Question 3 was "No", skip to Question 18, sign this document and return it in the enclosed postage paid envelope *without having it notarized*).

4. Give your Universal student identification number, if known: _____
5. Did you have a job in the field of your course *when you enrolled in the course*?
 Yes ☐ No ☐
 If so, what kind of job did you have? _____
6. What was the *most important* reason you took the course? (Look over all of the reasons below and then put a check next to the *one* most important reason).
 A. To get a job in a new or different field. ☐
 B. To get a better job in the same field. ☐
 C. To learn something new or useful, but not to get a new or better job. ☐
 D. Other, please explain: ☐

7. What was the total tuition cost for the course?
 \$ _____
8. Did you take the course with a friend or relative under Universal's special rate for couples?
 Yes ☐ No ☐
 If so, please give the name of the friend or relative: _____
9. Did a governmental agency other than the Veterans Administration (for example, a Job Corps agency or a manpower rehabilitation agency) pay any part of this tuition?
 Yes ☐ No ☐
 If so, how much? \$ _____
 (Give amount which a government agency other than VA paid. Do not give amount which VA paid).
10. Did your employer pay any part of this tuition?
 Yes ☐ No ☐
 If so, how much? \$ _____
 If so, did you have to repay your employer?
 Yes ☐ No ☐
11. Did you ever get a full or partial tuition refund from Universal?
 Yes ☐ No ☐
 If so, how much? \$ _____
12. After finishing the resident training part of the course, did you make a *serious effort* to find a job as an insurance adjuster or investigator?
 Yes ☐ No ☐
 If the answer is "No", skip to Question 18.
13. ANSWER ALL PARTS OF THIS QUESTION AS *PRECISELY AS POSSIBLE*.
 (a) After you finished the resident training part of the course, did you personally visit, telephone, or write any companies for the purpose of getting a job in the field of your training course?
 Yes ☐ No ☐
 (b) If your answer to Question 13(a) is "Yes", what is the total number of

Decision and Order

companies you personally visited, telephoned, or wrote for the purpose of getting a job?

(If you do not know the exact number, give your best estimate).

- (c) Give the names and locations of the companies that you contacted for the purpose of getting a job. Check type of contact. (Do not give more than seven companies, even if you remember more).

NAME OF COMPANY	LOCATION	VISITED	TELEPHONED	WROTE
(1) _____	_____	☐	☐	☐
(2) _____	_____	☐	☐	☐
(3) _____	_____	☐	☐	☐
(4) _____	_____	☐	☐	☐
(5) _____	_____	☐	☐	☐
(6) _____	_____	☐	☐	☐
(7) _____	_____	☐	☐	☐

- (d) After you contacted companies which you described in 13(c), did you make a *second* contact to any of these companies for the purpose of obtaining employment?

Yes ☐ No ☐

14. After you completed the resident training part of the course, and after you started looking for a job, did you ever contact Universal for more help in finding a job?

Yes ☐ No ☐

15. Since completing your resident training, have you ever worked as an insurance adjuster or investigator?

Yes ☐ No ☐

(If your answer is "Yes", skip to Question 17).

16. Since completing your resident training, have you ever been offered a job as an insurance adjuster or investigator?

Yes ☐ No ☐

17. My present job is: _____

My present business address is: _____

Employer's Name

Number

Street

City

State

Zip Code

My business telephone number is: (Area Code) _____

18. My present home address is: _____

Number

Street

Apartment

City

State

Zip Code

My home telephone number is: (_____) _____

Decision and Order

94 F.T.C.

Signature
(Please read the accompanying
letter before signing).

State of _____
County of _____
Subscribed and sworn to before me
this _____ day of _____
19____.

Notary Public

My commission expires: _____.

WARNING: It is a federal crime for anyone to knowingly and willfully make a false, fictitious, or fraudulent statement or representation in any matter within the jurisdiction of any department or agency of the United States. 18 U.S.C. Sec. 1001.

APPENDIX I

[NAME]
[ADDRESS]

DEAR [NAME]:

In accordance with an agreement between the United States Federal Trade Commission and Universal Training Service, Universal has consented to an order whereby Universal shall make adjustments in tuition for certain individuals who graduated from Universal's schools between January 11, 1975, and January 11, 1978.

On [Date], we sent out questionnaires to certain graduates. Your name was on this mailing list. However, because of the age of Universal's files, we are afraid that the questionnaire may not have reached you. We, therefore, request that you send us your current address. It is important that you furnish your name, address and telephone number to us in the enclosed prepaid envelope within 14 days after you receive this letter. Otherwise we may not be able to get an Eligibility Questionnaire delivered to you. Should you lose the envelope, send your name, address and telephone number to [name and address of independent contractor].

This letter was forwarded to you by the Social Security Administration which agreed to assist in contacting you because of the circumstances of this matter. However, the Social Security Administration has not revealed your home or business address to the Federal Trade Commission or any other party. You are free, therefore, to reply or not as you choose.

[Independent Contractor]

(cut here)

Name: _____
Current Address: _____
Telephone Number: (Area Code) _____

APPENDIX J

[NAME]

[ADDRESS]

DEAR [NAME]:

In accordance with an agreement between the United States Federal Trade Commission and Universal Training Service, you are requested to provide us with the last known address of [insert name of student].

It is believed that this person graduated from one of Universal's courses between January 11, 1975, and January 11, 1978. The Federal Trade Commission has determined that it is necessary to collect information from certain graduates of Universal Training Service's courses to implement the terms of an order which, among other things, requires the company to make tuition adjustments for certain graduates, possibly including the person named above.

If you know the current address of the person named above, please write it in the place provided at the bottom of this page and return it to us in the enclosed postage prepaid envelope as soon as possible, but *not later than* 14 days after you receive this letter. If you lose the envelope, send the information requested to [name and address of independent contractor].

Your cooperation will be appreciated.

Sincerely,

[Independent Contractor]

(current address of person listed above)

APPENDIX K

Instructions to Independent Contractor

The tasks to be performed by the independent contractor and the time period in which to perform said tasks are set out in Part II of this order.

The contractor shall receive the responses to Appendices C-H (Eligibility Questionnaires). From these responses the contractor will determine all eligible class members and, supplemented by information furnished pursuant to this order, the amount of refund to which each member is entitled. All references to question numbers refer to the questions on the Eligibility Questionnaires.

- a. If the answer to question 1 is "no," go to question 2; if the answer is "yes," go to question 3.
- b. If the answer to question 2 is "yes," send the graduate the appropriate Eligibility Questionnaire; if it is "no," place the individual on the list of "ineligibles."
- c. If the answer to question 3 is "no," place the graduate on the list of ineligible.
- d. Disregard questions 4 and 5 for purposes of determining eligibility.
- e. If the answer to question 6 is A or B, continue. If the answer is C, place the graduate on the ineligible list.

Answer D allows the graduate to state his own reason for taking the course. Analyze this answer and determine whether it resembles A, B or C. Treat the answer in the same manner as the one that it most closely resembles.

- f. Disregard questions 7 and 8 for purposes of determining eligibility.
- g. If the answer to question 9 is "yes" and the dollar amount is the same as listed in question 7, place the graduate on the list of ineligible.
- h. If the answer to the first part of question 10 is "yes" and the dollar amount is the same as listed in question 7 and the answer to the last part of question 10 is "no," place the graduate on the list of ineligible.
- i. If the answer to question 11 is "yes" and the dollar amount is the same as that listed in question 7, place the graduate on the list of ineligible.
- j. If the answer to question 12 is "no," place the graduate on the list of ineligible.
- k. If the answer to question 13(a) is "no," place the graduate on the list of ineligible.
- l. If the answer to question 13(b) is less than 4, place the graduate on the list of ineligible.
- m. If the answer to question 13(c) includes the names of one or more companies, or if the answer indicates that the graduate does not remember any names, continue to question 13(d).
- n. If the graduate leaves 13(c) blank, send him a letter in the form set out in Appendix L and a copy of question 13(c).
- o. If in response to Appendix L the graduate does not list the name and address of at least one company or state he does not remember, place his name on the list of ineligible.
- p. Disregard questions 13(d) and 14 for purposes of determining eligibility.
- q. If the answer to question 15 is "yes," place the graduate on the list of ineligible.
- r. If the answer to question 16 is "yes," place the graduate on the list of ineligible.
- s. Place all graduates who have not been placed on the list of ineligible on the list of eligible class members and determine the refund due.

It is your duty to determine whether a graduate is an eligible class member. If a returned questionnaire is not signed and notarized and the answers to the questions do not place the graduate on the list of ineligible, return the questionnaire to the graduate requesting that he sign it in the presence of a notary public. If the answer to a question is absent or unclear and the answers to the remaining questions do not place the graduate on the list of ineligible, you must write to him and request a clarification. If you receive no response, place the graduate on the list of ineligible. If you receive a response, use it, in conjunction with the other information you have, to determine if the graduate is eligible or ineligible.

APPENDIX L

[NAME]
[ADDRESS]

DEAR [NAME]:

When you filled out a recent questionnaire regarding the course you took with Universal Training Service, you failed to answer question 13(c). It will be necessary for us to have an answer to this question before we can determine your eligibility for a tuition adjustment.

Please answer the enclosed copy of question 13(c) and return it in the enclosed postage prepaid envelope. If you do not remember the companies you contacted, so state.

If you lose the envelope, send the answer to [name and address of independent contractor].

[Independent Contractor]

APPENDIX M

DEMAND FOR ARBITRATION
THROUGH THE
AMERICAN ARBITRATION ASSOCIATION

DATE _____

To: American Arbitration Association
140 West 51st Street
New York, New York 10020
Attn: Mr. Michael Hoellering

From: [Name and Address of Requester]

Re: [Name and Address of Potentially Eligible Graduate]

Pursuant to the terms of the consent order between the Federal Trade Commission and Universal Training Service, an independent contractor has classified the above-named individual as [an eligible or ineligible] member of the restitution class. The undersigned challenges that classification. It is requested that a determination be made as to the correct classification of the named individual.

Copies of the graduate's questionnaire, evidence relied upon by respondents and Commission staff and the requisite fee are enclosed herewith.

The undersigned alleges that the named individual is [an eligible or ineligible] class member because:

Signed,

APPENDIX N

SPECIAL ARBITRATION RULES FOR NEGOTIATED
CONSENT ORDER (DOCKET NO. 9106) BETWEEN
THE FEDERAL TRADE COMMISSION AND
UNIVERSAL TRAINING SERVICE, INC.
FOR ARBITRATION THROUGH
THE AMERICAN ARBITRATION ASSOCIATION

I. *Initiation of Arbitration*

With respect to each potentially eligible graduate, for purposes of a tuition adjustment, Federal Trade Commission staff or respondents Universal Training Service, *et al.*, hereinafter "the party(ies)," shall initiate an arbitration proceeding within the time specified in Part II, Paragraph 19 of the order, by sending to the American Arbitration Association, hereafter "AAA," the following information and documents in duplicate:

1. A "Demand for Arbitration" in the language, manner, and form shown herein as Appendix M.
2. A copy of the Eligibility Questionnaire and a copy of all other documents relied upon by the independent contractor, Commission staff or respondents in connection with any of the provisions of Part II of the order. Respondents shall

not rely upon information secured subsequent to September 29, 1978, directly or indirectly from the mailing of job information requests similar in form or substance to Appendix U; *provided, however*, that respondents may rely upon an employer's verification that a graduate secured employment in a specific occupation.

3. A copy of Part II of the order and the instructions to the independent contractor.

II. *Appointment of Arbitrator*

With respect to each matter for which a Demand for Arbitration is submitted, AAA shall appoint an arbitrator to arbitrate said dispute, and shall appoint another arbitrator whenever an appointed arbitrator is unable to serve promptly. All such arbitrators appointed by AAA, including any such arbitrators employed by AAA, shall be persons qualified by AAA as arbitrators.

III. *Determination by Arbitrator as to Whether the Party Has a Reasonable Basis for Demanding Arbitration*

Upon receipt of the Demand for Arbitration from the party, the arbitrator shall examine the accompanying documents described in Part I of these Rules and shall determine whether there is any factual basis for putting through arbitration the party's claim that the potentially eligible graduate was misclassified. In making the determination the arbitrator shall be limited to and bound by the standards and definitions of Part II of the order, and the instructions to the independent contractor. If the arbitrator decides that the demand for arbitration by the requesting party is inconsistent with Part II of the order, the arbitrator shall so inform the requesting party by letter and shall close the case if the party, within ten (10) days after receipt of said letter, fails to provide the arbitrator with material facts which demonstrate that arbitration would not be inconsistent with Part II of the order.

IV. *Evidence by Filing of Documents*

All evidence submitted by parties to the arbitrated dispute shall consist of written information or documents. No oral testimony shall be accepted.

V. *Relevancy and Materiality of Evidence*

The arbitrator shall be the sole judge of the relevancy and materiality of the evidence offered.

VI. *Transmittal of Evidence to Opposing Party*

Upon determining that respondents' request for arbitration is not inconsistent with Part II of the order, the arbitrator shall mail to the non-requesting party copies of the requesting party's Demand for Arbitration and all documents submitted to the arbitrator by the requesting party.

VII. *Additional Evidence*

The arbitrator may request such additional evidence as he or she deems necessary from either party, the potentially eligible graduate or anyone else, before closing the arbitration and shall allow said individual fifteen (15) days after the date of said request to provide such evidence.

VIII. *Arbitrator's Decision*

With respect to each arbitration proceeding, and on the basis of evidence received pursuant to these Rules, the arbitrator shall render his or her decision within ten (10) days after said arbitration proceeding is closed. The arbitrator's decision shall be limited to whether the potentially eligible graduate was misclassified. The decision shall not be made solely on the failure of a party to submit rebuttal evidence or evidence requested. The decision shall be final and binding on all parties.

The AAA shall mail a notice of the arbitrator's decision to both parties and to the independent contractor without including in said notice any detailed findings of fact or opinion.

IX. *Burden of Proof*

In all cases referred to arbitration, the requesting party shall carry the burden of proof to establish that a potentially eligible graduate was misclassified.

X. *General Provisions*

- A. To the extent not inconsistent with these special Rules, the Commercial Arbitration Rules of AAA shall apply to proceedings under these Rules.
- B. Either party may have evidence submitted under these Rules by an attorney representing said party. However, use of an attorney is not required.

XI. *Costs*

The administrative fee payable to the AAA for each matter submitted to arbitration shall be \$100.00. When the requesting party demands arbitration, it shall tender said fee with its Demand for Arbitration.

XII. *Nothing in These Rules Shall Invalidate or Restrict Any Right or Remedy of Any Consumer Under Any State or Federal Law.*

APPENDIX O

[NAME]

[ADDRESS]

DEAR [NAME]:

In accordance with an agreement between the United States Federal Trade Commission and Universal Training Service, Universal has consented to an order whereby Universal shall make adjustments in tuition for certain individuals who graduated from Universal's schools between January 11, 1975 and January 11, 1978.

The order of the Commission contains the provisions identifying the class of persons eligible for adjustments, and the procedures for making adjustments. (You may obtain a copy of the order without charge by writing to the Federal Trade Commission, Public Reference Branch, Room 130, Washington, D.C. 20580. Refer to Universal Training Service, Inc., Docket No. 9106).

In accordance with the provisions of the order, it has been determined that you are entitled to a tuition adjustment of \$ _____.

Pursuant to the Commission's order, *to get a refund you must sign and return the enclosed release* which waives any legal claims against Universal for additional refunds. It is important that you return the release in the enclosed postage paid envelope within 14 days after you receive this letter.

Under terms of the order you will receive 1/3 of the sum above after a signed release is returned, 1/3 at the end of one year and the remaining 1/3 at the end of two years. We will need your most current address in order to send your refunds. Therefore, make sure you let us know if you move.

If you lose the envelope, send the release to [name and address of independent contractor].

[Independent Contractor]

APPENDIX P

RELEASE

In consideration of the partial refund payment to be made to me pursuant to the Federal Trade Commission's order issued in Docket 9106, I hereby release Universal Training Service, Inc., [name of school attended by the graduate], and all of its affiliates from any

Decision and Order

94 F.T.C.

and all further claims, known or unknown, with respect to or relating to my tuition for a Universal course.

(Signature)

(Date)

Print name and address:

APPENDIX Q

IMPORTANT NOTICE

Pursuant to an order of the Federal Trade Commission, Universal Training Service agreed to make a partial tuition adjustment to certain former students in its courses. The order of the Commission contains provisions identifying the class of persons eligible for adjustments and the procedures for making adjustments.

In accordance with Part II of the order, it has been determined, based upon your response to the "Eligibility Questionnaire," that you are not eligible for an adjustment. A copy of this order may be obtained from the Federal Trade Commission, Public Reference Branch, Room 130, Washington, D.C. 20580, without charge. Refer to Universal Training Service, Inc., Docket No. 9106.

[Independent Contractor]

APPENDIX R

[NAME]

[ADDRESS]

DEAR [NAME]:

Enclosed is a check for the first one-third of your tuition refund pursuant to the Federal Trade Commission order against Universal Training Service about which you were informed. To make sure that you receive the remaining parts of your refund, please notify [name and address of independent contractor] of a change in your name or address.

UNIVERSAL TRAINING SERVICE,
INC.

APPENDIX S

[NAME]

[ADDRESS]

DEAR [NAME]:

Enclosed is a check for the second one-third of your tuition refund pursuant to the

Federal Trade Commission order against Universal Training Service about which you were informed. To make sure that you receive the remaining part of your refund, please notify [name and address of independent contractor] of a change in your name or address.

UNIVERSAL TRAINING SERVICE,
INC.

APPENDIX T

[NAME]
[ADDRESS]

DEAR [NAME]:

Enclosed is a check for the final one-third of your tuition refund pursuant to the Federal Trade Commission order against Universal Training Service about which you were informed. It will no longer be necessary for you to notify [name of independent contractor] of a change in your name or address.

UNIVERSAL TRAINING SERVICE,
INC.

APPENDIX U

Dear Graduate,

We sincerely hope you have found success in the vocational field you trained for.

Are you working? If so, please tell us about it. The information requested below will keep your file current.

You may be interested to know that *Universal Schools* awards a \$10.00 cash bonus for each graduate who notifies us of his employment, past or present.

To qualify, you must have *either worked or are currently working* in a job that is related to your training program at the school.

If you are having difficulty finding a job, let us know, additional placement assistance will be forthcoming.

Sincerely,

UNIVERSAL TRAINING SERVICE, INC.

Barbara Desi
Placement Director

1. Name and address of employer. _____

2. What are your duties and job title where employed. _____

3. Since graduation have you ever worked in a occupation related to your training? ☐ YES ☐ NO
4. If yes, where did you work? _____
A. What were your duties? _____
B. How long did you work there? _____

SIGNED _____

Student Number _____

Your mailing address _____

IN THE MATTER OF

AIRCO, INC.

CONSENT ORDER, ETC., IN REGARD TO ALLEGED VIOLATIONS OF
SEC. 5 OF THE FEDERAL TRADE COMMISSION ACT AND SEC. 3 OF
THE CLAYTON ACT

Docket 9098. Complaint, May 18, 1977 — Decision, July 31, 1979

This consent order, among other things, requires a Montvale, N.J. manufacturer and seller of industrial gases and welding products to cease, for a period of twenty years, from entering into, or enforcing agreements that require distributors of industrial gases to purchase from Airco any part of their industrial gas requirements, unless the initial term or renewal of such contracts and the minimum period for termination falls within specified time frame. The firm is also prohibited from requiring a distributor to purchase industrial gases at particular locations, or as a condition of purchasing welding or other industrial gas products at the same or any other location; and from refusing to sell its products to a distributor because that distributor refuses to purchase from Airco a designated part of its industrial gas requirements at a particular location. Additionally, the order prescribes arbitration for any dispute arising from company's refusal to sell; and sets forth the manner and form of such arbitration.

Appearances

For the Commission: *Gordon Youngwood, Peter L. Feldman, and Stephen C. Garavito.*

For the respondent: *W. Foster Wollen, Sherman & Sterling, New York City, R. Bruce MacWhorter, Danforth C. Newcomb and David Graus, New York City.*

COMPLAINT

The Federal Trade Commission, having reason to believe that Airco, Inc. ("Airco"), respondent herein, has violated the provisions of Section 3 of the Clayton Act, as amended, (15 U.S.C. 14), and the provisions of Section 5 of the Federal Trade Commission Act, as amended, (15 U.S.C. 45), and that a proceeding in respect thereof would be in the public interest, hereby issues this complaint, stating its charges as follows:

DEFINITIONS

1. For the purpose of construing this complaint, the following definition shall apply:

(a) "Distributors" shall mean a business firm whose primary function in the industrial gas and welding products business is the