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ANNA ALABURDA, JILL BALLARD,  
8 DANIELA LOOMIS, AND NIKKI NGUYEN

9 SUPERIOR COURT FOR THE STATE OF CALIFORNIA  
10 FOR THE COUNTY OF SAN DIEGO

11  
12 ANNA ALABURDA, JILL BALLARD,  
DANIELA LOOMIS, AND NIKKI NGUYEN,  
13 on behalf of themselves and all others similarly  
situated,

14 Plaintiffs,

15 v.

16 THOMAS JEFFERSON SCHOOL OF LAW,  
17 and DOES 1 through 100,

18 Defendants.  
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CASE NO. 37-2011-00091898-CU-FR-CTL

[Assigned to the Honorable Joel M. Pressman,  
Dept. 61]

**FOURTH AMENDED COMPLAINT  
FOR:**

- (1) UNFAIR BUSINESS PRACTICES (BUS. & PROF. CODE § 17200 ET SEQ.);
- (2) VIOLATION OF THE FALSE ADVERTISING ACT (BUS. & PROF. CODE § 17500 ET SEQ.);
- (3) INTENTIONAL FRAUD
- (4) NEGLIGENT MISREPRESENTATION
- (5) VIOLATIONS OF THE CONSUMER LEGAL REMEDIES ACT (CIVIL CODE § 1750 ET SEQ.)
- (6) NEGLIGENCE

**DEMAND FOR JURY TRIAL**

1 NATURE OF THE ACTION

2 Plaintiffs Anna Alaburda, Jill Ballard, Daniela Loomis, and Nikki Nguyen (“Plaintiffs”)  
3 allege as follows:

4 1. This dispute arises out of the fraudulent and deceptive business practices of  
5 Defendant Thomas Jefferson School of Law (“TJSL”). For more than 15 years, TJSL has churned  
6 out law school graduates, many of whom have little or no hope of working as attorneys at any point  
7 in their careers.

8 2. TJSL’s average student indebtedness, more than \$135,000, is among the highest in  
9 the nation. And its bar passage is consistently lower than 50 percent, well below the average in  
10 California.

11 3. In order to attract students despite these dismal figures, TJSL has adopted a practice  
12 of misrepresenting its post-graduation employment statistics. TJSL’s misconduct encompasses  
13 virtually every aspect of the placement data gathering and reporting process. Among others, TJSL  
14 engages in the following:

- 15 • Concealing that TJSL’s employment figures include part-time and non-law related  
16 jobs;
- 17 • Routinely misreporting unemployed students as “employed;”
- 18 • Collecting and using employment data from patently unreliable sources;
- 19 • Reporting employment data that has not been verified by the TJSL graduate  
20 concerned;
- 21 • Shredding student surveys and other documents reflecting more accurate graduate  
22 employment data;
- 23 • Concealing that TJSL’s median salary statistics reflect self-reported data from only a  
24 handful of graduates;
- 25 • Reporting graduates who are employed in unskilled laborer positions as working in  
26 “business/industry”;
- 27 • Concealing the number of graduates who are able to service their student loans;
- 28

- 1       • Refusing to report the number of students “employed at graduation,” even though that
- 2       information is readily available (because the figure is remarkably low); and
- 3       • Misreporting the number of students whose employment status is “unknown” in an
- 4       effort to mask the high number of unemployed students.

5       4. Plaintiffs would not have enrolled in or attended TJSL if they had known the truth  
6 about TJSL’s graduate employment rates.

7       5. Plaintiffs have been saddled with a mountain of student loan debt. They have  
8 struggled to find work. One applied for and received food stamps after graduating with honors from  
9 TJSL. Most of the Plaintiffs have been unable to repay any portion of their student loans.

10       6. For instance, during a deep economic recession affecting the legal industry on a  
11 widespread basis, TJSL reports that the median salary of its graduates has remained constant  
12 between 2006 and 2011 (even though the average salary of attorneys nationwide has seen a dramatic  
13 decline in recent years).

14       7. TJSL misleads students by advertising post-graduation employment rates that  
15 typically exceed 70 percent, and that topped 90 percent in 2010. TJSL, though, conceals the fact that  
16 these figures include part time employment, as well as non law-related positions (i.e., a TJSL student  
17 will be considered employed after graduation if he works as a part time waiter or convenience store  
18 clerk). Prospective students are led to believe they will be hired as full time professionals in the  
19 legal industry when they graduate, even though that is frequently not the case.

20       8. Furthermore, TJSL also misleads students by concealing the fact that these post-  
21 graduate employment figures are based on a small sample of graduating students rather than the  
22 entire class of graduates. Specifically, TJSL conceals the fact that its statistics are based on surveys  
23 and questionnaires that are sent to only a fraction of its graduates. Not all graduates receive surveys  
24 or questionnaires. And among those graduates who do receive questionnaires or surveys, only a  
25 fraction of them complete and return those forms to TJSL. Similarly, the median salary figures  
26 reflect only those students who decide to self-report, thereby providing figures that are inflated and  
27 inaccurate. Thus, the statistics provided by TJSL are designed to mislead prospective students into  
28 believing they reflect the entire graduating class when, in fact, they represent only a fraction of the

1 relevant data set. The statistics are deliberately presented in a manner that is designed to deceive  
2 prospective students.

3 9. There is no reason for TJSL to present a figure concerning the percentage of  
4 graduates who are employed *in any position* (including part time and non law-related positions)  
5 other than to mislead prospective students. Nobody attends law school to get a job as a convenience  
6 store clerk.

7 10. TJSL knows that these statistics are widely reported by U.S. News & World Report's  
8 "Best Graduate Schools" annual edition, which is reviewed by the bulk of prospective law school  
9 students and is considered to be the authority on law school rankings. TJSL also reports these  
10 misleading figures in one form or another on its website and in its marketing brochures.

11 11. At the end of the day, TJSL is more concerned with raking in millions of dollars in  
12 tuition and fees than educating and training its students. The disservice TJSL is doing to its students  
13 and society generally is readily apparent. Many TJSL graduates will never be offered work as  
14 attorneys or otherwise be in a position to profit from their law school education. And they will be  
15 forced to repay hundreds of thousands of dollars in school loans that are nearly impossible to  
16 discharge, even in bankruptcy.

17 12. This lawsuit seeks damages and restitution exceeding \$50,000,000 and injunctive  
18 relief stemming from TJSL's fraudulent and unlawful conduct.

### 19 PARTIES AND JURISDICTION

#### 20 Anna Alaburda

21 13. In 2002, Anna Alaburda ("Alaburda") graduated with a bachelor's degree from New  
22 York University, one of the top undergraduate universities in the country.

23 14. After reviewing the 2003 edition of U.S. News & World Report "Best Graduate  
24 Schools," among others, as well as TJSL's marketing brochures and website, she decided to enroll at  
25 TJSL. Alaburda relied on representations made by TJSL concerning its post-graduation employment  
26 rates, including a representation made in the 2003 edition of U.S. News & World Report "Best  
27 Graduate Schools," indicating that 80.1 percent of students were "employed nine months after  
28 graduation." Alaburda reasonably interpreted these figures to mean that the vast majority of TJSL

1 graduates would find employment as full time attorneys and further believed that a law degree from  
2 TJSL would be marketable and would make her more attractive to employers, which is not the case.

3 15. Alaburda passed the California State Bar Examination (the “Bar Examination”) on  
4 her first attempt.

5 16. Alaburda graduated from TJSL in 2008 with more than \$150,000 in school loans,  
6 some of which require repayment at interest rates exceeding eight percent.

7 17. Alaburda was, at all relevant times, unaware that the information reported by TJSL—  
8 including the information on its website and the information reported in US News—was false and  
9 misleading.

10 18. Alaburda would not have attended TJSL if she had known that TJSL’s employment  
11 figures were false, misleading, inflated, and inaccurate.

12 **Jill Ballard**

13 19. Jill Ballard (“Ballard”) graduated from California State University, San Marcos in  
14 1996. Before she enrolled in law school, she was employed as a substitute teacher.

15 20. After reviewing 2003 U.S. News & World Report “Best Graduate Schools,” as well  
16 as TJSL’s marketing brochures and website, she decided to enroll at TJSL. Ballard relied on  
17 representations made by TJSL concerning its post-graduation employment rates, including a  
18 representation made in the 2003 edition of U.S. News & World Report “Best Graduate Schools,”  
19 indicating that 80.1 percent of students were “employed nine months after graduation.” Ballard  
20 reasonably interpreted these figures to mean that the vast majority of TJSL graduates would find  
21 employment as full time attorneys. She further believed that her law degree from TJSL would be  
22 marketable and would make her more attractive to employers, which is not the case.

23 21. Ballard graduated with honors from TJSL in December 2008. After graduating,  
24 Ballard passed the Bar Examination on her first attempt. She applied for more than 200 jobs after  
25 graduation and searched diligently for employment.

26 22. During the first two years after she graduated from TJSL Ballard was eligible for and  
27 received government assistance in the form of food stamps.

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1           23.     In 2009, the year after she graduated, Ballard earned only \$1,384. In 2010, Ballard  
2 earned approximately \$6,000 and continued to receive food stamps.

3           24.     TJSL knew Ballard was unemployed. In June 2009, she met in-person with an  
4 employee in TJSL's Career Services Office. Ballard informed TJSL that she was unemployed.  
5 Ballard further stated that she recently sought a deferral of her student loans due to economic  
6 hardship.

7           25.     TJSL reported Ballard as being employed full-time, even though she was  
8 unemployed.

9           26.     Ballard graduated from TJSL with approximately \$76,659 in student debt. That  
10 figure has increased to more than \$100,000 in principal and interest because Ballard has been unable  
11 to pay down her loans.

12           27.     Ballard was, at all relevant times, unaware that the information reported by TJSL—  
13 including the information on its website and the information reported in US News—was false and  
14 misleading.

15           28.     Ballard would not have attended TJSL if she had known that TJSL's employment  
16 figures were false, misleading, inflated, and inaccurate.

17           **Daniela Loomis**

18           29.     Daniela Loomis ("Loomis") graduated from the University of California at Berkeley  
19 in 2005. Loomis enrolled at TJSL in 2007. She graduated from TJSL in December 2009.

20           30.     After reviewing the 2006 edition of U.S. News & World Report "Best Graduate  
21 Schools," among others, as well as TJSL's marketing brochures and website, she decided to enroll at  
22 TJSL.

23           31.     Loomis relied on representations made by TJSL concerning its post-graduation  
24 employment rates, including a representation made in the 2006 edition of U.S. News & World  
25 Report "Best Graduate Schools," indicating that 77 percent of students were "employed nine months  
26 after graduation." Loomis reasonably interpreted these figures to mean that the vast majority of  
27 TJSL graduates would find employment as full time attorneys. She further believed that her law  
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1 degree from TJSL would be marketable and would make her more attractive to employers, which is  
2 not the case.

3 32. Loomis was unemployed for the first two years after she graduated from TJSL.  
4 TJSL, though, reported Loomis as employed.

5 33. Specifically, TJSL reported that Loomis was employed at the San Diego City  
6 Attorney's Office. Loomis never worked at the San Diego City Attorney's Office.

7 34. Loomis graduated from TJSL with \$200,000 in debt. That figure has since increased  
8 to approximately \$220,000 in principal and interest because she has been unable to pay down her  
9 loans.

10 35. Loomis was, at all relevant times, unaware that the information reported by TJSL—  
11 including the information on its website and the information reported in US News—was false and  
12 misleading.

13 36. Loomis would not have attended TJSL if she had known that TJSL's employment  
14 figures were false, misleading, inflated, and inaccurate.

15 **Nikki Nguyen**

16 37. Nikki Nguyen ("Nguyen") graduated from the University of Southern California  
17 ("USC") in 2004 with a degree in economics. She then went to work for Boeing Commercial  
18 Airplanes.

19 38. After reviewing the 2006 edition of U.S. News & World Report "Best Graduate  
20 Schools," among others, as well as TJSL's marketing brochures and website, she decided to enroll at  
21 TJSL. Nguyen relied on representations made by TJSL concerning its post-graduation employment  
22 rates, including a representation made in the 2006 edition of U.S. News & World Report "Best  
23 Graduate Schools," indicating that 77 percent of students were "employed nine months after  
24 graduation." Nguyen reasonably interpreted these figures to mean that the vast majority of TJSL  
25 graduates would find employment as full time attorneys. She further believed that her law degree  
26 from TJSL would be marketable and would make her more attractive to employers, which is not the  
27 case.

28 39. Nguyen enrolled at TJSL in 2007. She graduated in December 2009.

1           40.     In 2010, the year after she graduated, Nguyen earned less than \$3,000. Her primary  
2 source of income was odd jobs, including housesitting.

3           41.     Since 2011, Nguyen has been able to find sporadic work as a contract attorney.  
4 However, Nguyen has been unable to earn more money as an attorney than she made prior to  
5 attending law school.

6           42.     TJSL reported Nguyen as being employed as full-time attorney nine months after she  
7 graduated. Nguyen was not employed as a full-time attorney nine months after graduation.

8           43.     Nguyen graduated from TJSL with approximately \$183,000 in debt. That figure has  
9 since increased to approximately \$194,155 in principal and interest.

10          44.     Nguyen would not have attended TJSL if she had known that TJSL's employment  
11 figures were false, misleading, inflated, and inaccurate.

#### 12           **Jurisdiction and Venue**

13          45.     The term "the Class" includes Plaintiffs and all class members.

14          46.     Plaintiffs are individuals residing in California. Each of the other members of the  
15 Class is an individual.

16          47.     TJSL is a privately-held educational institution with its principal place of business in  
17 San Diego, California.

18          48.     The jurisdiction and venue of this action within the Superior Court of the State of  
19 California for the County of San Diego is proper because the causes of action alleged herein, and  
20 many of the activities and conduct giving rise to the ensuing causes of action, substantially occurred  
21 in San Diego County, California.

22          49.     Plaintiffs and the Class are all identifiable, similarly situated persons who are or were  
23 law students at TJSL.

24          50.     Plaintiffs are ignorant of the true names, capacities, relationships and extent of  
25 participation in the conduct herein alleged, of the Defendants sued herein as DOES 1 through 100,  
26 inclusive, but on information and belief allege that said Defendants are legally responsible to  
27 reimburse Plaintiffs and the Class for expenditures or losses they incurred and therefore sue the  
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1 Defendants by such fictitious names. Plaintiffs will amend this complaint to allege the true names  
2 and capacities of the DOE Defendants when ascertained.

### 3 FACTUAL BACKGROUND

#### 4 Thomas Jefferson School of Law

5 51. TJSL is a private institution that was established in 1995. It was granted ABA  
6 accreditation six years later, in August 2001. TJSL enrolls more than 680 full time students and  
7 approximately 270 part time students annually.

8 52. Tuition at TJSL for the 2010-2011 academic year is \$38,700, and room and board is  
9 \$27,740, bringing the total cost for the academic year to \$66,440 (just shy of \$200,000 for three  
10 years). The total amount of money TJSL receives in tuition each year and/or provides in  
11 scholarships is not known at this time. However, if all students enrolled at TJSL paid full tuition in  
12 2011, TJSL would receive more than \$34 million for the 2010-2011 academic year.

13 53. Despite one of the worst recessions in the legal industry in recent history, TJSL's  
14 purported median salary figures have remained nearly constant over the last five years (it is unclear  
15 at this time whether these figures are falsified or whether they are simply misleading because so few  
16 TJSL graduates actually work in the legal industry). And enrollment has actually increased  
17 substantially despite fewer available jobs, from 580 full time students in 2007-2008 to 687 students  
18 in 2010-2011. Indeed, TJSL currently accepts almost twice as many students in order to fill its seats  
19 than it did five years ago—its acceptance rate in 2007 was 24.1 percent, and in 2010-2011 TJSL  
20 accepted 49 percent of its applicants. TJSL is taking on more students every year in order to line its  
21 own pockets, without regard to whether those students will benefit in any way from their law school  
22 education or otherwise have an opportunity to work as attorneys.

23 54. On January 8, 2011, the New York Times published an article entitled "Is Law  
24 School A Losing Game?" by David Segal. The article reported that TJSL leads the nation's law  
25 schools with 95 percent of students graduating with debt.<sup>1</sup>

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28 <sup>1</sup> David Segal, *Is Law School a Losing Game*, N.Y. TIMES, Jan. 8, 2011,  
<http://www.nytimes.com/2011/01/09/business/09law.html>.

1 55. TJSL attracts students by making grandiose representations about the campus and  
2 local community like: “San Diego is not only paradise, but offers unmatched legal and economic  
3 opportunities in addition to its cultural and recreational advantages”; and “we offer unique,  
4 innovative academic success programs and our campus is among the most technologically advanced  
5 in the world.” These claims are a deliberate effort to distract attention from TJSL’s bleak academic  
6 and employment statistics.

7 **Thomas Jefferson School of Law Grows While The Market for Attorneys Shrinks**

8 56. Notwithstanding the economic recession that has crippled the job market for lawyers  
9 in the past years, TJSL has embarked on a campaign to expand its student body. Within the last  
10 three years (in the middle of the recession), TJSL increased its enrollment by 17 percent, with more  
11 than 680 students enrolled in 2011 (up from 580 students in 2008).

12 57. In fact, in January 2011, TJSL opened its new campus, located in Downtown San  
13 Diego. TJSL advertises its 305,000 square foot campus as including an eight story state-of-the art  
14 building, 12 classrooms, two recording studios, a student lounge and a “sophisticatedly designed”  
15 moot court room.

16 **U.S. News & World Report’s “Best Graduate Schools”**

17 58. U.S. News & World Report’s “Best Graduate Schools” edition is the nation’s leading  
18 publication concerning law school rankings. U.S. News & World Report advertises its annual  
19 publication as containing “Exclusive Rankings” and it purports to be a “#1 Bestseller.” It is  
20 marketed to students interested in “finding the right school” and determining “where the jobs are.”

21 59. It has been reported that “unlike other graduate programs, like those for business or  
22 medicine, U.S. News’ list offers the only comprehensive look at law schools.”<sup>2</sup> Law Schools ignore  
23 the U.S. News & World Report ranking at their own peril: “Any school that dares to ignore the [U.S.  
24 News & World Report] rankings risks a death spiral of rapidly departing employers, students and  
25 faculty, leading to lower ranking and even more problems.”<sup>3</sup>

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27 <sup>2</sup> Sandra Randazzo, *UC Hastings Reveals Rankings Tactics*, LA DAILY JOURNAL, Jan. 5,  
28 2011.

<sup>3</sup> Daniel J. H. Greenwood, *Market Irrationality in the Law School ‘Arms Race’*, HUFFINGTON

1           60. On information and belief, U.S. News & World Report obtains its information by  
2 sending surveys directly to the law schools, as well as from figures provided by the ABA and the  
3 National Association for Law Placement (“NALP”). On information and belief, TJSL provides false  
4 and inaccurate information directly to U.S. News & World Report with the understanding that the  
5 false and inaccurate information will be disseminated to the public.

6           **Thomas Jefferson School of Law’s Employment Statistics**

7           61. U.S. News & World Report includes statistics in each of their “Best Graduate  
8 School” publications regarding the number of students “employed nine months after graduation.”  
9 This figure—along with other statistics that purportedly reflect “placement success”—accounts for  
10 20 percent of a law school’s ranking in U.S. News & World Report.

11           62. The figures reported for TJSL in U.S. News & World Report concerning TJSL  
12 students “employed nine months after graduation” are false and misleading. In 2006-2007, TJSL  
13 reported that 82.9 percent of their graduates were “employed nine months after graduation”; and in  
14 the 2011 issue, in the midst of a deep recession in the legal industry, that figure was reported to be  
15 92.1 percent. TJSL has an incentive to misreport its post-graduation employment statistics because  
16 inflated figures will result in a higher overall ranking in U.S. News & World Report.

17           63. TJSL provides these statistics to U.S. News & World Report each year knowing that  
18 they will be published and knowing that they are false and misleading. Specifically, these figures  
19 suggest that 82.9 percent of graduates were employed in full time, law-related positions in the 2005-  
20 2006 academic year; and that 92.1 percent of graduates worked in full time, law-related positions in  
21 2009-2010. In fact, the foregoing figures include part time employment, as well as non-law-related  
22 employment. In other words, if graduates accept part time employment working as a waiter or a  
23 clerk at a convenience store, they are considered to be “employed nine months after graduation.”  
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28           Post (May 6, 2011), [http://www.huffingtonpost.com/daniel-j-h-greenwood/market-irrationality-int\\_b\\_856400.html](http://www.huffingtonpost.com/daniel-j-h-greenwood/market-irrationality-int_b_856400.html).

1 These figures are particularly misleading in light of the fact that 25 percent of graduates from law  
2 schools nationwide in 2009 said their jobs were temporary.<sup>4</sup>

3 64. Each year, TJSL provides statistical information to U.S. News & World Report  
4 knowing that the information is false and misleading. TJSL benefits from these misrepresentations,  
5 as students agree to pay exorbitant fees after they are led to believe they will receive lucrative offers  
6 to work at law firms when they graduate (when that is clearly not the case for most TJSL students).

7 **Thomas Jefferson School of Law's Errors and Improper Practices**

8 65. In addition to reporting as employed both unemployed students and students  
9 employed in unskilled labor positions, TJSL's methodology for collecting and reporting employment  
10 data is biased. TJSL reports a graduate as employed even when it knows he or she is employed in a  
11 short-term position and it has not confirmed his or her employment status in weeks or months; at the  
12 same time TJSL continues to check on the employment status of graduates known to be unemployed  
13 until the very day before the reporting deadlines for NALP and US News. This practice was and is  
14 designed to ensure, and does ensure, that TJSL's employment figures are inflated and misleading.

15 66. Just before graduation, TJSL interviews its graduating students. This "exit interview"  
16 is mandatory for all graduating students. During the exit interview, TJSL obtains employment data  
17 for each graduating student. Thus, TJSL knows the employment status of every student at  
18 graduation. Nevertheless, TJSL refused to report a figure for "employed at graduation" to US News  
19 for every year from 2002-2012, even though that information was readily available. In the 2013  
20 edition, TJSL reported that "graduates whose employment status is unknown" was 71 percent (and  
21 that TJSL only had employment data for 29 percent of its graduates). TJSL, though, was in  
22 possession of graduation employment data for 100 percent of its graduating class. Its decision to  
23 report employment data for only 29 percent of its graduates was false and misleading.

24 67. TJSL does not have a written policy regarding its data collection process.  
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28 <sup>4</sup> Segal, *supra* note 1.

1           68.     TJSL does not have a written policy regarding the sources of employment  
2 information that it considers to be acceptable. TJSL accepts as true employment information from  
3 websites and third-parties without verifying that information with its graduates.

4           69.     TJSL frequently reports graduates as employed even though they hold unpaid  
5 volunteer positions—a clear violation of NALP reporting guidelines.

6           70.     TJSL has a policy of shredding or otherwise destroying its employment  
7 questionnaires, graduation cards, and other documents reflecting its graduates' employment status.  
8 TJSL destroyed all source documents before the filing of this lawsuit.

9           71.     TJSL claims that it accurately records all source data in electronic spreadsheets that  
10 TJSL's Career Services Office creates. But TJSL has produced its spreadsheets in this action and  
11 they fail to support the figures that TJSL reported to US News and NALP. Among the most glaring  
12 examples of TJSL's improper practices are:

- 13           (a)     For the Class of 2006, there was a direct correlation between a graduate's  
14 employment status and his or her last name. Graduates whose last names started with  
15 A through N were all employed; graduates whose names started with S and T were all  
16 studying for the Bar Examination; and graduates whose last names started with W  
17 were all unemployed. (TJSL recently admitted that its purported data for the Class of  
18 2006 was inaccurate).
- 19           (b)     For the Class of 2010, approximately 15 percent of TJSL graduates were reported as  
20 employed even though TJSL had no employment data for those individuals.
- 21           (c)     TJSL's data contains routine inconsistencies. For instance, TJSL reports salaries for  
22 graduates who are listed as unemployed. And, TJSL reports graduates as being  
23 simultaneously employed and unemployed.

24           72.     TJSL reports that its graduates are employed in positions requiring a law degree, even  
25 though they are not. For instance, TJSL has classified a pool cleaner, waiters and waitresses, and  
26 retail store clerks as working in jobs requiring a law degree.

27           73.     TJSL has a policy of reporting graduates who are not employed in jobs requiring a  
28 law degree as working in "business/industry," including those working in unskilled labor positions.

1 TJSJ admits that its policy is to categorize all unskilled labor positions as “business/industry,”  
2 including TJSJ graduates who are employed as a stripper, cocktail waitresses, and restaurant servers.

3 74. TJSJ reports median salary figures based on only a handful of graduates who self-  
4 report. For instance, in 2009 and 2010, TJSJ reported that the median salary for its graduates was  
5 approximately \$60,000. These figures were based on responses from only 14 percent and 12 percent  
6 of graduates, respectively. And the responses were from graduates who decided to self-report.  
7 Graduates with low paying jobs are far less likely to self-report or return the questionnaire than those  
8 earning higher wages.

### 9 CLASS ACTION ALLEGATIONS

10 75. Plaintiffs bring this action on behalf of themselves and all others similarly situated as  
11 a class action pursuant to section 382 of the Code of Civil Procedure. Plaintiffs seek to represent a  
12 class composed of and defined as follows:

13 All persons who attended TJSJ within the statutory period who are currently California  
14 residents.

15 76. Plaintiffs reserve the right under Rule 3.674, California Rules of Court, to amend or  
16 modify the class description with greater specificity or further division into subclasses or limitation  
17 to particular issues.

18 77. This action has been brought and may properly be maintained as a class action under  
19 the provisions of section 382 of the Code of Civil Procedure because there is a well-defined  
20 community of interest in the litigation and the proposed Class is easily ascertainable.

#### 21 A. Numerosity

22 78. The potential members of the Class as defined are so numerous that joinder of all of  
23 the members of the Class is impracticable. The precise number of Class Members has not been  
24 determined at this time, but is believed to be in excess of 2,300 individuals.

25 79. Upon information and belief, Plaintiffs allege Defendant’s internal records will  
26 provide information as to the number and location of all Class Members. Joinder of all members of  
27 the proposed Class is not practicable.

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**B. Commonality**

80. Plaintiffs' claims are typical of claims of the Class in that:

- (a) Plaintiffs were enrolled in law school at TJSL;
- (b) Plaintiffs were induced to enroll at TJSL by uniform affirmative misrepresentations and acts of concealment concerning TJSL's post-graduation employment rates;
- (c) Plaintiffs and the Class Members were damaged by the same wrongful conduct of TJSL; and
- (d) The relief sought is common to the Class.

81. Questions of law and fact common to the Class that predominate over any questions affecting only individual Class Members. These common questions of law and fact include, among others:

- (a) Whether TJSL misrepresented material information to Plaintiffs and the Class;
- (b) Whether TJSL had a duty to disclose and failed to disclose material facts to Plaintiffs and the Class;
- (c) Whether TJSL violated section 17200 et seq. of the Business and Professions Code, by engaging in unlawful business practices;
- (d) Whether TJSL engaged in deceptive and/or false marketing practices and advertising in violation of section 17500 et seq. of the Business and Professions Code;
- (e) Whether Class-wide damages, declaratory and/or injunctive relief is appropriate and, if so, the proper measure of damages, declaratory and/or injunctive relief; and
- (f) Whether Plaintiffs and the Class are entitled to equitable relief pursuant to Business and Professions Code section 17200 et seq.

These questions of law or fact are common to the Class and predominate over any other questions affecting only individual Class Members.

82. Plaintiffs will fairly and adequately represent the interests of the Class in that:

- 1 (a) Plaintiffs are a typical former student of a law degree program offered by  
2 TJSL;  
3 (b) Plaintiffs were induced to enroll in a law degree program offered by TJSL  
4 through deceptive marketing and/or unfair business practices; and  
5 (c) Plaintiffs have no conflicts with any other member of the Class.

6 83. Plaintiffs have retained competent counsel experienced in class action litigation.

7 84. A class is superior to the alternatives, if any, for the fair and efficient adjudication of  
8 this controversy.

9 85. Prosecution of separate actions by individual members of the Class would create the  
10 risk of inconsistent or varying adjudications, establishing incompatible standards of conduct for  
11 TJSL.

12 86. Injunctive relief is appropriate as to the Class as a whole because TJSL has acted or  
13 refused to act on grounds generally applicable to the Classes.

14 **FIRST CAUSE OF ACTION**

15 **(All Plaintiffs Against TJSL for Violation of Business & Professions Code § 17200 et seq.)**

16 87. Plaintiffs incorporate by reference each and every previous and subsequent paragraph  
17 as though set forth fully herein.

18 88. The Unfair Competition Law (“UCL”) prohibits “unfair competition,” which is  
19 defined by Business and Professions Code section 17200 as including “any unlawful, unfair or  
20 fraudulent business act or practice. . . .” The UCL also provides for injunctive relief and restitution  
21 for violations.

22 89. The material misrepresentations and acts of concealment by TJSL are unlawful,  
23 unfair and fraudulent business practices prohibited by the UCL.

24 90. The harm to Plaintiffs and the Class outweighs the utility of TJSL’s practices.

25 91. TJSL’s deceptive conduct has misled the public in the past and will continue to  
26 mislead the public in the future. TJSL’s practices constitute a fraudulent business practice within the  
27 meaning of the UCL.

28



1 92. As a direct and proximate result of the acts and practices alleged above, Plaintiffs and  
2 members of the Class and the general public who enrolled in TJSL have been injured.

3 93. TJSL's unlawful, fraudulent and unfair business practices, as described above,  
4 present a continuing threat to members of the Class and of the general public, in that TJSL is  
5 continuing, and will continue, unless enjoined, to commit violations of Business and Professions  
6 Code section 17200 et seq.

7 94. Under this cause of action and pursuant to Business and Professions Code section  
8 17200 et seq., Plaintiffs and members of the Class seek restitution and are entitled to restitution in an  
9 amount according to proof, as well as preliminary and permanent injunctive relief against TJSL's  
10 acts and practices. Plaintiffs further seek reimbursement of their attorney's fees pursuant to Civil  
11 Procedure Code section 1021.5.

### 12 SECOND CAUSE OF ACTION

#### 13 **(All Plaintiffs Against TJSL for Violation of Business & Professions Code § 17500 et seq.)**

14 95. Plaintiffs incorporate by reference each and every previous and subsequent paragraph  
15 as though set forth fully herein.

16 96. The False Advertising Act makes it unlawful to "make or disseminate or cause to be  
17 made or disseminated before the public [a statement] which is untrue or misleading, and which is  
18 known, or which by the exercise of reasonable care should be known, to be untrue or misleading"  
19 with the intent to "induce the public to enter into any obligation relating thereto." Such statements  
20 include statements made through "any advertising device," including "over the Internet."

21 97. Under Business & Professions Code section 17500 et seq., Plaintiffs are entitled to  
22 enjoin TJSL's wrongful practices and to obtain restitution for the monies paid to TJSL by reason of  
23 TJSL's unlawful, unfair, and/or deceptive acts and practices.

24 98. TJSL violated Business & Professions Code section 17500 et seq. by making or  
25 disseminating, or causing to be made or disseminated, false and misleading statements in U.S. News  
26 & World Report's "Best Graduate Schools" publication, on its website, and in its marketing  
27 brochures.

28

1 99. These misleading statements concerned post-graduation employment statistics,  
2 among others. These false and misleading statements were made with the intent to induce the  
3 general public, including Plaintiffs and the Class, to enroll at TJSL.

4 100. Plaintiffs and the Classes did in fact rely on these false and misleading statements  
5 when deciding to enroll in TJSL. These false and misleading statements would and did mislead  
6 members of the public.

7 101. As a direct and proximate result of the acts and practices alleged above, members of  
8 the Class and the general public who enrolled in and/or attended classes at TJSL have been injured.  
9 This Court is empowered to, and should, order restitution to all persons from whom TJSL unfairly  
10 and/or unlawfully took money.

11 102. TJSL's unlawful, false and misleading advertising, as described above, presents a  
12 continuing threat to members of the Class and the general public, in that TJSL is continuing, and will  
13 continue, unless enjoined, to commit violations of Business & Professions Code section 17500 et  
14 seq. This Court is empowered to, and should, grant preliminary and permanent injunctive relief  
15 against such acts and practices. Plaintiffs further seek reimbursement of their attorney's fees  
16 pursuant to Civil Procedure Code section 1021.5.

17 **THIRD CAUSE OF ACTION**

18 **(All Plaintiffs Against TJSL for Fraud)**

19 103. Plaintiffs incorporate by reference each and every previous and subsequent paragraph  
20 as though set forth fully herein.

21 104. As part of its fraudulent marketing program, TJSL engaged in a pattern and practice  
22 of knowingly, intentionally, and/or recklessly making numerous false representations of material  
23 fact, and material omissions, with the intent to deceive and/or induce reliance by Plaintiffs and the  
24 Class.

25 105. Plaintiffs and the Class did in fact justifiably rely on these misrepresentations and  
26 omissions, resulting in substantial damage to Plaintiffs and the Class. Specifically, Plaintiffs  
27 reviewed and relied on the post-graduation employment statistics reflected in the U.S. News &  
28 World Report "Best Graduate Schools" edition, among others, before deciding to enroll at TJSL.

1 Plaintiffs relied on subsequent editions of U.S. News & World Report "Best Graduate Schools" in  
2 deciding to continue with their studies at TJSL.

3 106. TJSL induced Plaintiffs and the Class to enroll at TJSL by making one or more, or in  
4 many cases all, of the following false and fraudulent misrepresentations of fact to Plaintiffs and the  
5 Class:

- 6 (a) that between 72 and 92 percent of TJSL graduates would find work as full  
7 time attorneys; and  
8 (b) that between 72 and 92 percent of TJSL graduates would find work in the  
9 legal industry.

10 107. TJSL also induced Plaintiffs and the Class to enroll by making the following uniform  
11 false and fraudulent misrepresentations regarding its employment statistics to U.S. World News &  
12 Report, knowing that U.S. World News & Report would repeat the false and misleading information  
13 and that Plaintiffs and the Class would rely on and act on it:

- 14 (a) in the 2003 edition of U.S. News & World Report, 80.1 percent of TJSL  
15 students were employed within nine months of graduation;  
16 (b) in the 2004 edition of U.S. News & World Report, 80.1 percent of TJSL  
17 students were employed within nine months of graduation;  
18 (c) in the 2005 edition of U.S. News & World Report, 56.4 percent of TJSL  
19 students were employed within nine months of graduation;  
20 (d) in the 2006 edition of U.S. News & World Report, 77.0 percent of TJSL  
21 students were employed within nine months of graduation;  
22 (e) in the 2007 edition of U.S. News & World Report, 82.9 percent of TJSL  
23 students were employed within nine months of graduation;  
24 (f) in the 2008 edition of U.S. News & World Report, 64.7 percent of TJSL  
25 students were employed within nine months of graduation;  
26 (g) in the 2009 edition of U.S. News & World Report, 80.0 percent of TJSL  
27 students were employed within nine months of graduation;  
28

- 1 (h) in the 2010 edition of U.S. News & World Report, 86.7 percent of TJSL  
2 students were employed within nine months of graduation;
- 3 (i) in the 2011 edition of U.S. News & World Report, 92.1 percent of TJSL  
4 students were employed within nine months of graduation; and
- 5 (j) in the 2012 edition of U.S. News & World Report, 72.7 percent of TJSL  
6 students were employed within nine months of graduation.

7 108. The foregoing statistics are false and misleading. TJSL conceals the fact that these  
8 post-graduate employment figures are based on a small sample of graduating students rather than the  
9 entire class of graduates. Specifically, TJSL conceals the fact that its statistics are based on surveys  
10 and questionnaires that are sent to only a fraction of its graduates—not all graduates receive surveys  
11 or questionnaires. And among those graduates who do receive questionnaires or surveys, only a  
12 fraction of them complete and return those forms to TJSL. Indeed, this method of reporting is  
13 designed to overstate the percentage of students who are employed nine-months after graduation—  
14 students who actually receive surveys or questionnaires and who ultimately decide to complete and  
15 return them are more likely to be employed in the first instance.

16 109. Also, for those same years, TJSL knowingly, intentionally, recklessly, and willfully  
17 withheld its “employed at graduation” figure from U.S. News & World Report. During those years,  
18 U.S. News & World Report indicated that the “employed at graduation” figure was “n/a” or not  
19 available. That statement was false. TJSL had in its possession “employed at graduation” figures  
20 for each of those years but decided not to publish or disclose them because the figures were  
21 remarkably low and, therefore, reflected the truth about the value and marketability of a TJSL  
22 degree.

23 110. TJSL reported an “employed at graduation” figure for the first time in the 2013  
24 edition of U.S. World News and Report. In that edition, TJSL reported an “employed at graduation”  
25 figure of 28.1 percent. It also stated that that employment status of 71 percent of its graduates was  
26 unknown. The 71 percent figure was false, misleading, and inaccurate.

27 111. Similarly, the median salary figures reflect only those students who decide to self-  
28 report, thereby providing figures that are inflated and inaccurate. For instance, in the most recent

1 edition of U.S. News & World Report, TJSL reported a median salary figure of \$50,000-\$80,000.  
2 The figure reported in U.S. News & World Report is based on information supplied by TJSL. TJSL,  
3 in turn, receives its salary data only from students who decide to self-report that information. In  
4 providing this salary information to U.S. News & World Report, TJSL conceals the number of  
5 students who self-reported salary information. And TJSL conceals the fact that many of students do  
6 not even receive a salary survey or questionnaire in the first instance. Thus, the median salary figure  
7 is grossly misleading and inaccurate—it is designed to present an inflated median salary figure.

8 112. The statistics provided by TJSL are designed to mislead prospective students into  
9 believing they reflect the entire graduating class when, in fact, they represent only a fraction of the  
10 relevant data set. TJSL knows that these figures are false and misleading. Nevertheless, TJSL has  
11 decided to continue using this methodology because it presents a more favorable picture of the law  
12 school's employment figures.

13 113. Plaintiffs reasonably relied on U.S. News & World Report "Best Graduate Schools,"  
14 among others, in deciding whether to enroll at TJSL.

15 114. In addition, Plaintiffs and the Class have reasonably relied on consumer information  
16 located on TJSL's school website, including, but not limited to the following representations made  
17 by TJSL:

- 18 (a) 86.4 percent of law students from TJSL's Class of 2008 are employed;
- 19 (b) 84.7 percent of law students from TJSL's Class of 2009 are employed; and
- 20 (c) Although TJSL's website currently contains information for 2008 and 2009  
21 exclusively, the website contained similarly false and inaccurate information  
22 in previous years as well.

23 115. Plaintiffs continued to rely on subsequent editions of U.S. News & World Report  
24 "Best Graduate Schools" in deciding to continue with their studies at TJSL, including those specified  
25 in Paragraph 108, above.

26 116. The foregoing statistics were false, misleading, and intentionally designed to deceive  
27 all who read them.

28

1 117. The representations set forth above were part of a common scheme or plan and a  
2 pattern or practice conceived and executed by TJSL over the course of the entire statutory period.

3 118. TJSL knew that these misrepresentations were false when made, and made them with  
4 the intent to induce Plaintiffs and the Class to rely upon them.

5 119. In addition, TJSL occupied a fiduciary position as educators, and owed a heightened  
6 duty to Plaintiffs and the Class to act in good faith and with full candor and honesty. Plaintiffs are  
7 also informed and believe that many of the staff and faculty members of TJSL are attorneys and/or  
8 members of the California State Bar and therefore have ethical responsibilities to the students at  
9 TJSL. TJSL breached these fiduciary duties and duties of good faith, candor, and disclosure by  
10 omitting to disclose material facts alleged above to Plaintiffs and the Class.

11 120. Plaintiffs and the Class were, at all relevant times, ignorant of the true facts.  
12 Plaintiffs and the Class only discovered that TJSL had a policy and practice of misrepresenting its  
13 post-graduation employment statistics on or after January 2011 when the New York Times published  
14 an article disclosing TJSL's fraudulent practices.

15 121. Accordingly, Plaintiffs and each member of the Class have been damaged. Plaintiffs  
16 would not have enrolled at TJSL—and consequently would not have incurred tens or hundreds of  
17 thousands of dollars in law school debt—but for TJSL's false and misleading statements. The Class  
18 has been damaged in an amount that exceeds \$50,000,000, which represents tuition and other fees  
19 that were paid in reliance on TJSL's false and misleading statements.

20 122. TJSL's herein-alleged wrongful acts and omissions, and each of them, were  
21 knowingly, willfully, intentionally, maliciously, oppressively, and fraudulently undertaken with the  
22 express purpose and intention of defrauding Plaintiffs and the Class, and each of them, all to the  
23 substantial financial benefit of TJSL. As a result, Plaintiffs and the Class are entitled to punitive  
24 damages.

#### 25 FOURTH CAUSE OF ACTION

#### 26 (All Plaintiffs Against TJSL for Negligent Misrepresentation)

27 123. Plaintiffs incorporate each and every previous and subsequent paragraph as though  
28 set forth fully herein.

1 124. TJSL made uniform and identical material written representations regarding students'  
2 post-graduation employment rates. TJSL also failed to disclose the material facts alleged herein.  
3 When TJSL made these representations and omissions, TJSL had no reasonable grounds for  
4 believing them to be true.

5 125. The duty to disclose material information arises when parties make partial  
6 disclosures that are likely to mislead because they omit other material facts. Because TJSL disclosed  
7 its post-graduate employment figures, it had a duty to disclose all material information surrounding  
8 those figures so that prospective candidates could have an accurate picture of their employment  
9 prospects.

10 126. TJSL presented half-truths to the public, including prospective students. The material  
11 information regarding these statistics that TJSL failed to disclose was not accessible to the students.

12 127. Plaintiffs and each member of the Class relied on these negligent representations  
13 before enrolling at TJSL and relied on these misrepresentations in deciding to so enroll.

14 128. At the time TJSL made the misrepresentations discussed above, Plaintiffs and the  
15 members of the Class were ignorant of the true facts. Had they known the true facts, Plaintiffs and  
16 the members of the Class would not have enrolled at TJSL.

17 129. As a proximate result of TJSL's negligent conduct, Plaintiffs and members of the  
18 Class have been damaged in an amount in excess of this Court's jurisdiction, the exact amount to be  
19 proven at trial.

20 **FIFTH CAUSE OF ACTION**

21 **(Anna Alaburda Against TJSL for Violation of the Consumer Legal Remedies Act)**

22 130. Plaintiff Alaburda incorporates by reference each and every previous and subsequent  
23 paragraph as though set forth fully herein.

24 131. Under California Civil Code section 1750 et seq., Alaburda is entitled to enjoin  
25 TJSL's wrongful practices by reason of TJSL's unlawful, unfair, and/or deceptive acts and practices.

26 132. The Consumer Legal Remedies Act prohibits unfair methods of competition and  
27 unfair or deceptive acts or practices undertaken by any person in a transaction intended to result or  
28 which results in the sale of goods and services.

1 133. TJSL violated the Consumer Legal Remedies Act by misrepresenting to Plaintiffs and  
2 members of the Class TJSL's post-graduation employment rates.

3 134. TJSL's unlawful and unfair business acts and practices, and unfair, deceptive, untrue,  
4 and misleading advertising, as described above, present a continuing threat to Alaburda, members of  
5 the Class and members of the general public, in that TJSL continues to mislead prospective students  
6 into enrolling in law school in violation of the Consumer Legal Remedies Act. This Court is  
7 empowered to, and should, grant preliminary and permanent injunctive relief against such acts and  
8 practices.

9 135. By reason of the above-described violations of the Consumer Legal Remedies Act,  
10 Alaburda and each member of the Class has suffered damages in an amount to be proven at trial.

11 136. On June 14, 2011, Alaburda and the Class provided written notice, as required by  
12 Civil Code section 1782, to TJSL regarding the above-described violations of the Consumer Legal  
13 Remedies Act. By this notice, Alaburda and the Class demanded that TJSL remedy the above-  
14 referenced violations within 30 days from receipt of written notice.

15 137. TJSL failed to cure the above-referenced violations after receiving written notice.

16 138. Plaintiffs Ballard, Loomis, and Nguyen intend to provide notice, as required by Civil  
17 Code section 1782, to TJSL regarding the above-described violations of the Consumer Remedies  
18 Legal Act. Like Alaburda, Ballard, Loomis, and Nguyen will demand that TJSL remedy the above-  
19 referenced violations within 30 days from receipt of their notice. If TJSL fails to cure the above-  
20 referenced violations within 30 days from receipt of their notice, Plaintiffs will amend their  
21 pleadings to reflect these new facts.

22 **SIXTH CAUSE OF ACTION**

23 **(All Plaintiffs Against TJSL for Negligence)**

24 139. Plaintiffs incorporate by reference each and every previous and subsequent paragraph  
25 as though set forth fully herein.

26 140. TJSL owed Plaintiffs a duty of care to report its employment figures accurately.  
27  
28



1 141. TJSL breached that duty by reporting false and inaccurate employment information.  
2 TJSL failed to collect and report its employment information while exercising a reasonable standard  
3 of care.

4 142. The substantial injuries suffered by Plaintiffs were foreseeable at the time TJSL  
5 breached its duty of care.

6 143. As a direct and proximate result of TJSL's negligence, Plaintiffs have suffered  
7 damages in the amount of more than \$50 million.

8 **PRAYER FOR RELIEF**

9 WHEREFORE, Plaintiffs and the Class pray for judgment against TJSL and the DOES 1-100  
10 as follows:

11 As to the First and Second Causes of Action

- 12 1. For restitution in an amount to be proven at trial, but believed to be in excess of  
13 \$50,000,000;
- 14 2. For disgorgement of all profits obtained by TJSL as a result of its unfair and  
15 fraudulent business practices;
- 16 3. For injunctive relief enjoining, preliminarily and permanently, TJSL from continuing  
17 the unlawful conduct alleged herein;
- 18 4. For attorney's fees and costs of suit herein incurred pursuant Code of Civil Procedure  
19 section 1021.5; and
- 20 5. For such other and further relief as the Court may deem just and proper.

21 As to the Third Cause of Action

- 22 6. For compensatory damages in an amount to be proven at trial, but believed to be in  
23 excess of \$50,000,000;
- 24 7. For punitive damages;
- 25 8. For prejudgment interest pursuant to section 3287 of the Civil Code; and
- 26 9. For such other and further relief as the Court may deem just and proper.

1 As to the Fourth and Sixth Causes of Action

- 2 10. For compensatory damages in an amount to be proven at trial, but believed to be in  
3 excess of \$50,000,000;  
4 11. For prejudgment interest pursuant to section 3287 of the Civil Code; and  
5 12. For such other and further relief as the Court may deem just proper.

6 As to the Fifth Cause of Action

- 7 13. For injunctive relief enjoining, preliminarily and permanently, TJSL from continuing  
8 the unlawful conduct alleged herein;  
9 14. For attorney's fees and costs of suit herein incurred pursuant Code of Civil Procedure  
10 sections 1780(d) and 1021.5; and  
11 15. For such other and further relief as the Court may deem just proper.

12  
13 DATED: August 8, 2012

MILLER BARONDESS, LLP

14  
15 By: \_\_\_\_\_

Brian Procel  
Attorneys for Plaintiffs  
Anna Alaburda, Jill Ballard,  
Nikki Ngvuen, and Daniela Loomis

16  
17  
18  
19  
20 **DEMAND FOR JURY TRIAL**

21 By its undersigned attorney, Plaintiffs hereby demand trial by jury.

22  
23 DATED: August 8, 2012

MILLER BARONDESS, LLP

24  
25 By: \_\_\_\_\_

Brian Procel  
Attorneys for Plaintiffs  
Anna Alaburda, Jill Ballard,  
Nikki Ngvuen, and Daniela Loomis