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17 **UNITED STATES DISTRICT COURT**
18 **CENTRAL DISTRICT OF CALIFORNIA**

20 BRIANNA ARREDONDO, on behalf of
21 herself and all others similarly situated,
22 Plaintiff,
23 vs.
24 THE UNIVERSITY OF LA VERNE,
25 Defendant.
26

Case No. 2:20-cv-07665-MCS-RAOx

Honorable Mark C. Scarsi

**SECOND AMENDED CLASS ACTION
COMPLAINT
JURY TRIAL DEMANDED**

27
28 Plaintiff Brianna Arredondo (“Plaintiff”), by and through the undersigned

1 counsel, brings this class action against Defendant University of La Verne (“La
2 Verne,” “University,” and “Defendant”), located in La Verne, California, and allege
3 as follows based upon information and belief, except as to the allegations
4 specifically pertaining to her, which are based on personal knowledge.
5

6
7 **NATURE OF THE ACTION**

8 1. This is a class action lawsuit on behalf of all persons who paid tuition
9 and/or fees to attend La Verne for in person, hands-on educational services and
10 experiences for the semesters or terms affected by Coronavirus Disease 2019
11 (“COVID-19”), starting with the Spring 2020 term or semester, and had their course
12 work moved to online only learning.
13

14
15 2. Such individuals, including the Plaintiff, paid all or part of the tuition
16 for an average semester that was approximately \$22,925 for undergraduate students
17 per semester, and mandatory fees for each semester in various amounts between
18 \$25 and \$600 dollars per fee including an “ASULV Fee” of \$160 per semester,
19 \$415 in student health insurance fee, and various other fees (“Mandatory Fees”)
20

21
22 3. Defendant has not refunded any amount of the tuition or any of the
23 Mandatory Fees, even though it has suspended live in-person instruction starting on
24 March 16, 2020.
25

26 4. Because of Defendant’s response to the COVID-19 pandemic, on or
27 about March 16, 2020, La Verne stopped providing the services or facilities the
28

1 Mandatory Fees were intended to cover.

2
3 5. According to a Public Release on March 11, 2020: “Beginning on
4 Monday, March 16, all classes, including those offered at regional campuses,
5 graduate programs, and the College of Law, are to be available online-only. Classes
6 will remain online-only through at least April 12.”¹ In the same release the
7 University continued “resident students who have the ability to return to their homes
8 off-campus are encouraged to do so.”² This was followed by a Public Release on
9 March 13, 2020 stating: “All classes, including those offered at regional campuses,
10 graduate programs, and the College of Law, will remain online through the end of
11 the spring semester/term.”³ Additionally the University advised “Resident students
12 are expected to vacate their rooms by March 20”,⁴ and that “[a]ll university events
13 are suspended, postponed, or will be moved online for the remainder of the spring
14 semester/term.”⁵

15
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18
19 6. Upon information and belief, La Verne’s decision to restrict access to
20 the campus and on-campus services and to limit in-person classes was approved by
21 the Board of Trustees. The Board of Trustees has the responsibility for setting all
22 tuition and mandatory fees for La Verne.⁶

23
24
25 _____
26 ¹ <https://laverne.edu/health/2020/all-university-of-la-verne-classes-to-move-online/>

27 ² Id.

28 ³ <https://laverne.edu/health/2020/urgent-novel-coronavirus-update/>

⁴ Id.

⁵ Id.

⁶ <https://laverne.edu/president/trustees/>

1 7. Defendant's failure to provide the services, for which tuition and the
2 Mandatory Fees were intended to cover since approximately March 16, 2020, is a
3 breach of the contracts and breach of the covenant of good faith and fair dealing
4 between Defendant and Plaintiff and the members of the Class and is unjust.
5

6 8. In short, Plaintiff and the members of the Class have paid for tuition for
7 a first-rate education and an on-campus, in-person educational experiences, and all
8 the benefits offered by a first-rate university, like La Verne.
9

10 9. Instead of receiving such benefits, Plaintiff was provided a materially
11 different alternative, and that alternative constitute a breach of the contracts entered
12 into by Plaintiff and the Class with Defendant.
13

14 10. In the alternative, Defendant's retention of funds without providing
15 those services is unjust.
16

17 11. As to the Mandatory Fees, Plaintiffs and the Class have paid fees for
18 services and facilities which were simply not provided. This failure also constitutes
19 a breach of the contracts entered into by Plaintiff and the Class with Defendant.
20

21 12. The Mandatory Fees charged by Defendant include an ASULV Fee, a
22 Student Health Insurance Fee, various program fees, and other similar fees.
23

24 13. Plaintiff and the Class have been deprived of access to these facilities
25 and services as a result of Defendant's response to the Coronavirus.
26

27 14. This failure also constitutes a breach of the contracts entered into by
28

1 Plaintiffs with Defendant.

2 15. In the alternative, the retention of these fees without providing these
3 services is unjust.
4

5 16. Rather than offer partial refunds, credits, or discounts to students like
6 Plaintiff and the Class and balance the financial difficulties associated with
7 COVID-19, Defendant has instead elected to place the financial burden entirely
8 upon its students by charging them full tuition and full Mandatory Fees when the
9 services La Verne provided were not the full educational opportunities, experiences,
10 and services that Plaintiffs and the Class bargained for, contracted for, and paid for.
11

12 17. Plaintiff does not challenge Defendant's compliance with the COVID-
13 19 orders that were in place in California – or its process for awarding degrees.
14 Rather, Plaintiff challenges Defendant's decision to retain monies paid by students
15 like Plaintiff and refuse to offer any refunds, provided any discounts, or apply any
16 credit to Plaintiff and Class members' accounts when Defendant failed to provide
17 the in-person and on-campus services that were bargained for, promised, and agreed
18 to.
19
20
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22

23 18. Plaintiff seeks, for herself and Class members, disgorgement and return
24 of the pro-rated portion of its tuition and Mandatory Fees, proportionate to the
25 amount of time in the respective semester when La Verne closed and switched to
26 online only learning.
27
28

1 cancelled.

2 24. Defendant University of La Verne is a private university in La Verne,
3 California that was founded in 1891.
4

5 25. La Verne has an enrollment of more than 7,400 students and it offers
6 over 50 majors for undergraduate students, and a number of master programs.
7

8 26. La Verne is a citizen of California.

9 **JURISDICTION AND VENUE**

10 27. This Court has jurisdiction over the action pursuant to 28 U.S.C. §
11 1332(d)(2)(A), as modified by the Class Action Fairness Act of 2005, because at
12 least one member of the Class, as defined below, is a citizen of a different state than
13 Defendant, there are more than 100 members of the Class, and the aggregate amount
14 in controversy exceeds \$5,000,000 exclusive of interest and costs.
15
16

17 28. This court has personal jurisdiction over Defendant because Defendant
18 maintain their principal place of business in this District.
19

20 29. Venue is proper in this Court pursuant to 28 U.S.C. § 1391 because
21 Defendant operate their headquarters within this district.
22

23 **FACTUAL ALLEGATIONS.**

24 30. Plaintiff and Class Members attended La Verne during the Spring 2020
25 semester by paying tuition and the Mandatory Fees – after previously applying to
26 school, being admitted to school, enrolling, and registering for classes.
27
28

1 31. The Spring 2020 semester started on February 3, 2020 and were
2 scheduled to end on or around May 31, 2020.
3

4 32. Tuition at the University was approximately \$22,350 per semester for
5 undergraduate students, at least \$160 in fees, \$415 in student health insurance, and
6 similar such charges for graduate students.
7

8 33. The Board of Trustees has the responsibility for setting all tuition and
9 mandatory fees for La Verne.⁷
10

11 34. Plaintiff and the members of the Class paid tuition for the benefit of on-
12 campus and in-person educational services, including instruction and on-campus
13 services, facilities and opportunities.
14

15 35. Plaintiff and La Verne entered into a contractual agreement where
16 Plaintiff would provide payment in the form of tuition and fees and Defendant, in
17 exchange, would provide in-person and on-campus educational services,
18 experiences, opportunities, and other related services.
19

20 36. The terms of the contractual agreement were set forth in publications
21 from La Verne throughout the application process, the admission process, the
22 enrollment, the registration process, and the payment process – including, but not
23 limited to, La Verne’s website and marketing materials, the application for
24 admission submitted by Plaintiff and Class Members, the acceptance letters
25
26
27

28 ⁷ <https://laverne.edu/president/trustees/>

1 received by Plaintiff and Class Members, the registration materials, the course
2 catalog, course listings, and other documents conveying the educational services
3 that Defendant was offering and would provide.
4

5 37. Prior to Plaintiff's enrollment, La Verne highlighted in marketing
6 materials, advertisements, application materials, and other documents that in-
7 person educational opportunities, experiences, and services were invaluable to
8 Plaintiff's educational experiences.
9

10 38. Defendant offered these services to Plaintiff in exchange for her
11 enrollment, registration, and payment of tuition and fees.
12

13 39. During and prior to enrollment, Defendant offered Plaintiff the ability
14 to be "a valued member of our campus community" and receive educational
15 services at that campus in exchange for payment of tuition and fees.
16

17 40. Defendant offered these services to Plaintiff in exchange for their
18 payment of tuition and fees during various semesters during their enrollment,
19 including the Spring 2020 semester.
20

21 41. Plaintiff made payments to Defendant based on promises made by La
22 Verne in those documents in lieu of receiving education at other universities or
23 academic institutions – or enrolling in online-only universities for less tuition and
24 less fees.
25

26 42. On March 13, 2020, Defendant announced that all learning at La Verne
27
28

1 would be moved online beginning on March 16, 2020 for the remainder of the
2 Spring 2020 semester.
3

4 43. Throughout March 2020, Defendant made public announcements
5 adjusting educational services and opportunities that affected Plaintiffs.
6

7 44. La Verne did not hold any in-person classes from March 16, 2020. All
8 classes during that time were only being offered in a remote online format with no
9 in-person instruction or interaction.
10

11 45. Many of the services for which the Mandatory Fees were assessed were
12 also terminated or cancelled at or about this time, such as access to La Verne's
13 health and wellness facilities, programs or services; fitness facilities; student events
14 or sports; and an in-person commencement.
15

16 46. Defendant has not provided reimbursement or refunds regarding tuition
17 or the Mandatory Fees.
18

19 47. La Verne subsequently announced that all Summer 2020 classes will
20 be held online, with a mixed model of in-person and online classes for the Fall 2020.
21

22 48. Students attending La Verne during the Spring 2020 semester and other
23 semesters impacted by COVID-19 did not choose to attend an online only
24 institution of higher learning, but instead chose to enroll in the University's in-
25 person educational programs – with the agreement that the University would
26 provide in-person and on-campus educational opportunities, services, and
27
28

1 experiences.

2 49. Plaintiff agreed to apply, enroll, register, and pay to be part of
3 Defendant’s on-campus community and receive the in-person and on-campus
4 educational services.
5

6 50. Documents provided throughout the application process, admission
7 process, registration process, payment processes, and enrollment reflect the same
8 promises of in-person and on-campus educational services that Defendant would
9 provide.⁸
10

11 51. For example, Defendant provided students, like Plaintiffs, with
12 materials that reflected the following on-campus services, experiences, and
13 opportunities:
14
15



27 ⁸ Other similar records reflect this same in-person and on-campus educational promises but are
28 unavailable to the Named Plaintiff, but are believed to be in the possession, custody, or control of
Defendants.

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ulaverne • Follow
University of La Verne

ulaverne SOAR is in full flight today at our Campus Center. This event offers students and their families the opportunity to meet and greet faculty, staff, and other students, plan for their upcoming semester, and take care of other advising and registration needs.

129w

cassandratafolla That might be me next year. 😊

129w 2 likes Reply

creative_mom95 @mialvsjc ...do you follow Laverne?

129w Reply

261 likes
JUNE 19, 2018



ulaverne • Follow

ulaverne University of La Verne students participating in the Enactus program, a community empowerment club, recently developed 100 solar water packs to provide access to clean drinking water to families in Cambodia. Thank you to our partner, Solar Solutions, LLC of San Diego!

60w

194 likes
OCTOBER 15, 2019

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52. Defendant touts the value of its campus experience “Campus life and co-curricular activities play a crucial role in college years. With 80 student clubs, 21 Division III sports for men and women, fraternities and sororities, student leadership opportunities, and creative arts and media outlets, Leos have countless opportunities to explore their interests, meet people, learn new skills, and build lifelong memories.”⁹

53. On its website, Defendant markets La Verne’s on-campus experience and opportunities as a benefit to students. “The University of La Verne offers the benefits and safety of a suburban, small town environment, with the advantages and

⁹ <https://laverne.edu/life/>

1 opportunities of living near a big city. Whether you plan to live on campus or
2 commute to La Verne, you'll become immersed in the campus community as well as
3 the flavor of nearby downtown with its shops and restaurants. The University offers
4 65 student clubs, 18 Division III sports for men and women, fraternities and
5 sororities, student government, a student newspaper, the ULV radio and television
6 stations, and three art galleries right on campus. You're sure to find people and groups
7 that share your interests.¹⁰

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10
11 54. In its course catalog for 2019-2020, Defendant offers students, like
12 Plaintiff, the ability to be “a valued member of our campus community” and
13 engaged in “genuine understanding [that] comes through interaction, experience,
14 and reflection.”

15
16 55. That same catalog states that classroom conduct fosters “successful
17 learning and academic success.”

18
19 56. In its course catalog for 2019-2020, Defendant offers “Classroom
20 Rights and Privileges” to its students including open discussions and inquiries in
21 person and on campus.

22
23 57. Further, the course catalog states that, “The University of La Verne
24 community [including faculty and staff] is committed to fostering a campus
25 environment that is conducive to academic inquiry, a productive campus life and
26

27
28 ¹⁰ <https://laverne.edu/student-life/>

1 thoughtful study and discourse.”

2 58. However, that’s not what students, including Plaintiff, received during
3 the semesters affected by Covid-19.
4

5 59. After La Verne converted to online only learning, the online-only
6 learning offered to La Verne’s students was materially different in practically every
7 aspect as compared to what was promised and what the educational experience
8 afforded Plaintiff and the members of the Class once was.
9

10 60. Students at La Verne, like Plaintiff, have been deprived of the
11 opportunity for collaborative learning and in-person dialogue, feedback, and
12 critique.
13

14 61. Students like Plaintiff were denied access to facilities such as libraries,
15 laboratories, computer labs, recitations, in-person discussions, and study rooms,
16 which are integral to a college education.
17

18 62. Students like Plaintiff were denied access to activities offered by
19 campus life which fosters intellectual and academic development and
20 independence, and networking for future careers.
21

22 63. Defendant priced the tuition and Mandatory Fees based on the in-
23 person and on-campus educational services, opportunities, and experiences it
24 promised to provide – as it had provided these opportunities in the past.
25

26 64. Defendant has not made any refund of any portion of the tuition
27
28

1 Plaintiff and the members of the Class paid for the semesters affected by COVID-
2 19, and they have offered no discount, rebates, or refunds going forward.
3

4 65. Defendant has not refunded any portion of the Mandatory Fees it
5 collected from Plaintiff and the members of the Class for the affected semester even
6 though it closed or ceased operating the services and facilities for which the
7 Mandatory Fees were intended to pay.
8

9 66. Plaintiff and the Class members are therefore entitled to a pro-rated
10 refund of the tuition and Mandatory Fees they paid for the Spring 2020 semester for
11 the remaining days of that semester after classes moved from in-person to online
12 and facilities were closed, as well as for other semesters impacted by COVID-19.
13
14

15 67. Defendant's practice of failing to provide reimbursements for tuition
16 and Mandatory Fees despite the diminished value of the education and other
17 experiences that it provided, and the reduced benefits associated with the fees, as
18 alleged herein, violates generally accepted principles of business conduct.
19

20 **CLASS ACTION ALLEGATIONS**
21

22 68. Plaintiff brings this case themselves and, pursuant to Rule 23 of the
23 Federal Rules of Civil Procedure, on behalf of the class defined as:

24 All persons who paid tuition and/or the Mandatory Fees for a student
25 to attend in-person class(es) during the Spring 2020, or any other
26 semester affected by Covid-19 at the University of La Verne, but
27 had their class(es) moved to online only learning (the "Class").

28 69. Plaintiff reserves the right to modify or amend the definition of the

1 proposed Classes if necessary before this Court determines whether certification is
2 appropriate.
3

4 70. This action has been brought and may properly be maintained on behalf
5 of the Class proposed herein under the criteria of Rule 23 and other statutes and
6 case law regarding class action litigation.
7

8 71. The Class is so numerous that joinder of all members is impracticable.
9 Although the precise number of Class members is unknown to Plaintiffs, LA
10 VERNE reportedly has a total of more than 7,000 undergraduate and graduate
11 students were enrolled during 2019-2020 school year at the University.
12

13 72. The names and addresses of all such students are known to Defendant
14 and can be identified through La Verne's records. Class members may be notified
15 of the pendency of this action by recognized, Court-approved notice dissemination
16 methods, which may include U.S. Mail, electronic mail, Internet postings, and/or
17 published notice.
18
19

20 73. The questions here are ones of common or general interest such that
21 there is a well-defined community of interest among the class members. These
22 questions predominate over questions that may affect only individual members of
23 the classes because Defendant have acted on grounds generally applicable to the
24 classes. Such common legal or factual questions include, but are not limited to:
25
26

- 27 a. Whether Defendant has accepted money from Plaintiff and the
28 Class members in exchange for the promise to provide an in-

1 person and on-campus live education, as well as certain facilities
2 and services throughout the semesters affected by Covid-19;

- 3 b. Whether Defendant breached their contracts with Plaintiff and
4 the members of the Class by failing to provide them with an in-
5 person and on-campus live education after March 16, 2020;
- 6 c. Whether Defendant breached their contracts with Plaintiff and
7 the Class by failing to provide the services and facilities to which
8 the Mandatory Fees pertained after mid-March 2020;
- 9 d. Whether Defendant breached the covenant of good faith and fair
10 dealing with Plaintiff and the members of the Class by failing to
11 provide them with an in-person and on-campus live education
12 after March 16, 2020;
- 13 e. Whether Defendant breached the covenant of good faith and fair
14 dealing with Plaintiff and the members of the Class by failing to
15 provide the services and facilities to which the Mandatory Fees
16 pertained after mid-March 2020;
- 17 f. The amount of damages and other relief to be awarded to
18 Plaintiff and the Class members.

19 74. Plaintiff's claims are typical of the claims of the members of the Class
20 because Plaintiff and the other Class members each contracted with Defendant for
21 La Verne to provide an in-person and on-campus live education for the tuition they
22 paid and the services and facilities for the Mandatory Fee that they paid, that
23 Defendant stopped providing in mid-March.

24 75. Plaintiff is more than an adequate class representative. In particular:

- 25 a) Plaintiff is committed to the vigorous prosecution of this action on
26 behalf of herself and all others similarly situated and has retained
27 competent counsel experienced in the prosecution of class actions and,
28

1 in particular, class action litigation;

2
3 b) Because her interests do not conflict with the interests of the other Class
4 members who she seeks to represent;

5 c) no difficulty is anticipated in the management of this litigation as a class
6 action; and

7
8 d) Plaintiff's legal counsel has the financial and legal resources to meet
9 the substantial costs and legal issues associated with this type of
10 litigation.

11 76. Class members' interests will be fairly and adequately protected by
12 Plaintiff and her counsel.

13 77. It is impracticable to bring members of the Class individual claims
14 before the Court. Class treatment permits a large number of similarly situated
15 persons or entities to prosecute their common claims in a single forum
16 simultaneously, efficiently, and without the unnecessary duplication of evidence,
17 effort, expense, or the possibility of inconsistent or contradictory judgments that
18 numerous individual actions would engender. The benefits of the class mechanism,
19 including providing injured persons or entities with a method for obtaining redress
20 on claims that might not be practicable to pursue individually, substantially
21 outweigh any difficulties that may arise in the management of this class action. A
22 class action is superior to other available methods for the fair and efficient
23 adjudication of this litigation. The damages or financial detriment suffered by
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1 individual Class members are relatively small compared to the burden and expense
2 of individual litigation of their claims against Defendant. It would, thus, be virtually
3 impossible for the Class, on an individual basis, to obtain effective redress for the
4 wrongs committed against them. Furthermore, individualized litigation would
5 create the danger of inconsistent or contradictory judgments arising from the same
6 set of facts. Individualized litigation would also increase the delay and expense to
7 all parties and the court system from the issues raised by this action. By contrast,
8 the class action device provides the benefits of adjudication of these issues in a
9 single proceeding, economies of scale, and comprehensive supervision by a single
10 court, and presents no unusual management difficulties under the circumstances.

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15 **FIRST CAUSE OF ACTION**
16 **BREACH OF CONTRACT**
17 **(On Behalf of Plaintiff and the Class)**

18 78. Plaintiff realleges and incorporates by reference all previous
19 allegations, as though set forth in full herein.

20 79. Plaintiff brings this claim individually and on behalf of the other
21 members of the Class against Defendant.

22 80. Plaintiff and Class members entered into binding contracts with
23 Defendant by accepting Defendant's offer to register for on-campus and in-person
24 classes in accordance with the terms of the Catalogs, Defendant's publications,
25
26
27
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1 course listings, marketing materials, and Defendant’s usual and customary practice
2 of providing on-campus courses.
3

4 81. Defendant offered in-person and on-campus educational services to
5 Plaintiff and similarly situated students through the application process, the
6 admission process, enrollment, registration, and payment, including through
7 numerous documents.
8

9 82. The language on the University of La Verne’s website, Catalogs, and
10 in other materials made available to students promising in-person instruction,
11 campus facilities, services, and resources became terms of the contract. That is, at
12 the time of contract, the parties had the reasonable expectation that, in exchange for
13 tuition and fee payments, Defendant would provide Plaintiff and Class members
14 with an on-campus education. The nature of the instruction provided by the
15 University of La Verne at the time Plaintiff and Class members enrolled (i.e., in-
16 person classroom instruction) as well as the facilities and resources offered by the
17 University of La Verne across its schools and campuses were and are material terms
18 of the bargain and contractual relationship between students and Defendant.
19
20
21
22

23 83. Under their contracts with Defendant, and per Defendant’s usual and
24 customary practice of providing on-campus courses, Plaintiff and Class members
25 registered for on-campus courses and paid Defendant’s tuition and/or fees for
26 Defendant to provide in-person instruction and access to Defendant’s facilities.
27
28

1 84. Plaintiff and Class members accepted and intended to use and enjoy
2 Defendant's on-campus services and facilities, including through in-person and on-
3 campus classes.
4

5 85. Plaintiff and Class members have fulfilled all requirements of their
6 mutually agreed contracts, having followed the University's policies, procedures,
7 and requirements for applying for enrollment, registering for and paying for on-
8 campus courses and access to on-campus facilities and services.
9

10 86. Plaintiff and Class members have paid Defendant for all financial
11 assessments starting in the Spring 2020 semester.
12

13 87. By ceasing in-person instruction, relegating Plaintiffs and Class
14 members exclusively to remote instruction, and shutting down campus facilities and
15 opportunities to Plaintiffs and the Class, Defendant failed to provide the services
16 for which Plaintiffs and Class members bargained when they entered into their
17 contractual relationship with Defendant.
18

19 88. Defendant's failure to provide in-person instruction and shutdown of
20 campus facilities amounts to a material breach of the contract.
21

22 89. The tuition, fees, and other costs that Plaintiff and the proposed Class
23 paid were intended to cover in-person educational and extracurricular services.
24 Defendant, however, have failed and continues to fail to provide the education and
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1 services due under the contracts, yet have improperly retained the funds Plaintiff
2 and the other Class members paid or agreed to pay.
3

4 90. Plaintiff and members of the Class have suffered damages as a direct
5 and proximate result of Defendant's breach, including being deprived of the
6 education, experience, and services that they were promised and reasonably
7 expected to obtain, and for which they have paid.
8

9 91. Plaintiffs and Class members are entitled to an award of money
10 damages or partial restitution in an amount to be determined at trial as redress for
11 the University of La Verne's breach, including but not limited to prorated
12 reimbursement of the tuition, fees, and other expenses for services that Defendant
13 failed and continues to fail to deliver fully.
14
15

16 92. Defendant's performance under the contracts is not excused because of
17 COVID-19. Even if performance were excused or impossible, Defendant would
18 nevertheless be required to return the funds received for services and/or goods that
19 it did not provide.
20
21

22 **SECOND CAUSE OF ACTION**
23 **UNJUST ENRICHMENT**
24 **(On Behalf of Plaintiff and the Class)**

25 93. Plaintiff incorporates the allegations by reference as if fully set forth
26 herein.
27

28 94. Plaintiff brings this claim of unjust enrichment herself and on behalf of

1 the members of the Class, in the alternative.

2 95. By paying La Verne tuition and the Mandatory Fees for the Spring 2020
3 semester, the University agreed to, among other things, provide an in-person and
4 on-campus live education as well as the services and facilities to which the
5 Mandatory Fees they paid pertained throughout that semester.
6
7

8 96. Defendant has retained the benefits of the amount of tuition and fees
9 that Plaintiff and Class members have provided – without providing the benefits
10 that Plaintiff and Class members were owed.
11

12 97. For example, Defendant failed to provide Plaintiff and Class Members
13 access to on-campus facilities after March 16, 2020. Yet Defendant assessed
14 Plaintiff with tuition and fees that covered the cost of upkeep and maintenance of
15 such facilities, services, costs, and expenses.
16
17

18 98. Plaintiff were not able to access such facilities or services remotely.

19 99. Plaintiff paid tuition and Mandatory Fees with the expressed
20 understanding that such costs included the in-person classes, services,
21 opportunities, and experiences that La Verne has previously marketed, promoted,
22 or made available prior to Covid-19.
23

24 100. The costs incurred for having an online only program is significantly
25 lower than the overhead needed to provide classes and services on campus.
26

27 101. Defendant has been unjustly enriched by Plaintiff's payment of tuition
28

1 and fees.

2 102. Despite not being able to provide such services, La Verne failed to
3 provide reimbursements for tuition and fees despite the diminished value of the
4 education and other experiences that it provided, and the reduced benefits
5 associated with the fees.
6

7
8 103. Plaintiff and members of the putative Classes have sustained monetary
9 damages as a result of each of Defendant's breaches of the covenant of good faith
10 and fair dealing.
11

12 **THIRD CLAIM FOR RELIEF**
13 **CONVERSION & THEFT OF PROPERTY**
14 **(On Behalf of Plaintiff and the Class)**

15 104. Plaintiff repeats and realleges the factual allegations above, as if fully
16 alleged herein.
17

18 105. Plaintiff brings this claim of Conversion & Theft of Property
19 individually and on behalf of the members of the Class.
20

21 106. Plaintiff and the Class have made financial arrangements that required
22 them to make payments before Defendant provided services.

23 107. Defendant accepted Plaintiff's monies with the express understanding
24 that the Defendant would provide in-person and on-campus educational
25 experiences, opportunities, and services.
26

27 108. Defendant was unable to perform such services or provide such
28

1 experiences and opportunities.

2 109. Defendant has converted Plaintiff's and the Class' property – namely
3 their tuition and fees - into their own property¹¹ without just compensation.
4

5 110. Defendant has converted Plaintiff's tuition and fees into its own monies
6 without providing the in-person and on-campus services that Plaintiff and the Class
7 gave their money for.
8

9 111. Defendant's failure to return the tuition and fees paid by its students is
10 a separate and distinct harm from its failure to provide the promised and agreed-
11 upon in-person learning and on-campus services.
12

13 112. It is inequitable for Defendant to convert such funds into its own profits
14 despite the failure to provide such services, experiences, and opportunities.
15

16
17
18 **PRAYER FOR RELIEF**

19 WHEREFORE, Plaintiff respectfully requests that judgment be entered in
20

21 ¹¹ Indeed, colleges and universities must be able to separately account for student payments, as well as
22 financial aid received on an individual student's behalf, as these institutions are frequently required to issue
23 refunds to the government and the student for instances where the student enrolls, but does not complete
24 classes for which the institution has received financial aid payments from the federal government. The
25 Higher Education Act ("HEA"), Title IV, governs federally funded student financial aid programs for
26 college and post-secondary vocational training. *See* 20 U.S.C. §§ 1070–1099 (1990 & 1992 Supp.). The
27 HEA requires that when a student withdraws partway through the enrollment period, the institution must
28 refund a certain portion of the charges to account for its reduced educational obligations toward the
student. *Career Coll. Ass'n v. Riley*, 74 F.3d 1265, 1269 (D.C. Cir. 1996). Thus, it is beyond dispute that
any college or university receiving any tuition payments through government-provided financial aid must
be able to account for what was paid for each individual student. This means that each student's tuition
funds must be capable of being separately identified and sequestered, and a claim for conversion of those
funds can be properly sustained. Moreover, discovery will flesh out more information about the particular
accounting practices employed by Defendant.

1 favor of Plaintiff and the Class against Defendant as follows:

- 2 (a) For an order certifying the Class under the FRCP and naming
3 Plaintiff as the representative of the Class and Plaintiff's
4 attorneys as Class Counsel to represent the Class;
5
6 (b) For an order finding in favor of Plaintiff and the Class on all
7 counts asserted herein;
8
9 (c) For compensatory damages in an amount to be determined by the
10 trier of fact;
11
12 (d) For an order compelling disgorgement of the ill-gotten gains
13 derived by Defendant from its misconduct;
14
15 (e) For an order of restitution and all other forms of equitable
16 monetary relief;
17
18 (f) For an order awarding Plaintiff's reasonable attorneys' fees,
19 costs, and expenses;
20
21 (g) For an order awarding pre- and post-judgment interest on any
22 amounts awarded; and,
23
24 (h) For an order awarding such other and further relief as may be just
25 and proper, including injunctive relief and declaratory relief.

26 ///

27 ///

DEMAND FOR TRIAL BY JURY

Plaintiff demands a trial by jury of any and all issues in this action so triable
of right.

Dated: February 22, 2021

Respectfully submitted,

SHOOP A PROFESSIONAL LAW CORPORATION

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