

YES / NO

EXHIBITS

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IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS
COUNTY DEPARTMENT – LAW DIVISION

2019L010465

RACHEL BRYAN, RICHARD)
CALHOUN, SHERRY DUNCAN, ADAM)
EI-HALIM, ANDREA GIRTON,)
CAMEKIA HAMMOND, STACEY)
KING, RAISSA LEVY, MELISSA)
LOUIS-JEAN, CHINA McGEE, ASHLEE)
McGINNAS, BRITTANEY MERRITT,)
SAMANTHA MISHKO, ELLE PAPPAS,)
ANNABELLE PARDO, LINA)
SASTOQUE, ALEXIS SHARON,)
MATTHEW STILES, BIANCA)
TARASCHI, FREDERICK TERRELL,)
JASMINE TURNER, KATHRYN)
TURNER, TOYNETTE TURNER, MARY)
WATSON, and JAMAL WILLIAMS,)

NO:

JURY TRIAL DEMANDED

Plaintiffs,)

v.)

STERLING CAPITAL PARTNERS, L.P.,)
STERLING CAPITAL PARTNERS GmbH)
& Co. KG, and STERLING FUND)
MANAGEMENT, LLC,)

Defendants.)

COMPLAINT AT LAW

NOW COME Plaintiffs RACHEL BRYAN, RICHARD CALHOUN, SHERRY
DUNCAN, ADAM EI-HALIM, ANDREA GIRTON, CAMEKIA HAMMOND, STACEY
KING, RAISSA LEVY, MELISSA LOUIS-JEAN, CHINA McGEE, ASHLEE McGINNAS,
BRITTANEY MERRITT, SAMANTHA MISHKO, ELLE PAPPAS, ANNABELLE PARDO,
LINA SASTOQUE, ALEXIS SHARON, MATTHEW STILES, BIANCA TARASCHI,
FREDERICK TERRELL, JASMINE TURNER, KATHRYN TURNER, TOYNETTE

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TURNER, MARY WATSON, and JAMAL WILLIAMS, by and through their attorneys, Salvi, Schostok & Pritchard; Langdon & Emison; and the Law Offices of James Scott Farrin, and file this Complaint against Defendants, STERLING CAPITAL PARTNERS, L.P. (“SCP I”); STERLING CAPITAL PARTNERS GmbH & CO. (“SCP GmbH”); and STERLING FUND MANAGEMENT, LLC. Plaintiffs’ allegations are based on the investigation of counsel, reviews of advertising and marketing material for Charlotte School of Law (“CSL”), information derived from the United States Department of Education (“DoE”), the American Bar Association (“ABA”), interviews with former CSL faculty and staff members, various publicly available information, and interviews of students, and are thus made on information and belief, except as to the individual actions of Plaintiffs, of which Plaintiffs have personal knowledge.

INTRODUCTION

1. Plaintiffs are former CSL students who bring this action to recover damages resulting from a years-long campaign of misrepresentations and other deceptive and abusive behavior by Defendants and their subsidiaries including Charlotte School of Law, LLC (also “CSL”). Plaintiffs raise claims of violations of the North Carolina Unfair and Deceptive Trade Practices Act (“UDTPA”), the Illinois Consumer Fraud and Deceptive Business Practices Act, and applicable common-law theories as interpreted and applied by the courts of North Carolina and, where applicable, the courts of Illinois.

2. Defendant SCP I, and Defendant SCP GmbH (“the Sterling Funds”) own and control CSL. While two entities—InfiLaw Holding, LLC (“Holding”) and Corporation (“Corporation”) (collectively “InfiLaw”)—were nominally intermediate subsidiaries between CSL and the Sterling Funds, they existed primarily to obscure the actual domination and control of CSL by the Sterling Funds and/or Sterling Fund Management, LLC (“SFM”), as described

further below. Accordingly, these intermediate corporate veils should be pierced and disregarded to allow liability to be imposed on the Sterling Funds and/or SFM.

3. Defendant SFM manages and controls the Sterling Funds' portfolio companies, including CSL, under contractual and/or agency relationships with the two funds.

4. CSL was a private for-profit institution that SFM and the Sterling Funds (collectively, "the Sterling Entities" or simply "Sterling") created and established, or caused to be created and established, in 2006 in order to take advantage of the Federal Student Loans Direct PLUS loan program for graduate and professional students.

5. The ABA granted CSL full accreditation in June 2011.

6. From the time the Sterling Entities established the InfiLaw and CSL subsidiaries, the Sterling Entities and their subsidiaries recklessly planned to increase CSL's enrollment, revenue, and profit once it obtained full ABA accreditation by slashing standards for admission and curricular quality. The Sterling Entities installed CSL officers with specific directives which would result in the expansion of CSL at the expense of compliance with ABA Standards, students' outcomes at CSL, and graduates' outcomes on the bar exam and in professional practice, notwithstanding InfiLaw's, CSL's and the Defendants' deliberately misleading rhetoric about being "student outcome centered".

7. The inevitable end result was that the Council of the ABA's Section of Legal Education and Admissions to the Bar ("Council") placed CSL on probation in November 2016.

8. Throughout the time from CSL's accreditation until August 2017, CSL and the Sterling Entities marketed and represented CSL as being fully accredited by the ABA and in full compliance with ABA Standards.

9. Over the course of 2015 and 2016, the ABA issued a series of increasingly sharp decisions that CSL's *juris doctor* ("JD") program was out of compliance with several core, fundamental Standards. The ABA made these decisions known to CSL, which in turn informed Defendant SFM; however, Defendant SFM directed the Sterling Entities' subsidiaries, including CSL, and the agents of these companies not to disclose the decisions to Plaintiffs and other students and took other affirmative steps to conceal the decisions.

10. Also during this time, Defendant SFM caused CSL to violate multiple DoE regulations for schools that participate in student loan programs under Title IV of the Higher Education Act, including a prohibition on substantially misrepresenting elements of a school's educational program. As a result, the DoE denied CSL's Recertification Application to Participate in the Federal Student Financial Assistance Programs on December 19, 2016.

11. Following the ABA and DoE actions, the University of North Carolina System ("UNC"), which licenses private institutions of higher education in the state, found that CSL was noncompliant with several licensure standards, including standards related to financial stability and solvency. As a result, CSL's license expired on or around August 11, 2017, and it closed on that date or shortly thereafter.

12. As a result of the Defendants' actions, Plaintiffs must now seek to vindicate their interests through the judicial system. This action asserts the following claims: violations of the UDTPA (or, in the alternative, the Illinois Consumer Fraud and Deceptive Business Practices Act), Fraudulent Misrepresentation, Fraudulent Concealment, and Willful and Wanton Conduct.

13. Damages from these wrongful acts and omissions include but are not limited to the following: refunding and reimbursing Plaintiffs for tuition and fees paid; consequential damages arising from the Defendants' wrongful acts; costs and expenses, including attorneys' fees, and

any additional relief this Court determines to be necessary or appropriate to provide complete relief to Plaintiffs.

14. As described elsewhere in this Complaint, these Defendants are liable for these acts both directly, because of their own actions, and indirectly, because the portfolio companies were mere alter egos for the Sterling Funds and SFM, controlled by the Sterling Funds and SFM, and adherence to the fiction of a separate corporate existence would sanction their fraud or otherwise result in manifest injustice for reasons including that the Defendant Sterling Funds siphoned money from InfiLaw and CSL and that InfiLaw and CSL are not adequately capitalized to account for the liabilities they have incurred through their fraudulent conduct described below. Accordingly, the corporate veils of the Sterling Funds' subsidiaries – Holding, Corporation, and CSL – should be pierced such that liability may be imposed on the Sterling Funds and SFM.

JURISDICTION, VENUE, and APPLICABLE LAW

15. The Defendant Sterling Entities maintain their principal place of business in Chicago, Cook County, Illinois and, as such, have continuous and systematic contacts so as to render them at home in Illinois and subject to the jurisdiction of Illinois courts.

16. Cook County is the proper venue pursuant to 735 ILCS 5/2-102(b).

17. Cook County Circuit Court has proper subject-matter jurisdiction.

18. CSL is located in Mecklenburg County, North Carolina, where it operated its principal place of business. The conduct of which Plaintiffs complain violated the statutes and tort law of North Carolina. To the extent that the Defendants' conduct that occurred in Illinois and is subject to the statutes and tort law of Illinois, this conduct additionally violated Illinois law.

19. Plaintiffs Bryan, Duncan, King, Louis-Jean, McGee, McGinnas, Meritt, Mishko, Pappas, Pardo, Sharon, Stiles, Taraschi, Terrell, and Williams are concurrently maintaining separate actions in North Carolina state court against CSL, other Sterling subsidiaries, and several of their officers. Plaintiff Raissa Levy is a plaintiff in a separate action in North Carolina federal court against some of these entities. The Sterling Funds – though not SFM – were defendants in both of those sets of actions before being dismissed without prejudice for lack of personal jurisdiction in North Carolina.

PARTIES

Plaintiffs reassert the allegations above and in addition allege as follows:

I. PLAINTIFFS

20. Plaintiff Rachel Bryan (“Bryan”) is a citizen and resident of Fauquier County, Virginia, who attended CSL from January 2016 to January 2017.

21. Plaintiff Richard Calhoun (“Calhoun”) is a citizen and resident of Suffolk County, New York, who attended CSL for fall semester 2015.

22. Plaintiff Adam El-Halim (“El-Halim”) is a citizen and resident of Mecklenburg County, North Carolina, who attended CSL from August 2013 to May 2016.

23. Plaintiff Camekia Hammond (“Hammond”) is a citizen and resident of Mecklenburg County, North Carolina, who attended CSL from August 2013 to May 2016.

24. Plaintiff Stacey King (“King”) is a citizen and resident of Charleston County, South Carolina, who attended CSL from January 2015 through December 2016.

25. Plaintiff Raissa Levy (“Levy”) is a citizen and resident of Hillsborough County, Florida, who attended CSL from May 2016 into late March 2017.

26. Plaintiff Melissa Louis-Jean (“Louis-Jean”) is a citizen and resident of Essex

County, New Jersey, who attended CSL from August 2016 to May 2017.

27. Plaintiff China McGee (“McGee”) is a citizen and resident of Sacramento County, California, who attended CSL from August 2016 to December 2016.

28. Plaintiff Ashlee McGinnas (“McGinnas”) is a citizen and resident of Hillsborough County, Florida, who attended CSL from August 2014 through the fall 2016 semester. Plaintiff McGinnas has a Florida driver license, is registered to vote in Florida, and is licensed to practice law in Florida.

29. Plaintiff Brittaney Merritt (“Merritt”) is a citizen and resident of Houston, Harris County, Texas, who attended CSL from January 2014 to December 2014.

30. Plaintiff Samantha Mishko (“Mishko”) is a citizen and resident of Dauphin County, Pennsylvania, who attended CSL from August 2016 to March 2017.

31. Plaintiff Elle Pappas (“Pappas”) is a citizen and resident of Denver County, Colorado, who attended CSL from August 2015 to May 2016.

32. Plaintiff Annabelle Pardo (“Pardo”) is a citizen and resident of Mecklenburg County, North Carolina, who attended CSL from August 2016 to December 2016.

33. Plaintiff Lina Sastoque (“Sastoque”) is a citizen and resident of Mecklenburg County, North Carolina, who attended CSL from August 2014 to May 2017.

34. Plaintiff Alexis Sharon (“Sharon”) is a citizen and resident of Cook County, Illinois, who attended CSL from August 2015 to January 2017.

35. Plaintiff Matthew Stiles (“Stiles”) is a citizen and resident of Mecklenburg County, North Carolina, who attended CSL from August 2014 to December 2016.

36. Plaintiff Bianca Taraschi (“Taraschi”) is a citizen and resident of Fulton County, Georgia, who attended CSL from August 2016 to December 2016.

37. Plaintiff Frederick Terrell (“Terrell”) is a citizen and resident of Richmond County, North Carolina, who attended CSL from August 2014 to August 2017.

38. Plaintiff Jasmine Turner (“Jasmine Turner”) is a citizen and resident of Charlotte, Mecklenburg County, North Carolina, who attended CSL for fall semester 2015.

39. Plaintiff Kathryn Turner (“Kathryn Turner”) is a citizen and resident of Mecklenburg County, North Carolina, who attended CSL from August 2015 to January 2017.

40. Plaintiff Toynette Turner (“Toynette Turner”) is a citizen and resident of Mecklenburg County, North Carolina, who attended CSL from August 2015 to January 2017.

41. Plaintiff Mary Watson (“Watson”) is a citizen and resident of Knox County, Tennessee, who attended CSL from August 2014 to January 2017.

42. Plaintiff Jamal Williams (“Williams”) is a citizen and resident of Prince George’s County, Maryland, who attended CSL from August 2014 to January 2016.

II. DEFENDANTS

43. The Sterling Funds are both members of Holding. Holding owns Corporation, and Corporation owns CSL. “Sterling Partners” is the trade name for Defendant SFM and the private equity funds that SFM manages, including the Defendants Sterling Capital Partners, L.P., and Sterling Capital Partners GmbH & Co. KG.

44. The private-equity group to which Defendant Sterling Capital Partners, L.P., and Defendant Sterling Capital Partners GmbH & Co. KG belong has more than \$4 billion under investment management. The Sterling Funds are set up to purchase equity in businesses, generate operating profits, and sell the businesses at a gain for investors.

45. The principal member of Defendant Sterling Fund Management, LLC, is Sterling Fund Management Holdings, L.P. The members of Sterling Fund Management Holdings, L.P. are:

- a. Douglas L. Becker, a citizen of and domiciled in Miami, Florida (or, alternatively, Baltimore, Maryland);
- b. M. Avi Epstein, a citizen of and domiciled in Chicago, Illinois;
- c. R. Christopher Hoehn-Saric, a citizen of and domiciled in Miami Beach, Florida (or, alternatively, Gibson Island, Maryland);
- d. Jeff Schechter, a citizen of and domiciled in Buffalo Grove, Illinois;
- e. Steven Taslitz, a citizen of and domiciled in Miami Beach, Florida (or, alternatively, Glencoe, Illinois).

46. The general partner of Defendant Sterling Capital Partners, L.P., is SC Partners, L.P. The general partner of SC Partners, L.P. is Sterling Capital Partners, LLC. The members of Sterling Capital Partners, LLC, are:

- a. Douglas L. Becker, a citizen of and domiciled in Miami, Florida (or, alternatively, Baltimore, Maryland);
- b. Eric D. Becker, a citizen of and domiciled in Jupiter, Florida;
- c. Merrick M. Elfman, a citizen of and domiciled in Hartland, Wisconsin (or, alternatively, Northfield, Illinois);
- d. R. Christopher Hoehn-Saric, a citizen of and domiciled in Miami Beach, Florida, (or, alternatively, Gibson Island, Maryland); and
- e. Steven Taslitz, a citizen of and domiciled in Miami Beach, Florida (or, alternatively, Glencoe, Illinois).

47. The Sterling Entities' principal place of business is at 401 North Michigan Avenue, Suite 3300, Chicago, Illinois 60611.

48. Defendant SFM's liability arises from its own actions described herein in management of the Sterling Funds as well as their management, direction, and control of Holding, Corporation, and CSL.

49. The Sterling Funds acted as dominant members and owners of the portfolio companies and related entities described below. Thus, the Sterling Funds are liable for those entities' actions.

50. SFM and the Sterling Funds are also liable for the actions of their portfolio companies, InfiLaw and CSL, which were mere alter egos for the Sterling Funds and/or SFM and controlled by the Sterling Funds and/or SFM. Accordingly, adherence to the fiction of a separate corporate existence of SFM and the Sterling Funds would sanction the fraud of the Sterling Entities or otherwise result in manifest injustice for reasons including that the Sterling Funds siphoned money from InfiLaw and CSL and that InfiLaw and CSL are not adequately capitalized to account for the liabilities they have incurred through their fraudulent conduct described below. Thus, the corporate veils of Defendant SFM and the Defendant Sterling Funds' subsidiaries—Holding, Corporation, and CSL—should be pierced such that liability may be imposed on the Sterling Funds and SFM.

51. The Sterling Entities established Corporation, a for-profit company that operates law schools, in 2003. Following Corporation's creation, the Sterling Entities and Corporation acquired Florida Coastal School of Law. Corporation and the Sterling Entities then established Arizona Summit (originally known as "Phoenix School of Law") in 2005 and CSL in 2006.

52. The Sterling Entities later established Holding in 2006, whereafter Holding assumed full control over Corporation.

53. CSL's application to operate in North Carolina lists 1033 Skokie Boulevard, Suite 600, Northbrook, Illinois, 60062, an address of one or more of the Sterling Entities at the time, as the address of CSL's "principal office."

54. The Sterling Funds, in part through the direction of Defendant SFM, exercised complete domination and control over Holding, Corporation, and CSL such that Holding, Corporation, and CSL were mere alter egos of the Sterling Funds with no wills or identities of their own.

55. The Sterling Entities siphoned CSL's capital, leaving it without adequate funds to operate as an independent company, as evidenced by multiple regulatory findings in May, June, and August 2017, as further described herein.

56. A Sterling officer, Avi Epstein, told investors that the Sterling Entities are not merely passive investors in its portfolio companies, but rather that they and each portfolio company are "joined at the hip".¹

57. The Sterling Entities' creation of InfiLaw coincided with an expansion of the Federal Direct Plus Loan Program. The program's new rules lifted caps on the amounts that graduate students were able to borrow. It did not set limits on tuition that schools could charge. Under the direction of Defendant SFM, InfiLaw admitted more than 1,000 new students each year into the three institutions and willingly and knowingly took their full tuition payment without assuming any risk of student default.

¹ *IVCA Feature: Educational Luncheon Highlights, 'Strategies for Incentive Compensation at Private Companies,' Sponsored by Neal, Gerber & Eisenberg LLP, ILL. VENTURE CAPITAL ASS'N (Sept. 16, 2014), <http://www.illinoisvc.org/index.php?id=4756:ivca-feature--educational-luncheon-highlights---strategies-for-incentive-compensation-at-private-companies---sponsored-by-neal-gerber---eisenberg-llp> [https://perma.cc/FU5A-X5MR].*

III. RELATED NON-PARTY PERSONS

Charlotte School of Law, LLC

58. Charlotte School of Law, LLC, is a for-profit limited liability company formed in the State of Delaware, with its principal place of business at 201 S. College Street, Suite 400, Charlotte, North Carolina 28244-0048.

59. CSL was at one time North Carolina's largest law school, but its enrollment fell to 100 students by June 2017, and it shut down in mid-August 2017.²

InfiLaw Entities

60. Holding is a holding company which owns Corporation and CSL. Holding is a Delaware limited-liability company with its principal place of business at 1100 5th Avenue South, Naples, Florida 34102.

61. Corporation is incorporated in Delaware with its principal place of business at 8625 Tamiami Trail N, Suite 500, Naples, Florida 34108-2890. Corporation is the primary member-manager of CSL and maintained complete domination and control of CSL at all relevant times.

62. Corporation owns three for-profit law schools: CSL; Arizona Summit Law School ("Arizona Summit") in Phoenix, Arizona; and Florida Coastal School of Law ("Florida Coastal") in Jacksonville, Florida. While they are nominally distinct entities and subject to separate accreditation actions by the ABA, they were run as a single operation. InfiLaw and the Sterling

² *Recommended Findings and License Restrictions for Charlotte School of Law*, Mem. from Margaret Spellings, UNC Sys. Pres., to UNC Bd. of Govs. Comm. on Educ. Planning, Policies & Programs 2 (June 16, 2017), <http://www.northcarolina.edu/apps/bog/doc.php?id=57340&code=bog> [https://perma.cc/SX4Z-K5NT]; Amanda Griffin, *Charlotte School of Law Misses Two Deadlines, Asks for Extension*, JDJOURNAL, Aug. 11, 2017, <http://www.jdjournal.com/2017/08/11/charlotte-school-of-law-misses-two-deadlines-asks-for-extension> [https://perma.cc/K52Q-VWPM]; U.S. DEP'T EDUC., FACT SHEET: SCHOOL CLOSURE, <https://studentaid.ed.gov/sa/sites/default/files/charlotte-law.pdf> [https://perma.cc/RPM8-5JUN] (last viewed Aug. 25, 2017).

Entities rotated senior managers freely among InfiLaw and the three schools, eliminating any autonomy that the schools might have otherwise had.

63. The ABA accredited Arizona Summit in 2010 but placed it on probation in March 2017 and withdrew Arizona Summit's accreditation in June 2018 after finding it out of compliance with three ABA Standards and two ABA interpretations of its Standards.³ Three of these – Standard 301(a), Standard 501(b), and Interpretation 501-1 – are among the four that CSL was found to have violated as a precursor to probation.

64. The ABA notified Florida Coastal in October 2017 that it was “significantly out of compliance” with four ABA Standards and one ABA interpretation of a Standard.⁴ Four of these – Standard 301(a), Standard 501(a), Standard 501(b), and Interpretation 501-1 – are exactly the same standards that CSL was found to have violated as a precursor to probation.

65. CSL's management structure is similar to those of sister subsidiaries Arizona Summit and Florida Coastal and different from those of nearly every other law school in the United States. The top administrative officer at each of the three InfiLaw subsidiaries is a “president”, while the “dean” is second in command. This structure allowed all three subsidiaries to violate the spirit of ABA Standards on law-school governance, which require faculty to have

³ See Memorandum, Barry Currier, Managing Dir. of Accreditation & Legal Educ., Am. Bar Assoc., Withdrawal of Approval: Arizona Summit Law School (June 8, 2018), https://www.americanbar.org/content/dam/aba/administrative/legal_education_and_admissions_to_the_bar/18_june_arizona_summit_public_notice.authcheckdam.pdf [https://perma.cc/E8SW-VYYK].

⁴ Letter from Barry Currier, Managing Dir. of Accreditation & Legal Educ., Am. Bar Assoc., to Dennis Stone, Pres., Fla. Coastal Sch. L., and Scott Devito, Dean, Fla. Coastal Sch. L. (June 8, 2018), https://www.americanbar.org/content/dam/aba/administrative/legal_education_and_admissions_to_the_bar/PublicNoticeAnnouncements/2017_october_florida_coastal_school_of_law.authcheckdam.pdf [https://perma.cc/24CY-54WX].

“meaningful involvement” in the dean’s selection⁵ but no similar requirement for selection of a stand-alone law school’s “president”.

66. In the absence of local faculty influence, the Sterling Entities, through Corporation and Holding, exercised complete domination over CSL such that CSL had no will or identity of its own.

67. InfiLaw and the Sterling Entities accomplished this domination in part by installing a series of InfiLaw executives as CSL’s President, with authority over its dean and faculty.

68. InfiLaw and Defendant SFM created CSL’s “president” position for InfiLaw executive Dennis Stone in or around September 2011, just three months after CSL secured full ABA accreditation. Stone had been serving as CSL’s interim dean since 2009, when founding Dean Eugene Clark stepped down. Stone, a law librarian who had little or no experience as a law professor, failed to draw enough faculty support for appointment as permanent dean in compliance with ABA Standard 203, and so InfiLaw simply moved him into the new “president” role.

69. InfiLaw and Defendant SFM later transferred Stone to become president of Florida Coastal, where he oversaw its fall from compliance with ABA Standards. InfiLaw and Defendant SFM transferred Stone’s successor at CSL, Donald E. Lively, from Florida Coastal in 2011 and, after CSL, to Arizona Summit over the course of 2014 and 2015. InfiLaw and

⁵ E.G., AM. BAR ASS’N, STANDARDS AND RULES OF PROCEDURE FOR APPROVAL OF LAW SCHOOLS, 2017-18, STANDARD 203(C), https://www.americanbar.org/content/dam/aba/publications/misc/legal_education/Standards/2017-2018ABAStandardsforApprovalofLawSchools/2017_2018_standards_chapter2.authcheckdam.pdf [https://perma.cc/9BDX-6CAZ]; *see also* ABA STANDARD 203(B) (“Except in extraordinary circumstances, a dean shall also hold appointment as a member of the faculty with tenure”); ABA STANDARD 203, INTERPRETATION 203-1 (“Except for good cause, a dean should not be appointed or reappointed to a new term of the stated objection of a substantial majority of the faculty”).

Defendant SFM installed Lively's successor, Chidi Ogene, in the position after a stint as Corporation's general counsel.

70. The two InfiLaw entities, in turn, were dominated and controlled by the Sterling Entities. The Sterling Entities accomplished this domination by installing Inatome, an agent of one or more of the Defendant Sterling Entities and their affiliates, as Corporation's CEO and Holding's manager. The Sterling Entities further controlled InfiLaw by installing Sterling partners Inatome, Philip Alphonse, and Chris Hoehn-Saric on Holding's board. Sterling partners including Justin Marku and Steve Fireng participated in Holding's board meetings.

71. The Defendants exercised domination and control over the Sterling Funds' subsidiaries well outside of quarterly board meetings. They directed these subsidiaries' operations even in minutiae such as responses to media inquiries and decisions based on shifting judgments about ABA Standards relating to bar passage.

72. During the relevant time period described in this Complaint, Sterling and InfiLaw controlled and managed CSL, Florida Coastal, and Arizona Summit with profit maximization predominating over educational considerations.

73. As further described herein, Corporation, Holding, and Sterling siphoned CSL's capital. Corporation, Holding, and Sterling regularly withdrew money from CSL's accounts. In the most common scenario, CSL received cash from the DoE, a portion of which was to be applied to tuition charges, with the remainder disbursed to students as living stipends. Corporation, Holding, and Sterling withdrew large portions of the deposits from the DoE and returned the money to CSL's accounts weeks after it was due for disbursement to students. Corporation, Holding, and Sterling regularly did so without coordinating with CSL employees who were nominally in charge of managing the funds. This pattern of conduct left CSL without

adequate capital to operate as its own company, as evidenced by multiple regulatory findings in May, June, and August 2017.⁶

Rick Inatome

74. Rick Inatome is the Chief Executive Officer of Corporation and the chief manager of Holding. At various times relevant to the acts alleged herein, Inatome also held the roles of Vice President of SFM until 2012, Special Limited Partner at SFM, and Managing Director of an affiliate of the Sterling Defendants, Sterling Partners, Inc.

75. Inatome was a primary conduit for the Sterling Entities' domination and control of CSL and participated in its week-to-week management.

76. Inatome is a professional entrepreneur who has not graduated from law school, is not a licensed attorney, and has no prior experience operating an educational institution.

77. In his various roles for the Sterling Defendants and their affiliated entities, Inatome facilitates their control over Holding, Corporation, and CSL. Sterling, for example, authorized and directed him to apply for CSL's North Carolina certificate of authorization in 2006. CSL's application lists Sterling's address as the address of its "principal office."

78. In his various roles for the Sterling Defendants and their affiliated entities, as Corporation's CEO, and as Holding's chief manager, Inatome participated at all relevant times in the week-to-week management of CSL. Inatome was on location at CSL for at least two days every semester to effect short- and longer-term management. Inatome met at least weekly, by videoconference or telephone, to direct CSL's senior managers including Dennis Stone, Donald

⁶ Sterling, Holding, and Corporation similarly siphoned capital from Arizona Summit, leaving it undercapitalized to the point of being in violation of an ABA Standard. *See* Letter from Barry Currier, Managing Dir. of Accreditation & Legal Educ., Am. Bar Assoc., to Don Lively, Pres., Ariz. Summit Sch. Of L. and Penny Willrich, Dean, Ariz. Summit Sch. L. (Jan. 4, 2018), https://www.americanbar.org/content/dam/aba/administrative/legal_education_and_admissions_to_the_bar/PublicNoticeAnnouncements/arizona_summit_12a4_public_notice_january_4_2018.authcheckdam.PDF [https://perma.cc/32GB-WDFN].

E. Lively, and Chidi Ogene; former Dean Jay Conison; Conison's successors as dean; and at least one associate dean in performance of their duties. Also in his various roles for the Sterling Defendants, Inatome directed CSL's senior managers through frequent phone calls and e-mails.

Jay Conison

79. Jay Conison was the Dean of CSL from 2013 to March 2017.

80. Conison was the Dean at Valparaiso Law from 1998 to 2013. After Conison left Valparaiso, that law school was found to have been non-compliant with ABA Standards for admissions practices while under his direction. InfiLaw and the Defendant Sterling Entities hired Conison for the position at CSL specifically because of his savvy in implementing and managing high-volume admissions practices.

Chidi Ogene

81. Chidi Ogene was the President of CSL from 2015 until its closure in August 2017.

82. Ogene was formerly general counsel of Corporation and Dean of Florida Coastal.

83. After CSL's collapse, Ogene reassumed his former position as general counsel of Corporation and/or Holding.

Donald E. Lively

84. Donald E. Lively was President of CSL from 2011 to 2015.

85. Lively was previously the Dean and Chancellor of Florida Coastal. Lively is currently President of Arizona Summit.

FACTS

Plaintiffs reassert the allegations above and in addition allege as follows:

A. THE CSL CASH MACHINE

86. The Defendant Sterling Entities founded CSL in 2006. CSL's application for certificate of authorization as a North Carolina LLC lists Sterling's address as the address of its "principal office".

87. CSL was provisionally accredited in 2008 by the ABA and fully accredited by the ABA in 2011.

88. CSL's annual tuition rose as high as \$44,284.00, not including the cost of extra courses that some students were required to take.

89. CSL's enrollment rose as high as approximately 1,400, in 2012, 2013, and 2014.

90. The Defendant Sterling Entities fuelled this growth by establishing revenue and profit goals for InfiLaw and CSL that Sterling knew to be attainable only by slashing CSL's admissions standards to among the very lowest of U.S. law schools.

91. The median Law School Admission Test ("LSAT") score for incoming CSL students fell from 149 in 2011 to 147 in 2012, 145 in 2013, and 143 in 2014. By 2015, its median LSAT score had fallen to 142 and its median undergraduate grade-point average ("UGPA") to 2.82. By comparison, the nationwide median LSAT score for all test-takers, including those not accepted to any law school, has been about 151 in recent years.

92. The Defendant Sterling Entities caused CSL's admissions standards to be slashed most dramatically after 2011, when CSL won ABA accreditation and was no longer subject to the same degree of ABA scrutiny.

93. CSL's acceptance rates after 2011 ranged from 65% to 75%.

94. To facilitate the lowering of standards, InfiLaw and Defendant SFM established admissions targets outside the oversight and involvement of CSL's faculty. Sterling directed and

facilitated the admission of an unknown but large number of CSL students without allowing a committee of faculty to participate in the decisions as has long been required by the ABA.⁷ Given this ABA requirement and the prevailing norm of faculty involvement in such decisions at U.S. law schools and other institutions of higher learning, Plaintiffs were reasonable in their expectations that faculty would be similarly involved at CSL and that an admissions decision reflected a belief that the applicant was prepared for law school rather than merely as a source of revenue.

95. The Defendant Sterling Entities also lowered CSL's standards more directly by staffing CSL's admissions office with employees of their other subsidiaries and instructing admissions officers to increase enrollment without any regard for successful outcomes of students while at CSL or on the bar exam.

96. One such admissions officer was Steve Jones. Jones had been director of admissions for the University of St. Augustine ("St. Augustine"). St. Augustine's precipitous growth under Jones attracted the attention of Inatome, the Defendant Sterling Entities and Laureate Education, Inc. ("Laureate"), a Sterling portfolio company, leading the Sterling Funds and Laureate to acquire St. Augustine in late 2013. Soon after this acquisition, the Defendant Sterling Entities transferred Jones and installed him as director of admissions for both Florida Coastal and CSL, with directions to maximize both subsidiaries' enrollments through any means necessary and without regard to applicants' qualifications or preparedness.

⁷ E.G., AM. BAR ASS'N, STANDARDS AND RULES OF PROCEDURE FOR APPROVAL OF LAW SCHOOLS, 2017-18, STANDARD 201(A), https://www.americanbar.org/content/dam/aba/publications/misc/legal_education/Standards/2017-2018ABAStandardsforApprovalofLawSchools/2017_2018_standards_chapter2.authcheckdam.pdf [<https://perma.cc/9BDX-6CAZ>].

97. The Defendant Sterling Entities did not disclose these recruitment and admissions practices to Plaintiffs, the ABA, the DoE, or other applicants and students. Sterling directed CSL, InfiLaw, and their employees not to disclose these practices.

98. From CSL's accreditation until mid-August 2017, the Defendant Sterling Entities, InfiLaw, and CSL marketed and represented CSL as having "been awarded full accreditation by the ABA in 2011." As recently as mid-August 2017, CSL's website proclaimed that the ABA "determined through its accreditation process that Charlotte School of Law *is in full compliance with the ABA Standards for the Approval of Law School*,"⁸ language that had been formulated by InfiLaw and Defendant SFM.

99. From CSL's accreditation until mid-August 2017, the Sterling Funds and CSL marketed CSL as having "a rigorous curriculum [that] has been created to ensure that our students are equipped with practical skills that will allow them to thrive in a professional setting. Students are taught not only the traditions and theory of law, but also how to apply this learning through critical thinking and analytical skill sets. We address what using a law degree in real life can mean to an individual both personally and professionally."⁹ In marketing and representing CSL to current and prospective students, CSL's website claimed that "[s]tudent success is of the utmost importance to everyone at the institution, on every level."¹⁰

100. InfiLaw and Defendant SFM approved and encouraged CSL to use such phrasing despite knowing it was misleading after they began hollowing out CSL's faculty in 2011.

⁸ OUR MISSION, <http://www.charlottelaw.edu/our-mission.html> [https://perma.cc/D8KR-KMZE] (last viewed July 28, 2017).

⁹ CHARLOTTE SCHOOL OF LAW, https://lsac.org/officialguide/2014/lsac_5499.asp [https://perma.cc/8NMX-JQWZ] (mission statement supplied by CSL to Law School Admissions Council) (last viewed September 4, 2018).

¹⁰ OUR MISSION, <http://www.charlottelaw.edu/our-mission.html> [https://perma.cc/D8KR-KMZE] (last viewed July 28, 2017).

101. Contrary to those pronouncements, Defendant SFM directed CSL and InfiLaw to solicit, entice, and admit students that they anticipated would fail—not succeed—and to provide them with an insufficient legal education.

102. CSL, InfiLaw, and SFM relegated the majority of CSL students to indentured servitude, saddling them with hundreds of thousands of dollars of crushing debt that will take literally decades to repay.¹¹ The Sterling Entities are the only parties that have benefited from this scheme, to the detriment of the students upon whom they preyed.

103. Under the direction of Defendant SFM, CSL and InfiLaw knowingly contacted, recruited, enticed, and encouraged students, including Plaintiffs, to attend CSL even though some students had not yet received their LSAT scores.

104. Plaintiffs and other students targeted by CSL, InfiLaw, and Defendant SFM did not understand how CSL or other law schools select incoming classes of students, or how LSAT scores, UGPAs, and an applicant's other attributes correlate with success in law school, graduation, and, in the instances where students were able to graduate, on the bar exam.

105. CSL, InfiLaw, and Defendant SFM understood well how LSAT scores, UGPAs, and an applicant's other attributes correlate with success in law school and on the bar exam. Officers of Corporation, Holding, and the Defendant Sterling Entities discussed the correlation at multiple board meetings.

106. Under the direction of Defendant SFM, CSL and InfiLaw exploited this information disparity in specifically targeting Plaintiffs and other unsophisticated applicants for recruitment to CSL.

¹¹ Plaintiffs' student debt associated with CSL averages approximately \$170,000, including accrued interest.

107. Under the direction of InfiLaw and Defendant SFM, CSL, Lively, Ogene, and Conison encouraged Plaintiffs to trust their educational expertise during the recruitment process and as students.

108. Under the direction of the Defendant Sterling Entities, CSL and InfiLaw represented to Plaintiffs before they enrolled that they were likely to succeed academically at CSL and then pass the bar exam.

109. Under the direction of the Defendant Sterling Entities, CSL and InfiLaw developed a pattern and practice of admitting applicants who stood little chance of graduating and no reasonable chance of passing a bar exam.

110. CSL's retention rates were strikingly low and continued to worsen right up until the end. For the 2013–14 academic year, the attrition rate for first-year students was 32.1%. It rose to 44.6% in 2014–15 and 49.2% in 2015–16.

111. This high and rising attrition rate was due primarily to “academic dismissal,” which resulted when a student's grade-point average (“GPA”) fell below a 2.0 (“C” average). This result was all but inevitable for fully half of CSL's students, since each course's final grade was curved to a “C” average.

112. CSL's lax admission standards and tight grading curve were essential to its business model: enroll the maximum number of students, regardless of whether they are adequately prepared for law school, and collect millions of dollars in tuition and fees, but then, in order to inflate CSL's bar passage rate, discard the students who were deemed unlikely to pass the bar exam. Partners, employees, and other agents of Defendant SFM were aware that CSL's bar-passage rates were below statewide averages by fall 2014 and that the situations were similar at InfiLaw's other two subsidiaries.

113. A key aspect of the business model was CSL's, InfiLaw's, and the Defendant Sterling Entities' rhetorical emphasis on racial and ethnic diversity and "underserved markets". The purpose of this "diversity" marketing was to focus on students whose educational backgrounds provided little preparation for the rigors of law school and who provided easy marks for Sterling's and InfiLaw's high-volume admissions strategy.

114. In this respect and others, CSL's business model was identical to those of the Sterling Funds' other law school subsidiaries. This is because Defendant SFM and InfiLaw operated all three schools first and foremost as profit-seeking entities, with education a distinctly secondary consideration. Like Inatome, Corporation's "vice president of academics," Adam Cota, had no training in either law or education.

115. For the class of 2017, CSL and InfiLaw advertised during the application process that CSL would have a "C" curve only for those students' first year at CSL. In other words, if a student finished his first year in the middle of his class cohort, he would have a 2.0 GPA. Defendant SFM directed CSL and InfiLaw to implement this curve because they were fully aware that a large portion of CSL's admitted students did not have test scores and/or adequate UGPAs that predicted success in law school or, for those who graduated, on the bar exam.

116. However, in 2015, CSL and InfiLaw created a requirement whereby the class of 2017 would have a "C" curve during their second and third years as well. This was never disclosed to the Class of 2017 students during their application process. Fully aware that a large portion of its admitted students did not have test scores and/or adequate UGPAs that predicted success in law school or the bar exam, Defendant SFM directed CSL and InfiLaw to implement this curve in order to weed out those students before they could get to the bar exam, where they would weigh on CSL's bar-passage statistics.

117. CSL, InfiLaw, and Defendant SFM knew that roughly half of incoming students at CSL would leave law school during the first two years, including many through academic dismissal.

118. The Alternate Admission Model Program for Legal Education (“AAMPLE”) program was the primary vehicle for admitting such students. AAMPLE targeted applicants whose low UGPAs and low LSAT scores (typically below 140) made them less likely to be accepted by other law schools. AAMPLE was a six-week program in which paying participants took two classes that were comparable to classes taught in the JD program, but simpler. AAMPLE classes included “Fourth Amendment”, which corresponded roughly to a criminal procedure class in the JD program, and “Negotiable Instruments”.

119. CSL and InfiLaw advertised AAMPLE to applicants as a “conditional admittance” program. Its central conceit was that a participant took two exams at the end of the six-week program and was admitted to the JD program upon passing both.

120. In reality, AAMPLE was a ruse intended to mask CSL’s, InfiLaw’s, and the Defendant Sterling Entities’ goal of roping in as many students as possible, while still showing ABA accreditors and the broader legal-education community a semblance of selectivity and convincing AAMPLE participants that law was a viable career choice and to attend CSL.

121. CSL, InfiLaw, and Defendant SFM caused AAMPLE exams to be graded more leniently than the exams in CSL’s JD program. In many instances, an AAMPLE instructor would assign a failing grade and then, to his or her surprise, encounter the same student in a first-semester JD course. This use of AAMPLE reflects the broader reality of CSL faculty having no meaningful role in the admission and enrollment process, which was designed by InfiLaw’s financial planners at Defendant SFM’s direction.

122. Even the few applicants who failed an AAMPLE class were admitted under other pretexts. In early 2014, Defendant SFM directed InfiLaw to install Steve Jones as CSL's admissions director with instructions to increase numbers of matriculants with LSAT scores below 140. As the beginning of each semester approached and Jones saw that CSL was falling short of its enrollment goal, Jones dug ever deeper into the pools of applicants who had initially failed the AAMPLE exams and admitted those students on other pretexts.

123. One such pretext was a so-called "diagnostic exam" developed and administered by the Kaplan testing company, which is designed primarily to help first-year law students identify strengths and weaknesses in their own study habits and the modes of learning. CSL, InfiLaw, and Defendant SFM used this "diagnostic exam", like AAMPLE, as a pretext to convey a semblance of selectivity rather than as an actual screening mechanism. Applicants who took the "diagnostic exam" were typically admitted. This was another feature of CSL's, InfiLaw's, and the Defendant Sterling Entities' "diversity" profiteering.

124. Students admitted to CSL through AAMPLE were academically dismissed from at a far higher rate than students admitted under traditional criteria.

125. AAMPLE instructors, CSL Registrar Traci Fleury, and admissions employees complained repeatedly to CSL, Corporation, Lively, Ogene, and Conison about these admissions practices and the resulting increase in attrition rates. CSL, Lively, Ogene, and Conison, in turn, communicated these concerns to Defendants SFM and the Sterling Funds via Inatome in his capacity as their agent, but Inatome, again in his capacity as their agent, directed them to ignore the concerns.

126. Of AAMPLE students who graduated from CSL, fewer than one-third went on to pass a bar exam, even after multiple attempts.

127. Defendant SFM was well aware of all these facts related to AAMPLE but did not disclose them to AAMPLE participants or to the relevant faculty members.

128. CSL, InfiLaw, and Defendant SFM knowingly enticed students to attend or select CSL on the promise of receiving a scholarship. After granting the scholarship for a period of time, CSL, InfiLaw, and Defendant SFM changed the grading pattern and were able to manipulate the grades to prevent applicants from receiving a continued scholarship. CSL, InfiLaw, and Defendant SFM did not disclose this practice to Plaintiffs or other students at any time, and they discouraged faculty from doing so.

129. Under the direction of Defendant SFM, CSL and InfiLaw knowingly misrepresented the utility and availability of CSL law clinics.

130. Under the direction of Defendant SFM, CSL and InfiLaw knowingly exaggerated statistics on CSL graduates' true legal employment after graduation to Plaintiffs and other students while they were considering attending CSL and also while they were considering transfer from CSL to other law schools.

131. In or around 2013, CSL began to experience an increase in numbers of students transferring to higher-quality law schools. In response, Defendant SFM directed CSL and InfiLaw to overhaul its curriculum in ways that Defendant SFM knew would ultimately hinder students' ability to transfer to other law schools.

132. One such impediment was that InfiLaw created new courses that were not in the regular curriculum of most law schools in the United States, such as "Civil Wrongdoing" and "Introduction to the Study of Law," so that a student transferring to another school would lose academic credit. At least some of these new courses were composites of two or even three

courses that other U.S. law schools offered to first-year students, typically one or two courses in substantive law and one course in legal writing and/or other skills.

133. The curricular overhaul also entailed the elimination and reduction of certain topics from core classes so that other law schools would not grant credit for those classes to students transferring from CSL. This, too, was integral to the Defendant Sterling Entities' scheme to impede students' transfers and keep the tuition dollars flowing in.

134. Under Defendant SFM's direction, InfiLaw imposed this new curricular structure on all three of its subsidiaries. InfiLaw and Defendant SFM dubbed the structure "Legal Education 2.0", a moniker aimed at convincing the Sterling Funds' investors that InfiLaw's business model would remain profitable even as U.S. law schools in the aggregate faced declining numbers of applicants, starting around 2012. While law-school applicant numbers were decreasing nationwide and positions for first-year attorneys becoming scarcer, other law schools were adjusting to the circumstances by admitting smaller classes. However, Defendant SFM directed InfiLaw and CSL to increase enrollment, even if lower admissions standards were necessary to do so, and to overhaul the curriculum, which was certain to hamper CSL students' ability to transfer to other law schools.

135. Defendant SFM, however, directed InfiLaw and CSL to increase enrollment by means including lowering admissions standards and hampering CSL students' transfer attempts.

136. InfiLaw executives introduced the model to CSL faculty during or around the 2012–13 academic year. During that academic year or the 2013–14 academic year, InfiLaw and CSL introduced the new curriculum for all first-year students as the "Charlotte Edge" curriculum.

137. Since then, the structure inhibited numerous CSL students' ability to transfer. The relatively few students who have been able to transfer have lost credits in the process and incurred additional time and expenses.

138. Another such impediment to transfer was that CSL and InfiLaw knowingly and intentionally failed to provide transcripts that students needed in order to explore transfer opportunities.

139. Similarly, CSL and InfiLaw imposed a requirement that students attempting to transfer first sit down for an "exit interview" with CSL's dean. Such interviews were initially considered a formality when they were introduced in or around 2014. As Defendant SFM increasingly pressured InfiLaw and CSL to show growing or at least steady enrollment, however, CSL and InfiLaw made it increasingly difficult for transferring students to arrange these interviews.

140. These were conscious strategic moves instigated by CSL, InfiLaw, and Defendant SFM to hamper CSL students' efforts to transfer.

B. ABA INVESTIGATION

141. Between March 16 and 19, 2014, an ABA "site team" conducted an on-site Three-Year Interval evaluation of CSL. During the course of this site visit, the team met with Inatome, who was CEO of Corporation, chief manager of Holding, and an agent of the Defendant Sterling Entities and their affiliates; Conison, then Dean of CSL; Lively, then President of CSL and now president of Arizona Summit; and numerous CSL administrators, faculty, and staff. Members of the site team visited a significant majority of the classes taught during its visit. Site-team members met with some CSL students; however, faculty and staff

instructed at least some students not to speak with site-team members, for fear that the students would reveal damaging information about CSL, InfiLaw, or the Defendant Sterling Entities.

142. On September 15, 2014, the ABA provided CSL with a 72-page Inspection Report and invited CSL to provide comments and note factual errors. The ABA informed CSL that the Report would provide the basis for its determination on whether CSL's programs were operating in compliance with the ABA Standards. Among its topics, the Report discussed CSL's program of legal education, students (including both admissions qualifications and output metrics, including a discussion of bar passage statistics), and financial operations.

143. CSL provided a copy of the report to Inatome, in his capacity as Corporation's CEO, his capacity as Holding's chief manager, and his capacity as an agent of one or more the Defendant Sterling Entities and their affiliates.

144. In his capacities as the CEO of Corporation, chief manager of Holding, and an agent of one or more of the Defendant Sterling Entities and their affiliates, Inatome controlled CSL's response to the report by communicating frequently with Conison and Lively and by reviewing draft responses.

145. CSL responded in writing to the report in October 2014.

146. Based on the issues raised in the 72-page report, Defendant SFM knew or should have known that CSL's compliance was in serious doubt, and its accreditation status was in jeopardy.

147. At its January 2015 meeting, the ABA Accreditation Committee ("Committee") reviewed both the Report and CSL's written response. Following that meeting, the Committee issued its first decision announcing that it had "reason to believe" that CSL had "not demonstrated compliance" with certain ABA Standards. The ABA also "request[ed] additional

information to make a determination” as to CSL’s compliance with additional Standards and interpretations, including Standards 301(a), 501(a), and 501(b), and Interpretation 501-1, which are foundational to the educational enterprise and the nature of the education program offered by CSL. Those Standards are as follows:

Standard 301(a): “A law school shall maintain a rigorous program of legal education that prepares its students, upon graduation, for admission to the bar and for effective, ethical, and responsible participation as members of the legal profession.”

Standard 501(a): “A law school shall maintain sound admission policies and practices consistent with the Standards, its mission, and the objectives of its program of legal education.”

Standard 501(b): “A law school shall not admit an applicant who does not appear capable of satisfactorily completing its program of legal education and being admitted to the bar.”

Interpretation 501-1: “Among the factors to consider in assessing compliance with this Standard are the academic and admissions test credentials of the law school’s entering students, the academic attrition rate of the law school’s students, the bar passage rate of its graduates, and the effectiveness of the law school’s academic support program.”

148. Under Defendant SFM’s direction, Conison misrepresented the ABA’s decision by e-mailing all CSL students the following on March 12, 2015:

[T]he report of the site visit team was very positive. . . . The letter is also very positive and contains only a few items on which we need to report back with updated information. Requests to report back are normal. I previously served in the role of Chair of the ABA Accreditation Committee and in my experience decision letters typically contain more requests to report back than does ours.

149. Relying on Conison’s representations of a “very positive” visit and unaware that CSL had “not demonstrated compliance” with certain ABA Standards, Plaintiffs and other students felt no need to seek admission elsewhere.

150. On February 3, 2016, the ABA Committee issued its second decision regarding CSL. In this decision, the Committee made twenty factual findings, thirteen of which pertained to the Committee's request for additional information to determine CSL's compliance with Standards 301(a), 501(a), and 501(b) and Interpretation 501-1. The Committee concluded that CSL was "not in compliance" with "Standards 301(a), 501(a), 501(b), and Interpretation 501-1, in that the Law School has not demonstrated that it is maintaining a rigorous program of legal education that prepares its students, upon graduation, for admission to the bar and for effective, ethical, and responsible participation as members of the legal profession; maintaining sound admissions policies and practices consistent with the Standards, its mission, and the objectives of its program of legal education; or is admitting applicants who do not appear capable of satisfactorily completing its program of legal education and being admitted to the bar."

151. Having full knowledge of the Committee's second, firmer admonition on February 3, 2016, CSL, InfiLaw, and Defendant SFM nevertheless again failed to amend, update, or otherwise correct the continuing and misleading representations on CSL's website or the websites of InfiLaw or the Sterling Entities or inform CSL's current or prospective students about the ABA's notification.

152. In July 2016, the ABA issued its third decision, again finding CSL to be out of compliance with Standards 301(a), 501(a), and 501(b) and Interpretation 501-1. In this decision, the ABA also announced its conclusion that "the issues of non-compliance with Standards 301(a), 501(a), and 501(b), and Interpretation 501-1 *are substantial and have been persistent*" (emphasis added). The Committee also found that CSL's "plans for bringing itself into compliance with the Standards have not proven effective or reliable." Among its factual findings, the Committee concluded:

With respect to CSL's admission policies, [i]t was not clear to the Committee how [CSL's] admission practices demonstrate that applicants with low academic and admission test credentials appear capable of completing the Law School's program of legal education and being admitted to the bar.

...

Attrition is substantial and suggests that the Law School's admissions process is not as predictive of academic success as it might be.

...

The Law School's bar passage rates...remain low, often significantly so.

...

The Law School's ultimate bar passage rates were in compliance for 2011, 2012, and 2013. The school may be in compliance for 2014, but the 17% missing or never passed could affect that compliance. It is not in compliance for 2015 at this point, with 43% either missing or never [having] passed the bar.

153. The third decision's "substantial" and "persistent" language suggests that the noncompliance dated to long before February 2016, when the ABA issued its second decision.

154. As part of this third decision, the Committee ordered CSL to disclose its noncompliance to students and the public.

155. After the ABA's third decision, CSL, InfiLaw, and Defendant SFM continued to conceal CSL's noncompliance with ABA Standards from current and prospective students and misrepresented this noncompliance in its discussions with current and prospective students. Specifically, Defendant SFM prevented CSL and InfiLaw from amending, updating, or otherwise correcting the continuing and misleading representations on CSL's website. Similarly, Defendant SFM prevented CSL and InfiLaw from correcting and updating the earlier representations that CSL and InfiLaw had made to current and prospective students.

156. Instead, in August 2016, CSL appealed the third decision to the Council. CSL asked the Council to eliminate the requirement that CSL disclose the noncompliance to students. CSL conceded that "if students and prospective students were aware of the ABA's findings of

noncompliance, that would have a profound impact on admissions because: (1) knowledge of the ABA’s findings would make applicants much less likely to enroll; and (2) such a disclosure would effectively tell applicants to beware of attending the Charlotte School of Law.” In addition, CSL argued to the ABA that public disclosure of its noncompliance would “have an adverse impact on [CSL’s] ability to retain high-performing students,” because it would “inevitably create anxiety on the part of high-performing students and make their transfer more likely.” Thus, CSL acknowledged that informing students of its noncompliance would have impacted the decisions made by both prospective students and current students to either enroll or continue their studies at CSL; in other words, Defendant SFM, which was directing CSL’s responses, was aware that CSL students were relying on the misimpression that CSL was fully compliant with ABA Standards.¹²

157. On October 21, 2016, the Council held a hearing at which Conison testified on CSL’s behalf. At that hearing, *Conison noted that CSL was “not appealing that conclusion of noncompliance with Standards 301 and 501.”*

158. On November 14, 2016, the Council found *for the fourth time in two years* that CSL was not in compliance with ABA Standards. On that date, the Council determined again that CSL was not in compliance with Standards 301(a), 501(a), and 501(b), that the issues of noncompliance with these Standards “are substantial and have been persistent,” and that CSL’s

¹² In connection with CSL’s appeal to the ABA, CSL and InfiLaw provided the ABA with a market study that tested the impact of disclosure on CSL applicants. The study analyzed the view of individuals with LSAT scores below 142 who have applied to one or more of the InfiLaw Schools. These individuals were asked to assess the impact on the likelihood of their enrollment at a particular law school if acceptance materials from that school included a statement that CSL failed to meet accreditation standards dealing with admissions, educational programs and bar passage. The study concluded that approximately 3 in 4 applicants (or 74%) stated that they would be “much less likely to enroll” after reading such a statement – establishing that reasonable students were highly likely to rely on the disclosure of information regarding the accreditation failure that CSL sought to keep from public view.

“plans for bringing itself into compliance with the Standards have not proven effective or reliable.”

159. Because Inatome, on behalf of SFM, prevented CSL from disclosing to its current and prospective students its noncompliance with ABA Standards, the Council ordered remedial actions, including public disclosure.

160. Citing the foregoing, the ABA placed CSL on probation, effective November 14, 2016.

161. Plaintiffs and other students were devastated, both by learning of CSL’s persistent noncompliance with ABA Standards and by the probation, because CSL and Corporation, at the direction of Defendant SFM, refrained from giving them forewarning and instead misled them at multiple points.

162. In a meeting with students on November 16, 2016, Ogene acknowledged the ABA’s determinations of noncompliance in 2015 and 2016 but added “I thought it would blow over.” Ogene’s statement is reflective of CSL, InfiLaw, and Defendant SFM’s failure to take the ABA Standards and enforcement process seriously.

**C. CSL’S, INFILAW’S, AND DEFENDANT SFM’S
MISREPRESENTATIONS CAUSED CSL STUDENTS TO LOSE ACCESS TO
FEDERAL STUDENT AID**

163. On December 19, 2016, after finding that CSL had “substantially misrepresent[ed] the nature of its educational program” to the DoE and current and prospective students, the DoE denied CSL’s Recertification Application to Participate in the Federal Student Financial Assistance Program.

164. CSL’s, InfiLaw’s, and Defendant SFM’s actions, in other words, suddenly dropped the full weight of tuition payments—\$22,142.00 per semester—on students, including

Plaintiffs. Students were left wondering where to go and what to do in order to graduate, take and pass the bar, and pay off the massive amount of student debt most had accumulated.

165. On information and belief, Defendant SFM caused CSL to delay a full month after the DoE's December 19, 2016, letter ("DoE Denial Letter") to issue any sort of public statement. In the meantime, Ogene e-mailed the student body on December 29, 2016, a "don't call us; we'll call you" message. In fact, immediately after the DoE Denial Letter, students who attempted to meet with Conison, Ogene, and InfiLaw representatives were locked out of the administrative offices on the seventh floor of CSL's building. Students were denied elevator access to the seventh floor and the doors to CSL administrative offices were locked, thereby denying students access, and leaving students such as Plaintiffs without answers. Not only had Plaintiffs never been informed of CSL's noncompliance with ABA Standards, but certain faculty members at CSL say that Conison, Ogene, and other agents of InfiLaw kept the details of CSL's noncompliance hidden from them as well. Outraged that neither CSL nor InfiLaw had made any public statements to inform and assist students or themselves, the faculty sent an open letter to current students, including those among Plaintiffs who remained at CSL, stating:

Since Monday, December 19, faculty members of CSL have met to discuss the current school crisis caused by the actions, and inaction, of key decision-makers. The outcome of the meetings was to prioritize communication to our student body and to insist to InfiLaw that the school must change the way it is governed.

...

Students, we share in your feelings of sadness, anger, and disappointment. At this juncture, we are insisting that InfiLaw recognize that decisions about admissions and curriculum must be made by the faculty. These decisions are the subject of our current situation and were made without the benefit of those best able to protect the student's interest.

...

The missteps of key decision-makers should never overshadow the positive contributions and capabilities of our students and alumni.

166. Conison's response on January 19, 2017, provided scant guidance as to how Plaintiffs would actually be affected by these developments. Instead, it perpetuated the façade that CSL was a functioning and reputable law school. Conison continued to do his best to keep tuition flowing into CSL (and ultimately to the Defendant Sterling Funds) without looking out for the interests of the students, former students, or alumni, including those Plaintiffs who were still enrolled at CSL.

167. CSL reopened its doors for spring semester on January 23, 2017, a week after classes were scheduled to resume.

168. By that date, CSL, InfiLaw, and Defendant SFM had discharged as many as two-thirds of CSL's faculty, eliminated most of its courses for the semester, cancelled most of the clinical programs it had previously heralded as its unique contribution to the community, and did not enroll new students in the spring 2017 semester.

169. By the time students became aware of these events, it was too late for most of them to apply as transfer students to other law schools. Therefore, CSL's move to delay the spring semester hampered many of the students in their efforts to transfer from CSL to continue their legal education. Had students known of CSL's noncompliance in 2015 when the ABA first shared its findings with students, they could have avoided the financial calamities they now face; even a disclosure earlier in 2016 might have helped students to avoid some of the calamity.

D. DoE'S FINDINGS OF SUBSTANTIAL MISREPRESENTATION BY CSL

170. In making its determination that CSL had "substantially misrepresent[ed] the nature of its educational program" to the DoE to and current and prospective students, the DoE considered the particular accreditation Standards for which CSL was found to be noncompliant, the nature of those Standards, the fact that the ABA found the noncompliance to be both

substantial and persistent, the fact that the ABA found CSL's plans for bringing itself into compliance with the Standards proved ineffective and unreliable, the fact that ABA believed the noncompliance to be so severe as to merit placing the institution on probation, corroborative evidence of the noncompliance, and the institution's administrative capability and fiduciary conduct.

171. The DoE found that CSL *substantially misrepresented* to students and prospective students the "nature and extent" of CSL's accreditation and the "appropriateness of its courses and programs to the employment objectives that it states its programs are designed to meet," all in order to gain prospective students' admission and prevent current students from transferring.

172. Moreover, the DoE found substantial misrepresentations on the part of CSL, because there were no public statements before November 2016 that would have informed a student or prospective student that the ABA had found CSL to be out of compliance with the Standards, or that the ABA had determined that CSL had "not demonstrated that it is maintaining a rigorous program of legal education that prepares its students, upon graduation, for admission to the bar and for effective, ethical, and responsible participation as members of the legal profession." Nor was the DoE aware of any disclosure during that period by CSL that the ABA had determined that CSL was "admitting applicants who do not appear capable of satisfactorily completing its program of legal education and being admitted to the bar."

173. The DoE stated that CSL's misrepresentations on its website that it was in full compliance with the ABA Standards could lead a current or prospective student to "conclude that the 2011 finding of 'full compliance' by the ABA was the final word as to the institution's compliance with the ABA's accreditation Standards." These representations were misleading in

that they had the likelihood or tendency to deceive reasonable students and prospective students about the current status, nature, and extent of CSL's accreditation.

174. Moreover, the DoE found that CSL's representations that it created a "rigorous curriculum ... to ensure that [CSL] students are equipped with practical skills that will allow them to thrive in a professional setting," was misleading:

(1) the ABA has specifically and repeatedly concluded that CSL has not maintained a "rigorous" program of legal education, that its failure in this regard are "substantial" and "persistent," and that CSL's plans to come into compliance with that standard have not proven effective or reliable; and (2) the positioning of CSL's discussion of compliance with the ABA standards (which use the word "rigorous" to describe what is expected of a compliant program) has the likelihood or tendency to leave students and prospective students with the false impression that CSL was compliant with that very requirement by the ABA.

175. Each of these misleading statements constitutes a substantial misrepresentation because students and prospective students, including Plaintiffs, could reasonably be expected to rely on each of these statements to their detriment. Indeed, CSL argued to the ABA that if students and prospective students were aware of the ABA's findings of noncompliance, that would have a "profound impact on admissions" because: (1) knowledge of the ABA's findings would make applicants "much less likely to enroll;" and (2) such a disclosure would "effectively tell applicants to beware of attending the Charlotte School of Law." In addition, CSL argued to the ABA that public disclosure of its noncompliance would "have an adverse impact on [CSL's] ability to retain high-performing students," because it would "inevitably create anxiety on the part of high-performing students and make their transfer more likely." Thus, CSL privately conceded to the ABA that revealing the truth about its noncompliance would have impacted the decisions made by prospective students and current students to either enroll or continue their

studies at CSL. Notably, the CSL did not appeal the ABA's July 2017 finding that CSL was out of compliance with ABA Rules 301(a), 501(a), and 501(b).

176. The DoE found that CSL substantially overstated the bar passage rates of CSL graduates in an interview with the *Charlotte Business Journal* published on November 30, 2016.¹³ In that interview, Ogene stated that “[i]f you look at bar pass rates between 2009 and 2013, we were consistently at or above the state bar average pass rate.” However, bar passage data available from the ABA shows that, out of the nine sittings of the North Carolina bar exam between July 2009 and July 2013), CSL's first-time bar passage rate was actually below the state average five times (with a maximum differential of -13.33%) and above the state average only four times (with a maximum differential of 7.4%).¹⁴ In other words, CSL's statement was false and/or misleading.

177. The statements regarding CSL graduates' success on the bar examination constitute substantial misrepresentations about both the “appropriateness of [CSL's] courses and programs to the employment objectives that [CSL] states its programs are designed to meet.” CSL and Defendant SFM either knew or reasonably should have known that the interview was to be made public and would be viewed by current and prospective students. Because a reasonable current or prospective student would have understood CSL's comments to be misleading in its

¹³ Jennifer Thomas, *Charlotte School of Law president talks probation, considers nonprofit status*, CHARLOTTE BUS. J., Nov. 30, 2016, 2016 WLNR 36711693 (Nov. 31, 2016), <https://www.bizjournals.com/charlotte/news/2016/11/30/charlotte-school-of-law-president-talks-probation.html> [https://perma.cc/T9GF-VSJZ].

¹⁴ CSL graduates taking the July 2009 exam for the first time passed at a rate of 67.3%, compared to a statewide average of 80.6%; the February 2010 exam at a rate of 73.3%, compared to a statewide average of 68.9%; the July 2010 exam at a rate of 87.0%, compared to a statewide average of 79.8%; the February 2011 exam at a rate of 75.0%, compared to a statewide average of 72.3%; the July 2011 exam at a rate of 78.8%, compared to a statewide average of 82.2%; the February 2012 exam at a rate of 53.1%, compared to a statewide average of 60.2%; the July 2012 exam at a rate of 68.2%, compared to a statewide average of 78.8%; the February 2013 exam at a rate of 69.8%, compared to a statewide average of 62.4%; and the July 2013 exam at a rate of 57.8%, compared to a statewide average of 71.0%.

representation of CSL graduates' prior success on the bar examination, these statements constituted substantial misrepresentations.

178. While the DoE did not specifically ascribe these misrepresentations to the Defendant Sterling Entities' domination and control of CSL and InfiLaw, Defendant SFM did in fact direct CSL and InfiLaw to make the misrepresentations, as described elsewhere in this Complaint.

179. Through agents including Inatome, the Sterling Defendants furthermore manipulated CSL's bar-passage rates beginning in 2015 by identifying students they expected to fail the exam and then paying those students to defer taking the exam, thus inflating CSL's reported passage rates.

180. Through agents including Inatome, the Sterling Defendants also directed CSL, Corporation, and their agents to misrepresent CSL graduates' employability, telling students and prospective students that they would be highly sought. In fact, many law firms and other legal employers in the Charlotte market customarily reject all CSL graduates because of CSL's abysmal reputation and because it did so little to prepare students for practice.

E. THE CSL HOUSE OF CARDS COLLAPSES

181. Without jobs and now without access to federal student loans, CSL students found themselves unable to cover basic living expenses.

182. Under the direction of the Sterling Defendants, Ogene, Conison, and other CSL agents repeatedly told students not to worry and that DoE would reverse its decision soon after a change in leadership in January, and that DoE would then restore federal student loan access.

183. In fact, neither the Sterling Defendants, nor Ogene, nor Conison had any reason to believe that such a turnaround was likely, or even legal under principles of administrative law that would control such a change of policy.

184. Meanwhile, UNC's General Administration initiated a licensure review of CSL on January 24, 2017, citing the findings and decisions by the ABA and DoE.

185. On May 24, 2017, the General Administration notified CSL of its noncompliance with several Standards for licensure, including:

- a. "[F]ailure to demonstrate financial resources indicating the institution is capable of maintaining operational continuity;"
- b. "[F]ailure to demonstrate an adequate financial plan for long-range management of the institution;"
- c. "[R]ecent financial records and audit reports that do not demonstrate financial stability;" and
- d. "[F]ailure to maintain an adequate tuition guarantee bond."

186. These deficiencies signified undercapitalization that preceded any deterioration that could be attributed to the ABA and the DoE actions. CSL's student body had already dwindled to just over 700 students by August 2016, months before the ABA and DoE acted.

187. The N.C. Department of Justice that found that CSL was nearly six months late paying a \$144,260.46 property tax bill due on September 1, 2016.¹⁵

188. Holding and Corporation, too, were insufficiently capitalized. Holding and its subsidiaries were struggling to make payroll and needed emergency infusions of operating capital at least several months before CSL was placed on probation by the ABA and lost its

¹⁵ Letter from Harriet Worley, Spec. Dep. Att'y Gen., & Matt Liles, Ass't Att'y Gen., N.C. Dep't Just., to Betsy DeVos, U.S. Sec. Educ. (Apr. 12, 2017) (citing Bill No. 0007042776-2016-2016-0000-00, *available at* Mecklenburg County, N.C., Ofc. Tax Collector Property Tax Sys., <http://taxbill.co.mecklenburg.nc.us/publicwebaccess>).

ability to participate in Title IV programs. Holding had fallen behind on payments to its primary long-term creditor by September 2016.

189. On June 21, 2017, UNC's Board of Governors set conditions for CSL's continued licensure, including (1) that it arrange renewed federal student aid for CSL students by August 10, 2017, (2) that it obtain by August 10, 2017, ABA approval for a "teach out" plan that would allow current CSL students to graduate, and (3) that it remedy the financial deficiencies described above.

190. Having been depleted of resources by the Defendants, CSL did not meet these conditions. As a result, its license expired on or shortly after August 10, 2017. CSL then shut down on or shortly after August 11, 2017.

F. PLAINTIFF RACHEL BRYAN'S EXPERIENCE AT CSL

191. Plaintiff Rachel Bryan lived in Rockland County, New York, before enrolling at CSL.

192. Plaintiff Bryan worked for Costco, earning \$15.00 per hour, before enrolling at CSL.

193. Plaintiff Bryan initially participated in CSL's AAMPLE program, completing it in late 2015.

194. While Plaintiff Bryan was enrolled in AAMPLE, CSL Coordinator Crystal Gardner represented to her that approximately 80% of CSL graduates passed the bar exams on their first attempt.

195. Plaintiff Bryan reasonably took this stated rate as evidence of a strong educational program and as an indicator that CSL would adequately prepare her for the bar exam and a career as an attorney, since first-time bar-passage rates in most states are between 60% and 75%.

196. In fact, however, CSL graduates taking bar exams for the first time in 2015, the most recent calendar year whose statistics were known to CSL, Defendants, and the other Sterling subsidiaries, was just 46%, fully 19 percentage points below the average rate in states where CSL graduates took the exams.

197. Moreover, this figure was falling, a fact that neither CSL nor the Defendants disclosed to Plaintiff Bryan. In 2014, CSL graduates' first-time bar-passage rate had been 58%.

198. After completing AAMPLE, Plaintiff Bryan was admitted into CSL's J.D. program for its spring 2016 semester.

199. During AAMPLE and while Plaintiff Bryan was a J.D. student, she assumed CSL to be compliant with ABA Standards, because CSL representatives had told her that it was accredited, and she knew accreditation to be based on compliance with ABA Standards.

200. Plaintiff Bryan incurred costs moving from New York to Charlotte, North Carolina.

201. Plaintiff Bryan enrolled at CSL to pursue a career as an attorney.

202. Upon enrollment to CSL, Plaintiff Bryan received a \$1,000.00 annual discount, styled as a "merit scholarship".

203. Plaintiff Bryan paid more than \$50,000.00 in tuition, fees, and dues to CSL.

204. Plaintiff Bryan needed to take out loans to pay for her tuition and living expenses. Plaintiff Bryan took out a loan in the amount of \$52,408.00 with an interest rate of 8.125% .

205. Plaintiff Bryan was not aware that CSL was a for-profit business at the time of enrollment.

206. In deciding to enroll at CSL and then, in deciding to remain enrolled into fall 2016, Plaintiff Bryan relied upon Defendants' representations that CSL was accredited by and in good standing with the ABA and in full compliance with all its Standards.

207. In deciding to enroll at CSL and then, in deciding to remain enrolled into fall 2016, Plaintiff Bryan relied upon representations by the Defendants, by CSL, and by Defendants' other subsidiaries that CSL had high bar passage rates and was a path to rewarding and remunerative job opportunities.

208. If CSL, InfiLaw, and the Sterling Defendants had not concealed and misrepresented CSL's noncompliance with ABA Standards, Plaintiff Bryan would not have attended CSL.

209. Plaintiff Bryan first learned of CSL's noncompliance with multiple ABA Standards in November 2016 after the ABA placed CSL on probation.

210. After learning of CSL's noncompliance, Plaintiff Bryan began the process of attempting to transfer to the City of New York School of Law ("CUNY") in Brooklyn. Plaintiff notified CSL's office of the registrar of her intentions to transfer.

211. CUNY had accepted Plaintiff Bryan conditionally, pending receipt of her grades.

212. Plaintiff Bryan's interim grades for the fall 2016 semester suggested that she was likely to finish the semester with an overall GPA of about 2.1.

213. After learning of Plaintiff Bryan's desire to transfer, CSL administrators delayed the release of Plaintiff Bryan's grades into late January 2017, past CUNY's deadline for receiving her grades. Furthermore, on information and belief, CSL administrators altered the grade in Plaintiff Bryan's Lawyering Process II class to be a "C-", which brought down her

grade-point average to 1.98, triggering academic dismissal and creating an additional reason for CUNY not to accept her as a transfer student.

214. Plaintiff Bryan hopes to complete her JD degree at another school.

215. Plaintiff Bryan is likely to incur moving costs once accepted into a new law school.

216. Plaintiff Bryan is likely to lose some number of her CSL credits if accepted into a new law school.

G. PLAINTIFF RICHARD CALHOUN'S EXPERIENCE AT CSL

217. Plaintiff Richard Calhoun lived in Wyandanch, New York, before enrolling at CSL.

218. Plaintiff Calhoun took the LSAT, earning a score of 144.

219. Plaintiff Calhoun applied to – and later enrolled at – CSL to pursue a career as an attorney, possibly for a legal-services organization representing indigent clients.

220. Plaintiff Calhoun's evaluation of CSL and other law schools included his assessment of whether a school would prepare him to take and pass a bar exam and become licensed to practice law.

221. On or around May 18, 2015, Plaintiff Calhoun took part in a webinar that CSL organized for applicants as a way of selling them on attendance.

222. During this webinar, Robert Finch, who was acting in his capacity as an agent of CSL, Corporation, Holding, and the Sterling Defendants, told Plaintiff Calhoun and other participating applicants that CSL was in good standing with the ABA.

223. As described above, Finch, Corporation, Holding, and the Sterling Defendants were aware that the ABA had warned CSL of its doubts that CSL was compliant with ABA

Standards. Finch's statement about CSL's standing with the ABA was deceptive and false for the same reasons that Dean Conison's March 12, 2015, e-mail was deceptive and false.

224. Finch furthermore told Plaintiff Calhoun prospective students on the webinar that they would have ample one-on-one time with their professors outside of class hours so that they would be able to adequately discuss and understand the legal concepts they would learn in class. After enrolling, Plaintiff Calhoun made numerous attempts to meet with his professors during their published office hours but was able to meet with a professor only once or twice.

225. Finally, Finch told prospective students on the webinar that CSL graduates' bar-passage rates were average among the seven law schools then existing in North Carolina.

226. This, too, was false. CSL graduates taking the North Carolina bar exam for the first time in 2014, the latest full year for which Finch, CSL, Corporation, Holding, and the Sterling Defendants had data, passed at a rate of just 57%, the worst among North Carolina's seven law schools. For comparison, the second-lowest rate was 66.7%. Taking into account the bar exams of North Carolina and all other U.S. jurisdictions, CSL graduates' 57.9% passage rate was about 9 percentage points below the second-worst North Carolina law school.

227. CSL's 2015 results were even worse. CSL graduates' first-time bar passage rate on the February 2015 administration of the North Carolina bar exam, the latest that was known to Finch, CSL, Corporation, Holding, and Sterling, was just 40.5%, compared to a statewide average of 54.5%.

228. Including the subsequent July 2015 exam, CSL graduates' passage rate was 45.6%, fully 17.5 percentage points lower than the second-lowest rate among North Carolina's seven law schools. The comparison was similar when counting the seven schools' graduates who

applied for bar admission in any U.S. jurisdiction; CSL's 46.3% rate was 16.8 percentage points lower than the second-lowest rate, 63.1%.

229. Unaware of the truth about CSL's bar-passage rate and ABA noncompliance, and relying on the false information that Finch, CSL, Corporation, Holding, and Defendant SFM provided, Plaintiff Richard Calhoun chose to enroll at CSL.

230. At an orientation for students entering CSL in fall 2015, CSL administrators and other agents made similar statements about CSL's bar-passage rates and ABA compliance to Plaintiff Calhoun and other incoming students.

231. Plaintiff Calhoun was not aware that CSL was a for-profit institution at the time of enrollment.

232. Plaintiff Calhoun incurred moving costs moving from Wyandanch, New York, to Charlotte, North Carolina.

233. In offering to admit Plaintiff Calhoun, CSL, the Defendants, and/or Corporation offered him a \$7,000.00-per-semester discount, styled as a "merit scholarship." The letter awarding Plaintiff Calhoun the "merit scholarship" represented to Plaintiff Calhoun that the scholarship was an indication that he was likely to succeed at CSL, graduate, and pass a bar exam.

234. In reality, CSL, Corporation, Holding, and Defendant SFM had no such expectation about Plaintiff Calhoun. In fact, they believed the opposite, because they had data showing that most CSL graduates who had entered with LSATs of 144 ended up being academically dismissed and that most such students who managed to graduate still ended up failing the bar exam.

235. Plaintiff Calhoun paid approximately \$17,000 in tuition, fees, and dues to CSL,

Corporation, Holding, and/or the Sterling Defendants.

236. Plaintiff Calhoun needed to take out loans to pay for his tuition and living expenses. Plaintiff Calhoun took out a loan in the amount of \$10,250.00 with an interest rate of 5.84%. Plaintiff Calhoun also took out a loan in the amount of \$18,309.00 with an interest rate of 6.84%. Plaintiff Calhoun borrowed a total of \$28,559.00.

237. With accruing interest, Plaintiff Calhoun's balance has grown to approximately \$35,000.00.

238. Plaintiff Calhoun was academically dismissed following the fall 2015 semester.

239. Plaintiff Calhoun first learned of CSL's noncompliance with multiple ABA Standards in November 2016 after the ABA placed CSL on probation. These included Standard 501(b), which requires a law school to admit only applicants who appear capable of graduating and passing a bar exam.

H. PLAINTIFF SHERRY DUNCAN'S EXPERIENCE AT CSL

240. Before enrolling at CSL, Plaintiff Sherry Duncan lived in Durham, North Carolina, and worked in Raleigh, North Carolina, as a paralegal assistant with an annual salary of approximately \$23,000.

241. Plaintiff Duncan was also employed at ROSS Dress For Less, where she worked weekends earning approximately \$300 per month.

242. Plaintiff Duncan took the LSAT early 2013 and scored 144.

243. Plaintiff Duncan applied to CSL and other law schools in mid-2013 to pursue a career as an attorney.

244. Plaintiff Duncan's mid-2013 application to CSL was denied.

245. Plaintiff Duncan took the LSAT again in late 2013, scoring 134.

246. Plaintiff Duncan reapplied to CSL in early 2014 and was again denied.

247. Plaintiff Duncan sat for the LSAT one last time in late 2014, scoring 143.

248. Plaintiff Duncan applied for a final time in late 2014 for admission to the fall 2015 semester. Plaintiff Duncan was once again denied admission by e-mail from CSL and/or InfiLaw dated January 5, 2015.

249. In the first months of 2015, CSL was facing declining numbers of applicants. As a result, CSL, Corporation, Holding, and Defendant SFM began to recruit and offer admission to applicants whom it had previously rejected.

250. On May 7, 2015, Plaintiff Duncan received an e-mail from Steve Jones, congratulating her on her acceptance to CSL for the fall 2015 semester. Jones wrote that “we have many success stories among our law students and graduates, and we feel confident that you will have yours to tell.”

251. Jones furthermore offered Duncan a \$7,000 discount, styled as a “merit scholarship” in recognition of “the previous success that you have had, and demonstrat[ion of] expectation that you will succeed in your future academic pursuits.”

252. In reality, Jones, CSL, Defendants, and Defendants’ InfiLaw subsidiaries had no expectation that Plaintiff Duncan would succeed at CSL. Rather, Jones and others at CSL, InfiLaw and the Sterling Defendants believed the opposite to be true, based on their experience with other students whose admissions profiles were similar to that of Plaintiff Duncan.

253. While Plaintiff Duncan was unaware of Jones’s undisclosed opinion on her likelihood of success, the previous rejections made her wonder if there may have been a mistake made by CSL’s admissions office, so she contacted the admissions office to confirm she had indeed been accepted into the fall 2015 incoming class. CSL and/or Corporation, through CSL’s

admissions office, confirmed that no mistake had been made, and Plaintiff Duncan was indeed accepted.

254. Plaintiff Duncan then enrolled at CSL for the fall 2015 semester.

255. Plaintiff Duncan was not aware that CSL was a for-profit institution before she enrolled.

256. Plaintiff Duncan was also unaware that CSL was under investigation by the ABA for suspected violation of ABA Standards.

257. Contrary to the great expectations that Jones and CSL expressed to Plaintiff Duncan, she was academically dismissed after her first semester. Plaintiff Duncan's GPA was not high enough to warrant the interim step of academic probation.

258. Due to CSL's, InfiLaw's, and Defendants' conduct, Plaintiff Duncan incurred costs in moving from Durham, North Carolina, to Charlotte, North Carolina.

259. Plaintiff Duncan paid approximately \$30,000.00 in tuition, fees, and dues to CSL, the Sterling Defendants, and/or Sterling's InfiLaw subsidiaries.

260. Plaintiff Duncan needed to take out loans to pay for her tuition and living expenses.

261. Plaintiff Duncan on August 25, 2015, took out a loan for \$18,559.00 with a fixed interest rate of 6.84%. Plaintiff Duncan also took out another loan on August 25, 2015, in the amount of \$10,250.00 with a fixed interest rate of 5.84%.

I. PLAINTIFF ADAM EL-HALIM'S EXPERIENCE AT CSL

262. Plaintiff Adam El-Halim lived in northern New Jersey before applying to CSL's J.D. program.

263. Plaintiff El-Halim initially applied to CSL's AAMPLE program, and completed it in summer 2013. Admissions officer Robert Finch told Plaintiff El-Halim that he passed both AAMPLE exams and was admitted into CSL for its fall 2013 semester.

264. Finch told Plaintiff El-Halim that his passage of AAMPLE suggested a strong likelihood of success and graduation from CSL and passage of a bar exam.

265. In fact, Finch and others at CSL did not believe their own representations on this point, because they had data showing that only a small fraction of AAMPLE completers went on to pass a bar exam.

266. While Plaintiff El-Halim was applying to and considering CSL, staff in its admissions office, acting under the direction of Jones, InfiLaw, and the Sterling Defendants, told Plaintiff El-Halim that he would have the opportunity to participate in semester-long law clinics that would afford practical experience. They also told him he would be able to take at least one class in international law, a particular interest of his.

267. Jones, CSL, InfiLaw, and the Sterling Defendants, however, realized that these clinics and classes would probably not be available to Plaintiff El-Halim by the time he was able to take them, because the Sterling Defendants were beginning to cut staff to boost profit margins.

268. These staff members also told Plaintiff El-Halim that CSL was fully accredited and in full compliance with all ABA Standards.

269. In reliance on all these representations, Plaintiff El-Halim enrolled at CSL in August 2013.

270. In 2015 and 2016, Plaintiff El-Halim attempted multiple times to enroll in semester-long law clinics and international law classes. He was never able to participate in any

of these, however, because CSL gradually eliminated most of them and the few that still existed were oversubscribed.

271. In late 2015 and early 2016, Plaintiff El-Halim and some number of other CSL students began to voice concern to CSL administrators that CSL was at risk of losing accreditation, in part because of its falling bar-passage rates. These administrators told Plaintiff El-Halim that there was no such risk. Multiple professors and administrators told Plaintiff El-Halim that any investigation into CSL's accreditation status would be spurious. At least one told him it would amount to a "witch hunt".

272. Neither CSL, nor InfiLaw, nor the Sterling Defendants, nor anyone else associated with CSL informed Plaintiff El-Halim that the ABA had informed CSL of its apparent noncompliance with ABA Standards in early 2015. Nor did any of these entities inform Plaintiff El-Halim that the ABA definitively determined CSL to be noncompliant in February 2016. Plaintiff El-Halim was completely unaware of the noncompliance until some point after November 15, 2016.

273. Plaintiff El-Halim graduated from CSL in May 2016.

274. Soon thereafter, CSL, Corporation, and/or Holding paid Plaintiff El-Halim \$5,000.00 in exchange for agreeing not to take the July 2016 bar exam. Plaintiff accepted the \$5,000.00 and did not take the bar exam at that time.

275. Plaintiff El-Halim took New Jersey's bar exam in February 2018 and did not receive a score that would qualify him for bar admission in any state.

276. Plaintiff El-Halim paid more than \$120,000.00 to CSL, InfiLaw, and the Sterling Defendants in tuition, fees, and dues between August 2013, and May 2016.

277. Plaintiff El-Halim borrowed a total of approximately \$209,600 to fund his attendance at CSL, at interest rates ranging from 5.41% to 7.21%. With accrued interest, Plaintiff El-Halim's loan balances total approximately \$270,000.

278. Plaintiff El-Halim's income is insufficient to cover his living expenses and the interest that is accruing on his loans associated with CSL.

J. PLAINTIFF ANDREA GIRTON'S EXPERIENCE AT CSL

279. Plaintiff Andrea Girton lived in San Leandro, California, before enrolling at CSL.

280. Plaintiff Girton worked as a part-time instructor at an undergraduate institution in the San Francisco Bay area, earning approximately \$1,000.00 per month, before enrolling at CSL.

281. Plaintiff Girton applied to – and later enrolled in – CSL to become an attorney.

282. Plaintiff Girton initially participated in CSL's AAMPLE program in mid-2013.

283. Plaintiff Girton was not aware that CSL was a for-profit institution at the time of enrollment.

284. While deciding whether to attend CSL, Plaintiff Girton received messages from CSL, which were directed by Corporation, Holding, and Defendant SFM, that CSL was fully accredited and in complete compliance with ABA Standards. Plaintiff Girton viewed these messages on CSL's website and in e-mails from CSL.

285. In deciding to enroll at CSL in August 2013 and then, in deciding to remain enrolled into fall 2016, Plaintiff Girton relied upon her understanding, which CSL, InfiLaw, and Corporation fostered at the direction of Defendant SFM, that CSL was accredited by the ABA and in complete compliance with all ABA Standards. If CSL, InfiLaw, and Corporation had not

concealed CSL's noncompliance with ABA Standards, at Defendant SFM's direction, Plaintiff Girton would not have remained at CSL.

286. In nearly every semester Plaintiff Girton attended CSL, CSL, InfiLaw, and/or Corporation withheld Plaintiff Girton's student loan money from her for several weeks, even after applying initial payments to the amounts she billed by CSL and InfiLaw for tuition, dues, and fees. This caused Plaintiff Girton to face inconvenience and hardships and incur costs and penalties for late payments on other financial obligations.

287. By November 2016, when she learned of the "substantial" and "persistent" noncompliance with ABA Standards, it was too late for Plaintiff Girton to transfer to a different law school for her final semester without losing multiple semesters of credit.

288. Plaintiff Girton paid tuition, fees, and dues totaling approximately \$150,000.00 to CSL.

289. Plaintiff Girton needed to take out approximately \$300,000.00 in loans to pay for her tuition and living expenses while at CSL. After accounting for accrued interest, Plaintiff Girton has a balance of substantially more.

290. Plaintiff Girton graduated from CSL in May 2017.

291. Plaintiff Girton took the North Carolina bar exam in July 2017 but did not pass.

K. PLAINTIFF CAMEKIA HAMMOND'S EXPERIENCE AT CSL

292. Plaintiff Camekia Hammond lived in Orangeburg, South Carolina, before enrolling at CSL.

293. At that time, Plaintiff Hammond worked as a real estate rental agent, earning approximately \$26,000.00 per year.

294. Plaintiff Hammond incurred costs moving from Orangeburg, South Carolina, to Charlotte, North Carolina.

295. Plaintiff Hammond enrolled at CSL to pursue a career as an attorney.

296. Plaintiff Hammond was not aware that CSL was a for-profit institution at the time of enrollment.

297. Acting at the direction of Corporation, Holding, and the Sterling Defendants, Dean Conison and other CSL administrators assured Plaintiff Hammond by e-mail throughout her time at CSL, including 2015 and spring 2016, that CSL was fully accredited by the ABA and in full compliance with its Standards.

298. Plaintiff Hammond relied upon these representations in deciding to remain at CSL through spring 2016. If Defendants had not concealed and misrepresented CSL's noncompliance with ABA Standards, Plaintiff Hammond would have transferred away from CSL.

299. Plaintiff Hammond paid more than \$140,000.00 in tuition, fees, and dues to CSL.

300. Plaintiff Hammond needed to take out loans to pay for her tuition and living expenses. On August 27, 2013, Plaintiff Hammond took out a loan in the amount of \$33,000.00 with an interest rate of 6.41%. Also on August 27, 2013, Plaintiff Hammond took out a loan in the amount of \$20,500.00 with an interest rate of 5.41%. On November 26, 2013, Plaintiff Hammond took out a loan in the amount of \$1,188.00 with an interest rate of 6.41%.

301. On June 13, 2014, Plaintiff Hammond took out a loan in the amount of \$7,019.00 with an interest rate of 6.41%. On July 8, 2014, Plaintiff Hammond took out a loan in the amount of \$10,250.00 with an interest rate of 5.41%.

302. On September 5, 2014, Plaintiff Hammond took out a loan in the amount of \$3,178.00 with an interest rate of 7.21%. Also on September 5, 2014, Plaintiff Hammond took out a loan in the amount of \$17,540.00 with an interest rate of 7.21%.

303. On January 26, 2015, Plaintiff Hammond took out a loan in the amount of \$10,250.00 with an interest rate of 6.21%. Also on January 26, 2015, Plaintiff Hammond took out a loan in the amount of \$3,178.00 with an interest rate of 7.21%. Also on January 26, 2015, Plaintiff Hammond took out a loan in the amount of \$21,691.00 with an interest rate of 7.21%. Also on January 26, 2015, Plaintiff Hammond took out a loan in the amount of \$10,250.00 with an interest rate of 6.21%. On April 29, 2015, Plaintiff Hammond took out a loan in the amount of \$3,178.00 with an interest rate of 7.21%.

304. On May 28, 2015, Plaintiff Hammond took out a loan in the amount of \$10,250.00 with an interest rate of 6.21%. On May 29, 2015, Plaintiff Hammond took out a loan in the amount of \$4,809.00 with an interest rate of 7.21%.

305. On August 27, 2015, Plaintiff Hammond took out a loan in the amount of \$12,259.00 with an interest rate of 5.84%. Also on August 27, 2015, Plaintiff Hammond took out a loan in the amount of \$53,273.00 with an interest rate of 6.84%.

306. On February 24, 2016, Plaintiff Hammond took out a loan in the amount of \$992.00 with an interest rate of 6.84%. On April 13, 2016, Plaintiff Hammond took out a loan in the amount of \$3,305.00 with an interest rate of 6.84%. Also on April 13, 2016, Plaintiff Hammond took out a loan in the amount of \$952.00 with an interest rate of 7.21%.

307. Plaintiff Hammond graduated from CSL in May 2016.

308. Plaintiff Hammond was offered a \$5,000.00 stipend to defer taking the bar in July 2016.

309. Plaintiff Hammond nonetheless attempted the North Carolina bar exam in July 2016 and February 2017 and did not pass on either attempt.

310. Plaintiff Hammond needed to take out a private loan to support herself while studying for the bar exam. Plaintiff Hammond took out a loan in the amount of \$5,500.00 with an interest rate of 4.125%.

311. Plaintiff Hammond first learned of CSL's noncompliance with multiple ABA Standards in November 2016 after CSL was placed on probation by the ABA.

L. PLAINTIFF STACEY KING'S EXPERIENCE AT CSL

312. Before enrolling at CSL, Plaintiff Stacey King lived in Myrtle Beach, South Carolina.

313. Plaintiff King applied to and later enrolled at CSL to pursue a career as an attorney.

314. Plaintiff King initially enrolled in CSL through its AAMPLE program, which she completed in December 2014.

315. Plaintiff King was then admitted into CSL's J.D. program for the spring 2015 semester.

316. During the application process, in late 2014, a female admission officer contacted Plaintiff King and encouraged her to enroll at CSL. This admissions officer represented to Plaintiff that CSL graduates' bar-passage rates were above statewide averages in the various states where graduates applied for bar admission.

317. In fact, CSL graduates taking a bar exam for the first time in 2014, the most recent calendar year for which CSL, InfiLaw, and the Defendants were familiar with data on bar

results, passed at a rate of just 58%, compared to an average passing rate of 70% in those states. CSL representatives were aware of these figures but did not disclose them to Plaintiff King.

318. CSL representatives also told Plaintiff in 2014, when she was applying, that CSL was fully accredited by the ABA and in compliance with ABA Standards. Even if this was true at the time, it became untrue in 2015, and yet CSL, InfiLaw, and the Sterling Defendants never did nothing to correct the misimpression that they had created.

319. Plaintiff King incurred costs to move from Myrtle Beach to Charlotte.

320. Plaintiff King was not aware that CSL was a for-profit institution at the time of enrollment.

321. Plaintiff King paid tuition in the amount of \$99,823.00 and fees and dues in the amount of \$5,685.00 to CSL, InfiLaw, and the Sterling Defendants.

322. Plaintiff King needed to take out \$169,257.00 in loans to pay for her tuition and living expenses.

323. Transfer of those funds to Plaintiff was typically delayed until two to three weeks after the semester began, causing Plaintiff King to endure financial hardships.

324. Plaintiff King relied on CSL to remain in good standing with ABA and never imagined that access to her student loans could be lost before graduation.

325. Plaintiff King relied upon the representations of CSL, InfiLaw, the Sterling Defendants, and those entities' agents that CSL was fully accredited by and in good standing with the ABA and in complete compliance with all ABA Standards.

326. If CSL, InfiLaw, the Sterling Defendants, and those entities' agents not concealed and misrepresented CSL's noncompliance with ABA Standards, Plaintiff King would not have remained at CSL through fall 2016.

327. Plaintiff King first learned of CSL's noncompliance with multiple ABA standards in November 2016 after CSL was placed on probation by the ABA.

328. As CSL was collapsing and without financial aid to fund her final semester of law school, Plaintiff King attempted to transfer for the spring 2017 semester but was unable to do so because she was not made aware of the situation until after most other law schools' application deadlines.

329. Plaintiff King then took a leave of absence from CSL.

330. Plaintiff King resumed pursuit of a J.D. degree in fall 2017 at the Charleston School of Law. Plaintiff King lost nine credits in transferring and, as a result, needed to attend and fund two semesters of law school.

331. Plaintiff King graduated from the Charleston School of Law in July 2018, and learned later that year that she did not pass. Plaintiff King took the Washington D.C. bar exam in July 2019 and is awaiting her results.

M. PLAINTIFF RAISSA LEVY'S EXPERIENCE AT CSL

332. Before enrolling at CSL, Plaintiff Raissa Levy lived in the Tampa Bay area of Florida.

333. Plaintiff Levy applied to CSL for its summer 2016 semester to pursue a career as an attorney, possibly in the areas of trademark and copyright.

334. During the recruitment and application process, multiple agents of CSL and/or Corporation represented to Plaintiff Levy that CSL put a unique focus on experiential learning, with more skills-based classes and greater opportunity for participation in law clinics than other law schools offered.

335. During the recruitment and application process, multiple agents of CSL and/or Corporation represented to Plaintiff Levy that CSL's bar-passage rates compared favorably to other law schools in North Carolina and elsewhere. In one instance, when Plaintiff Levy was on a tour of CSL before enrolling, a female admissions officer told Plaintiff Levy that CSL graduates' bar-passage rates were in the range of 80%.

336. In fact, CSL graduates taking the North Carolina bar exam for the first time in 2015, the last full year for which CSL, Corporation, Holding, and Defendant SFM had data, passed at a rate of just 45.6%, compared to 64.7% for all law schools combined. CSL graduates taking other states' bar exams fared roughly as badly; the nationwide rate for CSL graduates was 46.2%, compared to 65.5% for all bar applicants.

337. CSL graduates' first-time bar-passage rate on the North Carolina exam in February 2016, which was also known to CSL, Corporation, Holding, and Defendant SFM, was just 34.7%, compared to 51.1% for all applicants to the North Carolina State Bar.

338. Other CSL agents made equally rosy – albeit less specific – characterizations of CSL graduates' bar-exam results. Professor Whitney Thompson told Plaintiff on this same tour that CSL graduates' bar-passage rates were “very high”.

339. In reliance on these statements, Plaintiff Levy accepted the offer of admission and enrolled at CSL in May 2016 for its summer semester.

340. Plaintiff furthermore relied on CSL's statements that it was fully accredited by the ABA and that its accreditation had been based on the ABA's determination that it was in full compliance with ABA Standards. If Defendants had not concealed CSL's noncompliance with ABA Standards, Plaintiff would not have attended CSL.

341. Plaintiff Levy incurred several thousand dollars in costs moving from Florida to

Charlotte, North Carolina, to enroll at CSL.

342. Plaintiff Levy paid approximately \$50,000 in tuition, fees, and dues to CSL.

343. Plaintiff Levy first learned of CSL's noncompliance with multiple ABA Standards after CSL was placed on probation by the ABA in November 2016.

344. Without sufficient funding to support herself while not working, Plaintiff Levy withdrew from CSL in late March 2017 and returned to the Tampa Bay area. This followed months of CSL's assurances that that federal funding would be restored, which Plaintiff Levy eventually concluded were ultimately empty and baseless.

345. Plaintiff Levy incurred significant costs moving from Charlotte, North Carolina, back to Florida.

346. Plaintiff Levy was not able to transfer her single full semester of credit to any law school. As a result, Plaintiff Levy resumed her pursuit of a J.D. degree as a first-year, first-semester at the Riverview, Florida, campus of Thomas H. Cooley Law School in August 2017. This required Plaintiff Levy to incur additional costs and delayed her progress by at least one year.

N. PLAINTIFF MELISSA LOUIS-JEAN'S EXPERIENCE AT CSL

347. Before enrolling at CSL, Plaintiff Melissa Louis-Jean lived in Orange, New Jersey.

348. Plaintiff Louis-Jean applied to CSL for its fall 2016 semester to pursue a career as an attorney.

349. During the recruitment and application process, an agent of CSL and/or Corporation represented to Plaintiff Louis-Jean that CSL put a unique focus on experiential learning, with more skills-based classes and greater opportunity for participation in law clinics

than other law schools offered.

350. During the recruitment and application process and during Plaintiff Louis-Jean's first semester at CSL, an agent of CSL and/or Corporation represented to Plaintiff Louis-Jean that she would be able to participate in a law clinic during her second semester.

351. CSL and/or InfiLaw Corporation offered Plaintiff Louis-Jean acceptance to CSL's JD program, along with a merit scholarship of \$4,500.00 per semester.

352. Plaintiff Louis-Jean accepted this offer and enrolled at CSL in August 2016 for its fall semester.

353. During an orientation session just before Plaintiff Louis-Jean's first semester at CSL, in August 2016, an agent of CSL and/or InfiLaw Corporation represented to Plaintiff Louis-Jean that CSL graduates almost invariably find work as attorneys in their chosen practice areas.

354. In fact, just 46% of CSL's 2014 graduates were working full time in jobs requiring bar passage nearly a year after graduation. For CSL's 2015 graduates, that figure was just 30%.

355. CSL, Corporation, Holding, and the Sterling Defendants were aware of these figures when the rosy characterizations were made to Plaintiff Louis-Jean, but they did not disclose the figures to her.

356. In deciding to attend CSL, Plaintiff relied upon the façade, created by CSL and InfiLaw under the Defendants' direction, that CSL was accredited, in good standing, and in complete compliance with all ABA Standards.

357. In deciding to attend CSL, Plaintiff relied upon Defendants' representations that a CSL education and degree led to high-quality attorney jobs for its graduates.

358. If Defendants had not concealed CSL's noncompliance with ABA Standards, Plaintiff would not have attended CSL.

359. During Plaintiff Louis-Jean's first semester, CSL and/or InfiLaw Corporation represented to Plaintiff and other students that CSL would offer an immigration-law clinic in the following semester. CSL and Corporation, however, had no plans to offer such a clinic.

360. In deciding to remain for a second semester, Plaintiff relied upon CSL's representation, which it made under the direction of Corporation, Holding, and Defendant SFM, that she would be able to take part in a law clinic.

361. Plaintiff applied to this immigration-law clinic the following spring but then learned that it did not exist.

362. Plaintiff Louis-Jean first learned of CSL's noncompliance with multiple ABA Standards after CSL was placed on probation by the ABA in November 2016.

363. After learning that CSL's misrepresentations caused the DE to cut off student aid, Plaintiff Louis-Jean began to explore the possibility of transferring. Plaintiff contacted CSL and/or Corporation during the week between December 25, 2016, and January 1, 2017, to request a transcript and other materials she needed in order to apply to other law schools.

364. CSL and/or Corporation delayed by at least one week in providing these materials to Plaintiff Louis-Jean.

365. Other law schools' application deadlines had already passed by the time CSL and/or Corporation provided the necessary materials. As a result, Plaintiff Louis-Jean was unable to transfer to another law school.

366. Plaintiff Louis-Jean incurred approximately \$4,000.00 in costs moving from New Jersey to Charlotte, North Carolina, to enroll at CSL.

367. Plaintiff Louis-Jean paid tuition, fees, and dues to CSL.

368. Plaintiff Louis-Jean needed to take out loans to pay for her tuition and living expenses. On August 25, 2016, Plaintiff Louis-Jean took out a loan in the amount of \$36,750.00 with an interest rate of 6.31%. Also on August 25, 2016, Plaintiff took out a loan in the amount of \$20,500.00 with an interest rate of 5.31%. This total amount of \$57,250.00 has grown to more than \$65,000.00 with accrual of interest.

O. PLAINTIFF CHINA McGEE'S EXPERIENCE AT CSL

369. Before enrolling at CSL, Plaintiff China McGee lived in Sacramento, California.

370. Plaintiff McGee incurred costs moving from Sacramento, California to Charlotte, to attend CSL.

371. Plaintiff China McGee enrolled at CSL to pursue a career as an attorney.

372. On February 23, 2016, at Defendant SFM's direction, CSL admissions officer Samantha Newby sent Plaintiff McGee an e-mail offering her admission into CSL and promising a \$3,000.00 per semester discount, styled as a "merit scholarship" as an enticement to enroll at CSL. On May 13, 2016, Associate Dean Michael Farley upped the offer in an e-mail to Plaintiff McGee, promising her a discount of \$4,500.00 per semester, again styled as a "merit scholarship".

373. Plaintiff McGee accepted the offer and attended CSL for its fall 2016 semester.

374. Plaintiff McGee paid tuition, fees, and dues to CSL and/or Corporation in amounts totaling more than \$15,000.00.

375. Plaintiff McGee needed to take out loans to pay for her tuition and living expenses in a total amount of approximately \$35,000, with rates of interest exceeding 6%.

376. Plaintiff McGee was not aware that CSL was a for-profit institution at the time of

enrollment.

377. Plaintiff McGee relied upon the representations by CSL, InfiLaw, and the Sterling Defendants that CSL was accredited by and in good standing with the ABA and in complete compliance with all ABA Standards.

378. If Defendants had not concealed CSL's noncompliance with ABA Standards, Plaintiff McGee would not have attended CSL.

379. Plaintiff McGee first learned of CSL's noncompliance with multiple ABA Standards in November 2016 after CSL was placed on probation by the ABA.

380. Upon hearing that CSL was no long eligible to participate in federal loan programs, Plaintiff McGee withdrew from CSL. If Plaintiff McGee returns to law school, she is likely to lose credits and incur additional costs beyond what she initially anticipated.

P. PLAINTIFF ASHLEE MCGINNAS'S EXPERIENCE AT CSL

381. Before her enrollment at CSL, Plaintiff Ashlee McGinnas lived in York County, South Carolina.

382. Before and during Plaintiff McGinnas's enrollment at CSL, Plaintiff McGinnas worked as a customer-service clerk for a Harris Teeter supermarket, earning approximately \$10.65 per hour.

383. When Plaintiff McGinnas was researching law schools in mid-2014, she reviewed CSL's website and saw its touting of CSL graduates' supposed preparedness to become attorneys. One claim on the website was that CSL graduates' first-time bar-passage rates were above the statewide averages in the states where they applied for bar admission.

384. In fact, CSL graduates taking the North Carolina for the first time passed at a rate of just 60.4% over the course of the February and July 2013 exams, according to data that CSL

supplied to the ABA. Even this rate is suspect because it excludes large numbers of graduates whose results CSL either did not know or simply chose not to include.

385. This rate slipped further, to 60%, in February 2014. CSL, Corporation, Holding, and the Sterling Defendants were aware of these results at the time Plaintiff McGinnas viewed CSL's website; however, Defendant SFM prevented CSL, Corporation, and Holding from mentioning these lower rates because they knew that such information would deter Plaintiff McGinnas and other prospective students from attending.

386. This rate slipped even further, to 56%, for exam's July 2014 administration. While CSL, Defendant SFM, and the other controlling entities were not aware of this exact rate at the time they made the representations to Plaintiff McGinnas via the CSL website, they knew that such further erosion was inevitable because they had slashed CSL's admissions standards, its faculty, and its courses aimed at bar preparation.

387. CSL's 60.4% average for the calendar year 2013 was the lowest among North Carolina's seven law schools and fully nine percentage points below the statewide average. Its 60% passage rate for February 2014 was four percentage points below the statewide average. CSL graduates' performance on other states' bar exams was similarly dismal. Nationwide, CSL graduates passed bar exams at a rate of just 61.7%, compared to a 70.6% passage rate for graduates of all seven law schools in North Carolina.

388. CSL also represented to Plaintiff McGinnas in mid-2014, via its website and via e-mails from admissions officers, that it was fully accredited by the ABA and in full compliance with ABA Standards.

389. Without knowledge of CSL's actual bar-passage rates, which were low and falling, Plaintiff McGinnas applied to CSL for fall 2014 to pursue a career as an attorney.

Plaintiff McGinnas relied on these representations about bar-passage rates and accreditation in deciding to attend CSL for the fall 2014 semester.

390. While Plaintiff was enrolled, CSL, Corporation, Holding, and Defendant SFM deducted CSL's tuition and fees from Plaintiff McGinnas's federal loans, and then redirected them to their own business purposes for several weeks, even though Plaintiff McGinnas had borrowed in her own name, before disbursing to her. This delay caused Plaintiff McGinnas a range of hardships, including having to borrow and copy textbooks and scrimp on groceries.

391. Plaintiff McGinnas had scored 151 on the LSAT, a very high score in relation to most other CSL applicants. To secure her admission, CSL and/or Corporation offered her merit scholarships totally approximately \$6,200 per semester. This was part of a program, directed by Corporation, Holding, and ultimately Defendant SFM, to buoy CSL's bar-passage rate by counteracting the effect of the large and growing numbers of students that CSL, Corporation, Holding, and Defendant SFM deemed less likely to pass a bar exam.

392. Plaintiff McGinnas became aware at some point before May 2015 that CSL's reputation in North Carolina's legal community and in the national legal community was less than stellar. As a result, Plaintiff McGinnas considered transferring to a better-known and better-respected law school starting the fall 2015 semester.

393. CSL administrators became aware of Plaintiff McGinnas's intention to transfer. As a result, they discussed supposed benefits of remaining at CSL and supposed difficulties she would encounter as a transfer student and offered to increase her scholarship award by several thousand dollars per semester. In the course of these conversations, no CSL employee, administrator or staff member mentioned the ABA's January 2015 warning letter or disavowed Dean Conison's March 2015 e-mail touting the ABA's "very positive" review of CSL. Unaware

of the warning letter and in reliance on the ABA's "very positive" review, Plaintiff McGinnas chose to remain at CSL.

394. As of late 2016, Plaintiff McGinnas was on track to graduate from CSL in May 2017. Plaintiff McGinnas was alarmed at CSL's probation and loss of ability to participate in Title IV programs, because neither CSL, nor InfiLaw or Defendant SFM had given her any forewarning.

395. Plaintiff McGinnas reasonably concluded that loss of accreditation would keep her from applying for admission to a state bar and that the reputational blow associated even with probation would taint her by association and destroy her career prospects. Relatedly, Plaintiff McGinnas no longer trusted CSL's administration to keep her informed. Furthermore, Plaintiff could not afford to attend law school without federal loans.

396. As a result, Plaintiff McGinnas therefore withdrew from CSL in January 2017.

397. Plaintiff McGinnas resumed her pursuit of a J.D. degree in August 2017 at Stetson University in Gulfport, Florida ("Stetson"). In so doing, she lost thirty-seven (37) of the eighty-one (81) credits she had earned at CSL.

398. Plaintiff graduated from has since passed Florida's bar exam and is now a licensed attorney practicing in Tampa, Florida.

399. While attending CSL, McGinnas paid tuition, fees, and dues to CSL and InfiLaw.

400. Plaintiff McGinnas needed to take out loans to pay for his tuition and living expenses. On August 29, 2014, Plaintiff McGinnas took out a loan in the amount of \$19,299.00 with an interest rate of 6.21%.

401. On January 26, 2015, Plaintiff McGinnas took out a loan in the amount of \$2,806.00 with an interest rate of 7.21%.

402. On August 27, 2015, Plaintiff McGinnas took out a loan in the amount of \$14,677.00 with an interest rate of 6.84%. Also on August 27, 2015, Plaintiff McGinnas took out a loan in the amount of \$20,058.00 with an interest rate of 5.84%.

403. On June 7, 2016, Plaintiff McGinnas took out a loan in the amount of \$5,000.00 with an interest rate of 6.84%. Also on June 7, 2016, Plaintiff McGinnas took out a loan in the amount of \$10,250.00 with an interest rate of 5.84%.

404. On August 10, 2016, Plaintiff McGinnas took out a loan in the amount of \$10,250.00 with an interest rate of 5.31%. On August 25, 2016, Plaintiff McGinnas took out a loan in the amount of \$11,250.00 with an interest rate of 6.31% as of October 6, 2017.

405. Plaintiff McGinnas relied upon Defendants' representations that CSL was accredited, in good standing, and in complete compliance with all ABA Standards.

406. Plaintiff McGinnas relied upon Defendants' representations that CSL had high bar passage rates and would lead to high-quality job opportunities.

407. If Defendants had not concealed and misrepresented CSL's noncompliance with ABA standards, Plaintiff McGinnas would not have attended CSL.

Q. PLAINTIFF BRITTANEY MERRITT'S EXPERIENCE AT CSL

408. Before applying to and enrolling at CSL, Plaintiff Brittaney Merritt lived in Shaker Heights, Ohio.

409. Before enrolling at CSL, Plaintiff Merritt worked as an assembler for Dela Systems with an hourly wage of \$10.00.

410. Plaintiff Merritt scored 140 on the LSAT.

411. Plaintiff Merritt initially enrolled in CSL's AAMPLE program and completed it in late 2013.

412. While Plaintiff Merritt was an AAMPLE participant, AAMPLE Keith Howard and at least one other CSL staff or faculty member told Plaintiff Merritt that successful completion of AAMPLE is a strong predictor of success at CSL and that most students who pass both AAMPLE courses go on to graduate from CSL.

413. In reality, Howard did not perceive that sort of predictive relationship, nor did CSL, Corporation, Holding, or the Sterling Defendants; rather they believed the opposite to be true. Such statements were made to AAMPLE participants for the sole purpose of convincing them to enroll and pay tuition and fees.

414. After completing AAMPLE, Plaintiff Merritt was offered admission into CSL's J.D. program for spring 2014.

415. Plaintiff Merritt incurred costs moving from Shaker Heights, Ohio, to Charlotte, North Carolina.

416. Plaintiff Merritt enrolled at CSL to pursue a career as an attorney.

417. During AAMPLE and during orientation for the spring 2014 semester, Howard and at least one other CSL staff or faculty member told Plaintiff Merritt that CSL graduates passed the bar exam on their first attempt at a rate of 76%. Such a rate, if true, would have put CSL within about five percentage points above or below the nationwide first-time bar-passage rate in the calendar years 2011, 2012, and 2013.

418. In reality, however, CSL graduates' first-time bar passage rate in 2013 was just 62%, fully 14 percentage points what CSL and InfiLaw representatives told Plaintiff Merritt. Moreover, this rate had been falling, from 67% in 2012 and from 79% in 2011.

419. CSL administrators, InfiLaw officers, and SFM managing members knew that the decline resulted from CSL's slashing of admissions standards, enlargement of class sizes, and

buyouts of experienced instructors.

420. CSL administrators, InfiLaw officers, and SFM managing members also knew that the decline was likely to continue, due to the ongoing abandonment of admissions standards, continued enlargement of class sizes, and continued buyouts of experienced instructors.

421. Plaintiff Merritt paid tuition, fees, and dues to CSL.

422. Plaintiff Merritt needed to take out loans to pay for her tuition and living expenses. On February 4, 2014, Plaintiff Merritt took out a loan in the amount of \$10,250.00 with an interest rate of 5.41%. On February 4, 2014, Plaintiff Merritt also took out a loan in the amount of \$17,134.00. On March 11, 2014, Plaintiff Merritt took out a loan in the amount of \$1,511.00 with an interest rate of 6.41. On June 3, 2014, Plaintiff Merritt took out a loan in the amount of \$10,250.00 with an interest rate of 5.41%. On June 3, 2014, Plaintiff Merritt took out a loan in the amount of \$7,019.00 with an interest rate of 6.41%. On June 24, 2014, Plaintiff Merritt took out a loan in the amount of \$1,943.00 with an interest rate of 6.41%. On September 5, 2014, Plaintiff Merritt took out a loan in the amount of \$10,250.00 with an interest rate of 6.21%. On September 5, 2014, Plaintiff Merritt took out a loan in the amount of \$17,540.00 with an interest rate of 7.21%. On September 15, 2014, Plaintiff Merritt took out a loan in the amount of \$2,612.00 with an interest rate of 7.21%.

423. Plaintiff Merritt was not aware that CSL was a for-profit institution at the time of enrollment.

424. While Plaintiff Merritt was enrolled at CSL, administrators sent her and her classmates multiple e-mails emphasizing that CSL was in full compliance with ABA Standards. Plaintiff Merritt saw similar statements that CSL administrators posted on the Orgsynch intranet site that students used to register for and manage their classes.

425. In deciding to remain at CSL through fall 2014, Plaintiff Merritt relied upon the representations of CSL, InfiLaw, and the Sterling Defendants that CSL was accredited by and in good standing with the ABA and in complete compliance with all ABA Standards.

426. If CSL, InfiLaw, and the Sterling Defendants had not concealed CSL's noncompliance with ABA Standards, Plaintiff Merritt would not have attended CSL through fall 2014.

427. Plaintiff Merritt was academically dismissed in early 2015. CSL dismissed Plaintiff Merritt and others with similar academic profiles at the direction of Corporation, Holding, and the Sterling Defendants based on all those entities' determination that she was unlikely to pass a bar exam and based on their goals to raise CSL's bar-passage rate.

428. Plaintiff Merritt first learned of CSL's noncompliance with multiple ABA Standards in November 2016 after CSL was placed on probation by the ABA.

R. PLAINTIFF SAMANTHA MISHKO'S EXPERIENCE AT CSL

429. Before enrolling at CSL, Plaintiff Samantha Mishko lived in Plains, Pennsylvania.

430. Before enrolling at CSL, Plaintiff Mishko worked for Management Training Corporation as a residential manager at a jobs-training program for at-risk youth in Drums, Pennsylvania, earning approximately \$52,000.00 per year.

431. Plaintiff Mishko enrolled at CSL to pursue a career as an attorney, possibly in employment and labor law or juvenile justice.

432. Plaintiff Mishko researched JD programs at CSL and several other law schools in 2016.

433. Plaintiff Mishko evaluated the various law schools in large part by the bar-passage rates and their compliance with ABA Standards.

434. Plaintiff Mishko visited CSL in June or July 2016. A representative of CSL's admissions office gave Plaintiff Mishko a tour of CSL's campus. During this tour, Plaintiff Mishko asked the representative whether CSL was in good standing with the ABA.

435. The representative replied that the school was in good standing with the ABA, and that there was no cause for concern.

436. The representative furthermore told Plaintiff Mishko that the passing rate for CSL graduates taking the North Carolina bar exam was "up there with Duke and Wake Forest."

437. The representative furthermore painted a picture of CSL graduates strolling into courtrooms and convincing all in attendance that they were seasoned attorneys, and told Plaintiff Mishko that CSL's mock-trial and moot-court teams consistently place first or second in nearly all their competitions.

438. In fact, CSL graduates taking the North Carolina bar exam for the first time in 2015 passed at a rate of just 45.6%, compared to 86.4% for Duke University law graduates, 81.9% for Wake Forest University law graduates, and 64.7% for all law schools combined.

439. In fact, as discussed above, the ABA had told Defendant CSL specifically that it was out of compliance with the three crucial ABA Standards, and on that very basis CSL was later placed on probation by the ABA and then excluded from Title IV student-aid programs.

440. Deprived of the relevant facts and in reliance on the CSL representative's statements, Plaintiff Mishko enrolled at CSL in August 2016.

441. Plaintiff Mishko first learned of CSL's noncompliance with multiple ABA Standards in November 2016 after CSL was placed on probation by the ABA.

442. Plaintiff Mishko did not immediately seek to transfer from CSL after learning that CSL's accreditation was placed on probation, because she relied on assurances by CSL, Conison, and Ogene that federal funding was not likely to be affected.

443. Plaintiff Mishko did not immediately seek to transfer from CSL after the DE Denial Letter, because she relied on assurances by Conison, and Ogene that federal funding was likely to be restored.

444. By mid-March 2017, Ogene, and Conison had e-mailed Plaintiff Mishko numerous reassurances, but no there was no word about tangible progress toward either removal of the ABA probationary status or the restoration of federal funding.

445. Plaintiff Mishko therefore withdrew from CSL.

446. Plaintiff Mishko applied to and was accepted by Widener University School of Law ("Widener") in Harrisburg, Pennsylvania, for its fall 2017 semester.

447. While Widener granted credit for all of Plaintiff Mishko's classes from CSL, Widener administrators have informed Plaintiff Mishko that the CSL courses will probably not fulfill all of the area and distribution requirements in Widener's curriculum. It is therefore likely that that Plaintiff Mishko will have to attend Widener for six full semesters, incurring tuition, fees, and other expenses beyond what she would have incurred if she had completed her JD entirely at CSL or entirely at Widener. Plaintiff Mishko expects to graduate in May 2020, a full year after she initially planned to graduate.

448. Plaintiff Mishko incurred at least \$3,000.00 in moving costs in moving from Plains, Pennsylvania, to Charlotte.

449. Plaintiff Mishko paid tuition, fees, and dues to CSL in amounts totaling more than \$15,000.00.

450. Plaintiff Mishko needed to take out loans to pay for her tuition and living expenses. On August 24, 2016, Plaintiff Mishko took out a loan in the amount of \$10,250.00 an interest rate of 5.31%. Also on August 24, 2016, Plaintiff Mishko took out a loan in the amount of \$17,571.00 with an interest rate of 6.31%.

451. Plaintiff Mishko incurred at least \$4,000.00 in costs in moving from Charlotte back to Pennsylvania, including costs associated with moving before expiration of a one-year lease.

S. PLAINTIFF ELLE PAPPAS'S EXPERIENCE AT CSL

452. Before enrolling at CSL, Plaintiff Elle Pappas lived in Morgantown, West Virginia.

453. Plaintiff Pappas worked as a legal secretary, earning \$8 to \$9 hourly.

454. Plaintiff Pappas graduated from West Virginia University with a 2.6 GPA.

455. Plaintiff Pappas took the LSAT twice, scoring 135 and 150.

456. In mid-2015, Plaintiff Pappas viewed CSL's website and saw statements that CSL was fully accredited, that it was in compliance with ABA Standards, and that its bar-passage rates were average among schools in North Carolina.

457. In fact, however, CSL graduates taking the North Carolina bar exam in Febraury 2015, the most recent administration of that test whose results were then available to CSL and Defendant SFM, passed the exam at a rate of just 40.5%, fully 14 percentage points below the statewide average rate. CSL's rates in other states were similarly unfavorable.

458. Similarly, CSL graduates taking the North Carolina bar exam in 2014, the most recent calendar year whose results were available to CSL and Defendant SFM, passed the exam at a rate of just 57%, fully 12 percentage points below the statewide average rate.

459. CSL graduates' passage rates in other jurisdictions were comparable, unbeknownst to Plaintiff Pappas.

460. Plaintiff Pappas applied to CSL's J.D. program for the fall 2015 semester.

461. Based on Plaintiff Pappas's applicant profile, CSL knew that she was likely to be academically dismissed without completing a J.D. degree.

462. CSL offered Plaintiff Pappas admission to CSL beginning in fall 2015. The offer included a discount – styled as a “merit scholarship” – of \$2,500.00 per semester. Plaintiff accepted this offer and enrolled at CSL in August 2015 to pursue a career as an attorney.

463. In informing Pappas of the scholarship, Jones, the director of admissions, e-mailed Pappas on May 5, 2005, and wrote told her that the discount “demonstrates our expectation that you will succeed in your future academic pursuits.” In reality, Jones and others in the admissions office had no such expectation.

464. Plaintiff Pappas incurred costs moving from Morgantown, West Virginia to Charlotte.

465. Plaintiff Pappas paid tuition in the amount of \$35,088.00 to CSL. Plaintiff Pappas paid fees and dues in the amount of \$1,995.00 to CSL.

466. Plaintiff Pappas needed to take out loans to pay for her tuition and living expenses. Plaintiff Pappas took out a loan in the amount of \$21,712.77 with an interest rate of 5.84%.

467. Plaintiff Pappas was not aware that CSL was a for-profit institution at the time of enrollment.

468. In deciding to enroll at CSL in fall 2015 and then in deciding to remain enrolled into June 2017, Plaintiff Pappas relied upon the representations of the Defendant SFM, of CSL,

and of the Defendants' other subsidiaries, that CSL was accredited by and in good standing with the ABA and in complete compliance with all ABA Standards.

469. In deciding to enroll at CSL in fall 2015 and then in deciding to remain enrolled into June 2017, Plaintiff Pappas relied upon the representations of the Defendant SFM, of CSL, and of the Defendants' other subsidiaries, that CSL's bar-passage rates were comparable to those of other law schools in North Carolina.

470. If CSL, InfiLaw, and the Sterling Defendants had not concealed and misrepresented CSL's noncompliance with ABA Standards, Plaintiff Pappas would not have attended CSL.

471. Plaintiff Pappas finished the fall 2015 semester with a GPA between 1.5 and 1.99. CSL cited this in its decision to put Plaintiff Pappas on academic probation at the beginning of spring 2016.

472. One condition of the probation was that Plaintiff was assigned an academic advisor, Professor Kristen Hayden.

473. As the end of spring 2016 semester neared, Prof. Hayden told Plaintiff that she could raise her GPA further and have a better shot at avoiding academic dismissal if she took summer classes, and that decisions on academic dismissal would take into account her post-summer GPA but not her post-spring GPA. Under Defendant SFM's direction, CSL ordered Prof. Hayden and other agents to make such representations as a way to hang on to students for an extra semester and squeeze a few thousand more tuition dollars from them.

474. In reliance on this representation, Plaintiff enrolled at CSL for the first of the two summer 2016 terms, which began in May.

475. On June 7, 2017, before that term was completed, Plaintiff Pappas received

correspondence from CSL stating she was academically dismissed, effective immediately.

476. CSL dismissed Plaintiff Pappas and others with comparable LSAT scores at the direction of Corporation, Holding, and the Sterling Defendants based on all those entities' determination that she was unlikely to pass a bar exam and based on their goals to raise CSL's bar-passage rate.

477. Plaintiff Pappas first learned of CSL's noncompliance with multiple ABA Standards in November 2016 after CSL was placed on probation by the ABA.

T. PLAINTIFF ANNABELLE PARDO'S EXPERIENCE AT CSL

478. Plaintiff Annabelle Pardo lived in Charlotte before and during her enrollment at CSL.

479. Plaintiff Pardo applied to CSL in late 2015 to pursue a career as an attorney.

480. While Plaintiff Pardo was in the application process, she reviewed CSL marketing materials which promised unrivaled access to attorneys and judges in Mecklenburg County's legal community and extensive practical experience.

481. Plaintiff Pardo chose to apply to – and then attend – CSL for these reasons, and in large part because CSL was the only law school in Charlotte.

482. The offer of admission to CSL included a discount of \$4,500.00 per semester, styled as a “merit scholarship”.

483. Plaintiff Pardo enrolled at CSL in January 2016.

484. Both before Plaintiff Pardo enrolled at CSL and during the spring, summer, and fall 2016 terms, CSL staff and administrators e-mailed Plaintiff Pardo to tout CSL's the supposedly extensive resources available through CSL's “academic success department”.

485. As a student, however, Plaintiff Pardo attempted to access these resources

numerous times but was never able to do so. Most typically, Plaintiff attempted to reserve time with tutors and counselors on many different days and at many different times of day but found that they were always booked.

486. Similarly, Plaintiff Pardo was told while an applicant that she would be able to participate in a law clinic in her third term.

487. Plaintiff Pardo attempted to enroll in a law clinic for the fall 2016 term, her third, but was told that she had not fulfilled all necessary prerequisites and that, in any event, all clinics were fully subscribed and that there was no room for her.

488. Plaintiff Pardo paid tuition, fees, and dues to CSL.

489. Plaintiff Pardo needed to take out loans to pay for her tuition and living expenses. Plaintiff Pardo took out a private loan in the amount of \$12,000.00 with an interest rate of 2.75%. Plaintiff Pardo took out a private loan in the amount of \$15,000.00 with an interest rate of 5.00%. Plaintiff Pardo took out a private loan in the amount of \$10,000.00 with an interest rate of 2.75%.

490. In deciding to attend CSL, Plaintiff Pardo relied upon the representations by CSL, Infilaw, and those of the Sterling Defendants that CSL was accredited by and in good standing with the ABA and in complete compliance with all its Standards.

491. Plaintiff Pardo relied upon the representations of CSL, Corporation, Holding, and the Sterling Defendants that CSL had high bar passage rates and provided successful job opportunities.

492. If CSL, InfiLaw, and the Sterling Defendants had not concealed and misrepresented CSL's noncompliance with ABA Standards, Plaintiff Pardo would not have attended CSL.

493. Plaintiff Pardo first learned of CSL's noncompliance with multiple ABA Standards in November 2016 after the ABA placed CSL on probation.

494. After learning of CSL noncompliance and unable to access federal student loans, Plaintiff Pardo took a leave of absence from CSL and has not resumed law school elsewhere.

U. PLAINTIFF LINA SASTOQUE'S EXPERIENCE AT CSL

495. Plaintiff Lina Sastoque lived in Columbia, South Carolina, before enrolling at CSL.

496. Plaintiff Sastoque worked as a Spanish-English interpreter for a local nonprofit organization, earning \$14.50 per hour.

497. Plaintiff Sastoque scored 130 on the LSAT.

498. Plaintiff Sastoque applied to – and later enrolled in – CSL to become an attorney.

499. Plaintiff Sastoque initially participated in CSL's AAMPLE program.

500. At least one administrator responsible for AAMPLE told Plaintiff Sastoque that passage of AAMPLE predicts success in law school, graduation, and passage of the bar exam.

501. Neither this administrator, nor CSL, nor Corporation, Holding, or the Sterling Defendants believed this statement. In fact, they believed the opposite to be true, because they had statistics showing that AAMPLE participants and students with LSAT scores below 140 are unlikely to pass a bar exam. These entities directed CSL admissions staff to make such statements solely in order to rope in more students, many of whom were destined for academic dismissal, and very few of whom were destined for bar passage and licensure.

502. CSL told Plaintiff Sastoque by electronic communications that she had passed both AAMPLE classes. On that basis, CSL offered admission to Plaintiff Sastoque, which she accepted.

503. Plaintiff Sastoque incurred costs moving from Columbia, South Carolina, to Charlotte, North Carolina.

504. In offering Plaintiff Sastoque admission to CSL, Corporation and CSL offered Plaintiff Sastoque a merit scholarship of \$2,500.00 per semester, contingent on maintaining a 3.0 GPA.

505. Corporation and CSL did not disclose to Plaintiff Sastoque, at any time, their practice of packing scholarship recipients into the same class sections in order to eliminate scholarship eligibility.

506. Plaintiff Sastoque was not aware that CSL was a for-profit institution at the time of enrollment.

507. In deciding to enroll at CSL in August 2014 and then, in deciding to remain enrolled into fall 2016, Plaintiff Sastoque relied upon her understanding, which CSL, InfiLaw, and Corporation fostered at the direction of Defendant SFM, that CSL was accredited by the ABA and in complete compliance with all ABA Standards.

508. By November 2016, when she learned of the “substantial” and “persistent” noncompliance with ABA Standards, it was too late for Plaintiff Sastoque to transfer to a different law school for her final semester without losing two or more semesters of credit.

509. If CSL, InfiLaw, and Corporation had not concealed CSL’s noncompliance with ABA Standards, at Defendant SFM’s direction, Plaintiff Sastoque would not have remained at CSL.

510. In nearly every semester Plaintiff Sastoque attended CSL, CSL, InfiLaw, and/or Corporation withheld Plaintiff Sastoque’s student loan money from her for several weeks, even after applying initial payments to the amounts she billed by CSL and InfiLaw for tuition, dues,

and fees. This caused Plaintiff Sastoque to face inconvenience and hardships and incur costs and penalties for late payments on other financial obligations.

511. Plaintiff Sastoque paid tuition, fees, and dues totaling more than \$120,000.00 to CSL.

512. Plaintiff Sastoque needed to take out approximately \$211,476.00 in loans to pay for her tuition and living expenses while at CSL. After accounting for accrued interest, Plaintiff Sastoque has a balance of approximately \$270,000 in loans associated with CSL.

513. Plaintiff Sastoque graduated from CSL in May 2017.

514. Plaintiff Sastoque took the North Carolina bar exam in February 2018 and the South Carolina exam in February 2019 but did not pass on either attempt. Plaintiff Sastoque took the South Carolina exam in July 2019 but has not learned her results.

515. Plaintiff Sastoque now earns \$23 per hour as a document reviewer. Plaintiff Sastoque struggles to cover the rapidly accruing interest on her student loans and cannot pay down any appreciable amount of principal.

V. PLAINTIFF ALEXIS SHARON'S EXPERIENCE AT CSL

516. Plaintiff Alexis Sharon lived in Hagerstown, Maryland, before enrolling at CSL.

517. Plaintiff Sharon incurred costs moving from Hagerstown, Maryland, to Charlotte, North Carolina.

518. Plaintiff Sharon enrolled at CSL to become an attorney, with the intention of pursuing a career as a prosecutor.

519. In offering Plaintiff Sharon admission to CSL, Corporation and CSL offered Plaintiff Sharon a merit scholarship of \$2,500.00 per semester, contingent on maintaining a 3.0 GPA.

520. Corporation and CSL did not disclose to Plaintiff Sharon, at any time, their practice of packing scholarship recipients into the same class sections in order to eliminate scholarship eligibility.

521. Before Plaintiff Sharon arrived on campus, InfiLaw Corporation and CSL did not disclose to Plaintiff Sharon that CSL curved all course grades to a “C” average.

522. Plaintiff Sharon was not aware that CSL was a for-profit institution at the time of enrollment.

523. In deciding to enroll at CSL in August 2015, Plaintiff Sharon relied upon her understanding, which CSL, InfiLaw, and Corporation fostered at the direction of Defendant SFM, that CSL was accredited by the ABA and in complete compliance with all ABA Standards.

524. In deciding to enroll at CSL in August 2015, Plaintiff Sharon relied upon CSL’s, Corporation’s, and Holding’s representations, which these entities made to her at the direction of Defendant SFM, that CSL graduates were “practice ready” upon graduation and that they had extensive training in drafting court filings and other legal documents.

525. Plaintiff Sharon relied upon CSL’s, Corporation’s, and Holding’s representations to her, which they made at the direction of Defendant SFM, that a CSL degree led to high-quality job opportunities.

526. If CSL, InfiLaw, and Corporation had not concealed CSL’s noncompliance with ABA Standards, Plaintiff Sharon would not have attended CSL.

527. During both fall semester 2015 and fall semester 2016, CSL, InfiLaw, and/or Corporation withheld Plaintiff Sharon’s student loan money from her for several weeks, even after applying initial payments to the amounts she owed CSL and InfiLaw for tuition, dues, and

fees. This caused Plaintiff Sharon to face inconvenience and incur costs and penalties for late payments on other financial obligations such as her apartment rent.

528. Plaintiff Sharon's GPA fell below a 3.0 after her first semester, due to CSL's unusually strict grade curve and its practice of packing scholarship recipients into the same course sections.

529. CSL and InfiLaw Corporation then withdrew Plaintiff Sharon's scholarship.

530. Plaintiff Sharon attempted to transfer from CSL after the spring 2016 semester. Plaintiff Sharon asked the office of CSL's registrar for copies of official transcripts and other materials that she would need to transfer. A representative of that office refused to provide these materials and told Plaintiff Sharon that she would first need to meet with Defendant Conison. Plaintiff Sharon was not able to arrange such a meeting.

531. Without these materials and aware that few of her first-year credits from CSL would be accepted by another law school, Plaintiff Sharon abandoned her attempt to transfer, and instead returned to CSL for fall semester 2016.

532. Following the disclosure that the ABA had placed CSL on probation, CSL officials assured Plaintiff Sharon that the probation would have no broader effect, including any effect on federal student aid. Professor Scott Broyles, who later served as CSL's interim dean, offered similar assurances to Plaintiff Sharon and other students in her Constitutional Law class.

533. Relying on these assurances, Plaintiff Sharon did not withdraw from CSL and attempt to apply to other law schools in time to resume her education elsewhere in spring 2017 semester. Plaintiff Sharon instead took a leave of absence from CSL in spring 2017 and withdrew later.

534. CSL, Corporation, and Holding, at the direction of Defendant SFM, knowingly hindered Plaintiff Sharon's applications to other law schools in other ways. On multiple occasions, CSL and Corporation told Plaintiff Sharon that they had sent other law schools the materials necessary for her applications, but the schools notified Plaintiff Sharon that the materials had not been sent. These manufactured delays limited Plaintiff Sharon's options in spring, summer, and even fall 2017.

535. Plaintiff Sharon paid tuition, fees, and dues totaling more than \$62,000 to CSL.

536. Plaintiff Sharon needed to take out loans to pay for her tuition and living expenses.

537. On August 25, 2015, Plaintiff Sharon took out a loan in the amount of \$39,117.00, with an interest rate of 6.84%. Also on August 25, 2015, Plaintiff Sharon took out a loan in the amount of \$20,500.00, with an interest rate of 5.84%.

538. On August 10, 2016, Plaintiff Sharon took out a loan in the amount of \$10,250.00, with an interest rate of 5.31%. On August 25, 2016, Plaintiff Sharon took out a loan in the amount of \$24,527.00, with an interest rate of 6.31%. Additionally, Plaintiff Sharon obtained a \$10,000 loan from a family member to cover living expenses while enrolled at CSL.

539. Plaintiff Sharon first learned of CSL's noncompliance with multiple ABA Standards in November 2016 after CSL was placed on probation by the ABA.

540. Plaintiff Sharon incurred at least \$480.00 in costs related to transfer applications.

541. Plaintiff Sharon enrolled in John Marshall Law School, in Chicago ("John Marshall Chicago"), in August 2017. She was able to transfer only thirty-eight (38) of the forty-seven (47) credits from CSL.

542. Plaintiff Sharon graduated in December 2018. Her completion of law school was thus delayed by approximately seven months, and she was required to take extra courses at John Marshall Chicago to make up for the nine lost credits, which entailed additional time and expense.

543. Plaintiff Sharon took the Maryland bar exam in February 2019 but did not pass. Plaintiff Sharon expects to take the Illinois bar exam in 2020.

W. PLAINTIFF MATTHEW STILES'S EXPERIENCE AT CSL

544. Plaintiff Matthew Stiles lived in Ottawa, Canada, before enrolling at CSL.

545. Plaintiff Stiles worked as an operations manager for an international civil engineering firm, earning approximately C\$91,600 annually, approximately \$94,500.00 at then-prevailing exchange rates.

546. Plaintiff Stiles applied to CSL in June or early July 2014 to pursue a career as an attorney for similarly large civil-engineering and construction firms.

547. CSL and/or InfiLaw Corporation offered – and Plaintiff Stiles accepted – a discount of \$15,000.00 per semester, styled as a merit scholarship.

548. Plaintiff Stiles enrolled at CSL in August 2014 for its fall 2014 semester.

549. As Plaintiff Stiles was applying to and deciding among law schools and later, as he decided to remain enrolled into January 2017, representatives of CSL and/or InfiLaw Corporation told Plaintiff Stiles that CSL was fully accredited, in good standing, and in complete compliance with all ABA Standards.

550. As described above, CSL was actually out of compliance for much of this time, and the ABA had made CSL well aware of this fact in a series of escalating warnings, and CSL had also made Corporation, Holding, and Defendant SFM aware of this.

551. As Plaintiff Stiles was applying to and deciding among law schools and later, as he decided to remain enrolled into January 2017, representatives of CSL and/or InfiLaw Corporation told Plaintiff Stiles that CSL graduates attempting the North Carolina bar exam for the first time consistently passed at rates at or above statewide averages from 2009 to 2013.

552. In fact, CSL graduates' first-time passage rate on the North Carolina bar was 78 percent in 2011, 2 percentage points below the statewide average. In 2012, that rate for CSL graduates was 65 percent, 14 percentage points below the statewide average. In 2013, that rate for CSL graduates was just 60 percent, 9 percentage points below the statewide average. CSL graduates taking bar exams in most other states fell similarly short of their peers from other law schools.

553. As Plaintiff Stiles was applying to and deciding among law schools and later, as he decided to remain enrolled into January 2017, representatives of CSL and/or InfiLaw Corporation, acting at the direction of the Sterling Defendants, told Plaintiff Stiles that CSL's curriculum turned out graduates who were "practice-ready".

554. Plaintiff Stiles relied on these representations that CSL was accredited, in good standing, and in complete compliance with all ABA Standards, had bar passage rates comparable to North Carolina statewide averages, and offered coursework that led to high-quality job opportunities.

555. If CSL, Corporation, and the Sterling Defendants had not concealed CSL's noncompliance with ABA Standards, Plaintiff Stiles would not have attended CSL.

556. By the time Plaintiff Stiles realized that CSL's "practice-ready" slogan was meaningless, he also understood that he would not be able to transfer all the credits he earned in CSL's contrived curriculum to another law school. In effect, Plaintiff Stiles was stuck.

557. Plaintiff Stiles and other students began to fear ABA sanctions in 2015. However, Plaintiff Stiles took some comfort in and relied on Dean Conison's statements related above, which Plaintiff Stiles did not then recognize as mischaracterizations.

558. Plaintiff Stiles furthermore took comfort in and relied on statements from Professor Christopher Woodyard, who taught torts and bar-preparation courses at CSL. Based on the number of credits Plaintiff Stiles had earned and on the speed at which the ABA and regulators might act, Professor Woodyard told Plaintiff Stiles that regulatory action could not possibly impact Plaintiff Stiles.

559. Plaintiff Stiles first learned of CSL's noncompliance with multiple ABA Standards after the ABA placed CSL on probation in November 2016.

560. At that time, Plaintiff Stiles was on track to graduate from CSL in May 2017.

561. For this reason, and in reliance on assurances from Professor Woodyard and Defendants Conison, Ogene, CSL, and InfiLaw Corporation that CSL would remain open, Plaintiff Stiles did not immediately seek to transfer to another law school.

562. However, Plaintiff Stiles began to explore transfer options around December 25, 2016.

563. Plaintiff Stiles learned on January 5, 2017, that the beginning of CSL's spring 2017 semester would be delayed from January 9, as scheduled, until January 16. On January 9, Plaintiff Stiles learned that CSL would also miss the January 16 date.

564. Without adequate assurance that CSL would reopen for the spring semester at all, Plaintiff Stiles attempted to mitigate his damages by applying to other law schools as a transfer student for the spring 2017 semester.

565. Plaintiff Stiles's options were limited because of Defendants' delays in disclosing the noncompliance and probation and in providing firm assurance on reopening for spring semester.

566. Plaintiff Stiles's options were furthermore limited because of CSL's grading curve, which was far stricter than other law school's and extended to Plaintiff Stiles's second and third years without sufficient advance notice.

567. Plaintiff Stiles transferred to West Virginia University's College of Law for its spring 2017 semester.

568. In transferring, Plaintiff Stiles lost eighteen (18) academic credits, the equivalent of more than one semester of coursework.

569. Plaintiff Stiles graduated from West Virginia University in December 2017.

570. Plaintiff Stiles incurred several thousand dollars in costs moving from Canada, to Charlotte, North Carolina, to enroll at CSL, including airline tickets and temporary housing.

571. Plaintiff Stiles paid more than \$50,000.00 in tuition, fees, and dues to CSL.

572. Plaintiff Stiles needed to take out loans to pay for his tuition and living expenses. Plaintiff Stiles borrowed approximately \$174,000.00 from a Canadian bank, with an interest rate of 3.7%, to fund his enrollment at CSL. Plaintiff Stiles borrowed \$60,000.00 as a personal loan from an acquaintance, secured by real estate and with a rate of 5.0%, to fund his enrollment at CSL. Plaintiff Stiles borrowed \$20,000.00 with a variable rate of 1 percentage point above the prime lending rate, to fund his enrollment at CSL.

573. Plaintiff Stiles incurred nearly \$2,000.00 in costs moving from Charlotte to Morgantown, West Virginia, to complete his legal education at West Virginia University, including costs associated with investigating options for law schools and housing.

X. PLAINTIFF BIANCA TARASCHI'S EXPERIENCE AT CSL

574. Plaintiff Bianca Taraschi enrolled at CSL to pursue a career as an attorney, in part because she wanted to become work for the Federal Bureau of Investigation or another sophisticated law-enforcement agency.

575. Before enrolling at CSL, Plaintiff Taraschi lived in Boca Raton, Florida.

576. Plaintiff Taraschi relied upon the representations of Defendants that CSL was accredited, in good standing, and in complete compliance with all ABA Standards.

577. As Plaintiff Taraschi was considering CSL for law school, in mid-2016, one or more admissions staff told her that that CSL graduates' passage rates on the North Carolina bar exam in 2015 and 2016 were within five percentage points of the North Carolina statewide average and that CSL was a viable gateway to high-quality jobs as attorneys and in other law-related fields.

578. Around this same time, one or more CSL admissions staff also told Plaintiff Taraschi that CSL was fully accredited and in compliance with all ABA Standards.

579. Plaintiff Taraschi relied upon these representations in deciding to attend CSL. If CSL, Corporation, and Holding had not concealed and misrepresented CSL's noncompliance with ABA Standards at the direction of Defendant SFM, Plaintiff Taraschi would not have attended CSL.

580. In September 2016, reports from North Carolina law schools suggested that the bar passage rate from CSL graduates taking the North Carolina bar exam for the first time in July 2016 was just 45%, compared to an average of 66% among all students who took that exam. CSL students, who had seen ABA inspectors multiple times in the last two years, asked administrators what to make of these inspectors' presence on campus. Administrators responded

to these concerns by assuring students that they had nothing to worry about.

581. Plaintiff Taraschi was then startled in November 2016 when she learned of CSL's noncompliance with multiple ABA Standards and the ABA's decision to put it on probation.

582. In late November and early December 2016, agents of CSL, Ogene, and Conison, acting at the direction of Defendant SFM, continued to assure Plaintiff Taraschi that CSL was not a sinking ship, was not going to close, and would remain eligible for federal student aid. These Defendants made these assurances both in in-person meetings and via e-mail.

583. In reliance on these statements, Plaintiff Taraschi did not immediately attempt to transfer.

584. In late December 2016, after learning that she lost her access to federal student loans as a result of CSL's misrepresentations and CSL's long-running failure to comply with ABA Standards, Plaintiff Taraschi withdrew from CSL and immediately requested her transcript and other materials that she would need to transfer to another law school.

585. Under orders from Defendant SFM to maintain revenue levels, CSL and Corporation delayed responding to this request until well into January 2017. They delayed responding to similar requests from other students, too, because their goal was to keep as many students as possible locked in to CSL.

586. Few or no U.S. law schools accept transferring students who have less than one year of academic credit. Plaintiff Taraschi was unaware of this fact until she began calling other law schools to ask about transferring.

587. Among the small handful of JD programs that begin in January, Plaintiff Taraschi identified St. Thomas University School of Law in Miami, Florida; Thomas Jefferson School of Law in San Diego, California; and John Marshall Atlanta.

588. By the time CSL and/or Corporation provided the transfer materials to Plaintiff Taraschi, she had only one option remaining, Atlant's John Marshall Law School ("John Marshall Atlanta").

589. Plaintiff Taraschi applied to, was accepted by, and enrolled at John Marshall Atlanta for its spring 2017 semester.

590. Plaintiff Taraschi was unable to transfer any academic credits to John Marshall Atlanta. As a result, Plaintiff Taraschi must remain in law school beyond when she planned to graduate and incur tuition costs that she otherwise would not have incurred.

591. Plaintiff Taraschi incurred costs moving from Boca Raton, Florida, to Charlotte, North Carolina to attend CSL.

592. Plaintiff Taraschi paid tuition, fees, and dues to CSL.

593. Plaintiff Taraschi needed to take out loans to pay for her tuition and living expenses. On August 24, 2016, Plaintiff Taraschi took out a loan in the amount of \$10,250.00 with an interest rate of 5.31%. Also on August 24, 2016, Plaintiff Taraschi took out a loan in the amount of \$21,071.00 with an interest rate of 6.31%.

594. Plaintiff Taraschi incurred costs moving from Charlotte, North Carolina, to Atlanta, Georgia, to attend John Marshall Atlanta.

Y. PLAINTIFF FREDERICK TERRELL'S EXPERIENCE AT CSL

595. Before and during his enrollment at CSL, Plaintiff Frederick Terrell lived in Hamlet, North Carolina.

596. Before and during Plaintiff Terrell's enrollment at CSL, Plaintiff Terrell worked as a field claims adjuster for American Modern Insurance Group with a salary of \$55,000.00 per year.

597. When Plaintiff Terrell was researching law schools in early 2014, a CSL admissions employee represented to him that its graduates' passage rate on the bar exam was 75%.

598. In fact, CSL graduates taking the North Carolina exam (the one relevant for Plaintiff Terrell) for the first time passed at a rate of just 60.4% over the course of the February and July 2013 exams, according to data that CSL supplied to the ABA. Even this rate is suspect because it excludes large numbers of graduates whose results CSL either did not know or simply chose not to include.

599. This rate slipped further, to 60%, in February 2014. CSL's representatives had access to these results at the time they discussed bar-passage rates with Plaintiff Terrell; however, Defendant SFM prevented CSL, Corporation, and Holding from mentioning these lower rates because they knew that such information would deter Plaintiff Terrell and other prospective students from attending.

600. Plaintiff Terrell enrolled at CSL beginning in fall 2014 to pursue a career as an attorney.

601. Plaintiff Terrell was nominally a part-time student, albeit with nearly a full course load, so that he could continue working at least two days per week.

602. Upon acceptance to CSL, Plaintiff Terrell received a \$6,000.00 per semester merit scholarship, conditional upon maintaining at least a 3.0 GPA.

603. This scholarship was revoked after Plaintiff Terrell's second semester when his GPA fell below 3.0, due to CSL's and Corporation's intentional concentration of Plaintiff Terrell and other scholarship recipients in the same class sections.

604. As of late 2016, Plaintiff Terrell was on track to graduate from CSL in December 2017. However, Plaintiff Terrell considered transferring to another law school when CSL was placed on probation by the ABA and lost its eligibility for participation in Title IV programs.

605. CSL, Ogene, and Conison, under the direction of Defendant SFM, assured Plaintiff Terrell that CSL would probably be able to restore Title IV funding in spring 2017 semester. In fact, CSL, Ogene, Conison, and Defendant SFM had no such belief that the funding could be restored.

606. Plaintiff Terrell opted to remain at CSL for the spring 2017 semester in reliance on these assurances and because he was just one year from graduation.

607. In May 2017, as it became more apparent that CSL was in danger of closing, Plaintiff Terrell was trying to decide whether to remain at CSL for the summer and fall terms.

608. Plaintiff Terrell therefore spoke several times that month with Traci Fleury, CSL's registrar and assistant dean of academic services. Fleury assured him that summer classes would continue as scheduled and that CSL would obtain regulatory approval for a "teach-out" program that would allow Plaintiff Terrell to take classes at another institution and graduate on time in the event that CSL closed before December 2017.

609. During the summer term, Plaintiff Terrell learned that CSL had not arranged such a program. As a result, Plaintiff Terrell applied to and was accepted by the Charleston School of Law, in Charleston, South Carolina, as a transfer student for the fall 2017 semester.

610. Plaintiff Terrell began at Charleston School of Law in August 2017.

611. Facing a 380-mile round-trip commute to and from Charleston, Plaintiff Terrell instead opted to rent an apartment in Charleston, staying there during the week and returning to his family in Hamlet on the weekends.

612. Only 60 of Plaintiff Terrell's 82 credits transferred to Charleston School of Law. Plaintiff Terrell must make up the other 22 credits. This pushed back Plaintiff Terrell's expected graduation date to May 2018. To manage even this timetable, Plaintiff Terrell had to quit his job in August 2017.

613. In addition to the damages described above, Plaintiff Terrell paid tuition, fees, and dues to CSL and InfiLaw.

614. Plaintiff Terrell needed to take out loans to pay for his tuition and living expenses. On August 29, 2014, Plaintiff Terrell took out a loan in the amount of \$19,299.00 with an interest rate of 6.21%.

615. On January 26, 2015, Plaintiff Terrell took out a loan in the amount of \$2,806.00 with an interest rate of 7.21%.

616. On August 27, 2015, Plaintiff Terrell took out a loan in the amount of \$14,677.00 with an interest rate of 6.84%. Also on August 27, 2015, Plaintiff Terrell took out a loan in the amount of \$20,058.00 with an interest rate of 5.84%.

617. On June 7, 2016, Plaintiff Terrell took out a loan in the amount of \$5,000.00 with an interest rate of 6.84%. Also on June 7, 2016, Plaintiff Terrell took out a loan in the amount of \$10,250.00 with an interest rate of 5.84%.

618. On August 10, 2016, Plaintiff Terrell took out a loan in the amount of \$10,250.00 with an interest rate of 5.31%. On August 25, 2016, Plaintiff Terrell took out a loan in the amount of \$11,250.00 with an interest rate of 6.31%.

619. Plaintiff Terrell relied upon Defendants' representations that CSL was accredited, in good standing, and in complete compliance with all ABA Standards.

620. Plaintiff Terrell relied upon Defendants' representations that CSL had high bar passage rates and would lead to high-quality job opportunities.

621. If Defendants had not concealed and misrepresented CSL's noncompliance with ABA standards, Plaintiff Terrell would not have attended CSL.

Z. PLAINTIFF JASMINE TURNER'S EXPERIENCE AT CSL

622. Plaintiff Jasmine Turner lived in Charlotte, Mecklenburg County, North Carolina in 2015, before enrolling at CSL.

623. Plaintiff Jasmine Turner lived in Charlotte, North Carolina, before enrolling at CSL.

624. Plaintiff Jasmine Turner took the LSAT and earned a score of 134.

625. Plaintiff Jasmine Turner initially enrolled in CSL's AAMPLE program, completing it in mid-2015.

626. While Plaintiff Jasmine Turner was enrolled in AAMPLE, Professors Keith Howard and Whitney Thompson represented to Plaintiff that CSL was fully compliant with all ABA Standards. Profs. Howard and Thompson made these representations under the direction of CSL administrators, which in turn were acting under the direction of Corporation and Holding, as well as Defendant SFM. Defendant SFM gave such directions in order to ensure that CSL enrolled as many students as possible and thus maximize its revenue.

627. Additionally, Prof. Howard represented to Plaintiff Jasmine Turner that completion of AAMPLE offered a "head start" in law school and indicated a likelihood of succeeding in law school.

628. In fact, neither Prof. Howard did not believe that AAMPLE completion and passage were indicative of such success. Nor did CSL, Corporation Holding, or Defendant SFM.

In fact, they believed the opposite, because they all had data showing that students entering CSL through AAMPLE were academically dismissed at a higher rate than other CSL students.

629. Prof. Howard informed Plaintiff Jasmine Turner that she passed both AAMPLE exams and offered her admission into CSL's J.D. program.

630. Plaintiff Jasmine Turner then enrolled at CSL in fall 2015 to pursue a career as an attorney.

631. CSL's offer of admission included a \$1,000.00 per year merit scholarship, which CSL described in a letter as a vote of confidence that Plaintiff Jasmine would succeed at CSL and graduate.

632. In fact, neither CSL, nor any of its agents in communication, nor Defendant SFM had any such confidence.

633. Plaintiff Jasmine Turner paid approximately \$17,000.00 in tuition, fees, and dues to CSL, Corporation, Holding, and Defendant SFM.

634. Plaintiff Jasmine Turner needed to take out loans to pay for her tuition and living expenses \$28,000.00 in total. With accruing interest, this amount has grown to approximately \$35,000.00.

635. In deciding to attend CSL, Plaintiff Jasmine Turner relied upon the representations of Howard and Whitney, who were acting as agents for CSL and, ultimately, the Defendants, that CSL was accredited in good standing and in complete compliance with all ABA Standards and that she was likely to succeed at CSL.

636. Plaintiff Jasmine Turner was academically dismissed following the Fall 2015 Semester.

637. Plaintiff Jasmine Turner first learned of CSL's noncompliance with multiple ABA Standards, including Standard 501(b), which requires a school to admit only applicants who appear likely to graduate and become practicing attorneys. .

AA. PLAINTIFF KATHRYN TURNER'S EXPERIENCE AT CSL

638. Plaintiff Kathryn Turner lived in Charlotte, Mecklenburg County, North Carolina, before enrolling at CSL.

639. Plaintiff Kathryn Turner enrolled at CSL to pursue a career as an attorney.

640. Plaintiff Kathryn Turner reviewed CSL's website, which CSL and Corporation created and maintained under the direction and control of Defendant SFM, in mid-2015 when considering applying to and enrolling at CSL.

641. On one web page on CSL's website, Plaintiff Kathryn Turner saw that CSL was fully accredited by the ABA and in full compliance with ABA Standards.

642. In summer 2015, when Plaintiff Kathryn Turner attended a tour of CSL as an applicant, CSL Assistant Dean Beth Koback told Plaintiff Kathryn Turner that CSL was in "perfect compliance" with ABA Standards. At least one other CSL representative made a similar statement to Plaintiff Kathryn Turner on this visit.

643. In fact, Koback, CSL, Corporation, InfiLaw, and Defendant SFM all knew that CSL was probably out of compliance with ABA Standards, because the ABA itself had expressed doubt to CSL administrators, as described above.

644. Dean Koback also told Plaintiff Kathryn Turner during her tour that CSL graduates' first-time bar-passage rates were "well within" the range of passage rates of the seven law schools then operating in North Carolina.

645. This, too, was false. CSL was graduates taking the North Carolina bar exam for the first time in 2015 passed at a rate of just 45.6%, the lowest rate among North Carolina's seven law schools. The second-lowest rate among the seven was 63.1%, 17.5 percentage points higher. The comparison was similar when counting the seven schools' graduates who applied for bar admission in any U.S. jurisdiction; CSL's 46.3% rate was 16.8 percentage points lower than the second-lowest rate, 63.1%.

646. CSL graduates' 2015 results represented a further decline from 2014, a fact that Dean Koback did not disclose to Plaintiff. Those 2014 results, too, were dismal for CSL graduates, who passed the North Carolina bar exam at a rate of just 57%, the worst among North Carolina's seven law schools. For comparison, the second-lowest rate was 66.7%. Taking into account the bar exams of North Carolina and all other U.S. jurisdictions, CSL graduates' 57.9% passage rate was about 9 percentage points below the second-lowest rate.

647. Unaware of these true statistics and relying on the false statistics that Koback, CSL, Infilaw, and Defendant SFM provided, Plaintiff Kathryn Turner chose to enroll at CSL. Plaintiff furthermore relied on Koback's representation that CSL was in "perfect compliance" with ABA Standards.

648. As a CSL student, Plaintiff Kathryn Turner consistently received her student-loan disbursements two to three weeks into the semester. This frequently caused her hardship.

649. This delay resulted from InfiLaw and CSL temporarily misappropriating, with Defendant SFM's knowledge and under SFM's direction, the money that Plaintiff Kathryn Turner had borrowed in her own name.

650. Plaintiff Kathryn Turner paid tuition, fees, and dues totaling more than \$60,000.00 to CSL, Corporation, Holding, and the Sterling Defendants.

651. Plaintiff Kathryn Turner needed to take out loans totaling \$106,403.00 to pay for her tuition and living expenses. After accounting for accrued interest, and the minimal payments that Plaintiff has been able to make, Plaintiff has an outstanding balance of approximately \$128,000.00 on these loans, and they continue to accrue interest.

652. Plaintiff Kathryn Turner relied on CSL to remain in good standing with the ABA and in full compliance with its Standards. Plaintiff Kathryn Turner enrolled at CSL and returned for a second and third semester based on her understanding that CSL was fully compliant with ABA Standards.

653. By spring 2016, Plaintiff Kathryn Turner was deeply dissatisfied with CSL, because of the quality of the instruction and CSL's grading practices. Above all, Plaintiff Kathryn Turner was alarmed at the academic dismissal of a classmate as part of an apparent attempt to raise CSL's bar-passage rates by purging students who were deemed unlikely to pass.

654. Plaintiff Kathryn Turner's discussed her dissatisfaction with several other students and shared with several of them her intention to transfer to a different law school beginning in fall semester 2015 or spring semester 2016. In one such instance, a few minutes before her "Lawyering Process II" class began one day in spring 2015, Associate Dean Camille Davidson overheard such a conversation.

655. On information and belief, Dean Davidson then directed Plaintiff Kathryn Turner's professor in that class, Keith Howard, to assign Plaintiff Kathryn Turner a grade of "F" for the semester. Plaintiff Kathryn Turner did in fact receive an "F" in that class; Plaintiff Kathryn Turner had earned average grades before that, but the "F" lowered her grade-point average, and as a result she was not able to transfer to a different law school.

656. After CSL was placed on probation and its students lost access to federal student loans in late 2016, Plaintiff Kathryn Turner withdrew.

AB. PLAINTIFF TOYNETTE TURNER'S EXPERIENCE AT CSL

657. Plaintiff Toynette Turner lived in Charlotte, Mecklenburg County, North Carolina in 2015, before enrolling at CSL.

658. Plaintiff Toynette Turner took the LSAT twice, scoring 141 and 143.

659. Plaintiff Toynette Turner enrolled at CSL to pursue a career as an attorney.

660. Plaintiff Toynette Turner reviewed CSL's website, which CSL and Corporation created and maintained under the direction and control of Defendant SFM, in mid-2015 when considering applying to and enrolling at CSL.

661. On one web page on CSL's website, Plaintiff Toynette Turner saw that CSL was fully accredited by the ABA and in full compliance with ABA Standards.

662. In summer 2015, when Plaintiff Toynette Turner attended a tour of CSL as an applicant, CSL Assistant Dean Beth Koback told Plaintiff Toynette Turner that CSL was in "perfect compliance" with ABA Standards. At least one other CSL representative made a similar statement to Plaintiff Toynette Turner on this visit.

663. As described above, Koback, CSL, Corporation, InfiLaw, and Defendant SFM all knew that CSL was probably out of compliance with ABA Standards, because the ABA itself had expressed doubt to CSL administrators, as described above.

664. Dean Koback also told Plaintiff Toynette Turner during her tour that CSL graduates' first-time bar-passage rates were "well within" the range of passage rates of the seven law schools then operating in North Carolina.

665. As described above, CSL was graduates taking the North Carolina bar exam for the first time in 2015 passed at a rate of just 45.6%, the lowest rate among North Carolina's seven law schools and fully 17.5 percentage points beneath the second-lowest.

666. CSL graduates' 2015 results represented an erosion from 2014, a fact that Dean Koback did not disclose to Plaintiff. Those 2014 results, too, were dismal for CSL graduates, who passed the North Carolina bar exam at a rate of just 57%, the worst among North Carolina's seven law schools. For comparison, the second-lowest rate was 66.7%.

667. Unaware of these true statistics and relying on the false statistics that Koback, CSL, Infilaw, and Defendant SFM provided, Plaintiff Toynette Turner chose to enroll at CSL. Plaintiff furthermore relied on Koback's representation that CSL was in "perfect compliance" with ABA Standards.

668. Plaintiff Toynette Turner was academically dismissed after spring 2016 semester. CSL's administration effected this dismissal at the direction of Corporation, Holding, and Defendant SFM, as well as the dismissals of many other CSL students who had entered CSL with low LSAT scores, because CSL and its controlling parent entities deemed it unlikely that Plaintiff Toynette Turner would pass a bar exam. In other words, these students had served their purpose of paying tuition but were considered likely to drag down CSL's bar-passage rate.

669. Plaintiff Toynette Turner paid tuition, fees, and dues totaling more than \$47,000.00 to CSL, Corporation, Holding, and the Sterling Defendants.

670. Plaintiff Toynette Turner needed to take out loans totaling \$77,674.00 to pay for her tuition and living expenses. After accounting for accrued interest, and the minimal payments that Plaintiff Toynette Turner has been able to make, she has an outstanding balance of approximately \$98,000.00 on these loans, and they continue to accrue interest.

671. Plaintiff Toynette Turner relied on CSL to remain in good standing with the ABA and in full compliance with its Standards. Plaintiff Toynette Turner enrolled at CSL and returned for a second and third semester based on her understanding that CSL was fully compliant with ABA Standards.

AC. PLAINTIFF MARY WATSON'S EXPERIENCE AT CSL

672. Plaintiff Mary Watson lived in Virginia before enrolling at CSL.

673. Plaintiff Watson worked in marketing before enrolling CSL, earning \$40,000.00 per year.

674. Plaintiff Watson scored 143 on the LSAT.

675. Plaintiff Watson applied to – and later enrolled in – CSL to become an attorney.

676. Plaintiff Watson applied to CSL in large part because she viewed marketing messages, on its website and in e-mails from staff members, that CSL was fully accredited as a result of having complied with all ABA Standards.

677. Plaintiff Watson initially participated in CSL's AAMPLE program.

678. CSL told Plaintiff Watson by electronic communications that she had passed both AAMPLE classes. On that basis, CSL offered admission to Plaintiff Watson beginning in the fall 2014 semester, which she accepted.

679. Plaintiff Watson incurred costs moving from Virginia to Charlotte, North Carolina.

680. During the orientation session before the fall 2014 semester, a third-year student helping to run the program told a group of incoming students, including Plaintiff Watson, that CSL graduates had passed the bar exam at rates of 80% or higher.

681. In fact, CSL graduates attempting the bar exam for the first time in February 2014 passed at a rate of just 60%. Similarly, CSL graduates' first-time bar passage rate in calendar year 2013 had been just 60%. These results had been provided to CSL, Corporation, Holding, and the Sterling Defendants but they directed CSL employees to conceal the results from students and prospective students, and CSL employees did in fact conceal the result from students

682. In offering Plaintiff Watson admission to CSL, Corporation and CSL offered Plaintiff Watson discounts, styled as "merit scholarships" totaling \$2,000.00 per semester. These discounts were contingent on maintaining a 3.0 GPA and were promised to increase if Plaintiff Watson's GPA consistently exceeded 3.0.

683. Holding, Corporation and CSL did not disclose to Plaintiff Watson at any time their practice of packing scholarship recipients into the same class sections in order to eliminate scholarship eligibility.

684. At the direction of Defendant SFM, Holding, Corporation and CSL did in fact pack Plaintiff Watson into class sections with other scholarship recipients during her first and second semesters.

685. As a result, Plaintiff Watson's GPA fell below 3.0 after her second semester. CSL, Corporation, Holding, and the Sterling Defendants then revoked Plaintiff Watson's scholarship.

686. In deciding to enroll at CSL in August 2014 and then, in deciding to remain enrolled into fall 2016, Plaintiff Watson relied upon CSL's misrepresentation that approximately 80% of its graduates passed bar exams.

687. In deciding to enroll at CSL in August 2014 and then, in deciding to remain enrolled into fall 2016, Plaintiff Watson relied upon her understanding, which CSL, InfiLaw, and

Corporation fostered at the direction of Defendant SFM, that CSL was accredited by the ABA and in complete compliance with all ABA Standards.

688. If CSL, InfiLaw, and Corporation had not concealed CSL's noncompliance with ABA Standards, at Defendant SFM's direction, Plaintiff Watson would not have remained at CSL.

689. Plaintiff Watson paid tuition, fees, and dues totaling more than \$120,000.00 to CSL.

690. Plaintiff Watson needed to take out more than \$250,000.00 in loans to pay for her tuition and living expenses while at CSL. After accounting for accrued interest, Plaintiff Watson has a balance of approximately \$300,000 in loans associated with CSL.

691. Plaintiff Watson had been on track to graduate from CSL in May 2017.

692. However, after November 2016, when she learned of CSL's "substantial" and "persistent" noncompliance with ABA Standards and the fact that CSL and its corporate owners had concealed the noncompliance, Plaintiff Watson recognized that CSL was sure to lose what little of its reputation that remained. Moreover, Plaintiff Watson lost confidence in CSL's ability to keep its accreditation for her final semester.

693. Plaintiff Watson then resolved to transfer a different law school.

694. The timing of the compliance disclosure, however, did not leave Plaintiff Watson sufficient time to research and apply to other law schools and then to move hundreds of miles by the beginning of the spring 2017 semester.

695. Plaintiff Watson thus began a part-time job with a financial institution in Charlotte, earning approximately \$300 per week.

696. Plaintiff Watson applied to and was accepted by Lincoln Memorial University's Duncan School of Law ("LMU") in Knoxville, Tennessee. Plaintiff Watson resumed pursuit of her JD degree at LMU in summer semester 2017.

697. Plaintiff Watson incurred several thousand dollars in costs moving from Charlotte, North Carolina, to Knoxville, Tennessee.

698. LMU accepted only forty-five of Plaintiff Watson's eighty-two credits from CSL. The other thirty-seven credits represent lost time and expense.

AD. PLAINTIFF JAMAL WILLIAMS'S EXPERIENCE AT CSL

699. Plaintiff Jamal Williams lived in Prince George's County, Maryland, before enrolling at CSL..

700. Plaintiff Williams worked in Baltimore as a Child and Adolescent Mental Health Associate for the Regional Institute for Children and Adolescents (RICA-Baltimore).

701. Plaintiff Williams took the LSAT twice, scoring 129 and 139.

702. Plaintiff Williams applied to – and later enrolled in – CSL in order to become an attorney.

703. Plaintiff Williams initially participated in CSL's AAMPLE program.

704. At least one administrator responsible for AAMPLE told Plaintiff Williams that passage of AAMPLE predicts success in law school, graduation, and passage of the bar exam.

705. Neither this administrator, nor CSL, nor Corporation, Holding, or the Sterling Defendants believed this statement. In fact, they believed the opposite to be true, because they had statistics showing that AAMPLE participants and students with LSAT scores below 140 are unlikely to pass a bar exam. These entities directed CSL admissions staff to make such

statements solely in order to rope in more students, many of whom were destined for academic dismissal, and very few of whom were destined for bar passage and licensure.

706. At no time did CSL or anyone affiliated with it disclose to Plaintiff Williams that the ABA had specifically informed CSL that it had doubts about CSL's compliance with ABA Standards, in particular Standard 501(b), which provides that "[a] law school shall not admit an applicant who does not appear capable of satisfactorily completing its program of legal education and being admitted to the bar."

707. CSL told Plaintiff Williams by electronic communication that he had passed both AAMPLE classes. On that basis, CSL offered admission to Plaintiff Williams, which he accepted.

708. Plaintiff Williams incurred costs moving from Prince George's County, Maryland to Charlotte, North Carolina, to enroll at CSL, beginning in fall 2014.

709. Plaintiff Williams paid a total of approximately \$60,000.00 in tuition, fees, and dues to CSL.

710. Plaintiff Williams needed to take out loans to pay for his tuition and living expenses. Plaintiff Williams took out a loan in the amount of \$10,250.00 with an interest rate of 5.84%. Plaintiff Williams took out a loan in the amount of \$18,040.00 with an interest rate of 6.84%.

711. Plaintiff Williams took out a loan in the amount of \$10,250.00 with an interest rate of 6.21%. Plaintiff Williams took out a loan in the amount of \$7,309.00 with an interest rate of 7.21%. Plaintiff Williams took out a loan in the amount of \$20,500.00 with an interest rate of 6.21%.

712. Plaintiff Williams took out a loan in the amount of \$35,162.00 with an interest rate of 7.21%.

713. All told, Plaintiff Williams borrowed approximately \$101,500.00 to pursue a J.D. degree at CSL. With accruing interest, Plaintiff Williams's outstanding loan balances total approximately \$130,000.00.

714. Plaintiff Williams was not aware that CSL was a for-profit institution at the time of enrollment.

715. In deciding to attend CSL, and in deciding to remain enrolled into fall 2015, Plaintiff Williams relied upon the representations of CSL, Corporation, Holding, and the Sterling Defendants that CSL was accredited by and in good standing with the ABA and in complete compliance with all ABA Standards. If CSL, Corporation, Holding, and the Sterling Defendants had not concealed and misrepresented CSL's noncompliance with ABA Standards, Plaintiff Williams would not have attended CSL.

716. Plaintiff Williams was academically dismissed on Friday, January 8, 2016, via e-mail from Camille Davidson at CSL.

717. Plaintiff Williams first learned of CSL's noncompliance with multiple ABA Standards in November 2016 after CSL was placed on probation by the ABA.

AFFIRMATIVE AVOIDANCES REGARDING TIME-RELATED DEFENSES

Plaintiffs reassert the allegations above and in addition alleges as follows:

A. DISCOVERY OF FRAUDULENT CONDUCT AND DECEPTIVE BUSINESS PRACTICES

718. CSL, at the direction of InfiLaw and Defendants, intentionally, purposefully, fraudulently, and systematically misrepresented and concealed material facts, including its failure to comply with ABA Standards and other key statistics and information, such as its bar-passage rates

and the sufficiency of its curriculum to prepare students for effective, ethical, and responsible participation as members of the legal profession.

719. CSL, InfiLaw, and Defendants knew at the time the representations were made that they were untrue.

720. Plaintiffs had no knowledge that these representations were false and that CSL, InfiLaw, and the Defendants were concealing the true facts.

721. Plaintiffs reasonably and materially relied on these misrepresentations, and on their own misunderstandings caused by the concealment described above, in deciding to enroll at and continue to attend CSL.

722. Plaintiffs had the right to rely on the truthfulness of CSL's representations as to its compliance with ABA Standards, bar-passage rates, the sufficiency of its curriculum, and other key information relevant to their legal education and decision to enroll at the school.

723. Knowledge regarding the truth of CSL's misrepresentations was not within the fair and reasonable reach of Plaintiffs, in that the ABA's own rules provide that only a school can disclose ABA accreditation findings, which here included findings that, for example, the admissions process was not predictive of academic success; bar passage rates remained significantly low; and the legal education program did not prepare students for effective, ethical, and responsible participation as members of the legal profession. In other words, Plaintiffs were without means, capacity, or opportunity of knowing the falsity of CSL's misrepresentations.

724. Additionally, as reflected by CSL's appeal of the ABA's requirement that CSL disclose its noncompliance to students, CSL, InfiLaw, and Defendant SFM knew that students were relying on CSL's misrepresentations and concealment regarding its compliance with ABA Standards and other key information relevant to their legal education and decision to enroll at the

school.

725. Thus, despite exercising reasonable and due diligence, Plaintiffs were unable to discover the falsity of the concealed and misrepresented information in deciding to attend or remain enrolled at CSL and had no legal basis for their suit prior to discovering the falsity of the concealed and misrepresented information.

726. As a direct and proximate result of CSL's, InfiLaw's, and Defendant SFM's fraudulent actions, Plaintiffs were not aware of CSL's failure to comply with ABA Standards and other misrepresentations regarding information relevant to their enrollment such as its bar-passage rates and curriculum, nor did they have any way to obtain such knowledge, before the school's disclosure of such on November 15, 2016.

727. Accordingly, the accrual of any applicable statutes of limitation or other time-related defense that might otherwise apply to this action are tolled by the fraudulent conduct of CSL, InfiLaw, and Defendants until at least November 15, 2016.

B. EQUITABLE ESTOPPEL

728. Further, if any Plaintiff suspected that CSL may have misrepresented or concealed material facts such as its bar-passage rates, curriculum, or other relevant information prior to November 15, 2016, he or she relied on CSL's continuous and responsive representations regarding its compliance with ABA Standards in continuing his or her enrollment and declining to file suit and did not otherwise have means to obtain knowledge as to the real facts in question.

729. In other words, in good-faith reliance on the misrepresentations and concealments of CSL, InfiLaw, and Defendants, one or more Plaintiffs to their detriment or prejudice declined to file a claim prior to the expiration of the statutes of limitations.

730. CSL, InfiLaw, and Defendants knew that their statements were false and knew or

reasonably expected that Plaintiffs would rely on their misrepresentations and concealments in declining to file a claim prior to the expiration of any statutes of limitation or other time-related defenses.

731. Plaintiffs did not know that the misrepresentations were untrue when they were made and in acting upon such representations.

732. Because of Defendants' conduct, it would prejudice Plaintiffs and be unjust to allow Defendants to deprive Plaintiffs of the value of any of the below-stated causes of action based on the failure to file a claim prior to the expiration of any statutes of limitation or other time-related defense.

733. As a result of Defendants' actions, any applicable statutes of limitations or time-related defenses are equitably tolled.

COUNT I
North Carolina Unfair and Deceptive Trade Practices Act
(Plaintiff Bryan against all Defendants)

Plaintiff Bryan reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

734. Defendants committed unfair and/or deceptive acts and practices, which violate and are prohibited by the UDTPA, N.C. GEN. STAT. § 75-1.1, et seq.

735. The Defendants' unfair and deceptive acts and practices toward Plaintiff Bryan included:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to conceal CSL's noncompliance with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- b. Directing and causing CSL, InfiLaw, and those companies' agents to overstate the bar-passage rates for CSL graduates; and

- c. Directing and causing CSL, InfiLaw, and those companies' agents to pay low-performing students to defer taking the exam, resulting in the inflation of CSL's aggregate bar-passage rates.

736. As described elsewhere in this Complaint, Defendants intended that Plaintiff Bryan and other students and potential students relied on their deceptive acts and practices.

737. As described elsewhere in this Complaint, Defendants' unfair and deceptive acts and practices were in the course of their business in establishing and managing equity funds that purchased or created businesses to generate profits and then sell the business at a profit for investors.

738. Further, Defendants' unfair and deceptive acts and practices were in the course of and affecting commerce, as Plaintiff Bryan quit gainful employment, took out student loans, paid tuition, purchased books and incurred fees, all in reliance upon the Defendants' representations.

739. The Defendants' unfair and deceptive conduct described above proximately caused damage to Plaintiff Bryan in that she relied on the deceptive information in deciding to attend and then remain enrolled at CSL, and paid tuition, fees, and dues in order to do so.

740. Pursuant to the North Carolina Unfair and Deceptive Practices Act, Plaintiff Bryan seeks relief for the Defendants' violations of this statute and a refund of the tuition, interest on loans, books, and fees that Plaintiff Bryan paid to CSL, which Defendant SFM then siphoned upward to InfiLaw and the Sterling Funds.

741. Defendants' unfair and deceptive conduct as set forth in this cause of action and elsewhere in the Complaint, and as will be further determined through discovery and proven at trial, was the proximate cause of the monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt and loss of professional reputation suffered by Plaintiff Bryan.

742. Defendants' conduct described above was willful in nature, in violation of N.C. GEN. STAT. § 75-1.1, et seq.

743. Pursuant to N.C. GEN. STAT. § 75-16, Plaintiff Bryan is further entitled to a trebling of the damages caused by the Defendants' unfair and deceptive conduct.

744. Pursuant to N.C. GEN. STAT. § 75-16.1, Plaintiff Bryan is furthermore entitled to recover attorneys' fees.

WHEREFORE, Plaintiff Bryan, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT II
North Carolina Unfair and Deceptive Trade Practices Act
(Plaintiff Calhoun against all Defendants)

Plaintiff Calhoun reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

745. Defendants committed unfair and/or deceptive acts and practices, which violate and are prohibited by the UDTPA, N.C. GEN. STAT. § 75-1.1, et seq.

746. The Defendants' unfair and deceptive acts and practices toward Plaintiff Calhoun included:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to misrepresent CSL as being compliant with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- b. Directing and causing CSL, InfiLaw, and those companies' agents to conceal CSL's noncompliance with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- c. Directing and causing CSL, InfiLaw, and those companies' agents to overstate the bar-passage rates for CSL graduates;

- d. Directing and causing CSL, InfiLaw, and those companies' agents to pay low-performing students to defer taking the exam, resulting in the inflation of CSL's aggregate bar-passage rates;
- e. Directing and causing CSL, InfiLaw, and those companies' agents to exaggerate the availability of academic support services available to Plaintiff Calhoun and other CSL students, which led them to choose CSL yet not receive the substantial benefits they expected, and, more crucially, proximately caused Plaintiff Calhoun to be academically dismissed;
- f. Recruiting and admitting Plaintiff Calhoun while knowing, based on his LSAT score and other information in his application, as well as CSL's own grading policies, that he was likely to be academically dismissed;
- g. Misrepresenting to Plaintiff Calhoun their beliefs about his likelihood of succeeding at CSL, graduating, and then passing a bar exam; and
- h. Temporarily misapplying funds that Plaintiff Calhoun had borrowed in his own name to CSL's, Corporation's, Holding's, and Defendants' own business purposes.

747. As described elsewhere in this Complaint, Defendants intended that Plaintiff Calhoun and other students and potential students relied on their deceptive acts and practices.

748. As described elsewhere in this Complaint, Defendants' unfair and deceptive acts and practices were in the course of their business in establishing and managing equity funds that purchased or created businesses to generate profits and then sell the business at a profit for investors.

749. Further, Defendants' unfair and deceptive acts and practices were in the course of and affecting commerce, as Plaintiff Calhoun took out student loans, paid tuition, purchased books and incurred fees, all in reliance upon the Defendants' representations.

750. The Defendants' unfair and deceptive conduct described above proximately caused damage to Plaintiff Calhoun in that he relied on the deceptive information in deciding to attend and then remain enrolled at CSL, and paid tuition, fees, and dues in order to do so.

751. Pursuant to the North Carolina Unfair and Deceptive Practices Act, Plaintiff Calhoun seeks relief for the Defendants' violations of this statute and a refund of the tuition,

interest on loans, books, and fees that Plaintiff Calhoun paid to CSL, which Defendant SFM then siphoned upward to InfiLaw and the Sterling Funds.

752. Defendants' unfair and deceptive conduct as set forth in this cause of action and elsewhere in the Complaint, and as will be further determined through discovery and proven at trial, was the proximate cause of the monetary loss, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt and loss of professional reputation suffered by Plaintiff Calhoun.

753. Defendants' conduct described above was willful in nature, in violation of N.C. GEN. STAT. § 75-1.1, et seq.

754. Pursuant to N.C. GEN. STAT. § 75-16, Plaintiff Calhoun is further entitled to a trebling of the damages caused by the Defendants' unfair and deceptive conduct.

755. Pursuant to N.C. GEN. STAT. § 75-16.1, Plaintiff Calhoun is furthermore entitled to recover attorneys' fees.

WHEREFORE, Plaintiff Calhoun, by and through his undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT III
North Carolina Unfair and Deceptive Trade Practices Act
(Plaintiff Duncan against all Defendants)

Plaintiff Duncan reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

756. Defendants committed unfair and/or deceptive acts and practices, which violate and are prohibited by the UDTPA, N.C. GEN. STAT. § 75-1.1, et seq.

757. The Defendants' unfair and deceptive acts and practices toward Plaintiff Duncan included:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to conceal CSL's noncompliance with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- b. Recruiting and admitting Plaintiff Duncan while knowing, based on her LSAT score and other information in her application, as well as CSL's own grading policies, that she was likely to be academically dismissed; and
- c. Misrepresenting to Plaintiff Duncan their belief about her likelihood of succeeding at CSL, graduating, and then passing a bar exam.

758. As described elsewhere in this Complaint, Defendants intended that Plaintiff Duncan and other students and potential students relied on their deceptive acts and practices.

759. As described elsewhere in this Complaint, Defendants' unfair and deceptive acts and practices were in the course of their business in establishing and managing equity funds that purchased or created businesses to generate profits and then sell the business at a profit for investors.

760. Further, Defendants' unfair and deceptive acts and practices were in the course of and affecting commerce, as Plaintiff Duncan quit gainful employment, took out student loans, paid tuition, purchased books and incurred fees, all in reliance upon the Defendants' representations.

761. The Defendants' unfair and deceptive conduct described above proximately caused damage to Plaintiff Duncan in that she relied on the deceptive information in deciding to attend and then remain enrolled at CSL, and paid tuition, fees, and dues in order to do so.

762. Pursuant to the North Carolina Unfair and Deceptive Practices Act, Plaintiff Duncan seeks relief for the Defendants' violations of this statute and a refund of the tuition, interest on loans, books, and fees that Plaintiff Duncan paid to CSL, which Defendant SFM then siphoned upward to InfiLaw and the Sterling Funds.

763. Defendants' unfair and deceptive conduct as set forth in this cause of action and elsewhere in the Complaint, and as will be further determined through discovery and proven at trial, was the proximate cause of the monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt and loss of professional reputation suffered by Plaintiff Duncan.

764. Defendants' conduct described above was willful in nature, in violation of N.C. GEN. STAT. § 75-1.1, et seq.

765. Pursuant to N.C. GEN. STAT. § 75-16, Plaintiff Duncan is further entitled to a trebling of the damages caused by the Defendants' unfair and deceptive conduct.

766. Pursuant to N.C. GEN. STAT. § 75-16.1, Plaintiff Duncan is furthermore entitled to recover attorneys' fees.

WHEREFORE, Plaintiff Duncan, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT IV
North Carolina Unfair and Deceptive Trade Practices Act
(Plaintiff El-Halim against all Defendants)

Plaintiff El-Halim reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

767. Defendants committed unfair and/or deceptive acts and practices, which violate and are prohibited by the UDTPA, N.C. GEN. STAT. § 75-1.1, et seq.

768. The Defendants' unfair and deceptive acts and practices toward Plaintiff El-Halim included:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to misrepresent CSL as being compliant with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;

- b. Directing and causing CSL, InfiLaw, and those companies' agents to conceal CSL's noncompliance with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- c. Directing and causing CSL, InfiLaw, and those companies' agents to misrepresent the characteristics and backgrounds of CSL students to prospective students, including Plaintiff El-Halim;
- d. Directing and causing CSL, InfiLaw, and those companies' agents to exaggerate the availability of classes that would be available to Plaintiff El-Halim and other CSL students, which led them to choose CSL yet not receive the substantial benefits they expected, and, more crucially, proximately caused Plaintiff El-Halim to be academically dismissed; and
- e. Misrepresenting to Plaintiff El-Halim his likelihood of succeeding at CSL, graduating, and then passing a bar exam.

769. As described elsewhere in this Complaint, Defendants intended that Plaintiff El-Halim and other students and potential students relied on their deceptive acts and practices.

770. As described elsewhere in this Complaint, Defendants' unfair and deceptive acts and practices were in the course of their business in establishing and managing equity funds that purchased or created businesses to generate profits and then sell the business at a profit for investors.

771. Further, Defendants' unfair and deceptive acts and practices were in the course of and affecting commerce, as Plaintiff El-Halim quit gainful employment, took out student loans, paid tuition, purchased books and incurred fees, all in reliance upon the Defendants' representations.

772. The Defendants' unfair and deceptive conduct described above proximately caused damage to Plaintiff El-Halim in that he relied on the deceptive information in deciding to attend and then remain enrolled at CSL, and paid tuition, fees, and dues in order to do so.

773. Pursuant to the North Carolina Unfair and Deceptive Practices Act, Plaintiff El-Halim seeks relief for the Defendants' violations of this statute and a refund of the tuition,

interest on loans, books, and fees that Plaintiff El-Halim paid to CSL, which Defendant SFM then siphoned upward to InfiLaw and the Sterling Funds.

774. Defendants' unfair and deceptive conduct as set forth in this cause of action and elsewhere in the Complaint, and as will be further determined through discovery and proven at trial, was the proximate cause of the monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt and loss of professional reputation suffered by Plaintiff El-Halim.

775. Defendants' conduct described above was willful in nature, in violation of N.C. GEN. STAT. § 75-1.1, et seq.

776. Pursuant to N.C. GEN. STAT. § 75-16, Plaintiff El-Halim is further entitled to a trebling of the damages caused by the Defendants' unfair and deceptive conduct.

777. Pursuant to N.C. GEN. STAT. § 75-16.1, Plaintiff El-Halim is furthermore entitled to recover attorneys' fees.

WHEREFORE, Plaintiff El-Halim, by and through his undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT V
North Carolina Unfair and Deceptive Trade Practices Act
(Plaintiff Girton against all Defendants)

Plaintiff Girton reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

778. Defendants committed unfair and/or deceptive acts and practices, which violate and are prohibited by the UDTPA, N.C. GEN. STAT. § 75-1.1, et seq.

779. The Defendants' unfair and deceptive acts and practices toward Plaintiff Girton included:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to conceal CSL's noncompliance with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- b. Temporarily misapplying funds that Plaintiff Girton had borrowed in her own name to CSL's, Corporation's, Holding's, and Defendants' own business purposes;
- c. Misrepresenting the severity of the grading curve that would apply to Plaintiff Girton in her classes, thus causing her to earn lower grades.

780. As described elsewhere in this Complaint, Defendants intended that Plaintiff Girton and other students and potential students relied on their deceptive acts and practices.

781. As described elsewhere in this Complaint, Defendants' unfair and deceptive acts and practices were in the course of their business in establishing and managing equity funds that purchased or created businesses to generate profits and then sell the business at a profit for investors.

782. Further, Defendants' unfair and deceptive acts and practices were in the course of and affecting commerce, as Plaintiff Girton quit gainful employment, took out student loans, paid tuition, purchased books and incurred fees, all in reliance upon the Defendants' representations.

783. The Defendants' unfair and deceptive conduct described above proximately caused damage to Plaintiff Girton in that she relied on the deceptive information in deciding to attend and then remain enrolled at CSL, and paid tuition, fees, and dues in order to do so.

784. Pursuant to the North Carolina Unfair and Deceptive Practices Act, Plaintiff Girton seeks relief for the Defendants' violations of this statute and a refund of the tuition, interest on loans, books, and fees that Plaintiff Girton paid to CSL, which Defendant SFM then siphoned upward to InfiLaw and the Sterling Funds.

785. Defendants' unfair and deceptive conduct as set forth in this cause of action and elsewhere in the Complaint, and as will be further determined through discovery and proven at trial, was the proximate cause of the monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt and loss of professional reputation suffered by Plaintiff Girton.

786. Defendants' conduct described above was willful in nature, in violation of N.C. GEN. STAT. § 75-1.1, et seq.

787. Pursuant to N.C. GEN. STAT. § 75-16, Plaintiff Girton is further entitled to a trebling of the damages caused by the Defendants' unfair and deceptive conduct.

788. Pursuant to N.C. GEN. STAT. § 75-16.1, Plaintiff Girton is furthermore entitled to recover attorneys' fees.

WHEREFORE, Plaintiff Girton, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT VI
North Carolina Unfair and Deceptive Trade Practices Act
(Plaintiff Hammond against all Defendants)

Plaintiff Hammond reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

789. Defendants committed unfair and/or deceptive acts and practices, which violate and are prohibited by the UDTPA, N.C. GEN. STAT. § 75-1.1, et seq.

790. The Defendants' unfair and deceptive acts and practices toward Plaintiff Hammond included:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to misrepresent CSL as being compliant with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;

- b. Directing and causing CSL, InfiLaw, and those companies' agents to conceal CSL's noncompliance with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards.

791. As described elsewhere in this Complaint, Defendants intended that Plaintiff Hammond and other students and potential students relied on their deceptive acts and practices.

792. As described elsewhere in this Complaint, Defendants' unfair and deceptive acts and practices were in the course of their business in establishing and managing equity funds that purchased or created businesses to generate profits and then sell the business at a profit for investors.

793. Further, Defendants' unfair and deceptive acts and practices were in the course of and affecting commerce, as Plaintiff Hammond quit gainful employment, took out student loans, paid tuition, purchased books and incurred fees, all in reliance upon the Defendants' representations.

794. The Defendants' unfair and deceptive conduct described above proximately caused damage to Plaintiff Hammond in that she relied on the deceptive information in deciding to attend and then remain enrolled at CSL, and paid tuition, fees, and dues in order to do so.

795. Pursuant to the North Carolina Unfair and Deceptive Practices Act, Plaintiff Hammond seeks relief for the Defendants' violations of this statute and a refund of the tuition, interest on loans, books, and fees that Plaintiff Hammond paid to CSL, which Defendant SFM then siphoned upward to InfiLaw and the Sterling Funds.

796. Defendants' unfair and deceptive conduct as set forth in this cause of action and elsewhere in the Complaint, and as will be further determined through discovery and proven at trial, was the proximate cause of the monetary loss, loss of income, loss of employment

opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt and loss of professional reputation suffered by Plaintiff Hammond.

797. Defendants' conduct described above was willful in nature, in violation of N.C. GEN. STAT. § 75-1.1, et seq.

798. Pursuant to N.C. GEN. STAT. § 75-16, Plaintiff Hammond is further entitled to a trebling of the damages caused by the Defendants' unfair and deceptive conduct.

799. Pursuant to N.C. GEN. STAT. § 75-16.1, Plaintiff Hammond is furthermore entitled to recover attorneys' fees.

WHEREFORE, Plaintiff Hammond, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT VII
North Carolina Unfair and Deceptive Trade Practices Act
(Plaintiff King against all Defendants)

Plaintiff King reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

800. Defendants committed unfair and/or deceptive acts and practices, which violate and are prohibited by the UDTPA, N.C. GEN. STAT. § 75-1.1, et seq.

801. The Defendants' unfair and deceptive acts and practices toward Plaintiff King included:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to conceal CSL's noncompliance with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- b. Directing and causing CSL, InfiLaw, and those companies' agents to overstate the bar-passage rates for CSL graduates; and

- c. Directing and causing CSL, InfiLaw, and those companies' agents to pay low-performing students to defer taking the exam, resulting in the inflation of CSL's aggregate bar-passage rates.

802. As described elsewhere in this Complaint, Defendants intended that Plaintiff King and other students and potential students relied on their deceptive acts and practices.

803. As described elsewhere in this Complaint, Defendants' unfair and deceptive acts and practices were in the course of their business in establishing and managing equity funds that purchased or created businesses to generate profits and then sell the business at a profit for investors.

804. Further, Defendants' unfair and deceptive acts and practices were in the course of and affecting commerce, as Plaintiff King quit gainful employment, took out student loans, paid tuition, purchased books and incurred fees, all in reliance upon the Defendants' representations.

805. The Defendants' unfair and deceptive conduct described above proximately caused damage to Plaintiff King in that she relied on the deceptive information in deciding to attend and then remain enrolled at CSL, and paid tuition, fees, and dues in order to do so.

806. Pursuant to the North Carolina Unfair and Deceptive Practices Act, Plaintiff King seeks relief for the Defendants' violations of this statute and a refund of the tuition, interest on loans, books, and fees that Plaintiff King paid to CSL, which Defendant SFM then siphoned upward to InfiLaw and the Sterling Funds.

807. Defendants' unfair and deceptive conduct as set forth in this cause of action and elsewhere in the Complaint, and as will be further determined through discovery and proven at trial, was the proximate cause of the monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt and loss of professional reputation suffered by Plaintiff King.

808. Defendants' conduct described above was willful in nature, in violation of N.C. GEN. STAT. § 75-1.1, et seq.

809. Pursuant to N.C. GEN. STAT. § 75-16, Plaintiff King is further entitled to a trebling of the damages caused by the Defendants' unfair and deceptive conduct.

810. Pursuant to N.C. GEN. STAT. § 75-16.1, Plaintiff King is furthermore entitled to recover attorneys' fees.

WHEREFORE, Plaintiff King, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT VIII
North Carolina Unfair and Deceptive Trade Practices Act
(Plaintiff Levy against all Defendants)

Plaintiff Levy reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

811. Defendants committed unfair and/or deceptive acts and practices, which violate and are prohibited by the UDTPA, N.C. GEN. STAT. § 75-1.1, et seq.

812. The Defendants' unfair and deceptive acts and practices toward Plaintiff Levy included:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to conceal CSL's noncompliance with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- b. Directing and causing CSL, InfiLaw, and those companies' agents to overstate bar-passage rates for CSL graduates; and
- c. Directing and causing CSL, InfiLaw, and those companies' agents to pay low-performing students to defer taking the exam, resulting in the inflation of CSL's aggregate bar-passage rates.

813. As described elsewhere in this Complaint, Defendants intended that Plaintiff Levy and other students and potential students relied on their deceptive acts and practices.

814. As described elsewhere in this Complaint, Defendants' unfair and deceptive acts and practices were in the course of their business in establishing and managing equity funds that purchased or created businesses to generate profits and then sell the business at a profit for investors.

815. Further, Defendants' unfair and deceptive acts and practices were in the course of and affecting commerce, as Plaintiff Levy quit gainful employment, took out student loans, paid tuition, purchased books and incurred fees, all in reliance upon the Defendants' representations.

816. The Defendants' unfair and deceptive conduct described above proximately caused damage to Plaintiff Levy in that she relied on the deceptive information in deciding to attend and then remain enrolled at CSL, and paid tuition, fees, and dues in order to do so.

817. Pursuant to the North Carolina Unfair and Deceptive Practices Act, Plaintiff Levy seeks relief for the Defendants' violations of this statute and a refund of the tuition, interest on loans, books, and fees that Plaintiff Levy paid to CSL, which Defendant SFM then siphoned upward to InfiLaw and the Sterling Funds.

818. Defendants' unfair and deceptive conduct as set forth in this cause of action and elsewhere in the Complaint, and as will be further determined through discovery and proven at trial, was the proximate cause of the monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt and loss of professional reputation suffered by Plaintiff Levy.

819. Defendants' conduct described above was willful in nature, in violation of N.C. GEN. STAT. § 75-1.1, et seq.

820. Pursuant to N.C. GEN. STAT. § 75-16, Plaintiff Levy is further entitled to a trebling of the damages caused by the Defendants' unfair and deceptive conduct.

821. Pursuant to N.C. GEN. STAT. § 75-16.1, Plaintiff Levy is furthermore entitled to recover attorneys' fees.

WHEREFORE, Plaintiff Levy, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT IX
North Carolina Unfair and Deceptive Trade Practices Act
(Plaintiff Louis-Jean against all Defendants)

Plaintiff Louis-Jean reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

822. Defendants committed unfair and/or deceptive acts and practices, which violate and are prohibited by the UDTPA, N.C. GEN. STAT. § 75-1.1, et seq.

823. The Defendants' unfair and deceptive acts and practices toward Plaintiff Louis-Jean included:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to conceal CSL's noncompliance with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- b. Directing and causing CSL, InfiLaw, and those companies' agents to exaggerate and misrepresent the availability of law clinics available to Plaintiff Louis-Jean and other CSL students, which led them to choose CSL yet not receive the substantial benefits they expected; and
- c. Intentionally and willfully delaying the provision of Plaintiff Louis-Jean's transcript and other materials to law schools where she was attempting to transfer, thus thwarting her attempts and keeping her at CSL for another semester.

824. As described elsewhere in this Complaint, Defendants intended that Plaintiff Louis-Jean and other students and potential students relied on their deceptive acts and practices.

825. As described elsewhere in this Complaint, Defendants' unfair and deceptive acts and practices were in the course of their business in establishing and managing equity funds that purchased or created businesses to generate profits and then sell the business at a profit for investors.

826. Further, Defendants' unfair and deceptive acts and practices were in the course of and affecting commerce, as Plaintiff Louis-Jean quit gainful employment, took out student loans, paid tuition, purchased books and incurred fees, all in reliance upon the Defendants' representations.

827. The Defendants' unfair and deceptive conduct described above proximately caused damage to Plaintiff Louis-Jean in that she relied on the deceptive information in deciding to attend and then remain enrolled at CSL, and paid tuition, fees, and dues in order to do so.

828. Pursuant to the North Carolina Unfair and Deceptive Practices Act, Plaintiff Louis-Jean seeks relief for the Defendants' violations of this statute and a refund of the tuition, interest on loans, books, and fees that Plaintiff Louis-Jean paid to CSL, which Defendant SFM then siphoned upward to InfiLaw and the Sterling Funds.

829. Defendants' unfair and deceptive conduct as set forth in this cause of action and elsewhere in the Complaint, and as will be further determined through discovery and proven at trial, was the proximate cause of the monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt and loss of professional reputation suffered by Plaintiff Louis-Jean.

830. Defendants' conduct described above was willful in nature, in violation of N.C. GEN. STAT. § 75-1.1, et seq.

831. Pursuant to N.C. GEN. STAT. § 75-16, Plaintiff Louis-Jean is further entitled to a trebling of the damages caused by the Defendants' unfair and deceptive conduct.

832. Pursuant to N.C. GEN. STAT. § 75-16.1, Plaintiff Louis-Jean is furthermore entitled to recover attorneys' fees.

WHEREFORE, Plaintiff Louis-Jean, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT X
North Carolina Unfair and Deceptive Trade Practices Act
(Plaintiff McGee against all Defendants)

Plaintiff McGee reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

833. Defendants committed unfair and/or deceptive acts and practices, which violate and are prohibited by the UDTPA, N.C. GEN. STAT. § 75-1.1, et seq.

834. The Defendants' unfair and deceptive acts and practices toward Plaintiff McGee included:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to conceal CSL's noncompliance with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;

835. As described elsewhere in this Complaint, Defendants intended that Plaintiff McGee and other students and potential students relied on their deceptive acts and practices.

836. As described elsewhere in this Complaint, Defendants' unfair and deceptive acts and practices were in the course of their business in establishing and managing equity funds that purchased or created businesses to generate profits and then sell the business at a profit for investors.

837. Further, Defendants' unfair and deceptive acts and practices were in the course of and affecting commerce, as Plaintiff McGee quit gainful employment, took out student loans, paid tuition, purchased books and incurred fees, all in reliance upon the Defendants' representations.

838. The Defendants' unfair and deceptive conduct described above proximately caused damage to Plaintiff McGee in that she relied on the deceptive information in deciding to attend and then remain enrolled at CSL, and paid tuition, fees, and dues in order to do so.

839. Pursuant to the North Carolina Unfair and Deceptive Practices Act, Plaintiff McGee seeks relief for the Defendants' violations of this statute and a refund of the tuition, interest on loans, books, and fees that Plaintiff McGee paid to CSL, which Defendant SFM then siphoned upward to InfiLaw and the Sterling Funds.

840. Defendants' unfair and deceptive conduct as set forth in this cause of action and elsewhere in the Complaint, and as will be further determined through discovery and proven at trial, was the proximate cause of the monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt and loss of professional reputation suffered by Plaintiff McGee.

841. Defendants' conduct described above was willful in nature, in violation of N.C. GEN. STAT. § 75-1.1, et seq.

842. Pursuant to N.C. GEN. STAT. § 75-16, Plaintiff McGee is further entitled to a trebling of the damages caused by the Defendants' unfair and deceptive conduct.

843. Pursuant to N.C. GEN. STAT. § 75-16.1, Plaintiff McGee is furthermore entitled to recover attorneys' fees.

WHEREFORE, Plaintiff McGee, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT XI
North Carolina Unfair and Deceptive Trade Practices Act
(Plaintiff McGinnas against all Defendants)

Plaintiff McGinnas reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

844. Defendants committed unfair and/or deceptive acts and practices, which violate and are prohibited by the UDTPA, N.C. GEN. STAT. § 75-1.1, et seq.

845. The Defendants' unfair and deceptive acts and practices toward Plaintiff McGinnas included:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to conceal CSL's noncompliance with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- b. Directing and causing CSL, InfiLaw, and those companies' agents to overstate the bar-passage rates for CSL graduates;
- c. Directing and causing CSL, InfiLaw, and those companies' agents to pay low-performing students to defer taking the exam, resulting in the inflation of CSL's aggregate bar-passage rates;
- d. Intentionally misapplying loans in Plaintiff McGinnas's name to their own business purposes and the business purposes of the subsidiaries they controlled.

846. As described elsewhere in this Complaint, Defendants intended that Plaintiff McGinnas and other students and potential students relied on their deceptive acts and practices.

847. As described elsewhere in this Complaint, Defendants' unfair and deceptive acts and practices were in the course of their business in establishing and managing equity funds that purchased or created businesses to generate profits and then sell the business at a profit for investors.

848. Further, Defendants' unfair and deceptive acts and practices were in the course of and affecting commerce, as Plaintiff McGinnas quit gainful employment, took out student loans, paid tuition, purchased books and incurred fees, all in reliance upon the Defendants' representations.

849. The Defendants' unfair and deceptive conduct described above proximately caused damage to Plaintiff McGinnas in that she relied on the deceptive information in deciding to attend and then remain enrolled at CSL, and paid tuition, fees, and dues in order to do so.

850. Pursuant to the North Carolina Unfair and Deceptive Practices Act, Plaintiff McGinnas seeks relief for the Defendants' violations of this statute and a refund of the tuition, interest on loans, books, and fees that Plaintiff McGinnas paid to CSL, which Defendant SFM then siphoned upward to InfiLaw and the Sterling Funds.

851. Defendants' unfair and deceptive conduct as set forth in this cause of action and elsewhere in the Complaint, and as will be further determined through discovery and proven at trial, was the proximate cause of the monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt and loss of professional reputation suffered by Plaintiff McGinnas.

852. Defendants' conduct described above was willful in nature, in violation of N.C. GEN. STAT. § 75-1.1, et seq.

853. Pursuant to N.C. GEN. STAT. § 75-16, Plaintiff McGinnas is further entitled to a trebling of the damages caused by the Defendants' unfair and deceptive conduct.

854. Pursuant to N.C. GEN. STAT. § 75-16.1, Plaintiff McGinnas is furthermore entitled to recover attorneys' fees.

WHEREFORE, Plaintiff McGinnas, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT XII
North Carolina Unfair and Deceptive Trade Practices Act
(Plaintiff Merritt against all Defendants)

Plaintiff Merritt reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

855. Defendants committed unfair and/or deceptive acts and practices, which violate and are prohibited by the UDTPA, N.C. GEN. STAT. § 75-1.1, et seq.

856. The Defendants' unfair and deceptive acts and practices toward Plaintiff Merritt included:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to misrepresent CSL as being compliant with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- b. Directing and causing CSL, InfiLaw, and those companies' agents to conceal CSL's noncompliance with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- c. Directing and causing CSL, InfiLaw, and those companies' agents to overstate the bar-passage rates for CSL graduates;
- d. Directing and causing CSL, InfiLaw, and those companies' agents to pay low-performing students to defer taking the exam, resulting in the inflation of CSL's aggregate bar-passage rates;
- e. Directing and causing CSL, InfiLaw, and those companies' agents to exaggerate the availability of academic support services available to Plaintiff Merritt and other CSL students, which led them to choose CSL yet not receive the substantial benefits they expected, and, more crucially, proximately caused Plaintiff Merritt to be academically dismissed;
- f. Recruiting and admitting Plaintiff Merritt while knowing, based on her LSAT score and other information in her application, as well as CSL's own grading policies, that she was likely to be academically dismissed; and

- g. Misrepresenting to Plaintiff Merritt their belief about her likelihood of succeeding at CSL, graduating, and then passing a bar exam.

857. As described elsewhere in this Complaint, Defendants intended that Plaintiff Merritt and other students and potential students relied on their deceptive acts and practices.

858. As described elsewhere in this Complaint, Defendants' unfair and deceptive acts and practices were in the course of their business in establishing and managing equity funds that purchased or created businesses to generate profits and then sell the business at a profit for investors.

859. Further, Defendants' unfair and deceptive acts and practices were in the course of and affecting commerce, as Plaintiff Merritt quit gainful employment, took out student loans, paid tuition, purchased books and incurred fees, all in reliance upon the Defendants' representations.

860. The Defendants' unfair and deceptive conduct described above proximately caused damage to Plaintiff Merritt in that she relied on the deceptive information in deciding to attend and then remain enrolled at CSL, and paid tuition, fees, and dues in order to do so.

861. Pursuant to the North Carolina Unfair and Deceptive Practices Act, Plaintiff Merritt seeks relief for the Defendants' violations of this statute and a refund of the tuition, interest on loans, books, and fees that Plaintiff Merritt paid to CSL, which Defendant SFM then siphoned upward to InfiLaw and the Sterling Funds.

862. Defendants' unfair and deceptive conduct as set forth in this cause of action and elsewhere in the Complaint, and as will be further determined through discovery and proven at trial, was the proximate cause of the monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt and loss of professional reputation suffered by Plaintiff Merritt.

863. Defendants' conduct described above was willful in nature, in violation of N.C. GEN. STAT. § 75-1.1, et seq.

864. Pursuant to N.C. GEN. STAT. § 75-16, Plaintiff Merritt is further entitled to a trebling of the damages caused by the Defendants' unfair and deceptive conduct.

865. Pursuant to N.C. GEN. STAT. § 75-16.1, Plaintiff Merritt is furthermore entitled to recover attorneys' fees.

WHEREFORE, Plaintiff Merritt, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT XIII
North Carolina Unfair and Deceptive Trade Practices Act
(Plaintiff Mishko against all Defendants)

Plaintiff Mishko reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

866. Defendants committed unfair and/or deceptive acts and practices, which violate and are prohibited by the UDTPA, N.C. GEN. STAT. § 75-1.1, et seq.

867. The Defendants' unfair and deceptive acts and practices toward Plaintiff Mishko included:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to misrepresent CSL as being compliant with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- b. Directing and causing CSL, InfiLaw, and those companies' agents to conceal CSL's noncompliance with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- c. Directing and causing CSL, InfiLaw, and those companies' agents to overstate the bar-passage rates for CSL graduates;

- d. Directing and causing CSL, InfiLaw, and those companies' agents to pay low-performing students to defer taking the exam, resulting in the inflation of CSL's aggregate bar-passage rates; and
- e. Directing and causing CSL, InfiLaw, and those companies' agents to misrepresent the success that CSL students enjoyed in competitions with other law schools.

868. As described elsewhere in this Complaint, Defendants intended that Plaintiff Mishko and other students and potential students relied on their deceptive acts and practices.

869. As described elsewhere in this Complaint, Defendants' unfair and deceptive acts and practices were in the course of their business in establishing and managing equity funds that purchased or created businesses to generate profits and then sell the business at a profit for investors.

870. Further, Defendants' unfair and deceptive acts and practices were in the course of and affecting commerce, as Plaintiff Mishko quit gainful employment, took out student loans, paid tuition, purchased books and incurred fees, all in reliance upon the Defendants' representations.

871. The Defendants' unfair and deceptive conduct described above proximately caused damage to Plaintiff Mishko in that she relied on the deceptive information in deciding to attend and then remain enrolled at CSL, and paid tuition, fees, and dues in order to do so.

872. Pursuant to the North Carolina Unfair and Deceptive Practices Act, Plaintiff Mishko seeks relief for the Defendants' violations of this statute and a refund of the tuition, interest on loans, books, and fees that Plaintiff Mishko paid to CSL, which Defendant SFM then siphoned upward to InfiLaw and the Sterling Funds.

873. Defendants' unfair and deceptive conduct as set forth in this cause of action and elsewhere in the Complaint, and as will be further determined through discovery and proven at trial, was the proximate cause of the monetary loss, loss of income, loss of employment

opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt and loss of professional reputation suffered by Plaintiff Mishko.

874. Defendants' conduct described above was willful in nature, in violation of N.C. GEN. STAT. § 75-1.1, et seq.

875. Pursuant to N.C. GEN. STAT. § 75-16, Plaintiff Mishko is further entitled to a trebling of the damages caused by the Defendants' unfair and deceptive conduct.

876. Pursuant to N.C. GEN. STAT. § 75-16.1, Plaintiff Mishko is furthermore entitled to recover attorneys' fees.

WHEREFORE, Plaintiff Mishko, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT XIV
North Carolina Unfair and Deceptive Trade Practices Act
(Plaintiff Pappas against all Defendants)

Plaintiff Pappas reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

877. Defendants committed unfair and/or deceptive acts and practices, which violate and are prohibited by the UDTPA, N.C. GEN. STAT. § 75-1.1, et seq.

878. The Defendants' unfair and deceptive acts and practices toward Plaintiff Pappas included:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to misrepresent CSL as being compliant with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- b. Directing and causing CSL, InfiLaw, and those companies' agents to conceal CSL's noncompliance with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;

- c. Directing and causing CSL, InfiLaw, and those companies' agents to overstate the bar-passage rates for CSL graduates;
- d. Directing and causing CSL, InfiLaw, and those companies' agents to pay low-performing students to defer taking the exam, resulting in the inflation of CSL's aggregate bar-passage rates;
- e. Recruiting and admitting Plaintiff Pappas while knowing, based on her LSAT score and other information in her application, as well as CSL's own grading policies, that she was likely to be academically dismissed;
- f. Misrepresenting to Plaintiff Pappas their belief about her likelihood of succeeding at CSL, graduating, and then passing a bar exam;
- g. Misrepresenting the severity of the grading curve that would apply to Plaintiff Pappas in her classes, thus causing her to earn lower grades and be academically dismissed; and
- h. Misrepresenting Plaintiff Pappas's ability to avoid academic dismissal by raising her grade-point average in the summer 2016 term.

879. As described elsewhere in this Complaint, Defendants intended that Plaintiff Pappas and other students and potential students relied on their deceptive acts and practices.

880. As described elsewhere in this Complaint, Defendants' unfair and deceptive acts and practices were in the course of their business in establishing and managing equity funds that purchased or created businesses to generate profits and then sell the business at a profit for investors.

881. Further, Defendants' unfair and deceptive acts and practices were in the course of and affecting commerce, as Plaintiff Pappas quit gainful employment, took out student loans, paid tuition, purchased books and incurred fees, all in reliance upon the Defendants' representations.

882. The Defendants' unfair and deceptive conduct described above proximately caused damage to Plaintiff Pappas in that she relied on the deceptive information in deciding to attend and then remain enrolled at CSL, and paid tuition, fees, and dues in order to do so.

883. Pursuant to the North Carolina Unfair and Deceptive Practices Act, Plaintiff Pappas seeks relief for the Defendants' violations of this statute and a refund of the tuition, interest on loans, books, and fees that Plaintiff Pappas paid to CSL, which Defendant SFM then siphoned upward to InfiLaw and the Sterling Funds.

884. Defendants' unfair and deceptive conduct as set forth in this cause of action and elsewhere in the Complaint, and as will be further determined through discovery and proven at trial, was the proximate cause of the monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt and loss of professional reputation suffered by Plaintiff Pappas.

885. Defendants' conduct described above was willful in nature, in violation of N.C. GEN. STAT. § 75-1.1, et seq.

886. Pursuant to N.C. GEN. STAT. § 75-16, Plaintiff Pappas is further entitled to a trebling of the damages caused by the Defendants' unfair and deceptive conduct.

887. Pursuant to N.C. GEN. STAT. § 75-16.1, Plaintiff Pappas is furthermore entitled to recover attorneys' fees.

WHEREFORE, Plaintiff Pappas, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT XV
North Carolina Unfair and Deceptive Trade Practices Act
(Plaintiff Pardo against all Defendants)

Plaintiff Pardo reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

888. Defendants committed unfair and/or deceptive acts and practices, which violate and are prohibited by the UDTPA, N.C. GEN. STAT. § 75-1.1, et seq.

889. The Defendants' unfair and deceptive acts and practices toward Plaintiff Pardo included:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to conceal CSL's noncompliance with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards; and
- b. Directing and causing CSL, InfiLaw, and those companies' agents to exaggerate the availability of academic support services available to Plaintiff Pardo and other CSL students, which led them to choose CSL yet not receive the substantial benefits they expected.

890. As described elsewhere in this Complaint, Defendants intended that Plaintiff Pardo and other students and potential students relied on their deceptive acts and practices.

891. As described elsewhere in this Complaint, Defendants' unfair and deceptive acts and practices were in the course of their business in establishing and managing equity funds that purchased or created businesses to generate profits and then sell the business at a profit for investors.

892. Further, Defendants' unfair and deceptive acts and practices were in the course of and affecting commerce, as Plaintiff Pardo quit gainful employment, took out student loans, paid tuition, purchased books and incurred fees, all in reliance upon the Defendants' representations.

893. The Defendants' unfair and deceptive conduct described above proximately caused damage to Plaintiff Pardo in that she relied on the deceptive information in deciding to attend and then remain enrolled at CSL, and paid tuition, fees, and dues in order to do so.

894. Pursuant to the North Carolina Unfair and Deceptive Practices Act, Plaintiff Pardo seeks relief for the Defendants' violations of this statute and a refund of the tuition, interest on loans, books, and fees that Plaintiff Pardo paid to CSL, which Defendant SFM then siphoned upward to InfiLaw and the Sterling Funds.

895. Defendants' unfair and deceptive conduct as set forth in this cause of action and elsewhere in the Complaint, and as will be further determined through discovery and proven at trial, was the proximate cause of the monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt and loss of professional reputation suffered by Plaintiff Pardo.

896. Defendants' conduct described above was willful in nature, in violation of N.C. GEN. STAT. § 75-1.1, et seq.

897. Pursuant to N.C. GEN. STAT. § 75-16, Plaintiff Pardo is further entitled to a trebling of the damages caused by the Defendants' unfair and deceptive conduct.

898. Pursuant to N.C. GEN. STAT. § 75-16.1, Plaintiff Pardo is furthermore entitled to recover attorneys' fees.

WHEREFORE, Plaintiff Pardo, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT XVI
North Carolina Unfair and Deceptive Trade Practices Act
(Plaintiff Sastoque against all Defendants)

Plaintiff Sastoque reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

899. Defendants committed unfair and/or deceptive acts and practices, which violate and are prohibited by the UDTPA, N.C. GEN. STAT. § 75-1.1, et seq.

900. The Defendants' unfair and deceptive acts and practices toward Plaintiff Sastoque included:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to conceal CSL's noncompliance with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;

- b. Recruiting and admitting Plaintiff Sastoque while knowing, based on her LSAT score and other information in her application, as well as CSL's own grading policies, that she was unlikely to be pass a bar exam;
- c. Misrepresenting to Plaintiff Sastoque their belief about her likelihood of succeeding at CSL, graduating, and then passing a bar exam; and
- d. Temporarily misapplying funds that Plaintiff Sharon had borrowed in her own name to CSL's, Corporation's, Holding's, and Defendants' own business purposes.

901. As described elsewhere in this Complaint, Defendants intended that Plaintiff Sastoque and other students and potential students relied on their deceptive acts and practices.

902. As described elsewhere in this Complaint, Defendants' unfair and deceptive acts and practices were in the course of their business in establishing and managing equity funds that purchased or created businesses to generate profits and then sell the business at a profit for investors.

903. Further, Defendants' unfair and deceptive acts and practices were in the course of and affecting commerce, as Plaintiff Sastoque quit gainful employment, took out student loans, paid tuition, purchased books and incurred fees, all in reliance upon the Defendants' representations.

904. The Defendants' unfair and deceptive conduct described above proximately caused damage to Plaintiff Sastoque in that she relied on the deceptive information in deciding to attend and then remain enrolled at CSL, and paid tuition, fees, and dues in order to do so.

905. Pursuant to the North Carolina Unfair and Deceptive Practices Act, Plaintiff Sastoque seeks relief for the Defendants' violations of this statute and a refund of the tuition, interest on loans, books, and fees that Plaintiff Sastoque paid to CSL, which Defendant SFM then siphoned upward to InfiLaw and the Sterling Funds.

906. Defendants' unfair and deceptive conduct as set forth in this cause of action and elsewhere in the Complaint, and as will be further determined through discovery and proven at trial, was the proximate cause of the monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt and loss of professional reputation suffered by Plaintiff Sastoque.

907. Defendants' conduct described above was willful in nature, in violation of N.C. GEN. STAT. § 75-1.1, et seq.

908. Pursuant to N.C. GEN. STAT. § 75-16, Plaintiff Sastoque is further entitled to a trebling of the damages caused by the Defendants' unfair and deceptive conduct.

909. Pursuant to N.C. GEN. STAT. § 75-16.1, Plaintiff Sastoque is furthermore entitled to recover attorneys' fees.

WHEREFORE, Plaintiff Sastoque, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT XVII
North Carolina Unfair and Deceptive Trade Practices Act
(Plaintiff Sharon against all Defendants)

Plaintiff Sharon reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

910. Defendants committed unfair and/or deceptive acts and practices, which violate and are prohibited by the UDTPA, N.C. GEN. STAT. § 75-1.1, et seq.

911. The Defendants' unfair and deceptive acts and practices toward Plaintiff Sharon included:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to conceal CSL's noncompliance with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;

- b. Misrepresenting the severity of the grading curve that would apply to Plaintiff Sharon in her classes, thus causing her to earn lower grades and lose her scholarship;
- c. Packing scholarship recipients into the same class sections, without telling them, a practice that caused Sharon and others to lose scholarship eligibility; and
- d. Temporarily misapplying funds that Plaintiff Sharon had borrowed in her own name to CSL's, Corporation's, Holding's, and Defendants' own business purposes.

912. As described elsewhere in this Complaint, Defendants intended that Plaintiff Sharon and other students and potential students relied on their deceptive acts and practices.

913. As described elsewhere in this Complaint, Defendants' unfair and deceptive acts and practices were in the course of their business in establishing and managing equity funds that purchased or created businesses to generate profits and then sell the business at a profit for investors.

914. Further, Defendants' unfair and deceptive acts and practices were in the course of and affecting commerce, as Plaintiff Sharon quit gainful employment, took out student loans, paid tuition, purchased books and incurred fees, all in reliance upon the Defendants' representations.

915. The Defendants' unfair and deceptive conduct described above proximately caused damage to Plaintiff Sharon in that she relied on the deceptive information in deciding to attend and then remain enrolled at CSL, and paid tuition, fees, and dues in order to do so.

916. Pursuant to the North Carolina Unfair and Deceptive Practices Act, Plaintiff Sharon seeks relief for the Defendants' violations of this statute and a refund of the tuition, interest on loans, books, and fees that Plaintiff Sharon paid to CSL, which Defendant SFM then siphoned upward to InfiLaw and the Sterling Funds.

917. Defendants' unfair and deceptive conduct as set forth in this cause of action and elsewhere in the Complaint, and as will be further determined through discovery and proven at trial, was the proximate cause of the monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt and loss of professional reputation suffered by Plaintiff Sharon.

918. Defendants' conduct described above was willful in nature, in violation of N.C. GEN. STAT. § 75-1.1, et seq.

919. Pursuant to N.C. GEN. STAT. § 75-16, Plaintiff Sharon is further entitled to a trebling of the damages caused by the Defendants' unfair and deceptive conduct.

920. Pursuant to N.C. GEN. STAT. § 75-16.1, Plaintiff Sharon is furthermore entitled to recover attorneys' fees.

WHEREFORE, Plaintiff Sharon, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT XVIII
North Carolina Unfair and Deceptive Trade Practices Act
(Plaintiff Stiles against all Defendants)

Plaintiff Stiles reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

921. Defendants committed unfair and/or deceptive acts and practices, which violate and are prohibited by the UDTPA, N.C. GEN. STAT. § 75-1.1, et seq.

922. The Defendants' unfair and deceptive acts and practices toward Plaintiff Stiles included:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to misrepresent CSL as being compliant with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;

- b. Directing and causing CSL, InfiLaw, and those companies' agents to conceal CSL's noncompliance with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- c. Directing and causing CSL, InfiLaw, and those companies' agents to overstate the bar-passage rates for CSL graduates;
- d. Directing and causing CSL, InfiLaw, and those companies' agents to pay low-performing students to defer taking the exam, resulting in the inflation of CSL's aggregate bar-passage rates;
- e. Structuring grades and grading curves with the purpose of preventing Plaintiff Stiles and other students from transferring to different law schools;
- f. Misrepresenting to Plaintiff Stiles the possibility he could be adversely impacted by regulatory action of the sort taken by the ABA and the DoE.

923. As described elsewhere in this Complaint, Defendants intended that Plaintiff Stiles and other students and potential students relied on their deceptive acts and practices.

924. As described elsewhere in this Complaint, Defendants' unfair and deceptive acts and practices were in the course of their business in establishing and managing equity funds that purchased or created businesses to generate profits and then sell the business at a profit for investors.

925. Further, Defendants' unfair and deceptive acts and practices were in the course of and affecting commerce, as Plaintiff Stiles quit gainful employment, took out student loans, paid tuition, purchased books and incurred fees, all in reliance upon the Defendants' representations.

926. The Defendants' unfair and deceptive conduct described above proximately caused damage to Plaintiff Stiles in that he relied on the deceptive information in deciding to attend and then remain enrolled at CSL, and paid tuition, fees, and dues in order to do so.

927. Pursuant to the North Carolina Unfair and Deceptive Practices Act, Plaintiff Stiles seeks relief for the Defendants' violations of this statute and a refund of the tuition, interest on loans, books, and fees that Plaintiff Stiles paid to CSL, which Defendant SFM then siphoned upward to InfiLaw and the Sterling Funds.

928. Defendants' unfair and deceptive conduct as set forth in this cause of action and elsewhere in the Complaint, and as will be further determined through discovery and proven at trial, was the proximate cause of the monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt and loss of professional reputation suffered by Plaintiff Stiles.

929. Defendants' conduct described above was willful in nature, in violation of N.C. GEN. STAT. § 75-1.1, et seq.

930. Pursuant to N.C. GEN. STAT. § 75-16, Plaintiff Stiles is further entitled to a trebling of the damages caused by the Defendants' unfair and deceptive conduct.

931. Pursuant to N.C. GEN. STAT. § 75-16.1, Plaintiff Stiles is furthermore entitled to recover attorneys' fees.

WHEREFORE, Plaintiff Stiles, by and through his undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT XIX
North Carolina Unfair and Deceptive Trade Practices Act
(Plaintiff Taraschi against all Defendants)

Plaintiff Taraschi reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

932. Defendants committed unfair and/or deceptive acts and practices, which violate and are prohibited by the UDTPA, N.C. GEN. STAT. § 75-1.1, et seq.

933. The Defendants' unfair and deceptive acts and practices toward Plaintiff Taraschi included:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to misrepresent CSL as being compliant with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;

- b. Directing and causing CSL, InfiLaw, and those companies' agents to conceal CSL's noncompliance with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- c. Directing and causing CSL, InfiLaw, and those companies' agents to overstate the bar-passage rates for CSL graduates;
- d. Directing and causing CSL, InfiLaw, and those companies' agents to pay low-performing students to defer taking the exam, resulting in the inflation of CSL's aggregate bar-passage rates;
- e. Directing and causing CSL, InfiLaw, and those companies' agents to misrepresent the characteristics and backgrounds of CSL students to prospective students, including Plaintiff Taraschi; and
- f. Withholding Plaintiff Taraschi's transcripts and other materials that Plaintiff Taraschi needed in order to apply to other law schools as a transfer student.

934. As described elsewhere in this Complaint, Defendants intended that Plaintiff Taraschi and other students and potential students relied on their deceptive acts and practices.

935. As described elsewhere in this Complaint, Defendants' unfair and deceptive acts and practices were in the course of their business in establishing and managing equity funds that purchased or created businesses to generate profits and then sell the business at a profit for investors.

936. Further, Defendants' unfair and deceptive acts and practices were in the course of and affecting commerce, as Plaintiff Taraschi quit gainful employment, took out student loans, paid tuition, purchased books and incurred fees, all in reliance upon the Defendants' representations.

937. The Defendants' unfair and deceptive conduct described above proximately caused damage to Plaintiff Taraschi in that she relied on the deceptive information in deciding to attend and then remain enrolled at CSL, and paid tuition, fees, and dues in order to do so.

938. Pursuant to the North Carolina Unfair and Deceptive Practices Act, Plaintiff Taraschi seeks relief for the Defendants' violations of this statute and a refund of the tuition,

interest on loans, books, and fees that Plaintiff Taraschi paid to CSL, which Defendant SFM then siphoned upward to InfiLaw and the Sterling Funds.

939. Defendants' unfair and deceptive conduct as set forth in this cause of action and elsewhere in the Complaint, and as will be further determined through discovery and proven at trial, was the proximate cause of the monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt and loss of professional reputation suffered by Plaintiff Taraschi.

940. Defendants' conduct described above was willful in nature, in violation of N.C. GEN. STAT. § 75-1.1, et seq.

941. Pursuant to N.C. GEN. STAT. § 75-16, Plaintiff Taraschi is further entitled to a trebling of the damages caused by the Defendants' unfair and deceptive conduct.

942. Pursuant to N.C. GEN. STAT. § 75-16.1, Plaintiff Taraschi is furthermore entitled to recover attorneys' fees.

WHEREFORE, Plaintiff Taraschi, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT XX
North Carolina Unfair and Deceptive Trade Practices Act
(Plaintiff Terrell against all Defendants)

Plaintiff Terrell reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

943. Defendants committed unfair and/or deceptive acts and practices, which violate and are prohibited by the UDTPA, N.C. GEN. STAT. § 75-1.1, et seq.

944. The Defendants' unfair and deceptive acts and practices toward Plaintiff Terrell included:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to misrepresent CSL as being compliant with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- b. Directing and causing CSL, InfiLaw, and those companies' agents to conceal CSL's noncompliance with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- c. Directing and causing CSL, InfiLaw, and those companies' agents to overstate the bar-passage rates for CSL graduates;
- d. Directing and causing CSL, InfiLaw, and those companies' agents to pay low-performing students to defer taking the exam, resulting in the inflation of CSL's aggregate bar-passage rates;
- e. Misrepresenting the severity of the grading curve that would apply to Plaintiff Terrell in his classes, thus causing him to earn lower grades and lose his scholarship;
- f. Packing Plaintiff Terrell into classes with other scholarship recipients with no forewarning, thus causing him to earn lower grades and lose his scholarship; and
- g. Knowingly misrepresenting the possibility that CSL might regain its ability to participate in Title IV programs in spring 2017.

945. As described elsewhere in this Complaint, Defendants intended that Plaintiff Terrell and other students and potential students relied on their deceptive acts and practices.

946. As described elsewhere in this Complaint, Defendants' unfair and deceptive acts and practices were in the course of their business in establishing and managing equity funds that purchased or created businesses to generate profits and then sell the business at a profit for investors.

947. Further, Defendants' unfair and deceptive acts and practices were in the course of and affecting commerce, as Plaintiff Terrell quit gainful employment, took out student loans, paid tuition, purchased books and incurred fees, all in reliance upon the Defendants' representations.

948. The Defendants' unfair and deceptive conduct described above proximately caused damage to Plaintiff Terrell in that he relied on the deceptive information in deciding to attend and then remain enrolled at CSL, and paid tuition, fees, and dues in order to do so.

949. Pursuant to the North Carolina Unfair and Deceptive Practices Act, Plaintiff Terrell seeks relief for the Defendants' violations of this statute and a refund of the tuition, interest on loans, books, and fees that Plaintiff Terrell paid to CSL, which Defendant SFM then siphoned upward to InfiLaw and the Sterling Funds.

950. Defendants' unfair and deceptive conduct as set forth in this cause of action and elsewhere in the Complaint, and as will be further determined through discovery and proven at trial, was the proximate cause of the monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt and loss of professional reputation suffered by Plaintiff Terrell.

951. Defendants' conduct described above was willful in nature, in violation of N.C. GEN. STAT. § 75-1.1, et seq.

952. Pursuant to N.C. GEN. STAT. § 75-16, Plaintiff Terrell is further entitled to a trebling of the damages caused by the Defendants' unfair and deceptive conduct.

953. Pursuant to N.C. GEN. STAT. § 75-16.1, Plaintiff Terrell is furthermore entitled to recover attorneys' fees.

WHEREFORE, Plaintiff Terrell, by and through his undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT XXI
North Carolina Unfair and Deceptive Trade Practices Act
(Plaintiff Jasmine Turner against all Defendants)

Plaintiff Jasmine Turner reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

954. Defendants committed unfair and/or deceptive acts and practices, which violate and are prohibited by the UDTPA, N.C. GEN. STAT. § 75-1.1, et seq.

955. The Defendants' unfair and deceptive acts and practices toward Plaintiff Jasmine Turner included:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to misrepresent CSL as being compliant with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- b. Directing and causing CSL, InfiLaw, and those companies' agents to conceal CSL's noncompliance with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- c. Recruiting and admitting Plaintiff Jasmine Turner while knowing, based on her LSAT score and other information in her application, as well as CSL's own grading policies, that she was likely to be academically dismissed;
- d. Misrepresenting to Plaintiff Jasmine Turner their belief about her likelihood of succeeding at CSL, graduating, and then passing a bar exam; and
- e. Misrepresenting the severity of the grading curve that would apply to Plaintiff Jasmine Turner in her classes, thus causing her to earn lower grades and be academically dismissed.

956. As described elsewhere in this Complaint, Defendants intended that Plaintiff Jasmine Turner and other students and potential students relied on their deceptive acts and practices.

957. As described elsewhere in this Complaint, Defendants' unfair and deceptive acts and practices were in the course of their business in establishing and managing equity funds that purchased or created businesses to generate profits and then sell the business at a profit for investors.

958. Further, Defendants' unfair and deceptive acts and practices were in the course of and affecting commerce, as Plaintiff Jasmine Turner quit gainful employment, took out student loans, paid tuition, purchased books and incurred fees, all in reliance upon the Defendants' representations.

959. The Defendants' unfair and deceptive conduct described above proximately caused damage to Plaintiff Jasmine Turner in that she relied on the deceptive information in deciding to attend and then remain enrolled at CSL, and paid tuition, fees, and dues in order to do so.

960. Pursuant to the North Carolina Unfair and Deceptive Practices Act, Plaintiff Jasmine Turner seeks relief for the Defendants' violations of this statute and a refund of the tuition, interest on loans, books, and fees that Plaintiff Jasmine Turner paid to CSL, which Defendant SFM then siphoned upward to InfiLaw and the Sterling Funds.

961. Defendants' unfair and deceptive conduct as set forth in this cause of action and elsewhere in the Complaint, and as will be further determined through discovery and proven at trial, was the proximate cause of the monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt and loss of professional reputation suffered by Plaintiff Jasmine Turner.

962. Defendants' conduct described above was willful in nature, in violation of N.C. GEN. STAT. § 75-1.1, et seq.

963. Pursuant to N.C. GEN. STAT. § 75-16, Plaintiff Jasmine Turner is further entitled to a trebling of the damages caused by the Defendants' unfair and deceptive conduct.

964. Pursuant to N.C. GEN. STAT. § 75-16.1, Plaintiff Jasmine Turner is furthermore entitled to recover attorneys' fees.

WHEREFORE, Plaintiff Jasmine Turner, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT XXII
North Carolina Unfair and Deceptive Trade Practices Act
(Plaintiff Kathryn Turner against all Defendants)

Plaintiff Kathryn Turner reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

965. Defendants committed unfair and/or deceptive acts and practices, which violate and are prohibited by the UDTPA, N.C. GEN. STAT. § 75-1.1, et seq.

966. The Defendants' unfair and deceptive acts and practices toward Plaintiff Kathryn Turner included:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to misrepresent CSL as being compliant with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- b. Directing and causing CSL, InfiLaw, and those companies' agents to conceal CSL's noncompliance with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- c. Directing and causing CSL, InfiLaw, and those companies' agents to overstate the bar-passage rates for CSL graduates;
- d. Directing and causing CSL, InfiLaw, and those companies' agents to pay low-performing students to defer taking the exam, resulting in the inflation of CSL's aggregate bar-passage rates;
- e. Temporarily misapplying federal loan proceeds which Plaintiff Kathryn Turner had borrowed in her own name for their own business purposes and for the business purposes of CSL and their other subsidiaries; and
- f. Assigning Kathryn Turner grades for reasons other than academic evaluation, namely, for reasons of keeping her captive to CSL and unable to transfer to a different law school.

967. As described elsewhere in this Complaint, Defendants intended that Plaintiff Kathryn Turner and other students and potential students relied on their deceptive acts and practices.

968. As described elsewhere in this Complaint, Defendants' unfair and deceptive acts and practices were in the course of their business in establishing and managing equity funds that purchased or created businesses to generate profits and then sell the business at a profit for investors.

969. Further, Defendants' unfair and deceptive acts and practices were in the course of and affecting commerce, as Plaintiff Kathryn Turner quit gainful employment, took out student loans, paid tuition, purchased books and incurred fees, all in reliance upon the Defendants' representations.

970. The Defendants' unfair and deceptive conduct described above proximately caused damage to Plaintiff Kathryn Turner in that she relied on the deceptive information in deciding to attend and then remain enrolled at CSL, and paid tuition, fees, and dues in order to do so.

971. Pursuant to the North Carolina Unfair and Deceptive Practices Act, Plaintiff Kathryn Turner seeks relief for the Defendants' violations of this statute and a refund of the tuition, interest on loans, books, and fees that Plaintiff Kathryn Turner paid to CSL, which Defendant SFM then siphoned upward to InfiLaw and the Sterling Funds.

972. Defendants' unfair and deceptive conduct as set forth in this cause of action and elsewhere in the Complaint, and as will be further determined through discovery and proven at trial, was the proximate cause of the monetary loss, loss of income, loss of employment

opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt and loss of professional reputation suffered by Plaintiff Kathryn Turner.

973. Defendants' conduct described above was willful in nature, in violation of N.C. GEN. STAT. § 75-1.1, et seq.

974. Pursuant to N.C. GEN. STAT. § 75-16, Plaintiff Kathryn Turner is further entitled to a trebling of the damages caused by the Defendants' unfair and deceptive conduct.

975. Pursuant to N.C. GEN. STAT. § 75-16.1, Plaintiff Kathryn Turner is furthermore entitled to recover attorneys' fees.

WHEREFORE, Plaintiff Kathryn Turner, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT XXIII
North Carolina Unfair and Deceptive Trade Practices Act
(Plaintiff Toynette Turner against all Defendants)

Plaintiff Toynette Turner reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

976. Defendants committed unfair and/or deceptive acts and practices, which violate and are prohibited by the UDTPA, N.C. GEN. STAT. § 75-1.1, et seq.

977. The Defendants' unfair and deceptive acts and practices toward Plaintiff Toynette Turner included:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to misrepresent CSL as being compliant with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- b. Directing and causing CSL, InfiLaw, and those companies' agents to conceal CSL's noncompliance with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;

- c. Directing and causing CSL, InfiLaw, and those companies' agents to overstate the bar-passage rates for CSL graduates;
- d. Directing and causing CSL, InfiLaw, and those companies' agents to pay low-performing students to defer taking the exam, resulting in the inflation of CSL's aggregate bar-passage rates;
- e. Directing and causing CSL, InfiLaw, and those companies' agents to exaggerate the availability of academic support services available to Plaintiff Toynette Turner and other CSL students, which led them to choose CSL yet not receive the substantial benefits they expected, and, more crucially, proximately caused Plaintiff Toynette Turner to be academically dismissed;
- f. Recruiting and admitting Plaintiff Toynette Turner while knowing, based on her LSAT score and other information in her application, as well as CSL's own grading policies, that she was likely to be academically dismissed;
- g. Misrepresenting to Plaintiff Toynette Turner their belief about her likelihood of succeeding at CSL, graduating, and then passing a bar exam; and
- h. Misrepresenting the severity of the grading curve that would apply to Plaintiff Toynette Turner in her classes, thus causing her to earn lower grades and be academically dismissed.

978. As described elsewhere in this Complaint, Defendants intended that Plaintiff Toynette Turner and other students and potential students relied on their deceptive acts and practices.

979. As described elsewhere in this Complaint, Defendants' unfair and deceptive acts and practices were in the course of their business in establishing and managing equity funds that purchased or created businesses to generate profits and then sell the business at a profit for investors.

980. Further, Defendants' unfair and deceptive acts and practices were in the course of and affecting commerce, as Plaintiff Toynette Turner quit gainful employment, took out student loans, paid tuition, purchased books and incurred fees, all in reliance upon the Defendants' representations.

981. The Defendants' unfair and deceptive conduct described above proximately caused damage to Plaintiff Toynette Turner in that she relied on the deceptive information in deciding to attend and then remain enrolled at CSL, and paid tuition, fees, and dues in order to do so.

982. Pursuant to the North Carolina Unfair and Deceptive Practices Act, Plaintiff Toynette Turner seeks relief for the Defendants' violations of this statute and a refund of the tuition, interest on loans, books, and fees that Plaintiff Toynette Turner paid to CSL, which Defendant SFM then siphoned upward to InfiLaw and the Sterling Funds.

983. Defendants' unfair and deceptive conduct as set forth in this cause of action and elsewhere in the Complaint, and as will be further determined through discovery and proven at trial, was the proximate cause of the monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt and loss of professional reputation suffered by Plaintiff Toynette Turner.

984. Defendants' conduct described above was willful in nature, in violation of N.C. GEN. STAT. § 75-1.1, et seq.

985. Pursuant to N.C. GEN. STAT. § 75-16, Plaintiff Toynette Turner is further entitled to a trebling of the damages caused by the Defendants' unfair and deceptive conduct.

986. Pursuant to N.C. GEN. STAT. § 75-16.1, Plaintiff Toynette Turner is furthermore entitled to recover attorneys' fees.

WHEREFORE, Plaintiff Toynette Turner, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT XXIV
North Carolina Unfair and Deceptive Trade Practices Act
(Plaintiff Watson against all Defendants)

Plaintiff Watson reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

987. Defendants committed unfair and/or deceptive acts and practices, which violate and are prohibited by the UDTPA, N.C. GEN. STAT. § 75-1.1, et seq.

988. The Defendants' unfair and deceptive acts and practices toward Plaintiff Watson included:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to misrepresent CSL as being compliant with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- b. Directing and causing CSL, InfiLaw, and those companies' agents to conceal CSL's noncompliance with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- c. Directing and causing CSL, InfiLaw, and those companies' agents to overstate the bar-passage rates for CSL graduates;
- d. Directing and causing CSL, InfiLaw, and those companies' agents to pay low-performing students to defer taking the exam, resulting in the inflation of CSL's aggregate bar-passage rates; and
- e. Misrepresenting the severity of the grading curve that would apply to Plaintiff Watson in her classes, thus causing her to earn lower grades and lose her scholarship.

989. As described elsewhere in this Complaint, Defendants intended that Plaintiff Watson and other students and potential students relied on their deceptive acts and practices.

990. As described elsewhere in this Complaint, Defendants' unfair and deceptive acts and practices were in the course of their business in establishing and managing equity funds that purchased or created businesses to generate profits and then sell the business at a profit for investors.

991. Further, Defendants' unfair and deceptive acts and practices were in the course of and affecting commerce, as Plaintiff Watson quit gainful employment, took out student loans, paid tuition, purchased books and incurred fees, all in reliance upon the Defendants' representations.

992. The Defendants' unfair and deceptive conduct described above proximately caused damage to Plaintiff Watson in that she relied on the deceptive information in deciding to attend and then remain enrolled at CSL, and paid tuition, fees, and dues in order to do so.

993. Pursuant to the North Carolina Unfair and Deceptive Practices Act, Plaintiff Watson seeks relief for the Defendants' violations of this statute and a refund of the tuition, interest on loans, books, and fees that Plaintiff Watson paid to CSL, which Defendant SFM then siphoned upward to InfiLaw and the Sterling Funds.

994. Defendants' unfair and deceptive conduct as set forth in this cause of action and elsewhere in the Complaint, and as will be further determined through discovery and proven at trial, was the proximate cause of the monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt and loss of professional reputation suffered by Plaintiff Watson.

995. Defendants' conduct described above was willful in nature, in violation of N.C. GEN. STAT. § 75-1.1, et seq.

996. Pursuant to N.C. GEN. STAT. § 75-16, Plaintiff Watson is further entitled to a trebling of the damages caused by the Defendants' unfair and deceptive conduct.

997. Pursuant to N.C. GEN. STAT. § 75-16.1, Plaintiff Watson is furthermore entitled to recover attorneys' fees.

WHEREFORE, Plaintiff Watson, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT XXV
North Carolina Unfair and Deceptive Trade Practices Act
(Plaintiff Williams against all Defendants)

Plaintiff Williams reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

998. Defendants committed unfair and/or deceptive acts and practices, which violate and are prohibited by the UDTPA, N.C. GEN. STAT. § 75-1.1, et seq.

999. The Defendants' unfair and deceptive acts and practices toward Plaintiff Williams included:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to conceal CSL's noncompliance with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- b. Recruiting and admitting Plaintiff Williams while knowing, based on his LSAT score and other information in her application, as well as CSL's own grading policies, that she was likely to be academically dismissed;
- c. Misrepresenting to Plaintiff Williams his likelihood of succeeding at CSL, graduating, and then passing a bar exam; and
- d. Misrepresenting the severity of the grading curve that would apply to Plaintiff Williams in his classes, thus causing her to earn lower grades and be academically dismissed.

1000. As described elsewhere in this Complaint, Defendants intended that Plaintiff Williams and other students and potential students relied on their deceptive acts and practices.

1001. As described elsewhere in this Complaint, Defendants' unfair and deceptive acts and practices were in the course of their business in establishing and managing equity funds that

purchased or created businesses to generate profits and then sell the business at a profit for investors.

1002. Further, Defendants' unfair and deceptive acts and practices were in the course of and affecting commerce, as Plaintiff Williams quit gainful employment, took out student loans, paid tuition, purchased books and incurred fees, all in reliance upon the Defendants' representations.

1003. The Defendants' unfair and deceptive conduct described above proximately caused damage to Plaintiff Williams in that she relied on the deceptive information in deciding to attend and then remain enrolled at CSL, and paid tuition, fees, and dues in order to do so.

1004. Pursuant to the North Carolina Unfair and Deceptive Practices Act, Plaintiff Williams seeks relief for the Defendants' violations of this statute and a refund of the tuition, interest on loans, books, and fees that Plaintiff Williams paid to CSL, which Defendant SFM then siphoned upward to InfiLaw and the Sterling Funds.

1005. Defendants' unfair and deceptive conduct as set forth in this cause of action and elsewhere in the Complaint, and as will be further determined through discovery and proven at trial, was the proximate cause of the monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt and loss of professional reputation suffered by Plaintiff Williams.

1006. Defendants' conduct described above was willful in nature, in violation of N.C. GEN. STAT. § 75-1.1, et seq.

1007. Pursuant to N.C. GEN. STAT. § 75-16, Plaintiff Williams is further entitled to a trebling of the damages caused by the Defendants' unfair and deceptive conduct.

1008. Pursuant to N.C. GEN. STAT. § 75-16.1, Plaintiff Williams is furthermore entitled to recover attorneys' fees.

WHEREFORE, Plaintiff Williams, by and through his undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT XXVI
Illinois Consumer Fraud and Deceptive Business Practices Act
(Plaintiff Bryan against all Defendants)
(alternative claim)

Plaintiff Bryan reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1009. Defendants committed fraudulent and deceptive acts and practices, which violate and are prohibited by the Illinois Consumer Fraud and Deceptive Business Practices Act, 815 ILCS 505/2.

1010. The Defendants' fraudulent and deceptive acts and practices toward Plaintiff Bryan included:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to conceal CSL's noncompliance with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- b. Directing and causing CSL, InfiLaw, and those companies' agents to overstate the bar-passage rates for CSL graduates; and
- c. Directing and causing CSL, InfiLaw, and those companies' agents to pay low-performing students to defer taking the exam, resulting in the inflation of CSL's aggregate bar-passage rates.

1011. As described elsewhere in this Complaint, Defendants intended that Plaintiff Bryan and other students and potential students relied on their deceptive acts and practices.

1012. As described elsewhere in this Complaint, Defendants' fraudulent and deceptive acts and practices were in the course of their business in establishing and managing equity funds

that purchased or created businesses to generate profits and then sell the business at a profit for investors.

1013. Further, Defendants' fraudulent and deceptive acts and practices were in the course of and affecting commerce, as Plaintiff Bryan quit gainful employment, took out student loans, paid tuition, purchased books and incurred fees, all in reliance upon the Defendants' representations.

1014. The Defendants' fraudulent and deceptive conduct described above proximately caused damage to Plaintiff Bryan in that she relied on the deceptive information in deciding to attend and then remain enrolled at CSL, and paid tuition, fees, and dues in order to do so.

1015. Pursuant to the Illinois Consumer Fraud and Deceptive Business Practices Act, Plaintiff Bryan seeks relief for the Defendants' violations of this statute and a refund of the tuition, interest on loans, books, and fees that Plaintiff Bryan paid to CSL, which Defendant SFM then siphoned upward to InfiLaw and the Sterling Funds.

1016. Defendants' fraudulent and deceptive conduct as set forth in this cause of action and elsewhere in the Complaint, and as will be further determined through discovery and proven at trial, was the proximate cause of the monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt and loss of professional reputation suffered by Plaintiff Bryan.

1017. Pursuant to 815 ILCS 505/10a(c), Plaintiff Bryan is entitled to recover reasonable costs and attorneys' fees.

WHEREFORE, Plaintiff Bryan, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT XXVII
Illinois Consumer Fraud and Deceptive Business Practices Act
(Plaintiff Calhoun against all Defendants)
(alternative claim)

Plaintiff Calhoun reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1018. Defendants committed fraudulent and deceptive acts and practices, which violate and are prohibited by the Illinois Consumer Fraud and Deceptive Business Practices Act, 815 ILCS 505/2.

1019. The Defendants' fraudulent and deceptive acts and practices toward Plaintiff Calhoun included:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to misrepresent CSL as being compliant with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- b. Directing and causing CSL, InfiLaw, and those companies' agents to conceal CSL's noncompliance with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- c. Directing and causing CSL, InfiLaw, and those companies' agents to overstate the bar-passage rates for CSL graduates;
- d. Directing and causing CSL, InfiLaw, and those companies' agents to pay low-performing students to defer taking the exam, resulting in the inflation of CSL's aggregate bar-passage rates;
- e. Directing and causing CSL, InfiLaw, and those companies' agents to exaggerate the availability of academic support services available to Plaintiff Calhoun and other CSL students, which led them to choose CSL yet not receive the substantial benefits they expected, and, more crucially, proximately caused Plaintiff Calhoun to be academically dismissed;
- f. Recruiting and admitting Plaintiff Calhoun while knowing, based on his LSAT score and other information in his application, as well as CSL's own grading policies, that he was likely to be academically dismissed;
- g. Misrepresenting to Plaintiff Calhoun their beliefs about his likelihood of succeeding at CSL, graduating, and then passing a bar exam; and

- h. Temporarily misapplying funds that Plaintiff Calhoun had borrowed in his own name to CSL's, Corporation's, Holding's, and Defendants' own business purposes.

1020. Calhoun and other students and potential students relied on their deceptive acts and practices.

1021. As described elsewhere in this Complaint, Defendants' fraudulent and deceptive acts and practices were in the course of their business in establishing and managing equity funds that purchased or created businesses to generate profits and then sell the business at a profit for investors.

1022. Further, Defendants' fraudulent and deceptive acts and practices were in the course of and affecting commerce, as Plaintiff Calhoun quit gainful employment, took out student loans, paid tuition, purchased books and incurred fees, all in reliance upon the Defendants' representations.

1023. The Defendants' fraudulent and deceptive conduct described above proximately caused damage to Plaintiff Calhoun in that he relied on the deceptive information in deciding to attend and then remain enrolled at CSL, and paid tuition, fees, and dues in order to do so.

1024. Pursuant to the Illinois Consumer Fraud and Deceptive Business Practices Act, Plaintiff Calhoun seeks relief for the Defendants' violations of this statute and a refund of the tuition, interest on loans, books, and fees that Plaintiff Calhoun paid to CSL, which Defendant SFM then siphoned upward to InfiLaw and the Sterling Funds.

1025. Defendants' fraudulent and deceptive conduct as set forth in this cause of action and elsewhere in the Complaint, and as will be further determined through discovery and proven at trial, was the proximate cause of the monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt and loss of professional reputation suffered by Plaintiff Calhoun.

1026. Pursuant to 815 ILCS 505/10a(c), Plaintiff Calhoun is entitled to recover reasonable costs and attorneys' fees.

WHEREFORE, Plaintiff Calhoun, by and through his undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT XXVIII
Illinois Consumer Fraud and Deceptive Business Practices Act
(Plaintiff Duncan against all Defendants)
(alternative claim)

Plaintiff Duncan reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1027. Defendants committed fraudulent and deceptive acts and practices, which violate and are prohibited by the Illinois Consumer Fraud and Deceptive Business Practices Act, 815 ILCS 505/2.

1028. The Defendants' fraudulent and deceptive acts and practices toward Plaintiff Duncan included:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to conceal CSL's noncompliance with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- b. Recruiting and admitting Plaintiff Duncan while knowing, based on her LSAT score and other information in her application, as well as CSL's own grading policies, that she was likely to be academically dismissed; and
- c. Misrepresenting to Plaintiff Duncan their belief about her likelihood of succeeding at CSL, graduating, and then passing a bar exam.

1029. Duncan and other students and potential students relied on their deceptive acts and practices.

1030. As described elsewhere in this Complaint, Defendants' fraudulent and deceptive acts and practices were in the course of their business in establishing and managing equity funds

that purchased or created businesses to generate profits and then sell the business at a profit for investors.

1031. Further, Defendants' fraudulent and deceptive acts and practices were in the course of and affecting commerce, as Plaintiff Duncan quit gainful employment, took out student loans, paid tuition, purchased books and incurred fees, all in reliance upon the Defendants' representations.

1032. The Defendants' fraudulent and deceptive conduct described above proximately caused damage to Plaintiff Duncan in that she relied on the deceptive information in deciding to attend and then remain enrolled at CSL, and paid tuition, fees, and dues in order to do so.

1033. Pursuant to the Illinois Consumer Fraud and Deceptive Business Practices Act, Plaintiff Duncan seeks relief for the Defendants' violations of this statute and a refund of the tuition, interest on loans, books, and fees that Plaintiff Duncan paid to CSL, which Defendant SFM then siphoned upward to InfiLaw and the Sterling Funds.

1034. Defendants' fraudulent and deceptive conduct as set forth in this cause of action and elsewhere in the Complaint, and as will be further determined through discovery and proven at trial, was the proximate cause of the monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt and loss of professional reputation suffered by Plaintiff Duncan.

1035. Pursuant to 815 ILCS 505/10a(c), Plaintiff Duncan is entitled to recover reasonable costs and attorneys' fees.

WHEREFORE, Plaintiff Duncan, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT XXIX
Illinois Consumer Fraud and Deceptive Business Practices Act
(Plaintiff El-Halim against all Defendants)
(alternative claim)

Plaintiff El-Halim reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1036. Defendants committed fraudulent and deceptive acts and practices, which violate and are prohibited by the Illinois Consumer Fraud and Deceptive Business Practices Act, 815 ILCS 505/2.

1037. The Defendants' fraudulent and deceptive acts and practices toward Plaintiff El-Halim included:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to misrepresent CSL as being compliant with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- b. Directing and causing CSL, InfiLaw, and those companies' agents to conceal CSL's noncompliance with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- c. Directing and causing CSL, InfiLaw, and those companies' agents to misrepresent the characteristics and backgrounds of CSL students to prospective students, including Plaintiff El-Halim;
- d. Directing and causing CSL, InfiLaw, and those companies' agents to exaggerate the availability of classes that would be available to Plaintiff El-Halim and other CSL students, which led them to choose CSL yet not receive the substantial benefits they expected, and, more crucially, proximately caused Plaintiff El-Halim to be academically dismissed; and
- e. Misrepresenting to Plaintiff El-Halim his likelihood of succeeding at CSL, graduating, and then passing a bar exam.

1038. El-Halim and other students and potential students relied on their deceptive acts and practices.

1039. As described elsewhere in this Complaint, Defendants' fraudulent and deceptive acts and practices were in the course of their business in establishing and managing equity funds

that purchased or created businesses to generate profits and then sell the business at a profit for investors.

1040. Further, Defendants' fraudulent and deceptive acts and practices were in the course of and affecting commerce, as Plaintiff El-Halim quit gainful employment, took out student loans, paid tuition, purchased books and incurred fees, all in reliance upon the Defendants' representations.

1041. The Defendants' fraudulent and deceptive conduct described above proximately caused damage to Plaintiff El-Halim in that he relied on the deceptive information in deciding to attend and then remain enrolled at CSL, and paid tuition, fees, and dues in order to do so.

1042. Pursuant to the Illinois Consumer Fraud and Deceptive Business Practices Act, Plaintiff El-Halim seeks relief for the Defendants' violations of this statute and a refund of the tuition, interest on loans, books, and fees that Plaintiff El-Halim paid to CSL, which Defendant SFM then siphoned upward to InfiLaw and the Sterling Funds.

1043. Defendants' fraudulent and deceptive conduct as set forth in this cause of action and elsewhere in the Complaint, and as will be further determined through discovery and proven at trial, was the proximate cause of the monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt and loss of professional reputation suffered by Plaintiff El-Halim.

1044. Pursuant to 815 ILCS 505/10a(c), Plaintiff El-Halim is entitled to recover reasonable costs and attorneys' fees.

WHEREFORE, Plaintiff El-Halim, by and through his undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT XXX
Illinois Consumer Fraud and Deceptive Business Practices Act
(Plaintiff Girton against all Defendants)
(alternative claim)

Plaintiff Girton reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1045. Defendants committed fraudulent and deceptive acts and practices, which violate and are prohibited by the Illinois Consumer Fraud and Deceptive Business Practices Act, 815 ILCS 505/2.

1046. The Defendants' fraudulent and deceptive acts and practices toward Plaintiff Girton included:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to conceal CSL's noncompliance with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- b. Temporarily misapplying funds that Plaintiff Girton had borrowed in her own name to CSL's, Corporation's, Holding's, and Defendants' own business purposes;
- c. Misrepresenting the severity of the grading curve that would apply to Plaintiff Girton in her classes, thus causing her to earn lower grades.

1047. Girton and other students and potential students relied on their deceptive acts and practices.

1048. As described elsewhere in this Complaint, Defendants' fraudulent and deceptive acts and practices were in the course of their business in establishing and managing equity funds that purchased or created businesses to generate profits and then sell the business at a profit for investors.

1049. Further, Defendants' fraudulent and deceptive acts and practices were in the course of and affecting commerce, as Plaintiff Girton quit gainful employment, took out student

loans, paid tuition, purchased books and incurred fees, all in reliance upon the Defendants' representations.

1050. The Defendants' fraudulent and deceptive conduct described above proximately caused damage to Plaintiff Girton in that she relied on the deceptive information in deciding to attend and then remain enrolled at CSL, and paid tuition, fees, and dues in order to do so.

1051. Pursuant to the Illinois Consumer Fraud and Deceptive Business Practices Act, Plaintiff Girton seeks relief for the Defendants' violations of this statute and a refund of the tuition, interest on loans, books, and fees that Plaintiff Girton paid to CSL, which Defendant SFM then siphoned upward to InfiLaw and the Sterling Funds.

1052. Defendants' fraudulent and deceptive conduct as set forth in this cause of action and elsewhere in the Complaint, and as will be further determined through discovery and proven at trial, was the proximate cause of the monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt and loss of professional reputation suffered by Plaintiff Girton.

1053. Pursuant to 815 ILCS 505/10a(c), Plaintiff Girton is entitled to recover reasonable costs and attorneys' fees.

WHEREFORE, Plaintiff Girton, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT XXXI
Illinois Consumer Fraud and Deceptive Business Practices Act
(Plaintiff Hammond against all Defendants)
(alternative claim)

Plaintiff Hammond reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1054. Defendants committed fraudulent and deceptive acts and practices, which violate and are prohibited by the Illinois Consumer Fraud and Deceptive Business Practices Act, 815 ILCS 505/2.

1055. The Defendants' fraudulent and deceptive acts and practices toward Plaintiff Hammond included:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to misrepresent CSL as being compliant with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards; and
- b. Directing and causing CSL, InfiLaw, and those companies' agents to conceal CSL's noncompliance with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards.

1056. Plaintiff Hammond and other students and potential students relied on their deceptive acts and practices.

1057. As described elsewhere in this Complaint, Defendants' fraudulent and deceptive acts and practices were in the course of their business in establishing and managing equity funds that purchased or created businesses to generate profits and then sell the business at a profit for investors.

1058. Further, Defendants' fraudulent and deceptive acts and practices were in the course of and affecting commerce, as Plaintiff Hammond quit gainful employment, took out student loans, paid tuition, purchased books and incurred fees, all in reliance upon the Defendants' representations.

1059. The Defendants' fraudulent and deceptive conduct described above proximately caused damage to Plaintiff Hammond in that she relied on the deceptive information in deciding to attend and then remain enrolled at CSL, and paid tuition, fees, and dues in order to do so.

1060. Pursuant to the Illinois Consumer Fraud and Deceptive Business Practices Act, Plaintiff Hammond seeks relief for the Defendants' violations of this statute and a refund of the

tuition, interest on loans, books, and fees that Plaintiff Hammond paid to CSL, which Defendant SFM then siphoned upward to InfiLaw and the Sterling Funds.

1061. Defendants' fraudulent and deceptive conduct as set forth in this cause of action and elsewhere in the Complaint, and as will be further determined through discovery and proven at trial, was the proximate cause of the monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt and loss of professional reputation suffered by Plaintiff Hammond.

1062. Pursuant to 815 ILCS 505/10a(c), Plaintiff Hammond is entitled to recover reasonable costs and attorneys' fees.

WHEREFORE, Plaintiff Hammond, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT XXXII
Illinois Consumer Fraud and Deceptive Business Practices Act
(Plaintiff King against all Defendants)
(alternative claim)

Plaintiff King reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1063. Defendants committed fraudulent and deceptive acts and practices, which violate and are prohibited by the Illinois Consumer Fraud and Deceptive Business Practices Act, 815 ILCS 505/2.

1064. The Defendants' fraudulent and deceptive acts and practices toward Plaintiff King included:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to conceal CSL's noncompliance with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;

- b. Directing and causing CSL, InfiLaw, and those companies' agents to overstate the bar-passage rates for CSL graduates; and
- c. Directing and causing CSL, InfiLaw, and those companies' agents to pay low-performing students to defer taking the exam, resulting in the inflation of CSL's aggregate bar-passage rates.

1065. King and other students and potential students relied on their deceptive acts and practices.

1066. As described elsewhere in this Complaint, Defendants' fraudulent and deceptive acts and practices were in the course of their business in establishing and managing equity funds that purchased or created businesses to generate profits and then sell the business at a profit for investors.

1067. Further, Defendants' fraudulent and deceptive acts and practices were in the course of and affecting commerce, as Plaintiff King quit gainful employment, took out student loans, paid tuition, purchased books and incurred fees, all in reliance upon the Defendants' representations.

1068. The Defendants' fraudulent and deceptive conduct described above proximately caused damage to Plaintiff King in that she relied on the deceptive information in deciding to attend and then remain enrolled at CSL, and paid tuition, fees, and dues in order to do so.

1069. Pursuant to the Illinois Consumer Fraud and Deceptive Business Practices Act, Plaintiff King seeks relief for the Defendants' violations of this statute and a refund of the tuition, interest on loans, books, and fees that Plaintiff King paid to CSL, which Defendant SFM then siphoned upward to InfiLaw and the Sterling Funds.

1070. Defendants' fraudulent and deceptive conduct as set forth in this cause of action and elsewhere in the Complaint, and as will be further determined through discovery and proven at trial, was the proximate cause of the monetary loss, loss of income, loss of employment

opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt and loss of professional reputation suffered by Plaintiff King.

1071. Pursuant to 815 ILCS 505/10a(c), Plaintiff King is entitled to recover reasonable costs and attorneys' fees.

WHEREFORE, Plaintiff King, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT XXXIII
Illinois Consumer Fraud and Deceptive Business Practices Act
(Plaintiff Levy against all Defendants)
(alternative claim)

Plaintiff Levy reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1072. Defendants committed fraudulent and deceptive acts and practices, which violate and are prohibited by the Illinois Consumer Fraud and Deceptive Business Practices Act, 815 ILCS 505/2.

1073. The Defendants' fraudulent and deceptive acts and practices toward Plaintiff Levy included:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to conceal CSL's noncompliance with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- b. Directing and causing CSL, InfiLaw, and those companies' agents to overstate bar-passage rates for CSL graduates; and
- c. Directing and causing CSL, InfiLaw, and those companies' agents to pay low-performing students to defer taking the exam, resulting in the inflation of CSL's aggregate bar-passage rates.

1074. Levy and other students and potential students relied on their deceptive acts and practices.

1075. As described elsewhere in this Complaint, Defendants' fraudulent and deceptive acts and practices were in the course of their business in establishing and managing equity funds that purchased or created businesses to generate profits and then sell the business at a profit for investors.

1076. Further, Defendants' fraudulent and deceptive acts and practices were in the course of and affecting commerce, as Plaintiff Levy quit gainful employment, took out student loans, paid tuition, purchased books and incurred fees, all in reliance upon the Defendants' representations.

1077. The Defendants' fraudulent and deceptive conduct described above proximately caused damage to Plaintiff Levy in that she relied on the deceptive information in deciding to attend and then remain enrolled at CSL, and paid tuition, fees, and dues in order to do so.

1078. Pursuant to the Illinois Consumer Fraud and Deceptive Business Practices Act, Plaintiff Levy seeks relief for the Defendants' violations of this statute and a refund of the tuition, interest on loans, books, and fees that Plaintiff Levy paid to CSL, which Defendant SFM then siphoned upward to InfiLaw and the Sterling Funds.

1079. Defendants' fraudulent and deceptive conduct as set forth in this cause of action and elsewhere in the Complaint, and as will be further determined through discovery and proven at trial, was the proximate cause of the monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt and loss of professional reputation suffered by Plaintiff Levy.

1080. Pursuant to 815 ILCS 505/10a(c), Plaintiff Levy is entitled to recover reasonable costs and attorneys' fees.

WHEREFORE, Plaintiff Levy, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT XXXIV
Illinois Consumer Fraud and Deceptive Business Practices Act
(Plaintiff Louis-Jean against all Defendants)
(alternative claim)

Plaintiff Louis-Jean reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1081. Defendants committed fraudulent and deceptive acts and practices, which violate and are prohibited by the Illinois Consumer Fraud and Deceptive Business Practices Act, 815 ILCS 505/2.

1082. The Defendants' fraudulent and deceptive acts and practices toward Plaintiff Louis-Jean included:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to conceal CSL's noncompliance with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- b. Directing and causing CSL, InfiLaw, and those companies' agents to exaggerate and misrepresent the availability of law clinics available to Plaintiff Louis-Jean and other CSL students, which led them to choose CSL yet not receive the substantial benefits they expected; and
- c. Intentionally and willfully delaying the provision of Plaintiff Louis-Jean's transcript and other materials to law schools where she was attempting to transfer, thus thwarting her attempts and keeping her at CSL for another semester.

1083. Louis-Jean and other students and potential students relied on their deceptive acts and practices.

1084. As described elsewhere in this Complaint, Defendants' fraudulent and deceptive acts and practices were in the course of their business in establishing and managing equity funds

that purchased or created businesses to generate profits and then sell the business at a profit for investors.

1085. Further, Defendants' fraudulent and deceptive acts and practices were in the course of and affecting commerce, as Plaintiff Louis-Jean quit gainful employment, took out student loans, paid tuition, purchased books and incurred fees, all in reliance upon the Defendants' representations.

1086. The Defendants' fraudulent and deceptive conduct described above proximately caused damage to Plaintiff Louis-Jean in that she relied on the deceptive information in deciding to attend and then remain enrolled at CSL, and paid tuition, fees, and dues in order to do so.

1087. Pursuant to the Illinois Consumer Fraud and Deceptive Business Practices Act, Plaintiff Louis-Jean seeks relief for the Defendants' violations of this statute and a refund of the tuition, interest on loans, books, and fees that Plaintiff Louis-Jean paid to CSL, which Defendant SFM then siphoned upward to InfiLaw and the Sterling Funds.

1088. Defendants' fraudulent and deceptive conduct as set forth in this cause of action and elsewhere in the Complaint, and as will be further determined through discovery and proven at trial, was the proximate cause of the monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt and loss of professional reputation suffered by Plaintiff Louis-Jean.

1089. Pursuant to 815 ILCS 505/10a(c), Plaintiff Louis-Jean is entitled to recover reasonable costs and attorneys' fees.

WHEREFORE, Plaintiff Louis-Jean, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT XXXV
Illinois Consumer Fraud and Deceptive Business Practices Act
(Plaintiff McGee against all Defendants)
(alternative claim)

Plaintiff McGee reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1090. Defendants committed fraudulent and deceptive acts and practices, which violate and are prohibited by the Illinois Consumer Fraud and Deceptive Business Practices Act, 815 ILCS 505/2.

1091. The Defendants' fraudulent and deceptive acts and practices toward Plaintiff McGee included:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to conceal CSL's noncompliance with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;

1092. McGee and other students and potential students relied on their deceptive acts and practices.

1093. As described elsewhere in this Complaint, Defendants' fraudulent and deceptive acts and practices were in the course of their business in establishing and managing equity funds that purchased or created businesses to generate profits and then sell the business at a profit for investors.

1094. Further, Defendants' fraudulent and deceptive acts and practices were in the course of and affecting commerce, as Plaintiff McGee quit gainful employment, took out student loans, paid tuition, purchased books and incurred fees, all in reliance upon the Defendants' representations.

1095. The Defendants' fraudulent and deceptive conduct described above proximately caused damage to Plaintiff McGee in that she relied on the deceptive information in deciding to attend and then remain enrolled at CSL, and paid tuition, fees, and dues in order to do so.

1096. Pursuant to the Illinois Consumer Fraud and Deceptive Business Practices Act, Plaintiff McGee seeks relief for the Defendants' violations of this statute and a refund of the tuition, interest on loans, books, and fees that Plaintiff McGee paid to CSL, which Defendant SFM then siphoned upward to InfiLaw and the Sterling Funds.

1097. Defendants' fraudulent and deceptive conduct as set forth in this cause of action and elsewhere in the Complaint, and as will be further determined through discovery and proven at trial, was the proximate cause of the monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt and loss of professional reputation suffered by Plaintiff McGee.

1098. Pursuant to 815 ILCS 505/10a(c), Plaintiff McGee is entitled to recover reasonable costs and attorneys' fees.

WHEREFORE, Plaintiff McGee, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT XXXVI
Illinois Consumer Fraud and Deceptive Business Practices Act
(Plaintiff McGinnas against all Defendants)
(alternative claim)

Plaintiff McGinnas reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1099. Defendants committed fraudulent and deceptive acts and practices, which violate and are prohibited by the Illinois Consumer Fraud and Deceptive Business Practices Act, 815 ILCS 505/2.

1100. The Defendants' fraudulent and deceptive acts and practices toward Plaintiff McGinnas included:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to conceal CSL's noncompliance with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- b. Directing and causing CSL, InfiLaw, and those companies' agents to overstate the bar-passage rates for CSL graduates;
- c. Directing and causing CSL, InfiLaw, and those companies' agents to pay low-performing students to defer taking the exam, resulting in the inflation of CSL's aggregate bar-passage rates;
- d. Intentionally misapplying loans in Plaintiff McGinnas's name to their own business purposes and the business purposes of the subsidiaries they controlled.

1101. McGinnas and other students and potential students relied on their deceptive acts and practices.

1102. As described elsewhere in this Complaint, Defendants' fraudulent and deceptive acts and practices were in the course of their business in establishing and managing equity funds that purchased or created businesses to generate profits and then sell the business at a profit for investors.

1103. Further, Defendants' fraudulent and deceptive acts and practices were in the course of and affecting commerce, as Plaintiff McGinnas quit gainful employment, took out student loans, paid tuition, purchased books and incurred fees, all in reliance upon the Defendants' representations.

1104. The Defendants' fraudulent and deceptive conduct described above proximately caused damage to Plaintiff McGinnas in that she relied on the deceptive information in deciding to attend and then remain enrolled at CSL, and paid tuition, fees, and dues in order to do so.

1105. Pursuant to the Illinois Consumer Fraud and Deceptive Business Practices Act, Plaintiff McGinnas seeks relief for the Defendants' violations of this statute and a refund of the tuition, interest on loans, books, and fees that Plaintiff McGinnas paid to CSL, which Defendant SFM then siphoned upward to InfiLaw and the Sterling Funds.

1106. Defendants' fraudulent and deceptive conduct as set forth in this cause of action and elsewhere in the Complaint, and as will be further determined through discovery and proven at trial, was the proximate cause of the monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt and loss of professional reputation suffered by Plaintiff McGinnas.

1107. Pursuant to 815 ILCS 505/10a(c), Plaintiff McGinnas is entitled to recover reasonable costs and attorneys' fees.

WHEREFORE, Plaintiff McGinnas, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT XXXVII
Illinois Consumer Fraud and Deceptive Business Practices Act
(Plaintiff Merritt against all Defendants)
(alternative claim)

Plaintiff Merritt reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1108. Defendants committed fraudulent and deceptive acts and practices, which violate and are prohibited by the Illinois Consumer Fraud and Deceptive Business Practices Act, 815 ILCS 505/2.

1109. The Defendants' fraudulent and deceptive acts and practices toward Plaintiff Merritt included:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to misrepresent CSL as being compliant with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- b. Directing and causing CSL, InfiLaw, and those companies' agents to conceal CSL's noncompliance with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- c. Directing and causing CSL, InfiLaw, and those companies' agents to overstate the bar-passage rates for CSL graduates;
- d. Directing and causing CSL, InfiLaw, and those companies' agents to pay low-performing students to defer taking the exam, resulting in the inflation of CSL's aggregate bar-passage rates;
- e. Directing and causing CSL, InfiLaw, and those companies' agents to exaggerate the availability of academic support services available to Plaintiff Merritt and other CSL students, which led them to choose CSL yet not receive the substantial benefits they expected, and, more crucially, proximately caused Plaintiff Merritt to be academically dismissed;
- f. Recruiting and admitting Plaintiff Merritt while knowing, based on her LSAT score and other information in her application, as well as CSL's own grading policies, that she was likely to be academically dismissed; and
- g. Misrepresenting to Plaintiff Merritt their belief about her likelihood of succeeding at CSL, graduating, and then passing a bar exam.

1110. Merritt and other students and potential students relied on their deceptive acts and practices.

1111. As described elsewhere in this Complaint, Defendants' fraudulent and deceptive acts and practices were in the course of their business in establishing and managing equity funds

that purchased or created businesses to generate profits and then sell the business at a profit for investors.

1112. Further, Defendants' fraudulent and deceptive acts and practices were in the course of and affecting commerce, as Plaintiff Merritt quit gainful employment, took out student loans, paid tuition, purchased books and incurred fees, all in reliance upon the Defendants' representations.

1113. The Defendants' fraudulent and deceptive conduct described above proximately caused damage to Plaintiff Merritt in that she relied on the deceptive information in deciding to attend and then remain enrolled at CSL, and paid tuition, fees, and dues in order to do so.

1114. Pursuant to the Illinois Consumer Fraud and Deceptive Business Practices Act, Plaintiff Merritt seeks relief for the Defendants' violations of this statute and a refund of the tuition, interest on loans, books, and fees that Plaintiff Merritt paid to CSL, which Defendant SFM then siphoned upward to InfiLaw and the Sterling Funds.

1115. Defendants' fraudulent and deceptive conduct as set forth in this cause of action and elsewhere in the Complaint, and as will be further determined through discovery and proven at trial, was the proximate cause of the monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt and loss of professional reputation suffered by Plaintiff Merritt.

1116. Pursuant to 815 ILCS 505/10a(c), Plaintiff Merritt is entitled to recover reasonable costs and attorneys' fees.

WHEREFORE, Plaintiff Merritt, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT XXXVIII
Illinois Consumer Fraud and Deceptive Business Practices Act
(Plaintiff Mishko against all Defendants)
(alternative claim)

Plaintiff Mishko reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1117. Defendants committed fraudulent and deceptive acts and practices, which violate and are prohibited by the Illinois Consumer Fraud and Deceptive Business Practices Act, 815 ILCS 505/2.

1118. The Defendants' fraudulent and deceptive acts and practices toward Plaintiff Mishko included:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to misrepresent CSL as being compliant with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- b. Directing and causing CSL, InfiLaw, and those companies' agents to conceal CSL's noncompliance with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- c. Directing and causing CSL, InfiLaw, and those companies' agents to overstate the bar-passage rates for CSL graduates;
- d. Directing and causing CSL, InfiLaw, and those companies' agents to pay low-performing students to defer taking the exam, resulting in the inflation of CSL's aggregate bar-passage rates; and
- e. Directing and causing CSL, InfiLaw, and those companies' agents to misrepresent the success that CSL students enjoyed in competitions with other law schools.

1119. Mishko and other students and potential students relied on their deceptive acts and practices.

1120. As described elsewhere in this Complaint, Defendants' fraudulent and deceptive acts and practices were in the course of their business in establishing and managing equity funds that purchased or created businesses to generate profits and then sell the business at a profit for investors.

1121. Further, Defendants' fraudulent and deceptive acts and practices were in the course of and affecting commerce, as Plaintiff Mishko quit gainful employment, took out student loans, paid tuition, purchased books and incurred fees, all in reliance upon the Defendants' representations.

1122. The Defendants' fraudulent and deceptive conduct described above proximately caused damage to Plaintiff Mishko in that she relied on the deceptive information in deciding to attend and then remain enrolled at CSL, and paid tuition, fees, and dues in order to do so.

1123. Pursuant to the Illinois Consumer Fraud and Deceptive Business Practices Act, Plaintiff Mishko seeks relief for the Defendants' violations of this statute and a refund of the tuition, interest on loans, books, and fees that Plaintiff Mishko paid to CSL, which Defendant SFM then siphoned upward to InfiLaw and the Sterling Funds.

1124. Defendants' fraudulent and deceptive conduct as set forth in this cause of action and elsewhere in the Complaint, and as will be further determined through discovery and proven at trial, was the proximate cause of the monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt and loss of professional reputation suffered by Plaintiff Mishko.

1125. Pursuant to 815 ILCS 505/10a(c), Plaintiff Mishko is entitled to recover reasonable costs and attorneys' fees.

WHEREFORE, Plaintiff Mishko, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT XXXIX
Illinois Consumer Fraud and Deceptive Business Practices Act
(Plaintiff Pappas against all Defendants)
(alternative claim)

Plaintiff Pappas reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1126. Defendants committed fraudulent and deceptive acts and practices, which violate and are prohibited by the Illinois Consumer Fraud and Deceptive Business Practices Act, 815 ILCS 505/2.

1127. The Defendants' fraudulent and deceptive acts and practices toward Plaintiff Pappas included:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to misrepresent CSL as being compliant with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- b. Directing and causing CSL, InfiLaw, and those companies' agents to conceal CSL's noncompliance with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- c. Directing and causing CSL, InfiLaw, and those companies' agents to overstate the bar-passage rates for CSL graduates;
- d. Directing and causing CSL, InfiLaw, and those companies' agents to pay low-performing students to defer taking the exam, resulting in the inflation of CSL's aggregate bar-passage rates;
- e. Recruiting and admitting Plaintiff Pappas while knowing, based on her LSAT score and other information in her application, as well as CSL's own grading policies, that she was likely to be academically dismissed;
- f. Misrepresenting to Plaintiff Pappas their belief about her likelihood of succeeding at CSL, graduating, and then passing a bar exam;
- g. Misrepresenting the severity of the grading curve that would apply to Plaintiff Pappas in her classes, thus causing her to earn lower grades and be academically dismissed; and
- h. Misrepresenting Plaintiff Pappas's ability to avoid academic dismissal by raising her grade-point average in the summer 2016 term.

1128. Pappas and other students and potential students relied on their deceptive acts and practices.

1129. As described elsewhere in this Complaint, Defendants' fraudulent and deceptive acts and practices were in the course of their business in establishing and managing equity funds that purchased or created businesses to generate profits and then sell the business at a profit for investors.

1130. Further, Defendants' fraudulent and deceptive acts and practices were in the course of and affecting commerce, as Plaintiff Pappas quit gainful employment, took out student loans, paid tuition, purchased books and incurred fees, all in reliance upon the Defendants' representations.

1131. The Defendants' fraudulent and deceptive conduct described above proximately caused damage to Plaintiff Pappas in that she relied on the deceptive information in deciding to attend and then remain enrolled at CSL, and paid tuition, fees, and dues in order to do so.

1132. Pursuant to the Illinois Consumer Fraud and Deceptive Business Practices Act, Plaintiff Pappas seeks relief for the Defendants' violations of this statute and a refund of the tuition, interest on loans, books, and fees that Plaintiff Pappas paid to CSL, which Defendant SFM then siphoned upward to InfiLaw and the Sterling Funds.

1133. Defendants' fraudulent and deceptive conduct as set forth in this cause of action and elsewhere in the Complaint, and as will be further determined through discovery and proven at trial, was the proximate cause of the monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt and loss of professional reputation suffered by Plaintiff Pappas.

1134. Pursuant to 815 ILCS 505/10a(c), Plaintiff Pappas is entitled to recover reasonable costs and attorneys' fees.

WHEREFORE, Plaintiff Pappas, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT XL
Illinois Consumer Fraud and Deceptive Business Practices Act
(Plaintiff Pardo against all Defendants)
(alternative claim)

Plaintiff Pardo reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1135. Defendants committed fraudulent and deceptive acts and practices, which violate and are prohibited by the Illinois Consumer Fraud and Deceptive Business Practices Act, 815 ILCS 505/2.

1136. The Defendants' fraudulent and deceptive acts and practices toward Plaintiff Pardo included:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to conceal CSL's noncompliance with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards; and
- b. Directing and causing CSL, InfiLaw, and those companies' agents to exaggerate the availability of academic support services available to Plaintiff Pardo and other CSL students, which led them to choose CSL yet not receive the substantial benefits they expected.

1137. Pardo and other students and potential students relied on their deceptive acts and practices.

1138. As described elsewhere in this Complaint, Defendants' fraudulent and deceptive acts and practices were in the course of their business in establishing and managing equity funds

that purchased or created businesses to generate profits and then sell the business at a profit for investors.

1139. Further, Defendants' fraudulent and deceptive acts and practices were in the course of and affecting commerce, as Plaintiff Pardo quit gainful employment, took out student loans, paid tuition, purchased books and incurred fees, all in reliance upon the Defendants' representations.

1140. The Defendants' fraudulent and deceptive conduct described above proximately caused damage to Plaintiff Pardo in that she relied on the deceptive information in deciding to attend and then remain enrolled at CSL, and paid tuition, fees, and dues in order to do so.

1141. Pursuant to the Illinois Consumer Fraud and Deceptive Business Practices Act, Plaintiff Pardo seeks relief for the Defendants' violations of this statute and a refund of the tuition, interest on loans, books, and fees that Plaintiff Pardo paid to CSL, which Defendant SFM then siphoned upward to InfiLaw and the Sterling Funds.

1142. Defendants' fraudulent and deceptive conduct as set forth in this cause of action and elsewhere in the Complaint, and as will be further determined through discovery and proven at trial, was the proximate cause of the monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt and loss of professional reputation suffered by Plaintiff Pardo.

1143. Pursuant to 815 ILCS 505/10a(c), Plaintiff Pardo is entitled to recover reasonable costs and attorneys' fees.

WHEREFORE, Plaintiff Pardo, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT XLI
Illinois Consumer Fraud and Deceptive Business Practices Act
(Plaintiff Sastoque against all Defendants)
(alternative claim)

Plaintiff Sastoque reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1144. Defendants committed fraudulent and deceptive acts and practices, which violate and are prohibited by the Illinois Consumer Fraud and Deceptive Business Practices Act, 815 ILCS 505/2.

1145. The Defendants' fraudulent and deceptive acts and practices toward Plaintiff Sastoque included:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to conceal CSL's noncompliance with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- b. Recruiting and admitting Plaintiff Sastoque while knowing, based on her LSAT score and other information in her application, as well as CSL's own grading policies, that she was unlikely to be pass a bar exam;
- c. Misrepresenting to Plaintiff Sastoque their belief about her likelihood of succeeding at CSL, graduating, and then passing a bar exam; and
- d. Temporarily misapplying funds that Plaintiff Sharon had borrowed in her own name to CSL's, Corporation's, Holding's, and Defendants' own business purposes.

1146. Sastoque and other students and potential students relied on their deceptive acts and practices.

1147. As described elsewhere in this Complaint, Defendants' fraudulent and deceptive acts and practices were in the course of their business in establishing and managing equity funds that purchased or created businesses to generate profits and then sell the business at a profit for investors.

1148. Further, Defendants' fraudulent and deceptive acts and practices were in the course of and affecting commerce, as Plaintiff Sastoque quit gainful employment, took out student loans, paid tuition, purchased books and incurred fees, all in reliance upon the Defendants' representations.

1149. The Defendants' fraudulent and deceptive conduct described above proximately caused damage to Plaintiff Sastoque in that she relied on the deceptive information in deciding to attend and then remain enrolled at CSL, and paid tuition, fees, and dues in order to do so.

1150. Pursuant to the Illinois Consumer Fraud and Deceptive Business Practices Act, Plaintiff Sastoque seeks relief for the Defendants' violations of this statute and a refund of the tuition, interest on loans, books, and fees that Plaintiff Sastoque paid to CSL, which Defendant SFM then siphoned upward to InfiLaw and the Sterling Funds.

1151. Defendants' fraudulent and deceptive conduct as set forth in this cause of action and elsewhere in the Complaint, and as will be further determined through discovery and proven at trial, was the proximate cause of the monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt and loss of professional reputation suffered by Plaintiff Sastoque.

1152. Pursuant to 815 ILCS 505/10a(c), Plaintiff Sastoque is entitled to recover reasonable costs and attorneys' fees.

WHEREFORE, Plaintiff Sastoque, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT XLII
Illinois Consumer Fraud and Deceptive Business Practices Act
(Plaintiff Sharon against all Defendants)
(alternative claim)

Plaintiff Sharon reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1153. Defendants committed fraudulent and deceptive acts and practices, which violate and are prohibited by the Illinois Consumer Fraud and Deceptive Business Practices Act, 815 ILCS 505/2.

1154. The Defendants' fraudulent and deceptive acts and practices toward Plaintiff Sharon included:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to conceal CSL's noncompliance with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- b. Misrepresenting the severity of the grading curve that would apply to Plaintiff Sharon in her classes, thus causing her to earn lower grades and lose her scholarship;
- c. Packing scholarship recipients into the same class sections, without telling them, a practice that caused Sharon and others to lose scholarship eligibility; and
- d. Temporarily misapplying funds that Plaintiff Sharon had borrowed in her own name to CSL's, Corporation's, Holding's, and Defendants' own business purposes.

1155. Sharon and other students and potential students relied on their deceptive acts and practices.

1156. As described elsewhere in this Complaint, Defendants' fraudulent and deceptive acts and practices were in the course of their business in establishing and managing equity funds that purchased or created businesses to generate profits and then sell the business at a profit for investors.

1157. Further, Defendants' fraudulent and deceptive acts and practices were in the course of and affecting commerce, as Plaintiff Sharon quit gainful employment, took out student loans, paid tuition, purchased books and incurred fees, all in reliance upon the Defendants' representations.

1158. The Defendants' fraudulent and deceptive conduct described above proximately caused damage to Plaintiff Sharon in that she relied on the deceptive information in deciding to attend and then remain enrolled at CSL, and paid tuition, fees, and dues in order to do so.

1159. Pursuant to the Illinois Consumer Fraud and Deceptive Business Practices Act, Plaintiff Sharon seeks relief for the Defendants' violations of this statute and a refund of the tuition, interest on loans, books, and fees that Plaintiff Sharon paid to CSL, which Defendant SFM then siphoned upward to InfiLaw and the Sterling Funds.

1160. Defendants' fraudulent and deceptive conduct as set forth in this cause of action and elsewhere in the Complaint, and as will be further determined through discovery and proven at trial, was the proximate cause of the monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt and loss of professional reputation suffered by Plaintiff Sharon.

1161. Pursuant to 815 ILCS 505/10a(c), Plaintiff Sharon is entitled to recover reasonable costs and attorneys' fees.

WHEREFORE, Plaintiff Sharon, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT XLIII
Illinois Consumer Fraud and Deceptive Business Practices Act
(Plaintiff Stiles against all Defendants)
(alternative claim)

Plaintiff Stiles reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1162. Defendants committed fraudulent and deceptive acts and practices, which violate and are prohibited by the Illinois Consumer Fraud and Deceptive Business Practices Act, 815 ILCS 505/2.

1163. The Defendants' fraudulent and deceptive acts and practices toward Plaintiff Stiles included:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to misrepresent CSL as being compliant with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- b. Directing and causing CSL, InfiLaw, and those companies' agents to conceal CSL's noncompliance with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- c. Directing and causing CSL, InfiLaw, and those companies' agents to overstate the bar-passage rates for CSL graduates;
- d. Directing and causing CSL, InfiLaw, and those companies' agents to pay low-performing students to defer taking the exam, resulting in the inflation of CSL's aggregate bar-passage rates;
- e. Structuring grades and grading curves with the purpose of preventing Plaintiff Stiles and other students from transferring to different law schools;
- f. Misrepresenting to Plaintiff Stiles the possibility he could be adversely impacted by regulatory action of the sort taken by the ABA and the DoE.

1164. Stiles and other students and potential students relied on their deceptive acts and practices.

1165. As described elsewhere in this Complaint, Defendants' fraudulent and deceptive acts and practices were in the course of their business in establishing and managing equity funds

that purchased or created businesses to generate profits and then sell the business at a profit for investors.

1166. Further, Defendants' fraudulent and deceptive acts and practices were in the course of and affecting commerce, as Plaintiff Stiles quit gainful employment, took out student loans, paid tuition, purchased books and incurred fees, all in reliance upon the Defendants' representations.

1167. The Defendants' fraudulent and deceptive conduct described above proximately caused damage to Plaintiff Stiles in that he relied on the deceptive information in deciding to attend and then remain enrolled at CSL, and paid tuition, fees, and dues in order to do so.

1168. Pursuant to the Illinois Consumer Fraud and Deceptive Business Practices Act, Plaintiff Stiles seeks relief for the Defendants' violations of this statute and a refund of the tuition, interest on loans, books, and fees that Plaintiff Stiles paid to CSL, which Defendant SFM then siphoned upward to InfiLaw and the Sterling Funds.

1169. Defendants' fraudulent and deceptive conduct as set forth in this cause of action and elsewhere in the Complaint, and as will be further determined through discovery and proven at trial, was the proximate cause of the monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt and loss of professional reputation suffered by Plaintiff Stiles.

1170. Pursuant to 815 ILCS 505/10a(c), Plaintiff Stiles is entitled to recover reasonable costs and attorneys' fees.

WHEREFORE, Plaintiff Stiles, by and through his undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT XLIV
Illinois Consumer Fraud and Deceptive Business Practices Act
(Plaintiff Taraschi against all Defendants)
(alternative claim)

Plaintiff Taraschi reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1171. Defendants committed fraudulent and deceptive acts and practices, which violate and are prohibited by the Illinois Consumer Fraud and Deceptive Business Practices Act, 815 ILCS 505/2.

1172. The Defendants' fraudulent and deceptive acts and practices toward Plaintiff Taraschi included:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to misrepresent CSL as being compliant with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- b. Directing and causing CSL, InfiLaw, and those companies' agents to conceal CSL's noncompliance with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- c. Directing and causing CSL, InfiLaw, and those companies' agents to overstate the bar-passage rates for CSL graduates;
- d. Directing and causing CSL, InfiLaw, and those companies' agents to pay low-performing students to defer taking the exam, resulting in the inflation of CSL's aggregate bar-passage rates;
- e. Directing and causing CSL, InfiLaw, and those companies' agents to misrepresent the characteristics and backgrounds of CSL students to prospective students, including Plaintiff Taraschi; and
- f. Withholding Plaintiff Taraschi's transcripts and other materials that Plaintiff Taraschi needed in order to apply to other law schools as a transfer student.

1173. Taraschi and other students and potential students relied on their deceptive acts and practices.

1174. As described elsewhere in this Complaint, Defendants' fraudulent and deceptive acts and practices were in the course of their business in establishing and managing equity funds

that purchased or created businesses to generate profits and then sell the business at a profit for investors.

1175. Further, Defendants' fraudulent and deceptive acts and practices were in the course of and affecting commerce, as Plaintiff Taraschi quit gainful employment, took out student loans, paid tuition, purchased books and incurred fees, all in reliance upon the Defendants' representations.

1176. The Defendants' fraudulent and deceptive conduct described above proximately caused damage to Plaintiff Taraschi in that she relied on the deceptive information in deciding to attend and then remain enrolled at CSL, and paid tuition, fees, and dues in order to do so.

1177. Pursuant to the Illinois Consumer Fraud and Deceptive Business Practices Act, Plaintiff Taraschi seeks relief for the Defendants' violations of this statute and a refund of the tuition, interest on loans, books, and fees that Plaintiff Taraschi paid to CSL, which Defendant SFM then siphoned upward to InfiLaw and the Sterling Funds.

1178. Defendants' fraudulent and deceptive conduct as set forth in this cause of action and elsewhere in the Complaint, and as will be further determined through discovery and proven at trial, was the proximate cause of the monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt and loss of professional reputation suffered by Plaintiff Taraschi.

1179. Pursuant to 815 ILCS 505/10a(c), Plaintiff Taraschi is entitled to recover reasonable costs and attorneys' fees.

WHEREFORE, Plaintiff Taraschi, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT XLV
Illinois Consumer Fraud and Deceptive Business Practices Act
(Plaintiff Terrell against all Defendants)
(alternative claim)

Plaintiff Terrell reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1180. Defendants committed fraudulent and deceptive acts and practices, which violate and are prohibited by the Illinois Consumer Fraud and Deceptive Business Practices Act, 815 ILCS 505/2.

1181. The Defendants' fraudulent and deceptive acts and practices toward Plaintiff Terrell included:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to misrepresent CSL as being compliant with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- b. Directing and causing CSL, InfiLaw, and those companies' agents to conceal CSL's noncompliance with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- c. Directing and causing CSL, InfiLaw, and those companies' agents to overstate the bar-passage rates for CSL graduates;
- d. Directing and causing CSL, InfiLaw, and those companies' agents to pay low-performing students to defer taking the exam, resulting in the inflation of CSL's aggregate bar-passage rates;
- e. Misrepresenting the severity of the grading curve that would apply to Plaintiff Terrell in his classes, thus causing him to earn lower grades and lose his scholarship;
- f. Packing Plaintiff Terrell into classes with other scholarship recipients with no forewarning, thus causing him to earn lower grades and lose his scholarship; and
- g. Knowingly misrepresenting the possibility that CSL might regain its ability to participate in Title IV programs in spring 2017.

1182. Terrell and other students and potential students relied on their deceptive acts and practices.

1183. As described elsewhere in this Complaint, Defendants' fraudulent and deceptive acts and practices were in the course of their business in establishing and managing equity funds that purchased or created businesses to generate profits and then sell the business at a profit for investors.

1184. Further, Defendants' fraudulent and deceptive acts and practices were in the course of and affecting commerce, as Plaintiff Terrell quit gainful employment, took out student loans, paid tuition, purchased books and incurred fees, all in reliance upon the Defendants' representations.

1185. The Defendants' fraudulent and deceptive conduct described above proximately caused damage to Plaintiff Terrell in that he relied on the deceptive information in deciding to attend and then remain enrolled at CSL, and paid tuition, fees, and dues in order to do so.

1186. Pursuant to the Illinois Consumer Fraud and Deceptive Business Practices Act, Plaintiff Terrell seeks relief for the Defendants' violations of this statute and a refund of the tuition, interest on loans, books, and fees that Plaintiff Terrell paid to CSL, which Defendant SFM then siphoned upward to InfiLaw and the Sterling Funds.

1187. Defendants' fraudulent and deceptive conduct as set forth in this cause of action and elsewhere in the Complaint, and as will be further determined through discovery and proven at trial, was the proximate cause of the monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt and loss of professional reputation suffered by Plaintiff Terrell.

1188. Pursuant to 815 ILCS 505/10a(c), Plaintiff Terrell is entitled to recover reasonable costs and attorneys' fees.

WHEREFORE, Plaintiff Terrell, by and through his undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT XLVI
Illinois Consumer Fraud and Deceptive Business Practices Act
(Plaintiff Jasmine Turner against all Defendants)
(alternative claim)

Plaintiff Turner reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1189. Defendants committed fraudulent and deceptive acts and practices, which violate and are prohibited by the Illinois Consumer Fraud and Deceptive Business Practices Act, 815 ILCS 505/2.

1190. The Defendants' fraudulent and deceptive acts and practices toward Plaintiff Jasmine Turner included:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to misrepresent CSL as being compliant with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- b. Directing and causing CSL, InfiLaw, and those companies' agents to conceal CSL's noncompliance with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- c. Recruiting and admitting Plaintiff Jasmine Turner while knowing, based on her LSAT score and other information in her application, as well as CSL's own grading policies, that she was likely to be academically dismissed;
- d. Misrepresenting to Plaintiff Jasmine Turner their belief about her likelihood of succeeding at CSL, graduating, and then passing a bar exam;
- e. Misrepresenting the severity of the grading curve that would apply to Plaintiff Jasmine Turner in her classes, thus causing her to earn lower grades and be academically dismissed; and
- f. Withholding Plaintiff Jasmine Turner's transcripts and other materials that Plaintiff Turner needed in order to apply to other law schools as a transfer student.

1191. Jasmine Turner and other students and potential students relied on their deceptive acts and practices.

1192. As described elsewhere in this Complaint, Defendants' fraudulent and deceptive acts and practices were in the course of their business in establishing and managing equity funds that purchased or created businesses to generate profits and then sell the business at a profit for investors.

1193. Further, Defendants' fraudulent and deceptive acts and practices were in the course of and affecting commerce, as Plaintiff Jasmine Turner quit gainful employment, took out student loans, paid tuition, purchased books and incurred fees, all in reliance upon the Defendants' representations.

1194. The Defendants' fraudulent and deceptive conduct described above proximately caused damage to Plaintiff Jasmine Turner in that she relied on the deceptive information in deciding to attend and then remain enrolled at CSL, and paid tuition, fees, and dues in order to do so.

1195. Pursuant to the Illinois Consumer Fraud and Deceptive Business Practices Act, Plaintiff Jasmine Turner seeks relief for the Defendants' violations of this statute and a refund of the tuition, interest on loans, books, and fees that Plaintiff Jasmine Turner paid to CSL, which Defendant SFM then siphoned upward to InfiLaw and the Sterling Funds.

1196. Defendants' fraudulent and deceptive conduct as set forth in this cause of action and elsewhere in the Complaint, and as will be further determined through discovery and proven at trial, was the proximate cause of the monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt and loss of professional reputation suffered by Plaintiff Jasmine Turner.

1197. Pursuant to 815 ILCS 505/10a(c), Plaintiff Jasmine Turner is entitled to recover reasonable costs and attorneys' fees.

WHEREFORE, Plaintiff Jasmine Turner, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT XLVII
Illinois Consumer Fraud and Deceptive Business Practices Act
(Plaintiff Kathryn Turner against all Defendants)
(alternative claim)

Plaintiff Turner reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1198. Defendants committed fraudulent and deceptive acts and practices, which violate and are prohibited by the Illinois Consumer Fraud and Deceptive Business Practices Act, 815 ILCS 505/2.

1199. The Defendants' fraudulent and deceptive acts and practices toward Plaintiff Kathryn Turner included:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to misrepresent CSL as being compliant with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- b. Directing and causing CSL, InfiLaw, and those companies' agents to conceal CSL's noncompliance with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- c. Directing and causing CSL, InfiLaw, and those companies' agents to overstate the bar-passage rates for CSL graduates;
- d. Directing and causing CSL, InfiLaw, and those companies' agents to pay low-performing students to defer taking the exam, resulting in the inflation of CSL's aggregate bar-passage rates;
- e. Temporarily misapplying federal loan proceeds which Plaintiff Kathryn Turner had borrowed in her own name for their own business purposes and for the business purposes of CSL and their other subsidiaries; and

- f. Assigning Kathryn Turner grades for reasons other than academic evaluation, namely, for reasons of keeping her captive to CSL and unable to transfer to a different law school.

1200. Kathryn Turner and other students and potential students relied on their deceptive acts and practices.

1201. As described elsewhere in this Complaint, Defendants' fraudulent and deceptive acts and practices were in the course of their business in establishing and managing equity funds that purchased or created businesses to generate profits and then sell the business at a profit for investors.

1202. Further, Defendants' fraudulent and deceptive acts and practices were in the course of and affecting commerce, as Plaintiff Kathryn Turner quit gainful employment, took out student loans, paid tuition, purchased books and incurred fees, all in reliance upon the Defendants' representations.

1203. The Defendants' fraudulent and deceptive conduct described above proximately caused damage to Plaintiff Kathryn Turner in that she relied on the deceptive information in deciding to attend and then remain enrolled at CSL, and paid tuition, fees, and dues in order to do so.

1204. Pursuant to the Illinois Consumer Fraud and Deceptive Business Practices Act, Plaintiff Kathryn Turner seeks relief for the Defendants' violations of this statute and a refund of the tuition, interest on loans, books, and fees that Plaintiff Kathryn Turner paid to CSL, which Defendant SFM then siphoned upward to InfiLaw and the Sterling Funds.

1205. Defendants' fraudulent and deceptive conduct as set forth in this cause of action and elsewhere in the Complaint, and as will be further determined through discovery and proven at trial, was the proximate cause of the monetary loss, loss of income, loss of employment

opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt and loss of professional reputation suffered by Plaintiff Jamine Turner.

1206. Pursuant to 815 ILCS 505/10a(c), Plaintiff Kathryn Turner is entitled to recover reasonable costs and attorneys' fees.

WHEREFORE, Plaintiff Kathryn Turner, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT XLVIII
Illinois Consumer Fraud and Deceptive Business Practices Act
(Plaintiff Toynette Turner against all Defendants)
(alternative claim)

Plaintiff Turner reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1207. Defendants committed fraudulent and deceptive acts and practices, which violate and are prohibited by the Illinois Consumer Fraud and Deceptive Business Practices Act, 815 ILCS 505/2.

1208. The Defendants' fraudulent and deceptive acts and practices toward Plaintiff Toynette Turner included:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to misrepresent CSL as being compliant with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- b. Directing and causing CSL, InfiLaw, and those companies' agents to conceal CSL's noncompliance with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- c. Directing and causing CSL, InfiLaw, and those companies' agents to overstate the bar-passage rates for CSL graduates;
- d. Directing and causing CSL, InfiLaw, and those companies' agents to pay low-performing students to defer taking the exam, resulting in the inflation of CSL's aggregate bar-passage rates;

- e. Directing and causing CSL, InfiLaw, and those companies' agents to exaggerate the availability of academic support services available to Plaintiff Toynette Turner and other CSL students, which led them to choose CSL yet not receive the substantial benefits they expected, and, more crucially, proximately caused Plaintiff Toynette Turner to be academically dismissed;
- f. Recruiting and admitting Plaintiff Toynette Turner while knowing, based on her LSAT score and other information in her application, as well as CSL's own grading policies, that she was likely to be academically dismissed;
- g. Misrepresenting to Plaintiff Toynette Turner their belief about her likelihood of succeeding at CSL, graduating, and then passing a bar exam; and
- h. Misrepresenting the severity of the grading curve that would apply to Plaintiff Toynette Turner in her classes, thus causing her to earn lower grades and be academically dismissed.

1209. Toynette Turner and other students and potential students relied on their deceptive acts and practices.

1210. As described elsewhere in this Complaint, Defendants' fraudulent and deceptive acts and practices were in the course of their business in establishing and managing equity funds that purchased or created businesses to generate profits and then sell the business at a profit for investors.

1211. Further, Defendants' fraudulent and deceptive acts and practices were in the course of and affecting commerce, as Plaintiff Toynette Turner quit gainful employment, took out student loans, paid tuition, purchased books and incurred fees, all in reliance upon the Defendants' representations.

1212. The Defendants' fraudulent and deceptive conduct described above proximately caused damage to Plaintiff Toynette Turner in that she relied on the deceptive information in deciding to attend and then remain enrolled at CSL, and paid tuition, fees, and dues in order to do so.

1213. Pursuant to the Illinois Consumer Fraud and Deceptive Business Practices Act, Plaintiff Toynette Turner seeks relief for the Defendants' violations of this statute and a refund of the tuition, interest on loans, books, and fees that Plaintiff Toynette Turner paid to CSL, which Defendant SFM then siphoned upward to InfiLaw and the Sterling Funds.

1214. Defendants' fraudulent and deceptive conduct as set forth in this cause of action and elsewhere in the Complaint, and as will be further determined through discovery and proven at trial, was the proximate cause of the monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt and loss of professional reputation suffered by Plaintiff Jamine Turner.

1215. Pursuant to 815 ILCS 505/10a(c), Plaintiff Toynette Turner is entitled to recover reasonable costs and attorneys' fees.

WHEREFORE, Plaintiff Toynette Turner, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT XLIX
Illinois Consumer Fraud and Deceptive Business Practices Act
(Plaintiff Watson against all Defendants)
(alternative claim)

Plaintiff Watson reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1216. Defendants committed fraudulent and deceptive acts and practices, which violate and are prohibited by the Illinois Consumer Fraud and Deceptive Business Practices Act, 815 ILCS 505/2.

1217. The Defendants' fraudulent and deceptive acts and practices toward Plaintiff Watson included:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to misrepresent CSL as being compliant with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- b. Directing and causing CSL, InfiLaw, and those companies' agents to conceal CSL's noncompliance with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- c. Directing and causing CSL, InfiLaw, and those companies' agents to overstate the bar-passage rates for CSL graduates;
- d. Directing and causing CSL, InfiLaw, and those companies' agents to pay low-performing students to defer taking the exam, resulting in the inflation of CSL's aggregate bar-passage rates; and
- e. Misrepresenting the severity of the grading curve that would apply to Plaintiff Watson in her classes, thus causing her to earn lower grades and lose her scholarship.

1218. Watson and other students and potential students relied on their deceptive acts and practices.

1219. As described elsewhere in this Complaint, Defendants' fraudulent and deceptive acts and practices were in the course of their business in establishing and managing equity funds that purchased or created businesses to generate profits and then sell the business at a profit for investors.

1220. Further, Defendants' fraudulent and deceptive acts and practices were in the course of and affecting commerce, as Plaintiff Watson quit gainful employment, took out student loans, paid tuition, purchased books and incurred fees, all in reliance upon the Defendants' representations.

1221. The Defendants' fraudulent and deceptive conduct described above proximately caused damage to Plaintiff Watson in that she relied on the deceptive information in deciding to attend and then remain enrolled at CSL, and paid tuition, fees, and dues in order to do so.

1222. Pursuant to the Illinois Consumer Fraud and Deceptive Business Practices Act, Plaintiff Watson seeks relief for the Defendants' violations of this statute and a refund of the

tuition, interest on loans, books, and fees that Plaintiff Watson paid to CSL, which Defendant SFM then siphoned upward to InfiLaw and the Sterling Funds.

1223. Defendants' fraudulent and deceptive conduct as set forth in this cause of action and elsewhere in the Complaint, and as will be further determined through discovery and proven at trial, was the proximate cause of the monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt and loss of professional reputation suffered by Plaintiff Watson.

1224. Pursuant to 815 ILCS 505/10a(c), Plaintiff Watson is entitled to recover reasonable costs and attorneys' fees.

WHEREFORE, Plaintiff Watson, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT L
Illinois Consumer Fraud and Deceptive Business Practices Act
(Plaintiff Williams against all Defendants)
(alternative claim)

Plaintiff Williams reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1225. Defendants committed fraudulent and deceptive acts and practices, which violate and are prohibited by the Illinois Consumer Fraud and Deceptive Business Practices Act, 815 ILCS 505/2.

1226. The Defendants' fraudulent and deceptive acts and practices toward Plaintiff Williams included:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to conceal CSL's noncompliance with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;

- b. Recruiting and admitting Plaintiff Williams while knowing, based on his LSAT score and other information in her application, as well as CSL's own grading policies, that she was likely to be academically dismissed;
- c. Misrepresenting to Plaintiff Williams his likelihood of succeeding at CSL, graduating, and then passing a bar exam; and
- d. Misrepresenting the severity of the grading curve that would apply to Plaintiff Williams in his classes, thus causing her to earn lower grades and be academically dismissed.

1227. Williams and other students and potential students relied on their deceptive acts and practices.

1228. As described elsewhere in this Complaint, Defendants' fraudulent and deceptive acts and practices were in the course of their business in establishing and managing equity funds that purchased or created businesses to generate profits and then sell the business at a profit for investors.

1229. Further, Defendants' fraudulent and deceptive acts and practices were in the course of and affecting commerce, as Plaintiff Williams quit gainful employment, took out student loans, paid tuition, purchased books and incurred fees, all in reliance upon the Defendants' representations.

1230. The Defendants' fraudulent and deceptive conduct described above proximately caused damage to Plaintiff Williams in that he relied on the deceptive information in deciding to attend and then remain enrolled at CSL, and paid tuition, fees, and dues in order to do so.

1231. Pursuant to the Illinois Consumer Fraud and Deceptive Business Practices Act, Plaintiff Williams seeks relief for the Defendants' violations of this statute and a refund of the tuition, interest on loans, books, and fees that Plaintiff Williams paid to CSL, which Defendant SFM then siphoned upward to InfiLaw and the Sterling Funds.

1232. Defendants' fraudulent and deceptive conduct as set forth in this cause of action and elsewhere in the Complaint, and as will be further determined through discovery and proven at trial, was the proximate cause of the monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt and loss of professional reputation suffered by Plaintiff Williams.

1233. Pursuant to 815 ILCS 505/10a(c), Plaintiff Williams is entitled to recover reasonable costs and attorneys' fees.

WHEREFORE, Plaintiff Williams, by and through his undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT LI
Fraudulent Misrepresentation
(Plaintiff Bryan against all Defendants)

Plaintiff Bryan reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1234. The Defendant Sterling Entities, both directly by Defendant SFM and through the subsidiaries Holding, Corporation, and CSL, which were dominated and controlled by the Sterling Funds and SFM, made false representations to Plaintiff Bryan as described elsewhere in this Complaint, including:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to misrepresent CSL's noncompliance with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- b. Directing and causing CSL, InfiLaw, and those companies' agents to overstate the bar-passage rates for CSL graduates; and
- c. Directing and causing CSL, InfiLaw, and those companies' agents to pay low-performing students to defer taking the exam, resulting in the inflation of CSL's aggregate bar-passage rates.

1235. As described elsewhere in this Complaint, these representations were false. To wit, CSL was out of compliance with ABA Standards throughout 2015 and 2016.

1236. CSL and InfiLaw made these misrepresentations intentionally, fraudulently, and with reckless disregard for their truth or falsity, and at the deliberate direction of Defendant SFM.

1237. CSL and InfiLaw made these representations at Defendant SFM's direction with no intention of performing their promises to, *inter alia*, continue to provide financial aid or academic support services to students.

1238. CSL and InfiLaw, at Defendant SFM's direction, deliberately misled Plaintiff Bryan to induce her to enroll in and to continue enrollment in CSL's JD program and to pay tuition for the program.

1239. These intentional misrepresentations were material representations upon which Plaintiff Bryan reasonably relied in enrolling and continuing enrollment in CSL's JD program, thereby causing Plaintiff Bryan to assume student loans, pay tuition for the program, and incur out-of-pocket expenses.

1240. Plaintiff Bryan was in fact deceived by the misrepresentations of the Sterling Funds' subsidiaries, CSL and InfiLaw, made at Defendant SFM's direction. Relying upon these representations of material facts, Plaintiff Bryan enrolled in and continued her enrollment in the JD program at CSL. Plaintiff Bryan paid tuition, expenses and fees, and further lost opportunities to transfer when Plaintiff Bryan remained at CSL. The representations and omissions of Defendant SFM and the subsidiaries dominated and controlled by the Sterling Funds were false and concerned material facts.

1241. These representations were reasonably calculated to deceive Plaintiff Bryan and other students and potential students. Further, these representations were made intentionally and knowingly by the Defendants, both directly by Defendant SFM and through the subsidiaries that the Sterling Funds dominated and controlled, with the intent to mislead and deceive Plaintiff Bryan; to prevent or delay Plaintiff Bryan from transferring to a law school which was ABA-compliant and where Plaintiff Bryan could receive financial aid; and to ensure Plaintiff Bryan paid additional tuition, fees and expenses to CSL and InfiLaw while Plaintiff Bryan remained in the CSL JD program.

1242. Plaintiff Bryan actually relied upon these statements of material facts and has suffered damages as a result of her reliance. Plaintiff Bryan invested time and money into the CSL JD program and has incurred loan obligations which will need to be repaid with interest. Plaintiff Bryan lost academic credits from CSL's contrived curriculum in transferring to a different institution to complete her JD degree.

1243. As a result of the Defendants' fraudulent misrepresentations set forth above, Plaintiff Bryan suffered and will continue to suffer monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt, emotional pain, inconvenience, mental anguish, interference with family relationships, personal embarrassment, humiliation, loss of enjoyment of life, and loss of professional reputation.

1244. As a result, Plaintiff Bryan is entitled to recover the damages she sustained as a result of the Defendants' conduct.

WHEREFORE, Plaintiff Bryan, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT LII
Fraudulent Misrepresentation
(Plaintiff Calhoun against all Defendants)

Plaintiff Calhoun reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1245. The Defendant Sterling Entities, both directly by Defendant SFM and through the subsidiaries Holding, Corporation, and CSL, which were dominated and controlled by the Sterling Funds and SFM, made false representations to Plaintiff Calhoun as described elsewhere in this Complaint, including:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to misrepresent CSL as being compliant with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- b. Directing and causing CSL, InfiLaw, and those companies' agents to overstate the bar-passage rates for CSL graduates; and
- c. Directing and causing CSL, InfiLaw, and those companies' agents to exaggerate the availability of academic support services available to Plaintiff Calhoun.

1246. As described elsewhere in this Complaint, these representations were false. To wit, CSL was out of compliance with ABA Standards throughout 2015 and 2016. CSL's bar-passage rates were far below nationwide and North Carolina statewide averages.

1247. CSL and InfiLaw made these misrepresentations intentionally, fraudulently, and with reckless disregard for their truth or falsity, and at the deliberate direction of Defendant SFM.

1248. CSL and InfiLaw made these representations at Defendant SFM's direction with no intention of performing their promises to, *inter alia*, continue to provide financial aid or academic support services to students.

1249. CSL and InfiLaw, at Defendant SFM's direction, deliberately misled Plaintiff Calhoun to induce him to enroll in and to continue enrollment in CSL's JD program and to pay tuition for the program.

1250. These intentional misrepresentations were material representations upon which Plaintiff Calhoun reasonably relied in enrolling and continuing enrollment in CSL's JD program, thereby causing Plaintiff Calhoun to assume student loans, pay tuition for the program, and incur out-of-pocket expenses.

1251. Plaintiff Calhoun was in fact deceived by the misrepresentations of the Sterling Funds' subsidiaries, CSL and InfiLaw, made at Defendant SFM's direction. Relying upon these representations of material facts, Plaintiff Calhoun enrolled in and continued his enrollment in the JD program at CSL. Plaintiff Calhoun paid tuition, expenses and fees, and further lost opportunities to transfer when Plaintiff Calhoun remained at CSL. The representations and omissions of Defendant SFM and the subsidiaries dominated and controlled by the Sterling Funds were false and concerned material facts.

1252. These representations were reasonably calculated to deceive Plaintiff Calhoun and other students and potential students. Further, these representations were made intentionally and knowingly by the Defendants, both directly by Defendant SFM and through the subsidiaries that the Sterling Funds dominated and controlled, with the intent to mislead and deceive Plaintiff Calhoun; to prevent or delay Plaintiff Calhoun from transferring to a law school which was ABA-compliant and where Plaintiff Calhoun could receive financial aid; and to ensure Plaintiff

Calhoun paid additional tuition, fees and expenses to CSL and InfiLaw while Plaintiff Calhoun remained in the CSL JD program.

1253. Plaintiff Calhoun actually relied upon these statements of material facts and has suffered damages as a result of his reliance. Plaintiff Calhoun invested time and money into the CSL JD program and has incurred loan obligations which will need to be repaid with interest. Plaintiff Calhoun lost academic credits from CSL's contrived curriculum in transferring to a different institution to complete her JD degree.

1254. As a result of the Defendants' fraudulent misrepresentations set forth above, Plaintiff Calhoun suffered and will continue to suffer monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt, emotional pain, inconvenience, mental anguish, interference with family relationships, personal embarrassment, humiliation, loss of enjoyment of life, and loss of professional reputation.

1255. As a result, Plaintiff Calhoun is entitled to recover the damages he sustained as a result of the Defendants' conduct.

WHEREFORE, Plaintiff Calhoun, by and through his undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT LIII
Fraudulent Misrepresentation
(Plaintiff Duncan against all Defendants)

Plaintiff Duncan reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1256. The Defendant Sterling Entities, both directly by Defendant SFM and through the subsidiaries Holding, Corporation, and CSL, which were dominated and controlled by the Sterling Funds and SFM, made false representations to Plaintiff Duncan as described elsewhere in this Complaint, including:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to misrepresent CSL's noncompliance with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards; and
- b. Misrepresenting to Plaintiff Duncan their belief about her likelihood of succeeding at CSL, graduating, and then passing a bar exam.

1257. As described elsewhere in this Complaint, these representations were false. To wit, CSL was out of compliance with ABA Standards throughout 2015 and 2016.

1258. CSL and InfiLaw made these misrepresentations intentionally, fraudulently, and with reckless disregard for their truth or falsity, and at the deliberate direction of Defendant SFM.

1259. CSL and InfiLaw made these representations at Defendant SFM's direction with no intention of performing their promises to, *inter alia*, continue to provide financial aid or academic support services to students.

1260. CSL and InfiLaw, at Defendant SFM's direction, deliberately misled Plaintiff Duncan to induce her to enroll in and to continue enrollment in CSL's JD program and to pay tuition for the program.

1261. These intentional misrepresentations were material representations upon which Plaintiff Duncan reasonably relied in enrolling and continuing enrollment in CSL's JD program, thereby causing Plaintiff Duncan to assume student loans, pay tuition for the program, and incur out-of-pocket expenses.

1262. Plaintiff Duncan was in fact deceived by the misrepresentations of the Sterling Funds' subsidiaries, CSL and InfiLaw, made at Defendant SFM's direction. Relying upon these representations of material facts, Plaintiff Duncan enrolled in and continued her enrollment in the JD program at CSL. Plaintiff Duncan paid tuition, expenses and fees, and further lost opportunities to transfer when Plaintiff Duncan remained at CSL. The representations and omissions of Defendant SFM and the subsidiaries dominated and controlled by the Sterling Funds were false and concerned material facts.

1263. These representations were reasonably calculated to deceive Plaintiff Duncan and other students and potential students. Further, these representations were made intentionally and knowingly by the Defendants, both directly by Defendant SFM and through the subsidiaries that the Sterling Funds dominated and controlled, with the intent to mislead and deceive Plaintiff Duncan; to prevent or delay Plaintiff Duncan from transferring to a law school which was ABA-compliant and where Plaintiff Duncan could receive financial aid; and to ensure Plaintiff Duncan paid additional tuition, fees and expenses to CSL and InfiLaw while Plaintiff Duncan remained in the CSL JD program.

1264. Plaintiff Duncan actually relied upon these statements of material facts and has suffered damages as a result of her reliance. Plaintiff Duncan invested time and money into the CSL JD program and has incurred loan obligations which will need to be repaid with interest. Plaintiff Duncan lost academic credits from CSL's contrived curriculum in transferring to a different institution to complete her JD degree.

1265. As a result of the Defendants' fraudulent misrepresentations set forth above, Plaintiff Duncan suffered and will continue to suffer monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career

advancement, significant debt, emotional pain, inconvenience, mental anguish, interference with family relationships, personal embarrassment, humiliation, loss of enjoyment of life, and loss of professional reputation.

1266. As a result, Plaintiff Duncan is entitled to recover the damages she sustained as a result of the Defendants' conduct.

WHEREFORE, Plaintiff Duncan, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT LIV
Fraudulent Misrepresentation
(Plaintiff El-Halim against all Defendants)

Plaintiff El-Halim reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1267. The Defendant Sterling Entities, both directly by Defendant SFM and through the subsidiaries Holding, Corporation, and CSL, which were dominated and controlled by the Sterling Funds and SFM, made false representations to Plaintiff El-Halim as described elsewhere in this Complaint, including:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to misrepresent CSL as being compliant with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards; and
- b. Directing and causing CSL, InfiLaw, and those companies' agents to exaggerate the availability of classes that would be available to Plaintiff El-Halim and other CSL students.

1268. As described elsewhere in this Complaint, these representations were false. To wit, CSL was out of compliance with ABA Standards throughout 2015 and 2016.

1269. CSL and InfiLaw made these misrepresentations intentionally, fraudulently, and with reckless disregard for their truth or falsity, and at the deliberate direction of Defendant SFM.

1270. CSL and InfiLaw made these representations at Defendant SFM's direction with no intention of performing their promises to, *inter alia*, continue to provide financial aid or academic support services to students.

1271. CSL and InfiLaw, at Defendant SFM's direction, deliberately misled Plaintiff El-Halim to induce him to enroll in and to continue enrollment in CSL's JD program and to pay tuition for the program.

1272. These intentional misrepresentations were material representations upon which Plaintiff El-Halim reasonably relied in enrolling and continuing enrollment in CSL's JD program, thereby causing Plaintiff El-Halim to assume student loans, pay tuition for the program, and incur out-of-pocket expenses.

1273. Plaintiff El-Halim was in fact deceived by the misrepresentations of the Sterling Funds' subsidiaries, CSL and InfiLaw, made at Defendant SFM's direction. Relying upon these representations of material facts, Plaintiff El-Halim enrolled in and continued his enrollment in the JD program at CSL. Plaintiff El-Halim paid tuition, expenses and fees, and further lost opportunities to transfer when Plaintiff El-Halim remained at CSL. The representations and omissions of Defendant SFM and the subsidiaries dominated and controlled by the Sterling Funds were false and concerned material facts.

1274. These representations were reasonably calculated to deceive Plaintiff El-Halim and other students and potential students. Further, these representations were made intentionally and knowingly by the Defendants, both directly by Defendant SFM and through the subsidiaries

that the Sterling Funds dominated and controlled, with the intent to mislead and deceive Plaintiff El-Halim; to prevent or delay Plaintiff El-Halim from transferring to a law school which was ABA-compliant and where Plaintiff El-Halim could receive financial aid; and to ensure Plaintiff El-Halim paid additional tuition, fees and expenses to CSL and InfiLaw while Plaintiff El-Halim remained in the CSL JD program.

1275. Plaintiff El-Halim actually relied upon these statements of material facts and has suffered damages as a result of his reliance. Plaintiff El-Halim invested time and money into the CSL JD program and has incurred loan obligations which will need to be repaid with interest. Plaintiff El-Halim lost academic credits from CSL's contrived curriculum in transferring to a different institution to complete her JD degree.

1276. As a result of the Defendants' fraudulent misrepresentations set forth above, Plaintiff El-Halim suffered and will continue to suffer monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt, emotional pain, inconvenience, mental anguish, interference with family relationships, personal embarrassment, humiliation, loss of enjoyment of life, and loss of professional reputation.

1277. As a result, Plaintiff El-Halim is entitled to recover the damages he sustained as a result of the Defendants' conduct.

WHEREFORE, Plaintiff El-Halim, by and through his undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT LV
Fraudulent Misrepresentation
(Plaintiff Girton against all Defendants)

Plaintiff Girton reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1278. The Defendant Sterling Entities, both directly by Defendant SFM and through the subsidiaries Holding, Corporation, and CSL, which were dominated and controlled by the Sterling Funds and SFM, made false representations to Plaintiff Girton as described elsewhere in this Complaint, including:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to misrepresent CSL's noncompliance with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- b. Misrepresenting the severity of the grading curve that would apply to Plaintiff Girton in her classes, thus causing her to earn lower grades.

1279. As described elsewhere in this Complaint, these representations were false. To wit, CSL was out of compliance with ABA Standards throughout 2015 and 2016.

1280. CSL and InfiLaw made these misrepresentations intentionally, fraudulently, and with reckless disregard for their truth or falsity, and at the deliberate direction of Defendant SFM.

1281. CSL and InfiLaw made these representations at Defendant SFM's direction with no intention of performing their promises to, *inter alia*, continue to provide financial aid or academic support services to students.

1282. CSL and InfiLaw, at Defendant SFM's direction, deliberately misled Plaintiff Girton to induce her to enroll in and to continue enrollment in CSL's JD program and to pay tuition for the program.

1283. These intentional misrepresentations were material representations upon which Plaintiff Girton reasonably relied in enrolling and continuing enrollment in CSL's JD program, thereby causing Plaintiff Girton to assume student loans, pay tuition for the program, and incur out-of-pocket expenses.

1284. Plaintiff Girton was in fact deceived by the misrepresentations of the Sterling Funds' subsidiaries, CSL and InfiLaw, made at Defendant SFM's direction. Relying upon these representations of material facts, Plaintiff Girton enrolled in and continued her enrollment in the JD program at CSL. Plaintiff Girton paid tuition, expenses and fees, and further lost opportunities to transfer when Plaintiff Girton remained at CSL. The representations and omissions of Defendant SFM and the subsidiaries dominated and controlled by the Sterling Funds were false and concerned material facts.

1285. These representations were reasonably calculated to deceive Plaintiff Girton and other students and potential students. Further, these representations were made intentionally and knowingly by the Defendants, both directly by Defendant SFM and through the subsidiaries that the Sterling Funds dominated and controlled, with the intent to mislead and deceive Plaintiff Girton; to prevent or delay Plaintiff Girton from transferring to a law school which was ABA-compliant and where Plaintiff Girton could receive financial aid; and to ensure Plaintiff Girton paid additional tuition, fees and expenses to CSL and InfiLaw while Plaintiff Girton remained in the CSL JD program.

1286. Plaintiff Girton actually relied upon these statements of material facts and has suffered damages as a result of her reliance. Plaintiff Girton invested time and money into the CSL JD program and has incurred loan obligations which will need to be repaid with interest.

Plaintiff Girton lost academic credits from CSL's contrived curriculum in transferring to a different institution to complete her JD degree.

1287. As a result of the Defendants' fraudulent misrepresentations set forth above, Plaintiff Girton suffered and will continue to suffer monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt, emotional pain, inconvenience, mental anguish, interference with family relationships, personal embarrassment, humiliation, loss of enjoyment of life, and loss of professional reputation.

1288. As a result, Plaintiff Girton is entitled to recover the damages she sustained as a result of the Defendants' conduct.

WHEREFORE, Plaintiff Girton, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT LVI
Fraudulent Misrepresentation
(Plaintiff Hammond against all Defendants)

Plaintiff Hammond reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1289. The Defendant Sterling Entities, both directly by Defendant SFM and through the subsidiaries Holding, Corporation, and CSL, which were dominated and controlled by the Sterling Funds and SFM, made false representations to Plaintiff Hammond as described elsewhere in this Complaint, including directing and causing CSL, InfiLaw, and those companies' agents to misrepresent CSL as being compliant with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards.

1290. As described elsewhere in this Complaint, these representations were false. To wit, CSL was out of compliance with ABA Standards throughout 2015 and 2016.

1291. CSL and InfiLaw made these misrepresentations intentionally, fraudulently, and with reckless disregard for their truth or falsity, and at the deliberate direction of Defendant SFM.

1292. CSL and InfiLaw made these representations at Defendant SFM's direction with no intention of performing their promises to, *inter alia*, continue to provide financial aid or academic support services to students.

1293. CSL and InfiLaw, at Defendant SFM's direction, deliberately misled Plaintiff Hammond to induce her to enroll in and to continue enrollment in CSL's JD program and to pay tuition for the program.

1294. These intentional misrepresentations were material representations upon which Plaintiff Hammond reasonably relied in enrolling and continuing enrollment in CSL's JD program, thereby causing Plaintiff Hammond to assume student loans, pay tuition for the program, and incur out-of-pocket expenses.

1295. Plaintiff Hammond was in fact deceived by the misrepresentations of the Sterling Funds' subsidiaries, CSL and InfiLaw, made at Defendant SFM's direction. Relying upon these representations of material facts, Plaintiff Hammond enrolled in and continued her enrollment in the JD program at CSL. Plaintiff Hammond paid tuition, expenses and fees, and further lost opportunities to transfer when Plaintiff Hammond remained at CSL. The representations and omissions of Defendant SFM and the subsidiaries dominated and controlled by the Sterling Funds were false and concerned material facts.

1296. These representations were reasonably calculated to deceive Plaintiff Hammond and other students and potential students. Further, these representations were made intentionally and knowingly by the Defendants, both directly by Defendant SFM and through the subsidiaries that the Sterling Funds dominated and controlled, with the intent to mislead and deceive Plaintiff Hammond; to prevent or delay Plaintiff Hammond from transferring to a law school which was ABA-compliant and where Plaintiff Hammond could receive financial aid; and to ensure Plaintiff Hammond paid additional tuition, fees and expenses to CSL and InfiLaw while Plaintiff Hammond remained in the CSL JD program.

1297. Plaintiff Hammond actually relied upon these statements of material facts and has suffered damages as a result of her reliance. Plaintiff Hammond invested time and money into the CSL JD program and has incurred loan obligations which will need to be repaid with interest. Plaintiff Hammond lost academic credits from CSL's contrived curriculum in transferring to a different institution to complete her JD degree.

1298. As a result of the Defendants' fraudulent misrepresentations set forth above, Plaintiff Hammond suffered and will continue to suffer monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt, emotional pain, inconvenience, mental anguish, interference with family relationships, personal embarrassment, humiliation, loss of enjoyment of life, and loss of professional reputation.

1299. As a result, Plaintiff Hammond is entitled to recover the damages she sustained as a result of the Defendants' conduct.

WHEREFORE, Plaintiff Hammond, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT LVII
Fraudulent Misrepresentation
(Plaintiff King against all Defendants)

Plaintiff King reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1300. The Defendant Sterling Entities, both directly by Defendant SFM and through the subsidiaries Holding, Corporation, and CSL, which were dominated and controlled by the Sterling Funds and SFM, made false representations to Plaintiff King as described elsewhere in this Complaint, including:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to misrepresent CSL's noncompliance with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards; and
- b. Directing and causing CSL, InfiLaw, and those companies' agents to overstate the bar-passage rates for CSL graduates, to state that they were above statewide averages.

1301. As described elsewhere in this Complaint, these representations were false. To wit, CSL was out of compliance with ABA Standards throughout 2015 and 2016. CSL's bar-passage rates were in fact well below statewide averages during the entire time Plaintiff King considered CSL and then attended CSL.

1302. CSL and InfiLaw made these misrepresentations intentionally, fraudulently, and with reckless disregard for their truth or falsity, and at the deliberate direction of Defendant SFM.

1303. CSL and InfiLaw made these representations at Defendant SFM's direction with no intention of performing their promises to, *inter alia*, continue to provide financial aid or academic support services to students.

1304. CSL and InfiLaw, at Defendant SFM's direction, deliberately misled Plaintiff King to induce her to enroll in and to continue enrollment in CSL's JD program and to pay tuition for the program.

1305. These intentional misrepresentations were material representations upon which Plaintiff King reasonably relied in enrolling and continuing enrollment in CSL's JD program, thereby causing Plaintiff King to assume student loans, pay tuition for the program, and incur out-of-pocket expenses.

1306. Plaintiff King was in fact deceived by the misrepresentations of the Sterling Funds' subsidiaries, CSL and InfiLaw, made at Defendant SFM's direction. Relying upon these representations of material facts, Plaintiff King enrolled in and continued her enrollment in the JD program at CSL. Plaintiff King paid tuition, expenses and fees, and further lost opportunities to transfer when Plaintiff King remained at CSL. The representations and omissions of Defendant SFM and the subsidiaries dominated and controlled by the Sterling Funds were false and concerned material facts.

1307. These representations were reasonably calculated to deceive Plaintiff King and other students and potential students. Further, these representations were made intentionally and knowingly by the Defendants, both directly by Defendant SFM and through the subsidiaries that the Sterling Funds dominated and controlled, with the intent to mislead and deceive Plaintiff King; to prevent or delay Plaintiff King from transferring to a law school which was ABA-compliant and where Plaintiff King could receive financial aid; and to ensure Plaintiff King paid

additional tuition, fees and expenses to CSL and InfiLaw while Plaintiff King remained in the CSL JD program.

1308. Plaintiff King actually relied upon these statements of material facts and has suffered damages as a result of her reliance. Plaintiff King invested time and money into the CSL JD program and has incurred loan obligations which will need to be repaid with interest. Plaintiff King lost academic credits from CSL's contrived curriculum in transferring to a different institution to complete her JD degree.

1309. As a result of the Defendants' fraudulent misrepresentations set forth above, Plaintiff King suffered and will continue to suffer monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt, emotional pain, inconvenience, mental anguish, interference with family relationships, personal embarrassment, humiliation, loss of enjoyment of life, and loss of professional reputation.

1310. As a result, Plaintiff King is entitled to recover the damages she sustained as a result of the Defendants' conduct.

WHEREFORE, Plaintiff King, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT LVIII
Fraudulent Misrepresentation
(Plaintiff Levy against all Defendants)

Plaintiff Levy reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1311. The Defendant Sterling Entities, both directly by Defendant SFM and through the subsidiaries Holding, Corporation, and CSL, which were dominated and controlled by the Sterling Funds and SFM, made false representations to Plaintiff Levy as described elsewhere in this Complaint, including:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to misrepresent CSL's noncompliance with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- b. Directing and causing CSL, InfiLaw, and those companies' agents to overstate bar-passage rates for CSL graduates, namely, that they were in the range of 80%.

1312. As described elsewhere in this Complaint, these representations were false. To wit, CSL was out of compliance with ABA Standards throughout 2015 and 2016. CSL's bar-passage rates were well below 80%.

1313. CSL and InfiLaw made these misrepresentations intentionally, fraudulently, and with reckless disregard for their truth or falsity, and at the deliberate direction of Defendant SFM.

1314. CSL and InfiLaw made these representations at Defendant SFM's direction with no intention of performing their promises to, *inter alia*, continue to provide financial aid or academic support services to students.

1315. CSL and InfiLaw, at Defendant SFM's direction, deliberately misled Plaintiff Levy to induce her to enroll in and to continue enrollment in CSL's JD program and to pay tuition for the program.

1316. These intentional misrepresentations were material representations upon which Plaintiff Levy reasonably relied in enrolling and continuing enrollment in CSL's JD program, thereby causing Plaintiff Levy to assume student loans, pay tuition for the program, and incur out-of-pocket expenses.

1317. Plaintiff Levy was in fact deceived by the misrepresentations of the Sterling Funds' subsidiaries, CSL and InfiLaw, made at Defendant SFM's direction. Relying upon these representations of material facts, Plaintiff Levy enrolled in and continued her enrollment in the JD program at CSL. Plaintiff Levy paid tuition, expenses and fees, and further lost opportunities to transfer when Plaintiff Levy remained at CSL. The representations and omissions of Defendant SFM and the subsidiaries dominated and controlled by the Sterling Funds were false and concerned material facts.

1318. These representations were reasonably calculated to deceive Plaintiff Levy and other students and potential students. Further, these representations were made intentionally and knowingly by the Defendants, both directly by Defendant SFM and through the subsidiaries that the Sterling Funds dominated and controlled, with the intent to mislead and deceive Plaintiff Levy; to prevent or delay Plaintiff Levy from transferring to a law school which was ABA-compliant and where Plaintiff Levy could receive financial aid; and to ensure Plaintiff Levy paid additional tuition, fees and expenses to CSL and InfiLaw while Plaintiff Levy remained in the CSL JD program.

1319. Plaintiff Levy actually relied upon these statements of material facts and has suffered damages as a result of her reliance. Plaintiff Levy invested time and money into the CSL JD program and has incurred loan obligations which will need to be repaid with interest. Plaintiff Levy lost academic credits from CSL's contrived curriculum in transferring to a different institution to complete her JD degree.

1320. As a result of the Defendants' fraudulent misrepresentations set forth above, Plaintiff Levy suffered and will continue to suffer monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career

advancement, significant debt, emotional pain, inconvenience, mental anguish, interference with family relationships, personal embarrassment, humiliation, loss of enjoyment of life, and loss of professional reputation.

1321. As a result, Plaintiff Levy is entitled to recover the damages she sustained as a result of the Defendants' conduct.

WHEREFORE, Plaintiff Levy, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT LIX
Fraudulent Misrepresentation
(Plaintiff Louis-Jean against all Defendants)

Plaintiff Louis-Jean reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1322. The Defendant Sterling Entities, both directly by Defendant SFM and through the subsidiaries Holding, Corporation, and CSL, which were dominated and controlled by the Sterling Funds and SFM, made false representations to Plaintiff Louis-Jean as described elsewhere in this Complaint, including:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to misrepresent CSL's noncompliance with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- b. Directing and causing CSL, InfiLaw, and those companies' agents to exaggerate and misrepresent the availability of law clinics available to Plaintiff Louis-Jean and other CSL students, which led them to choose CSL yet not receive the substantial benefits they expected.

1323. As described elsewhere in this Complaint, these representations were false.

1324. CSL and InfiLaw made these misrepresentations intentionally, fraudulently, and with reckless disregard for their truth or falsity, and at the deliberate direction of Defendant SFM.

1325. CSL and InfiLaw made these representations at Defendant SFM's direction with no intention of performing their promises to, *inter alia*, continue to provide financial aid or academic support services to students.

1326. CSL and InfiLaw, at Defendant SFM's direction, deliberately misled Plaintiff Louis-Jean to induce her to enroll in and to continue enrollment in CSL's JD program and to pay tuition for the program.

1327. These intentional misrepresentations were material representations upon which Plaintiff Louis-Jean reasonably relied in enrolling and continuing enrollment in CSL's JD program, thereby causing Plaintiff Louis-Jean to assume student loans, pay tuition for the program, and incur out-of-pocket expenses.

1328. Plaintiff Louis-Jean was in fact deceived by the misrepresentations of the Sterling Funds' subsidiaries, CSL and InfiLaw, made at Defendant SFM's direction. Relying upon these representations of material facts, Plaintiff Louis-Jean enrolled in and continued her enrollment in the JD program at CSL. Plaintiff Louis-Jean paid tuition, expenses and fees, and further lost opportunities to transfer when Plaintiff Louis-Jean remained at CSL. The representations and omissions of Defendant SFM and the subsidiaries dominated and controlled by the Sterling Funds were false and concerned material facts.

1329. These representations were reasonably calculated to deceive Plaintiff Louis-Jean and other students and potential students. Further, these representations were made intentionally and knowingly by the Defendants, both directly by Defendant SFM and through the subsidiaries

that the Sterling Funds dominated and controlled, with the intent to mislead and deceive Plaintiff Louis-Jean; to prevent or delay Plaintiff Louis-Jean from transferring to a law school which was ABA-compliant and where Plaintiff Louis-Jean could receive financial aid; and to ensure Plaintiff Louis-Jean paid additional tuition, fees and expenses to CSL and InfiLaw while Plaintiff Louis-Jean remained in the CSL JD program.

1330. Plaintiff Louis-Jean actually relied upon these statements of material facts and has suffered damages as a result of her reliance. Plaintiff Louis-Jean invested time and money into the CSL JD program and has incurred loan obligations which will need to be repaid with interest. Plaintiff Louis-Jean lost academic credits from CSL's contrived curriculum in transferring to a different institution to complete her JD degree.

1331. As a result of the Defendants' fraudulent misrepresentations set forth above, Plaintiff Louis-Jean suffered and will continue to suffer monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt, emotional pain, inconvenience, mental anguish, interference with family relationships, personal embarrassment, humiliation, loss of enjoyment of life, and loss of professional reputation.

1332. As a result, Plaintiff Louis-Jean is entitled to recover the damages she sustained as a result of the Defendants' conduct.

WHEREFORE, Plaintiff Louis-Jean, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT LX
Fraudulent Misrepresentation
(Plaintiff McGee against all Defendants)

Plaintiff McGee reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1333. The Defendant Sterling Entities, both directly by Defendant SFM and through the subsidiaries Holding, Corporation, and CSL, which were dominated and controlled by the Sterling Funds and SFM, made false representations to Plaintiff McGee as described elsewhere in this Complaint, including directing and causing CSL, InfiLaw, and those companies' agents to misrepresent CSL's noncompliance with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards.

1334. As described elsewhere in this Complaint, these representations were false. To wit, CSL was out of compliance with ABA Standards throughout 2015 and 2016. CSL's "substantial misrepresentations" rendered it and its students ineligible for financial aid in January 2017. CSL graduates' bar-passage rates were below state averages.

1335. CSL and InfiLaw made these misrepresentations intentionally, fraudulently, and with reckless disregard for their truth or falsity, and at the deliberate direction of Defendant SFM.

1336. CSL and InfiLaw made these representations at Defendant SFM's direction with no intention of performing their promises to, *inter alia*, continue to provide financial aid or academic support services to students.

1337. CSL and InfiLaw, at Defendant SFM's direction, deliberately misled Plaintiff McGee to induce her to enroll in and to continue enrollment in CSL's JD program and to pay tuition for the program.

1338. These intentional misrepresentations were material representations upon which Plaintiff McGee reasonably relied in enrolling and continuing enrollment in CSL's JD program, thereby causing Plaintiff McGee to assume student loans, pay tuition for the program, and incur out-of-pocket expenses.

1339. Plaintiff McGee was in fact deceived by the misrepresentations of the Sterling Funds' subsidiaries, CSL and InfiLaw, made at Defendant SFM's direction. Relying upon these representations of material facts, Plaintiff McGee enrolled in and continued her enrollment in the JD program at CSL. Plaintiff McGee paid tuition, expenses and fees, and further lost opportunities to transfer when Plaintiff McGee remained at CSL. The representations and omissions of Defendant SFM and the subsidiaries dominated and controlled by the Sterling Funds were false and concerned material facts.

1340. These representations were reasonably calculated to deceive Plaintiff McGee and other students and potential students. Further, these representations were made intentionally and knowingly by the Defendants, both directly by Defendant SFM and through the subsidiaries that the Sterling Funds dominated and controlled, with the intent to mislead and deceive Plaintiff McGee; to prevent or delay Plaintiff McGee from transferring to a law school which was ABA-compliant and where Plaintiff McGee could receive financial aid; and to ensure Plaintiff McGee paid additional tuition, fees and expenses to CSL and InfiLaw while Plaintiff McGee remained in the CSL JD program.

1341. Plaintiff McGee actually relied upon these statements of material facts and has suffered damages as a result of her reliance. Plaintiff McGee invested time and money into the CSL JD program and has incurred loan obligations which will need to be repaid with interest.

Plaintiff McGee lost academic credits from CSL's contrived curriculum in transferring to a different institution to complete her JD degree.

1342. As a result of the Defendants' fraudulent misrepresentations set forth above, Plaintiff McGee suffered and will continue to suffer monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt, emotional pain, inconvenience, mental anguish, interference with family relationships, personal embarrassment, humiliation, loss of enjoyment of life, and loss of professional reputation.

1343. As a result, Plaintiff McGee is entitled to recover the damages she sustained as a result of the Defendants' conduct.

WHEREFORE, Plaintiff McGee, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT LXI
Fraudulent Misrepresentation
(Plaintiff McGinnas against all Defendants)

Plaintiff McGinnas reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1344. The Defendant Sterling Entities, both directly by Defendant SFM and through the subsidiaries Holding, Corporation, and CSL, which were dominated and controlled by the Sterling Funds and SFM, made false representations to Plaintiff McGinnas as described elsewhere in this Complaint, including:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to misrepresent CSL's noncompliance with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards; and

- b. Directing and causing CSL, InfiLaw, and those companies' agents to overstate the bar-passage rates for CSL graduates, namely, that they were above statewide averages.

1345. As described elsewhere in this Complaint, these representations were false. To wit, CSL was out of compliance with ABA Standards throughout 2015 and 2016. CSL's bar-passage rates were below statewide averages.

1346. CSL and InfiLaw made these misrepresentations intentionally, fraudulently, and with reckless disregard for their truth or falsity, and at the deliberate direction of Defendant SFM.

1347. CSL and InfiLaw made these representations at Defendant SFM's direction with no intention of performing their promises to, *inter alia*, continue to provide financial aid or academic support services to students.

1348. CSL and InfiLaw, at Defendant SFM's direction, deliberately misled Plaintiff McGinnas to induce her to enroll in and to continue enrollment in CSL's JD program and to pay tuition for the program.

1349. These intentional misrepresentations were material representations upon which Plaintiff McGinnas reasonably relied in enrolling and continuing enrollment in CSL's JD program, thereby causing Plaintiff McGinnas to assume student loans, pay tuition for the program, and incur out-of-pocket expenses.

1350. Plaintiff McGinnas was in fact deceived by the misrepresentations of the Sterling Funds' subsidiaries, CSL and InfiLaw, made at Defendant SFM's direction. Relying upon these representations of material facts, Plaintiff McGinnas enrolled in and continued her enrollment in the JD program at CSL. Plaintiff McGinnas paid tuition, expenses and fees, and further lost opportunities to transfer when Plaintiff McGinnas remained at CSL. The representations and

omissions of Defendant SFM and the subsidiaries dominated and controlled by the Sterling Funds were false and concerned material facts.

1351. These representations were reasonably calculated to deceive Plaintiff McGinnas and other students and potential students. Further, these representations were made intentionally and knowingly by the Defendants, both directly by Defendant SFM and through the subsidiaries that the Sterling Funds dominated and controlled, with the intent to mislead and deceive Plaintiff McGinnas; to prevent or delay Plaintiff McGinnas from transferring to a law school which was ABA-compliant and where Plaintiff McGinnas could receive financial aid; and to ensure Plaintiff McGinnas paid additional tuition, fees and expenses to CSL and InfiLaw while Plaintiff McGinnas remained in the CSL JD program.

1352. Plaintiff McGinnas actually relied upon these statements of material facts and has suffered damages as a result of her reliance. Plaintiff McGinnas invested time and money into the CSL JD program and has incurred loan obligations which will need to be repaid with interest. Plaintiff McGinnas lost academic credits from CSL's contrived curriculum in transferring to a different institution to complete her JD degree.

1353. As a result of the Defendants' fraudulent misrepresentations set forth above, Plaintiff McGinnas suffered and will continue to suffer monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt, emotional pain, inconvenience, mental anguish, interference with family relationships, personal embarrassment, humiliation, loss of enjoyment of life, and loss of professional reputation.

1354. As a result, Plaintiff McGinnas is entitled to recover the damages she sustained as a result of the Defendants' conduct.

WHEREFORE, Plaintiff McGinnas, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT LXII
Fraudulent Misrepresentation
(Plaintiff Merritt against all Defendants)

Plaintiff Merritt reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1355. The Defendant Sterling Entities, both directly by Defendant SFM and through the subsidiaries Holding, Corporation, and CSL, which were dominated and controlled by the Sterling Funds and SFM, made false representations to Plaintiff Merritt as described elsewhere in this Complaint, including:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to misrepresent CSL as being compliant with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- b. Directing and causing CSL, InfiLaw, and those companies' agents to overstate the bar-passage rates for CSL graduates; and
- c. Misrepresenting to Plaintiff Merritt their belief about her likelihood of succeeding at CSL, graduating, and then passing a bar exam.

1356. As described elsewhere in this Complaint, these representations were false. To wit, CSL was out of compliance with ABA Standards throughout 2015 and 2016. CSL's "substantial misrepresentations" rendered it and its students ineligible for financial aid in January 2017. CSL graduates' bar-passage rates were below state averages.

1357. CSL and InfiLaw made these misrepresentations intentionally, fraudulently, and with reckless disregard for their truth or falsity, and at the deliberate direction of Defendant SFM.

1358. CSL and InfiLaw made these representations at Defendant SFM's direction with no intention of performing their promises to, *inter alia*, continue to provide financial aid or academic support services to students.

1359. CSL and InfiLaw, at Defendant SFM's direction, deliberately misled Plaintiff Merritt to induce her to enroll in and to continue enrollment in CSL's JD program and to pay tuition for the program.

1360. These intentional misrepresentations were material representations upon which Plaintiff Merritt reasonably relied in enrolling and continuing enrollment in CSL's JD program, thereby causing Plaintiff Merritt to assume student loans, pay tuition for the program, and incur out-of-pocket expenses.

1361. Plaintiff Merritt was in fact deceived by the misrepresentations of the Sterling Funds' subsidiaries, CSL and InfiLaw, made at Defendant SFM's direction. Relying upon these representations of material facts, Plaintiff Merritt enrolled in and continued her enrollment in the JD program at CSL. Plaintiff Merritt paid tuition, expenses and fees, and further lost opportunities to transfer when Plaintiff Merritt remained at CSL. The representations and omissions of Defendant SFM and the subsidiaries dominated and controlled by the Sterling Funds were false and concerned material facts.

1362. These representations were reasonably calculated to deceive Plaintiff Merritt and other students and potential students. Further, these representations were made intentionally and knowingly by the Defendants, both directly by Defendant SFM and through the subsidiaries that the Sterling Funds dominated and controlled, with the intent to mislead and deceive Plaintiff Merritt; to prevent or delay Plaintiff Merritt from transferring to a law school which was ABA-compliant and where Plaintiff Merritt could receive financial aid; and to ensure Plaintiff Merritt

paid additional tuition, fees and expenses to CSL and InfiLaw while Plaintiff Merritt remained in the CSL JD program.

1363. Plaintiff Merritt actually relied upon these statements of material facts and has suffered damages as a result of her reliance. Plaintiff Merritt invested time and money into the CSL JD program and has incurred loan obligations which will need to be repaid with interest. Plaintiff Merritt lost academic credits from CSL's contrived curriculum in transferring to a different institution to complete her JD degree.

1364. As a result of the Defendants' fraudulent misrepresentations set forth above, Plaintiff Merritt suffered and will continue to suffer monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt, emotional pain, inconvenience, mental anguish, interference with family relationships, personal embarrassment, humiliation, loss of enjoyment of life, and loss of professional reputation.

1365. As a result, Plaintiff Merritt is entitled to recover the damages she sustained as a result of the Defendants' conduct.

WHEREFORE, Plaintiff Merritt, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT LXIII
Fraudulent Misrepresentation
(Plaintiff Mischko against all Defendants)

Plaintiff Mischko reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1366. The Defendant Sterling Entities, both directly by Defendant SFM and through the subsidiaries Holding, Corporation, and CSL, which were dominated and controlled by the Sterling Funds and SFM, made false representations to Plaintiff Mischko as described elsewhere in this Complaint, including:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to misrepresent CSL as being compliant with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- b. Directing and causing CSL, InfiLaw, and those companies' agents to overstate the bar-passage rates for CSL graduates; and
- c. Directing and causing CSL, InfiLaw, and those companies' agents to exaggerate the availability of academic support services available to Plaintiff Mischko and other CSL students, which led them to choose CSL yet not receive the substantial benefits they expected.

1367. As described elsewhere in this Complaint, these representations were false. To wit, CSL was out of compliance with ABA Standards throughout 2015 and 2016. CSL's "substantial misrepresentations" rendered it and its students ineligible for financial aid in January 2017. CSL graduates' bar-passage rates were below state averages.

1368. CSL and InfiLaw made these misrepresentations intentionally, fraudulently, and with reckless disregard for their truth or falsity, and at the deliberate direction of Defendant SFM.

1369. CSL and InfiLaw made these representations at Defendant SFM's direction with no intention of performing their promises to, *inter alia*, continue to provide financial aid or academic support services to students.

1370. CSL and InfiLaw, at Defendant SFM's direction, deliberately misled Plaintiff Mischko to induce her to enroll in and to continue enrollment in CSL's JD program and to pay tuition for the program.

1371. These intentional misrepresentations were material representations upon which Plaintiff Mischko reasonably relied in enrolling and continuing enrollment in CSL's JD program, thereby causing Plaintiff Mischko to assume student loans, pay tuition for the program, and incur out-of-pocket expenses.

1372. Plaintiff Mischko was in fact deceived by the misrepresentations of the Sterling Funds' subsidiaries, CSL and InfiLaw, made at Defendant SFM's direction. Relying upon these representations of material facts, Plaintiff Mischko enrolled in and continued her enrollment in the JD program at CSL. Plaintiff Mischko paid tuition, expenses and fees, and further lost opportunities to transfer when Plaintiff Mischko remained at CSL. The representations and omissions of Defendant SFM and the subsidiaries dominated and controlled by the Sterling Funds were false and concerned material facts.

1373. These representations were reasonably calculated to deceive Plaintiff Mischko and other students and potential students. Further, these representations were made intentionally and knowingly by the Defendants, both directly by Defendant SFM and through the subsidiaries that the Sterling Funds dominated and controlled, with the intent to mislead and deceive Plaintiff Mischko; to prevent or delay Plaintiff Mischko from transferring to a law school which was ABA-compliant and where Plaintiff Mischko could receive financial aid; and to ensure Plaintiff Mischko paid additional tuition, fees and expenses to CSL and InfiLaw while Plaintiff Mischko remained in the CSL JD program.

1374. Plaintiff Mischko actually relied upon these statements of material facts and has suffered damages as a result of her reliance. Plaintiff Mischko invested time and money into the CSL JD program and has incurred loan obligations which will need to be repaid with interest.

Plaintiff Mischko lost academic credits from CSL's contrived curriculum in transferring to a different institution to complete her JD degree.

1375. As a result of the Defendants' fraudulent misrepresentations set forth above, Plaintiff Mischko suffered and will continue to suffer monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt, emotional pain, inconvenience, mental anguish, interference with family relationships, personal embarrassment, humiliation, loss of enjoyment of life, and loss of professional reputation.

1376. As a result, Plaintiff Mischko is entitled to recover the damages she sustained as a result of the Defendants' conduct.

WHEREFORE, Plaintiff Mischko, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT LXIV
Fraudulent Misrepresentation
(Plaintiff Pappas against all Defendants)

Plaintiff Pappas reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1377. The Defendant Sterling Entities, both directly by Defendant SFM and through the subsidiaries Holding, Corporation, and CSL, which were dominated and controlled by the Sterling Funds and SFM, made false representations to Plaintiff Pappas as described elsewhere in this Complaint, including:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to misrepresent CSL as being compliant with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;

- b. Directing and causing CSL, InfiLaw, and those companies' agents to overstate the bar-passage rates for CSL graduates;
- c. Misrepresenting to Plaintiff Pappas their belief about her likelihood of succeeding at CSL, graduating, and then passing a bar exam; and
- d. Misrepresenting Plaintiff Pappas's ability to avoid academic dismissal by raising her grade-point average in the summer 2016 term.

1378. As described elsewhere in this Complaint, these representations were false. To wit, CSL was out of compliance with ABA Standards throughout 2015 and 2016. CSL's "substantial misrepresentations" rendered it and its students ineligible for financial aid in January 2017. CSL graduates' bar-passage rates were below state averages.

1379. CSL and InfiLaw made these misrepresentations intentionally, fraudulently, and with reckless disregard for their truth or falsity, and at the deliberate direction of Defendant SFM.

1380. CSL and InfiLaw made these representations at Defendant SFM's direction with no intention of performing their promises to, *inter alia*, continue to provide financial aid or academic support services to students.

1381. CSL and InfiLaw, at Defendant SFM's direction, deliberately misled Plaintiff Pappas to induce her to enroll in and to continue enrollment in CSL's JD program and to pay tuition for the program.

1382. These intentional misrepresentations were material representations upon which Plaintiff Pappas reasonably relied in enrolling and continuing enrollment in CSL's JD program, thereby causing Plaintiff Pappas to assume student loans, pay tuition for the program, and incur out-of-pocket expenses.

1383. Plaintiff Pappas was in fact deceived by the misrepresentations of the Sterling Funds' subsidiaries, CSL and InfiLaw, made at Defendant SFM's direction. Relying upon these

representations of material facts, Plaintiff Pappas enrolled in and continued her enrollment in the JD program at CSL. Plaintiff Pappas paid tuition, expenses and fees, and further lost opportunities to transfer when Plaintiff Pappas remained at CSL. The representations and omissions of Defendant SFM and the subsidiaries dominated and controlled by the Sterling Funds were false and concerned material facts.

1384. These representations were reasonably calculated to deceive Plaintiff Pappas and other students and potential students. Further, these representations were made intentionally and knowingly by the Defendants, both directly by Defendant SFM and through the subsidiaries that the Sterling Funds dominated and controlled, with the intent to mislead and deceive Plaintiff Pappas; to prevent or delay Plaintiff Pappas from transferring to a law school which was ABA-compliant and where Plaintiff Pappas could receive financial aid; and to ensure Plaintiff Pappas paid additional tuition, fees and expenses to CSL and InfiLaw while Plaintiff Pappas remained in the CSL JD program.

1385. Plaintiff Pappas actually relied upon these statements of material facts and has suffered damages as a result of her reliance. Plaintiff Pappas invested time and money into the CSL JD program and has incurred loan obligations which will need to be repaid with interest. Plaintiff Pappas lost academic credits from CSL's contrived curriculum in transferring to a different institution to complete her JD degree.

1386. As a result of the Defendants' fraudulent misrepresentations set forth above, Plaintiff Pappas suffered and will continue to suffer monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt, emotional pain, inconvenience, mental anguish, interference with

family relationships, personal embarrassment, humiliation, loss of enjoyment of life, and loss of professional reputation.

1387. As a result, Plaintiff Pappas is entitled to recover the damages she sustained as a result of the Defendants' conduct.

WHEREFORE, Plaintiff Pappas, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT LXV
Fraudulent Misrepresentation
(Plaintiff Pardo against all Defendants)

Plaintiff Pardo reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1388. The Defendant Sterling Entities, both directly by Defendant SFM and through the subsidiaries Holding, Corporation, and CSL, which were dominated and controlled by the Sterling Funds and SFM, made false representations to Plaintiff Pardo as described elsewhere in this Complaint, including:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to misrepresent CSL's noncompliance with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards; and
- b. Directing and causing CSL, InfiLaw, and those companies' agents to exaggerate the availability of academic support services available to Plaintiff Pardo and other CSL students, which led them to choose CSL yet not receive the substantial benefits they expected.

1389. As described elsewhere in this Complaint, these representations were false. To wit, CSL was out of compliance with ABA Standards throughout 2015 and 2016. CSL's "substantial misrepresentations" rendered it and its students ineligible for financial aid in January 2017. CSL graduates' bar-passage rates were below state averages.

1390. CSL and InfiLaw made these misrepresentations intentionally, fraudulently, and with reckless disregard for their truth or falsity, and at the deliberate direction of Defendant SFM.

1391. CSL and InfiLaw made these representations at Defendant SFM's direction with no intention of performing their promises to, *inter alia*, continue to provide financial aid or academic support services to students.

1392. CSL and InfiLaw, at Defendant SFM's direction, deliberately misled Plaintiff Pardo to induce her to enroll in and to continue enrollment in CSL's JD program and to pay tuition for the program.

1393. These intentional misrepresentations were material representations upon which Plaintiff Pardo reasonably relied in enrolling and continuing enrollment in CSL's JD program, thereby causing Plaintiff Pardo to assume student loans, pay tuition for the program, and incur out-of-pocket expenses.

1394. Plaintiff Pardo was in fact deceived by the misrepresentations of the Sterling Funds' subsidiaries, CSL and InfiLaw, made at Defendant SFM's direction. Relying upon these representations of material facts, Plaintiff Pardo enrolled in and continued her enrollment in the JD program at CSL. Plaintiff Pardo paid tuition, expenses and fees, and further lost opportunities to transfer when Plaintiff Pardo remained at CSL. The representations and omissions of Defendant SFM and the subsidiaries dominated and controlled by the Sterling Funds were false and concerned material facts.

1395. These representations were reasonably calculated to deceive Plaintiff Pardo and other students and potential students. Further, these representations were made intentionally and knowingly by the Defendants, both directly by Defendant SFM and through the subsidiaries that

the Sterling Funds dominated and controlled, with the intent to mislead and deceive Plaintiff Pardo; to prevent or delay Plaintiff Pardo from transferring to a law school which was ABA-compliant and where Plaintiff Pardo could receive financial aid; and to ensure Plaintiff Pardo paid additional tuition, fees and expenses to CSL and InfiLaw while Plaintiff Pardo remained in the CSL JD program.

1396. Plaintiff Pardo actually relied upon these statements of material facts and has suffered damages as a result of her reliance. Plaintiff Pardo invested time and money into the CSL JD program and has incurred loan obligations which will need to be repaid with interest. Plaintiff Pardo lost academic credits from CSL's contrived curriculum in transferring to a different institution to complete her JD degree.

1397. As a result of the Defendants' fraudulent misrepresentations set forth above, Plaintiff Pardo suffered and will continue to suffer monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt, emotional pain, inconvenience, mental anguish, interference with family relationships, personal embarrassment, humiliation, loss of enjoyment of life, and loss of professional reputation.

1398. As a result, Plaintiff Pardo is entitled to recover the damages she sustained as a result of the Defendants' conduct.

WHEREFORE, Plaintiff Pardo, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT LXVI
Fraudulent Misrepresentation
(Plaintiff Sastoque against all Defendants)

Plaintiff Sastoque reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1399. The Defendant Sterling Entities, both directly by Defendant SFM and through the subsidiaries Holding, Corporation, and CSL, which were dominated and controlled by the Sterling Funds and SFM, made false representations to Plaintiff Sastoque as described elsewhere in this Complaint, including:

- a. Recruiting and admitting Plaintiff Sastoque while knowing, based on her LSAT score and other information in her application, as well as CSL's own grading policies, that she was unlikely to be pass a bar exam; and
- b. Misrepresenting to Plaintiff Sastoque their belief about her likelihood of succeeding at CSL, graduating, and then passing a bar exam.

1400. As described elsewhere in this Complaint, these representations were false. To wit, CSL was out of compliance with ABA Standards throughout 2015 and 2016. CSL's "substantial misrepresentations" rendered it and its students ineligible for financial aid in January 2017. CSL graduates' bar-passage rates were below state averages.

1401. CSL and InfiLaw made these misrepresentations intentionally, fraudulently, and with reckless disregard for their truth or falsity, and at the deliberate direction of Defendant SFM.

1402. CSL and InfiLaw made these representations at Defendant SFM's direction with no intention of performing their promises to, *inter alia*, continue to provide financial aid or academic support services to students.

1403. CSL and InfiLaw, at Defendant SFM's direction, deliberately misled Plaintiff Sastoque to induce her to enroll in and to continue enrollment in CSL's JD program and to pay tuition for the program.

1404. These intentional misrepresentations were material representations upon which Plaintiff Sastoque reasonably relied in enrolling and continuing enrollment in CSL's JD program, thereby causing Plaintiff Sastoque to assume student loans, pay tuition for the program, and incur out-of-pocket expenses.

1405. Plaintiff Sastoque was in fact deceived by the misrepresentations of the Sterling Funds' subsidiaries, CSL and InfiLaw, made at Defendant SFM's direction. Relying upon these representations of material facts, Plaintiff Sastoque enrolled in and continued her enrollment in the JD program at CSL. Plaintiff Sastoque paid tuition, expenses and fees, and further lost opportunities to transfer when Plaintiff Sastoque remained at CSL. The representations and omissions of Defendant SFM and the subsidiaries dominated and controlled by the Sterling Funds were false and concerned material facts.

1406. These representations were reasonably calculated to deceive Plaintiff Sastoque and other students and potential students. Further, these representations were made intentionally and knowingly by the Defendants, both directly by Defendant SFM and through the subsidiaries that the Sterling Funds dominated and controlled, with the intent to mislead and deceive Plaintiff Sastoque; to prevent or delay Plaintiff Sastoque from transferring to a law school which was ABA-compliant and where Plaintiff Sastoque could receive financial aid; and to ensure Plaintiff Sastoque paid additional tuition, fees and expenses to CSL and InfiLaw while Plaintiff Sastoque remained in the CSL JD program.

1407. Plaintiff Sastoque actually relied upon these statements of material facts and has suffered damages as a result of her reliance. Plaintiff Sastoque invested time and money into the CSL JD program and has incurred loan obligations which will need to be repaid with interest. Plaintiff Sastoque lost academic credits from CSL's contrived curriculum in transferring to a different institution to complete her JD degree.

1408. As a result of the Defendants' fraudulent misrepresentations set forth above, Plaintiff Sastoque suffered and will continue to suffer monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt, emotional pain, inconvenience, mental anguish, interference with family relationships, personal embarrassment, humiliation, loss of enjoyment of life, and loss of professional reputation.

1409. As a result, Plaintiff Sastoque is entitled to recover the damages she sustained as a result of the Defendants' conduct.

WHEREFORE, Plaintiff Sastoque, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT LXVII
Fraudulent Misrepresentation
(Plaintiff Sharon against all Defendants)

Plaintiff Sharon reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1410. The Defendant Sterling Entities, both directly by Defendant SFM and through the subsidiaries Holding, Corporation, and CSL, which were dominated and controlled by the

Sterling Funds and SFM, made false representations to Plaintiff Sharon as described elsewhere in this Complaint, including misrepresentations about:

- a. CSL's accreditation status and compliance status with the ABA; and
- b. The severity of the grading curve that would apply to Plaintiff Sharon in her classes, thus causing her to earn lower grades and lose her scholarship.

1411. As described elsewhere in this Complaint, these representations were false.

1412. CSL and InfiLaw made these misrepresentations intentionally, fraudulently, and with reckless disregard for their truth or falsity, and at the deliberate direction of Defendant SFM.

1413. CSL and InfiLaw made these representations at Defendant SFM's direction with no intention of performing their promises to, *inter alia*, continue to provide financial aid or academic support services to students.

1414. CSL and InfiLaw, at Defendant SFM's direction, deliberately misled Plaintiff Sharon to induce her to enroll in and to continue enrollment in CSL's JD program and to pay tuition for the program.

1415. These intentional misrepresentations were material representations upon which Plaintiff Sharon reasonably relied in enrolling and continuing enrollment in CSL's JD program, thereby causing Plaintiff Sharon to assume student loans, pay tuition for the program, and incur out-of-pocket expenses.

1416. Plaintiff Sharon was in fact deceived by the misrepresentations of the Sterling Funds' subsidiaries, CSL and InfiLaw, made at Defendant SFM's direction. Relying upon these representations of material facts, Plaintiff Sharon enrolled in and continued her enrollment in the JD program at CSL. Plaintiff Sharon paid tuition, expenses and fees, and further lost opportunities to transfer when Plaintiff Sharon remained at CSL. The representations and

omissions of Defendant SFM and the subsidiaries dominated and controlled by the Sterling Funds were false and concerned material facts.

1417. These representations were reasonably calculated to deceive Plaintiff Sharon and other students and potential students. Further, these representations were made intentionally and knowingly by the Defendants, both directly by Defendant SFM and through the subsidiaries that the Sterling Funds dominated and controlled, with the intent to mislead and deceive Plaintiff Sharon; to prevent or delay Plaintiff Sharon from transferring to a law school which was ABA-compliant and where Plaintiff Sharon could receive financial aid; and to ensure Plaintiff Sharon paid additional tuition, fees and expenses to CSL and InfiLaw while Plaintiff Sharon remained in the CSL JD program.

1418. Plaintiff Sharon actually relied upon these statements of material facts and has suffered damages as a result of her reliance. Plaintiff Sharon invested time and money into the CSL JD program and has incurred loan obligations which will need to be repaid with interest. Plaintiff Sharon lost academic credits from CSL's contrived curriculum in transferring to a different institution to complete her JD degree.

1419. As a result of the Defendants' fraudulent misrepresentations set forth above, Plaintiff Sharon suffered and will continue to suffer monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt, emotional pain, inconvenience, mental anguish, interference with family relationships, personal embarrassment, humiliation, loss of enjoyment of life, and loss of professional reputation.

1420. As a result, Plaintiff Sharon is entitled to recover the damages she sustained as a result of the Defendants' conduct.

WHEREFORE, Plaintiff Sharon, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT LXVIII
Fraudulent Misrepresentation
(Plaintiff Stiles against all Defendants)

Plaintiff Stiles reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1421. The Defendant Sterling Entities, both directly by Defendant SFM and through the subsidiaries Holding, Corporation, and CSL, which were dominated and controlled by the Sterling Funds and SFM, made false representations to Plaintiff Stiles as described elsewhere in this Complaint, including:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to misrepresent CSL as being compliant with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards; and
- b. Directing and causing CSL, InfiLaw, and those companies' agents to overstate the bar-passage rates for CSL graduates.

1422. As described elsewhere in this Complaint, these representations were false.

1423. CSL and InfiLaw made these misrepresentations intentionally, fraudulently, and with reckless disregard for their truth or falsity, and at the deliberate direction of Defendant SFM.

1424. CSL and InfiLaw made these representations at Defendant SFM's direction with no intention of performing their promises to, *inter alia*, continue to provide financial aid or academic support services to students.

1425. CSL and InfiLaw, at Defendant SFM's direction, deliberately misled Plaintiff Stiles to induce him to enroll in and to continue enrollment in CSL's JD program and to pay tuition for the program.

1426. These intentional misrepresentations were material representations upon which Plaintiff Stiles reasonably relied in enrolling and continuing enrollment in CSL's JD program, thereby causing Plaintiff Stiles to assume student loans, pay tuition for the program, and incur out-of-pocket expenses.

1427. Plaintiff Stiles was in fact deceived by the misrepresentations of the Sterling Funds' subsidiaries, CSL and InfiLaw, made at Defendant SFM's direction. Relying upon these representations of material facts, Plaintiff Stiles enrolled in and continued his enrollment in the JD program at CSL. Plaintiff Stiles paid tuition, expenses and fees, and further lost opportunities to transfer when Plaintiff Stiles remained at CSL. The representations and omissions of Defendant SFM and the subsidiaries dominated and controlled by the Sterling Funds were false and concerned material facts.

1428. These representations were reasonably calculated to deceive Plaintiff Stiles and other students and potential students. Further, these representations were made intentionally and knowingly by the Defendants, both directly by Defendant SFM and through the subsidiaries that the Sterling Funds dominated and controlled, with the intent to mislead and deceive Plaintiff Stiles; to prevent or delay Plaintiff Stiles from transferring to a law school which was ABA-compliant and where Plaintiff Stiles could receive financial aid; and to ensure Plaintiff Stiles paid additional tuition, fees and expenses to CSL and InfiLaw while Plaintiff Stiles remained in the CSL JD program.

1429. Plaintiff Stiles actually relied upon these statements of material facts and has suffered damages as a result of his reliance. Plaintiff Stiles invested time and money into the CSL JD program and has incurred loan obligations which will need to be repaid with interest. Plaintiff Stiles lost academic credits from CSL's contrived curriculum in transferring to a different institution to complete her JD degree.

1430. As a result of the Defendants' fraudulent misrepresentations set forth above, Plaintiff Stiles suffered and will continue to suffer monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt, emotional pain, inconvenience, mental anguish, interference with family relationships, personal embarrassment, humiliation, loss of enjoyment of life, and loss of professional reputation.

1431. As a result, Plaintiff Stiles is entitled to recover the damages he sustained as a result of the Defendants' conduct.

WHEREFORE, Plaintiff Stiles, by and through his undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT LXIX
Fraudulent Misrepresentation
(Plaintiff Taraschi against all Defendants)

Plaintiff Taraschi reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1432. The Defendant Sterling Entities, both directly by Defendant SFM and through the subsidiaries Holding, Corporation, and CSL, which were dominated and controlled by the

Sterling Funds and SFM, made false representations to Plaintiff Taraschi as described elsewhere in this Complaint, including:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to misrepresent CSL as being compliant with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards; and
- b. Directing and causing CSL, InfiLaw, and those companies' agents to overstate the bar-passage rates for CSL graduates.

1433. As described elsewhere in this Complaint, these representations were false. To wit, CSL was out of compliance with ABA Standards throughout 2015 and 2016. CSL's "substantial misrepresentations" rendered it and its students ineligible for financial aid in January 2017. CSL graduates' bar-passage rates were below state averages.

1434. CSL and InfiLaw made these misrepresentations intentionally, fraudulently, and with reckless disregard for their truth or falsity, and at the deliberate direction of Defendant SFM.

1435. CSL and InfiLaw made these representations at Defendant SFM's direction with no intention of performing their promises to, *inter alia*, continue to provide financial aid or academic support services to students.

1436. CSL and InfiLaw, at Defendant SFM's direction, deliberately misled Plaintiff Taraschi to induce her to enroll in and to continue enrollment in CSL's JD program and to pay tuition for the program.

1437. These intentional misrepresentations were material representations upon which Plaintiff Taraschi reasonably relied in enrolling and continuing enrollment in CSL's JD program, thereby causing Plaintiff Taraschi to assume student loans, pay tuition for the program, and incur out-of-pocket expenses.

1438. Plaintiff Taraschi was in fact deceived by the misrepresentations of the Sterling Funds' subsidiaries, CSL and InfiLaw, made at Defendant SFM's direction. Relying upon these representations of material facts, Plaintiff Taraschi enrolled in and continued her enrollment in the JD program at CSL. Plaintiff Taraschi paid tuition, expenses and fees, and further lost opportunities to transfer when Plaintiff Taraschi remained at CSL. The representations and omissions of Defendant SFM and the subsidiaries dominated and controlled by the Sterling Funds were false and concerned material facts.

1439. These representations were reasonably calculated to deceive Plaintiff Taraschi and other students and potential students. Further, these representations were made intentionally and knowingly by the Defendants, both directly by Defendant SFM and through the subsidiaries that the Sterling Funds dominated and controlled, with the intent to mislead and deceive Plaintiff Taraschi; to prevent or delay Plaintiff Taraschi from transferring to a law school which was ABA-compliant and where Plaintiff Taraschi could receive financial aid; and to ensure Plaintiff Taraschi paid additional tuition, fees and expenses to CSL and InfiLaw while Plaintiff Taraschi remained in the CSL JD program.

1440. Plaintiff Taraschi actually relied upon these statements of material facts and has suffered damages as a result of her reliance. Plaintiff Taraschi invested time and money into the CSL JD program and has incurred loan obligations which will need to be repaid with interest. Plaintiff Taraschi lost academic credits from CSL's contrived curriculum in transferring to a different institution to complete her JD degree.

1441. As a result of the Defendants' fraudulent misrepresentations set forth above, Plaintiff Taraschi suffered and will continue to suffer monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career

advancement, significant debt, emotional pain, inconvenience, mental anguish, interference with family relationships, personal embarrassment, humiliation, loss of enjoyment of life, and loss of professional reputation.

1442. As a result, Plaintiff Taraschi is entitled to recover the damages she sustained as a result of the Defendants' conduct.

WHEREFORE, Plaintiff Taraschi, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT LXX
Fraudulent Misrepresentation
(Plaintiff Terrell against all Defendants)

Plaintiff Terrell reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1443. The Defendant Sterling Entities, both directly by Defendant SFM and through the subsidiaries Holding, Corporation, and CSL, which were dominated and controlled by the Sterling Funds and SFM, made false representations to Plaintiff Terrell as described elsewhere in this Complaint, including:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to misrepresent CSL as being compliant with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- b. Directing and causing CSL, InfiLaw, and those companies' agents to overstate the bar-passage rates for CSL graduates;
- c. Misrepresenting the severity of the grading curve that would apply to Plaintiff Terrell in his classes, thus causing him to earn lower grades and lose his scholarship; and
- d. Knowingly misrepresenting the possibility that CSL might regain its ability to participate in Title IV programs in spring 2017.

1444. As described elsewhere in this Complaint, these representations were false. To wit, CSL was out of compliance with ABA Standards throughout 2015 and 2016. CSL's "substantial misrepresentations" rendered it and its students ineligible for financial aid in January 2017. CSL graduates' bar-passage rates were below state averages.

1445. CSL and InfiLaw made these misrepresentations intentionally, fraudulently, and with reckless disregard for their truth or falsity, and at the deliberate direction of Defendant SFM.

1446. CSL and InfiLaw made these representations at Defendant SFM's direction with no intention of performing their promises to, *inter alia*, continue to provide financial aid or academic support services to students.

1447. CSL and InfiLaw, at Defendant SFM's direction, deliberately misled Plaintiff Terrell to induce him to enroll in and to continue enrollment in CSL's JD program and to pay tuition for the program.

1448. These intentional misrepresentations were material representations upon which Plaintiff Terrell reasonably relied in enrolling and continuing enrollment in CSL's JD program, thereby causing Plaintiff Terrell to assume student loans, pay tuition for the program, and incur out-of-pocket expenses.

1449. Plaintiff Terrell was in fact deceived by the misrepresentations of the Sterling Funds' subsidiaries, CSL and InfiLaw, made at Defendant SFM's direction. Relying upon these representations of material facts, Plaintiff Terrell enrolled in and continued his enrollment in the JD program at CSL. Plaintiff Terrell paid tuition, expenses and fees, and further lost opportunities to transfer when Plaintiff Terrell remained at CSL. The representations and

omissions of Defendant SFM and the subsidiaries dominated and controlled by the Sterling Funds were false and concerned material facts.

1450. These representations were reasonably calculated to deceive Plaintiff Terrell and other students and potential students. Further, these representations were made intentionally and knowingly by the Defendants, both directly by Defendant SFM and through the subsidiaries that the Sterling Funds dominated and controlled, with the intent to mislead and deceive Plaintiff Terrell; to prevent or delay Plaintiff Terrell from transferring to a law school which was ABA-compliant and where Plaintiff Terrell could receive financial aid; and to ensure Plaintiff Terrell paid additional tuition, fees and expenses to CSL and InfiLaw while Plaintiff Terrell remained in the CSL JD program.

1451. Plaintiff Terrell actually relied upon these statements of material facts and has suffered damages as a result of his reliance. Plaintiff Terrell invested time and money into the CSL JD program and has incurred loan obligations which will need to be repaid with interest. Plaintiff Terrell lost academic credits from CSL's contrived curriculum in transferring to a different institution to complete her JD degree.

1452. As a result of the Defendants' fraudulent misrepresentations set forth above, Plaintiff Terrell suffered and will continue to suffer monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt, emotional pain, inconvenience, mental anguish, interference with family relationships, personal embarrassment, humiliation, loss of enjoyment of life, and loss of professional reputation.

1453. As a result, Plaintiff Terrell is entitled to recover the damages he sustained as a result of the Defendants' conduct.

WHEREFORE, Plaintiff Terrell, by and through his undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT LXXI
Fraudulent Misrepresentation
(Plaintiff Jasmine Turner against all Defendants)

Plaintiff Jasmine Turner reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1454. The Defendant Sterling Entities, both directly by Defendant SFM and through the subsidiaries Holding, Corporation, and CSL, which were dominated and controlled by the Sterling Funds and SFM, made false representations to Plaintiff Jasmine Turner as described elsewhere in this Complaint, including:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to misrepresent CSL as being compliant with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- b. Misrepresenting to Plaintiff Jasmine Turner their belief about her likelihood of succeeding at CSL, graduating, and then passing a bar exam; and
- c. Misrepresenting the severity of the grading curve that would apply to Plaintiff Jasmine Turner in her classes, thus causing her to earn lower grades and be academically dismissed.

1455. As described elsewhere in this Complaint, these representations were false. To wit, CSL was out of compliance with ABA Standards throughout 2015 and 2016. CSL's "substantial misrepresentations" rendered it and its students ineligible for financial aid in January 2017. CSL graduates' bar-passage rates were below state averages.

1456. CSL and InfiLaw made these misrepresentations intentionally, fraudulently, and with reckless disregard for their truth or falsity, and at the deliberate direction of Defendant SFM.

1457. CSL and InfiLaw made these representations at Defendant SFM's direction with no intention of performing their promises to, *inter alia*, continue to provide financial aid or academic support services to students.

1458. CSL and InfiLaw, at Defendant SFM's direction, deliberately misled Plaintiff Jasmine Turner to induce her to enroll in and to continue enrollment in CSL's JD program and to pay tuition for the program.

1459. These intentional misrepresentations were material representations upon which Plaintiff Jasmine Turner reasonably relied in enrolling and continuing enrollment in CSL's JD program, thereby causing Plaintiff Jasmine Turner to assume student loans, pay tuition for the program, and incur out-of-pocket expenses.

1460. Plaintiff Jasmine Turner was in fact deceived by the misrepresentations of the Sterling Funds' subsidiaries, CSL and InfiLaw, made at Defendant SFM's direction. Relying upon these representations of material facts, Plaintiff Jasmine Turner enrolled in and continued her enrollment in the JD program at CSL. Plaintiff Jasmine Turner paid tuition, expenses and fees, and further lost opportunities to transfer when Plaintiff Jasmine Turner remained at CSL. The representations and omissions of Defendant SFM and the subsidiaries dominated and controlled by the Sterling Funds were false and concerned material facts.

1461. These representations were reasonably calculated to deceive Plaintiff Jasmine Turner and other students and potential students. Further, these representations were made intentionally and knowingly by the Defendants, both directly by Defendant SFM and through the subsidiaries that the Sterling Funds dominated and controlled, with the intent to mislead and deceive Plaintiff Jasmine Turner; to prevent or delay Plaintiff Jasmine Turner from transferring to a law school which was ABA-compliant and where Plaintiff Jasmine Turner could receive

financial aid; and to ensure Plaintiff Jasmine Turner paid additional tuition, fees and expenses to CSL and InfiLaw while Plaintiff Jasmine Turner remained in the CSL JD program.

1462. Plaintiff Jasmine Turner actually relied upon these statements of material facts and has suffered damages as a result of her reliance. Plaintiff Jasmine Turner invested time and money into the CSL JD program and has incurred loan obligations which will need to be repaid with interest. Plaintiff Jasmine Turner lost academic credits from CSL's contrived curriculum in transferring to a different institution to complete her JD degree.

1463. As a result of the Defendants' fraudulent misrepresentations set forth above, Plaintiff Jasmine Turner suffered and will continue to suffer monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt, emotional pain, inconvenience, mental anguish, interference with family relationships, personal embarrassment, humiliation, loss of enjoyment of life, and loss of professional reputation.

1464. As a result, Plaintiff Jasmine Turner is entitled to recover the damages she sustained as a result of the Defendants' conduct.

WHEREFORE, Plaintiff Jasmine Turner, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT LXXII
Fraudulent Misrepresentation
(Plaintiff Kathryn Turner against all Defendants)

Plaintiff Kathryn Turner reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1465. The Defendant Sterling Entities, both directly by Defendant SFM and through the subsidiaries Holding, Corporation, and CSL, which were dominated and controlled by the Sterling Funds and SFM, made false representations to Plaintiff Kathryn Turner as described elsewhere in this Complaint, including:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to misrepresent CSL as being compliant with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards; and
- b. Directing and causing CSL, InfiLaw, and those companies' agents to overstate the bar-passage rates for CSL graduates.

1466. As described elsewhere in this Complaint, these representations were false. To wit, CSL was out of compliance with ABA Standards throughout 2015 and 2016. CSL's "substantial misrepresentations" rendered it and its students ineligible for financial aid in January 2017. CSL graduates' bar-passage rates were below state averages.

1467. CSL and InfiLaw made these misrepresentations intentionally, fraudulently, and with reckless disregard for their truth or falsity, and at the deliberate direction of Defendant SFM.

1468. CSL and InfiLaw made these representations at Defendant SFM's direction with no intention of performing their promises to, *inter alia*, continue to provide financial aid or academic support services to students.

1469. CSL and InfiLaw, at Defendant SFM's direction, deliberately misled Plaintiff Kathryn Turner to induce her to enroll in and to continue enrollment in CSL's JD program and to pay tuition for the program.

1470. These intentional misrepresentations were material representations upon which Plaintiff Kathryn Turner reasonably relied in enrolling and continuing enrollment in CSL's JD

program, thereby causing Plaintiff Kathryn Turner to assume student loans, pay tuition for the program, and incur out-of-pocket expenses.

1471. Plaintiff Kathryn Turner was in fact deceived by the misrepresentations of the Sterling Funds' subsidiaries, CSL and InfiLaw, made at Defendant SFM's direction. Relying upon these representations of material facts, Plaintiff Kathryn Turner enrolled in and continued her enrollment in the JD program at CSL. Plaintiff Kathryn Turner paid tuition, expenses and fees, and further lost opportunities to transfer when Plaintiff Kathryn Turner remained at CSL. The representations and omissions of Defendant SFM and the subsidiaries dominated and controlled by the Sterling Funds were false and concerned material facts.

1472. These representations were reasonably calculated to deceive Plaintiff Kathryn Turner and other students and potential students. Further, these representations were made intentionally and knowingly by the Defendants, both directly by Defendant SFM and through the subsidiaries that the Sterling Funds dominated and controlled, with the intent to mislead and deceive Plaintiff Kathryn Turner; to prevent or delay Plaintiff Kathryn Turner from transferring to a law school which was ABA-compliant and where Plaintiff Kathryn Turner could receive financial aid; and to ensure Plaintiff Kathryn Turner paid additional tuition, fees and expenses to CSL and InfiLaw while Plaintiff Kathryn Turner remained in the CSL JD program.

1473. Plaintiff Kathryn Turner actually relied upon these statements of material facts and has suffered damages as a result of her reliance. Plaintiff Kathryn Turner invested time and money into the CSL JD program and has incurred loan obligations which will need to be repaid with interest. Plaintiff Kathryn Turner lost academic credits from CSL's contrived curriculum in transferring to a different institution to complete her JD degree.

1474. As a result of the Defendants' fraudulent misrepresentations set forth above, Plaintiff Kathryn Turner suffered and will continue to suffer monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt, emotional pain, inconvenience, mental anguish, interference with family relationships, personal embarrassment, humiliation, loss of enjoyment of life, and loss of professional reputation.

1475. As a result, Plaintiff Kathryn Turner is entitled to recover the damages she sustained as a result of the Defendants' conduct.

WHEREFORE, Plaintiff Kathryn Turner, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT LXXIII
Fraudulent Misrepresentation
(Plaintiff Toynette Turner against all Defendants)

Plaintiff Toynette Turner reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1476. The Defendant Sterling Entities, both directly by Defendant SFM and through the subsidiaries Holding, Corporation, and CSL, which were dominated and controlled by the Sterling Funds and SFM, made false representations to Plaintiff Toynette Turner as described elsewhere in this Complaint, including:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to misrepresent CSL as being compliant with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- b. Directing and causing CSL, InfiLaw, and those companies' agents to overstate the bar-passage rates for CSL graduates;
- c. Directing and causing CSL, InfiLaw, and those companies' agents to exaggerate the availability of academic support services available to Plaintiff Toynette Turner

and other CSL students, which led them to choose CSL yet not receive the substantial benefits they expected, and, more crucially, proximately caused Plaintiff Toynette Turner to be academically dismissed; and

- d. Misrepresenting to Plaintiff Toynette Turner their belief about her likelihood of succeeding at CSL, graduating, and then passing a bar exam.

1477. As described elsewhere in this Complaint, these representations were false. To wit, CSL was out of compliance with ABA Standards throughout 2015 and 2016. CSL's "substantial misrepresentations" rendered it and its students ineligible for financial aid in January 2017. CSL graduates' bar-passage rates were below state averages.

1478. CSL and InfiLaw made these misrepresentations intentionally, fraudulently, and with reckless disregard for their truth or falsity, and at the deliberate direction of Defendant SFM.

1479. CSL and InfiLaw made these representations at Defendant SFM's direction with no intention of performing their promises to, *inter alia*, continue to provide financial aid or academic support services to students.

1480. CSL and InfiLaw, at Defendant SFM's direction, deliberately misled Plaintiff Toynette Turner to induce her to enroll in and to continue enrollment in CSL's JD program and to pay tuition for the program.

1481. These intentional misrepresentations were material representations upon which Plaintiff Toynette Turner reasonably relied in enrolling and continuing enrollment in CSL's JD program, thereby causing Plaintiff Toynette Turner to assume student loans, pay tuition for the program, and incur out-of-pocket expenses.

1482. Plaintiff Toynette Turner was in fact deceived by the misrepresentations of the Sterling Funds' subsidiaries, CSL and InfiLaw, made at Defendant SFM's direction. Relying upon these representations of material facts, Plaintiff Toynette Turner enrolled in and continued

her enrollment in the JD program at CSL. Plaintiff Toynette Turner paid tuition, expenses and fees, and further lost opportunities to transfer when Plaintiff Toynette Turner remained at CSL. The representations and omissions of Defendant SFM and the subsidiaries dominated and controlled by the Sterling Funds were false and concerned material facts.

1483. These representations were reasonably calculated to deceive Plaintiff Toynette Turner and other students and potential students. Further, these representations were made intentionally and knowingly by the Defendants, both directly by Defendant SFM and through the subsidiaries that the Sterling Funds dominated and controlled, with the intent to mislead and deceive Plaintiff Toynette Turner; to prevent or delay Plaintiff Toynette Turner from transferring to a law school which was ABA-compliant and where Plaintiff Toynette Turner could receive financial aid; and to ensure Plaintiff Toynette Turner paid additional tuition, fees and expenses to CSL and InfiLaw while Plaintiff Toynette Turner remained in the CSL JD program.

1484. Plaintiff Toynette Turner actually relied upon these statements of material facts and has suffered damages as a result of her reliance. Plaintiff Toynette Turner invested time and money into the CSL JD program and has incurred loan obligations which will need to be repaid with interest. Plaintiff Toynette Turner lost academic credits from CSL's contrived curriculum in transferring to a different institution to complete her JD degree.

1485. As a result of the Defendants' fraudulent misrepresentations set forth above, Plaintiff Toynette Turner suffered and will continue to suffer monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt, emotional pain, inconvenience, mental anguish, interference with family relationships, personal embarrassment, humiliation, loss of enjoyment of life, and loss of professional reputation.

1486. As a result, Plaintiff Toynette Turner is entitled to recover the damages she sustained as a result of the Defendants' conduct.

WHEREFORE, Plaintiff Toynette Turner, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT LXXIV
Fraudulent Misrepresentation
(Plaintiff Watson against all Defendants)

Plaintiff Watson reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1487. The Defendant Sterling Entities, both directly by Defendant SFM and through the subsidiaries Holding, Corporation, and CSL, which were dominated and controlled by the Sterling Funds and SFM, made false representations to Plaintiff Watson as described elsewhere in this Complaint, including:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to misrepresent CSL as being compliant with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- b. Directing and causing CSL, InfiLaw, and those companies' agents to overstate the bar-passage rates for CSL graduates; and
- c. Misrepresenting the severity of the grading curve that would apply to Plaintiff Watson in her classes, thus causing her to earn lower grades and lose her scholarship.

1488. As described elsewhere in this Complaint, these representations were false. To wit, CSL was out of compliance with ABA Standards throughout 2015 and 2016. CSL's "substantial misrepresentations" rendered it and its students ineligible for financial aid in January 2017. CSL graduates' bar-passage rates were below state averages.

1489. CSL and InfiLaw made these misrepresentations intentionally, fraudulently, and with reckless disregard for their truth or falsity, and at the deliberate direction of Defendant SFM.

1490. CSL and InfiLaw made these representations at Defendant SFM's direction with no intention of performing their promises to, *inter alia*, continue to provide financial aid or academic support services to students.

1491. CSL and InfiLaw, at Defendant SFM's direction, deliberately misled Plaintiff Watson to induce her to enroll in and to continue enrollment in CSL's JD program and to pay tuition for the program.

1492. These intentional misrepresentations were material representations upon which Plaintiff Watson reasonably relied in enrolling and continuing enrollment in CSL's JD program, thereby causing Plaintiff Watson to assume student loans, pay tuition for the program, and incur out-of-pocket expenses.

1493. Plaintiff Watson was in fact deceived by the misrepresentations of the Sterling Funds' subsidiaries, CSL and InfiLaw, made at Defendant SFM's direction. Relying upon these representations of material facts, Plaintiff Watson enrolled in and continued her enrollment in the JD program at CSL. Plaintiff Watson paid tuition, expenses and fees, and further lost opportunities to transfer when Plaintiff Watson remained at CSL. The representations and omissions of Defendant SFM and the subsidiaries dominated and controlled by the Sterling Funds were false and concerned material facts.

1494. These representations were reasonably calculated to deceive Plaintiff Watson and other students and potential students. Further, these representations were made intentionally and knowingly by the Defendants, both directly by Defendant SFM and through the subsidiaries that

the Sterling Funds dominated and controlled, with the intent to mislead and deceive Plaintiff Watson; to prevent or delay Plaintiff Watson from transferring to a law school which was ABA-compliant and where Plaintiff Watson could receive financial aid; and to ensure Plaintiff Watson paid additional tuition, fees and expenses to CSL and InfiLaw while Plaintiff Watson remained in the CSL JD program.

1495. Plaintiff Watson actually relied upon these statements of material facts and has suffered damages as a result of her reliance. Plaintiff Watson invested time and money into the CSL JD program and has incurred loan obligations which will need to be repaid with interest. Plaintiff Watson lost academic credits from CSL's contrived curriculum in transferring to a different institution to complete her JD degree.

1496. As a result of the Defendants' fraudulent misrepresentations set forth above, Plaintiff Watson suffered and will continue to suffer monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt, emotional pain, inconvenience, mental anguish, interference with family relationships, personal embarrassment, humiliation, loss of enjoyment of life, and loss of professional reputation.

1497. As a result, Plaintiff Watson is entitled to recover the damages she sustained as a result of the Defendants' conduct.

WHEREFORE, Plaintiff Watson, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT LXXV
Fraudulent Misrepresentation
(Plaintiff Williams against all Defendants)

Plaintiff Williams reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1498. The Defendant Sterling Entities, both directly by Defendant SFM and through the subsidiaries Holding, Corporation, and CSL, which were dominated and controlled by the Sterling Funds and SFM, made false representations to Plaintiff Williams as described elsewhere in this Complaint, including:

- a. Directing and causing CSL, InfiLaw, and those companies' agents to misrepresent CSL's noncompliance with ABA Standards 301(a), 501(a), and 501(b), and other ABA Standards;
- b. Misrepresenting to Plaintiff Williams his likelihood of succeeding at CSL, graduating, and then passing a bar exam; and
- c. Misrepresenting the severity of the grading curve that would apply to Plaintiff Williams in his classes, thus causing her to earn lower grades and be academically dismissed.

1499. As described elsewhere in this Complaint, these representations were false. To wit, CSL was out of compliance with ABA Standards throughout 2015 and 2016. CSL's "substantial misrepresentations" rendered it and its students ineligible for financial aid in January 2017. CSL graduates' bar-passage rates were below state averages.

1500. CSL and InfiLaw made these misrepresentations intentionally, fraudulently, and with reckless disregard for their truth or falsity, and at the deliberate direction of Defendant SFM.

1501. CSL and InfiLaw made these representations at Defendant SFM's direction with no intention of performing their promises to, *inter alia*, continue to provide financial aid or academic support services to students.

1502. CSL and InfiLaw, at Defendant SFM's direction, deliberately misled Plaintiff Williams to induce him to enroll in and to continue enrollment in CSL's JD program and to pay tuition for the program.

1503. These intentional misrepresentations were material representations upon which Plaintiff Williams reasonably relied in enrolling and continuing enrollment in CSL's JD program, thereby causing Plaintiff Williams to assume student loans, pay tuition for the program, and incur out-of-pocket expenses.

1504. Plaintiff Williams was in fact deceived by the misrepresentations of the Sterling Funds' subsidiaries, CSL and InfiLaw, made at Defendant SFM's direction. Relying upon these representations of material facts, Plaintiff Williams enrolled in and continued his enrollment in the JD program at CSL. Plaintiff Williams paid tuition, expenses and fees, and further lost opportunities to transfer when Plaintiff Williams remained at CSL. The representations and omissions of Defendant SFM and the subsidiaries dominated and controlled by the Sterling Funds were false and concerned material facts.

1505. These representations were reasonably calculated to deceive Plaintiff Williams and other students and potential students. Further, these representations were made intentionally and knowingly by the Defendants, both directly by Defendant SFM and through the subsidiaries that the Sterling Funds dominated and controlled, with the intent to mislead and deceive Plaintiff Williams; to prevent or delay Plaintiff Williams from transferring to a law school which was ABA-compliant and where Plaintiff Williams could receive financial aid; and to ensure Plaintiff Williams paid additional tuition, fees and expenses to CSL and InfiLaw while Plaintiff Williams remained in the CSL JD program.

1506. Plaintiff Williams actually relied upon these statements of material facts and has suffered damages as a result of his reliance. Plaintiff Williams invested time and money into the CSL JD program and has incurred loan obligations which will need to be repaid with interest. Plaintiff Williams lost academic credits from CSL's contrived curriculum in transferring to a different institution to complete his JD degree.

1507. As a result of the Defendants' fraudulent misrepresentations set forth above, Plaintiff Williams suffered and will continue to suffer monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt, emotional pain, inconvenience, mental anguish, interference with family relationships, personal embarrassment, humiliation, loss of enjoyment of life, and loss of professional reputation.

1508. As a result, Plaintiff Williams is entitled to recover the damages he sustained as a result of the Defendants' conduct.

WHEREFORE, Plaintiff Williams, by and through his undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT LXXVI
Fraudulent Concealment
(Plaintiff Bryan against all Defendants)

Plaintiff Bryan reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1509. Defendant SFM and the subsidiaries dominated and controlled by the Sterling Funds—CSL and InfiLaw—had a duty to disclose material information to Plaintiff Bryan because they took affirmative steps to conceal from her material facts that, had they been known

to her, would have influenced her judgment and decision to enroll at and then continue to attend CSL.

1510. The material facts that Defendants took affirmative steps to conceal included the ABA decisions regarding CSL's noncompliance, with Dean Conison of CSL representing that the ABA's January 2015 decision was very positive (notwithstanding that the ABA had stated it had reason to believe that CSL was not in compliance with certain Standards). Moreover:

- a. CSL, InfiLaw, and Defendant SFM continued to try to conceal the ABA's decisions after the ABA affirmatively concluded that CSL was not in compliance with fundamental Standards; and
- b. CSL, InfiLaw, and Defendant SFM resisted the ABA's directive to disclose their decisions to CSL students by appealing the ABA's July 2016 decision, even though CSL admitted that it was not challenging the ABA's conclusion that CSL was not in compliance with fundamental Standards, because CSL, InfiLaw, and Defendant SFM wished to eliminate the requirement that CSL publicly disclose the ABA's findings of noncompliance in order to avoid the anticipated adverse impact on CSL's ability to retain high-performing students and enrollment.

1511. Even if CSL and InfiLaw, under the direction and management of Defendant SFM, did not have a prior duty to speak, they had a duty to make a full and fair disclosure of facts concerning the matters on which they chose to speak. CSL and InfiLaw, under Defendant SFM's direction and management, told Plaintiff Bryan that CSL was compliant with ABA Standards during a time when that was arguably true, yet they failed to correct their statement after it became clearly untrue.

1512. Furthermore, under Defendant SFM's direction, Dean Conison e-mailed Plaintiff Bryan and other students, on behalf of CSL, stating that the ABA January 2015 decision was very positive and that the ABA's additional requests were normal, despite knowing that the ABA had concluded that it had reason to believe that CSL was not in compliance with fundamental Standards. Thus, CSL, InfiLaw, and Defendant SFM had a duty to disclose additional information about the ABA's subsequent decisions.

1513. These facts were material. In fact, CSL itself admitted that students' and prospective students' awareness of the ABA's findings of compliance would have a profound impact on admissions.

1514. In sum, Defendant SFM and the subsidiaries that the Sterling Funds dominated and controlled—Holding, Corporation, and CSL—gave Plaintiff Bryan the impression that CSL was fully compliant with ABA Standards and knew that Plaintiff Bryan was relying on this impression in deciding to enroll and then to remain at CSL.

1515. Defendant SFM's and the Sterling Funds' subsidiaries'—that is, Holding's, Corporation's, and CSL's—understanding of the ABA's Standards, accreditation, and review process, as well as their knowledge of CSL's state of noncompliance, was substantially superior to Plaintiff Bryan's at all material times.

1516. Defendant SFM and the Defendant Sterling Funds' subsidiaries—Holding, Corporation, and CSL—concealed from Plaintiff Bryan the information CSL received from the ABA in 2015 and through 2016 until CSL was forced by the ABA to make a public disclosure. Defendant SFM similarly caused the Sterling subsidiaries to conceal this information. But for the ABA's demand, there is no guarantee that CSL, InfiLaw, or the Defendants would have revealed anything to CSL students to this day—nor would the Defendants have directed them to do so.

1517. Given the Defendants' knowledge that Plaintiff Bryan and other students were relying on their previous statements about CSL's compliance, the failure to correct this misrepresentation after January 2015 amounted to an affirmation that the impression was correct.

1518. CSL, InfiLaw, and Defendant SFM were aware that students and prospective students do not have access to the ABA's data on each law school's bar-passage rate until a year

or more after the fact. Therefore, Plaintiff Bryan relied on CSL, InfiLaw, and/or Defendant SFM to publish CSL's bar passage rate as soon as they calculated it.

1519. Defendant SFM instructed CSL and InfiLaw agents, including faculty, counselors, and other staff, not to disclose CSL's state of noncompliance to Plaintiff Bryan and other students who asked about such compliance issues.

1520. The concealment of this information was reasonably calculated to deceive Plaintiff Bryan, made with the intent to deceive Plaintiff Bryan, and did in fact deceive Plaintiff Bryan. CSL and InfiLaw, under Defendant SFM's direction, concealed this material information about ABA compliance and bar-passage rates from Plaintiff Bryan in order to continue receiving her payments for tuition, fees, and dues, and did in fact continue receiving these payments.

1521. Before November 2016, Defendant SFM prevented InfiLaw and CSL from making any public statements that would have informed a student or prospective student that the ABA had found CSL to be out of compliance with ABA Standards, or that the ABA had determined that CSL has "not demonstrated that it is maintaining a rigorous program of legal education that prepares its students, upon graduation, for admission to the bar, and for effective, ethical, and responsible participation as members of the legal profession." Nor was there any statement or disclosure during that period by CSL that the ABA had determined that CSL was "admitting applicants who do not appear capable of satisfactorily completing its program of legal education and being admitted to the bar."

1522. Moreover, once Plaintiff Bryan became aware of DoE's denial of CSL's request for financial assistance, CSL knowingly concealed the severity of the matter from Plaintiff Bryan by locking the seventh floor doors at CSL and cutting off elevator access to the seventh floor, thereby leaving current students in the dark.

1523. As a result of Defendant SFM's and the Sterling Funds' subsidiaries' fraudulent concealment, Plaintiff Bryan suffered and will continue to suffer damages including monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt, emotional pain, inconvenience, mental anguish, interference with family relationships, personal embarrassment, humiliation, loss of enjoyment of life, and loss of professional reputation. Plaintiff Bryan is therefore entitled to recover the damages she sustained as a result of the Defendants' conduct.

1524. Additionally, as a result of CSL's, InfiLaw's, and Defendants' fraudulent concealment, the accrual of any applicable statutes of limitation or other time-related defense that might otherwise apply to this action should be tolled.

WHEREFORE, Plaintiff Bryan, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT LXXVII
Fraudulent Concealment
(Plaintiff Calhoun against all Defendants)

Plaintiff Calhoun reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1525. Defendant SFM and the subsidiaries dominated and controlled by the Sterling Funds—CSL and InfiLaw—had a duty to disclose material information to Plaintiff Calhoun because they took affirmative steps to conceal from him material facts that, had they been known to him, would have influenced her judgment and decision to enroll at and then continue to attend CSL.

1526. The material facts that Defendants took affirmative steps to conceal included the ABA decisions regarding CSL's noncompliance, with Dean Conison of CSL representing that the ABA's January 2015 decision was very positive (notwithstanding that the ABA had stated it had reason to believe that CSL was not in compliance with certain Standards). Moreover:

- a. CSL, InfiLaw, and Defendant SFM continued to try to conceal the ABA's decisions after the ABA affirmatively concluded that CSL was not in compliance with fundamental Standards; and
- b. CSL, InfiLaw, and Defendant SFM resisted the ABA's directive to disclose their decisions to CSL students by appealing the ABA's July 2016 decision, even though CSL admitted that it was not challenging the ABA's conclusion that CSL was not in compliance with fundamental Standards, because CSL, InfiLaw, and Defendant SFM wished to eliminate the requirement that CSL publicly disclose the ABA's findings of noncompliance in order to avoid the anticipated adverse impact on CSL's ability to retain high-performing students and enrollment.

1527. Even if CSL and InfiLaw, under the direction and management of Defendant SFM, did not have a prior duty to speak, they had a duty to make a full and fair disclosure of facts concerning the matters on which they chose to speak. CSL and InfiLaw, under Defendant SFM's direction and management, told Plaintiff Calhoun that CSL was compliant with ABA Standards during a time when that was arguably true, yet they failed to correct their statement after it became clearly untrue.

1528. Furthermore, under Defendant SFM's direction, Dean Conison e-mailed Plaintiff Calhoun and other students, on behalf of CSL, stating that the ABA January 2015 decision was very positive and that the ABA's additional requests were normal, despite knowing that the ABA had concluded that it had reason to believe that CSL was not in compliance with fundamental Standards. Thus, CSL, InfiLaw, and Defendant SFM had a duty to disclose additional information about the ABA's subsequent decisions.

1529. These facts were material. In fact, CSL itself admitted that students' and prospective students' awareness of the ABA's findings of compliance would have a profound impact on admissions.

1530. In sum, Defendant SFM and the subsidiaries that the Sterling Funds dominated and controlled—Holding, Corporation, and CSL—gave Plaintiff Calhoun the impression that CSL was fully compliant with ABA Standards and knew that Plaintiff Calhoun was relying on this impression in deciding to enroll and then to remain at CSL.

1531. Defendant SFM's and the Sterling Funds' subsidiaries'—that is, Holding's, Corporation's, and CSL's—understanding of the ABA's Standards, accreditation, and review process, as well as their knowledge of CSL's state of noncompliance, was substantially superior to Plaintiff Calhoun's at all material times.

1532. Defendant SFM and the Defendant Sterling Funds' subsidiaries—Holding, Corporation, and CSL—concealed from Plaintiff Calhoun the information CSL received from the ABA in 2015 and through 2016 until CSL was forced by the ABA to make a public disclosure. Defendant SFM similarly caused the Sterling subsidiaries to conceal this information. But for the ABA's demand, there is no guarantee that CSL, InfiLaw, or the Defendants would have revealed anything to CSL students to this day—nor would the Defendants have directed them to do so.

1533. Given the Defendants' knowledge that Plaintiff Calhoun and other students were relying on their previous statements about CSL's compliance, the failure to correct this misrepresentation after January 2015 amounted to an affirmation that the impression was correct.

1534. CSL, InfiLaw, and Defendant SFM were aware that students and prospective students do not have access to the ABA's data on each law school's bar-passage rate until a year

or more after the fact. Therefore, Plaintiff Calhoun relied on CSL, InfiLaw, and/or Defendant SFM to publish CSL's bar passage rate as soon as they calculated it.

1535. Defendant SFM instructed CSL and InfiLaw agents, including faculty, counselors, and other staff, not to disclose CSL's state of noncompliance to Plaintiff Calhoun and other students who asked about such compliance issues.

1536. The concealment of this information was reasonably calculated to deceive Plaintiff Calhoun, made with the intent to deceive Plaintiff Calhoun, and did in fact deceive Plaintiff Calhoun. CSL and InfiLaw, under Defendant SFM's direction, concealed this material information about ABA compliance and bar-passage rates from Plaintiff Calhoun in order to continue receiving his payments for tuition, fees, and dues, and did in fact continue receiving these payments.

1537. Before November 2016, Defendant SFM prevented InfiLaw and CSL from making any public statements that would have informed a student or prospective student that the ABA had found CSL to be out of compliance with ABA Standards, or that the ABA had determined that CSL has "not demonstrated that it is maintaining a rigorous program of legal education that prepares its students, upon graduation, for admission to the bar, and for effective, ethical, and responsible participation as members of the legal profession." Nor was there any statement or disclosure during that period by CSL that the ABA had determined that CSL was "admitting applicants who do not appear capable of satisfactorily completing its program of legal education and being admitted to the bar."

1538. Moreover, once Plaintiff Calhoun became aware of DoE's denial of CSL's request for financial assistance, CSL knowingly concealed the severity of the matter from

Plaintiff Calhoun by locking the seventh floor doors at CSL and cutting off elevator access to the seventh floor, thereby leaving current students in the dark.

1539. As a result of Defendant SFM's and the Sterling Funds' subsidiaries' fraudulent concealment, Plaintiff Calhoun suffered and will continue to suffer damages including monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt, emotional pain, inconvenience, mental anguish, interference with family relationships, personal embarrassment, humiliation, loss of enjoyment of life, and loss of professional reputation. Plaintiff Calhoun is therefore entitled to recover the damages he sustained as a result of the Defendants' conduct.

1540. Additionally, as a result of CSL's, InfiLaw's, and Defendants' fraudulent concealment, the accrual of any applicable statutes of limitation or other time-related defense that might otherwise apply to this action should be tolled.

WHEREFORE, Plaintiff Calhoun, by and through his undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT LXXVIII
Fraudulent Concealment
(Plaintiff Duncan against all Defendants)

Plaintiff Duncan reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1541. Defendant SFM and the subsidiaries dominated and controlled by the Sterling Funds—CSL and InfiLaw—had a duty to disclose material information to Plaintiff Duncan because they took affirmative steps to conceal from her material facts that, had they been known

to her, would have influenced her judgment and decision to enroll at and then continue to attend CSL.

1542. The material facts that Defendants took affirmative steps to conceal included the ABA decisions regarding CSL's noncompliance, with Dean Conison of CSL representing that the ABA's January 2015 decision was very positive (notwithstanding that the ABA had stated it had reason to believe that CSL was not in compliance with certain Standards). Moreover:

- a. CSL, InfiLaw, and Defendant SFM continued to try to conceal the ABA's decisions after the ABA affirmatively concluded that CSL was not in compliance with fundamental Standards; and
- b. CSL, InfiLaw, and Defendant SFM resisted the ABA's directive to disclose their decisions to CSL students by appealing the ABA's July 2016 decision, even though CSL admitted that it was not challenging the ABA's conclusion that CSL was not in compliance with fundamental Standards, because CSL, InfiLaw, and Defendant SFM wished to eliminate the requirement that CSL publicly disclose the ABA's findings of noncompliance in order to avoid the anticipated adverse impact on CSL's ability to retain high-performing students and enrollment.

1543. Even if CSL and InfiLaw, under the direction and management of Defendant SFM, did not have a prior duty to speak, they had a duty to make a full and fair disclosure of facts concerning the matters on which they chose to speak. CSL and InfiLaw, under Defendant SFM's direction and management, told Plaintiff Duncan that CSL was compliant with ABA Standards during a time when that was arguably true, yet they failed to correct their statement after it became clearly untrue.

1544. Furthermore, under Defendant SFM's direction, Dean Conison e-mailed Plaintiff Duncan and other students, on behalf of CSL, stating that the ABA January 2015 decision was very positive and that the ABA's additional requests were normal, despite knowing that the ABA had concluded that it had reason to believe that CSL was not in compliance with fundamental Standards. Thus, CSL, InfiLaw, and Defendant SFM had a duty to disclose additional information about the ABA's subsequent decisions.

1545. These facts were material. In fact, CSL itself admitted that students' and prospective students' awareness of the ABA's findings of compliance would have a profound impact on admissions.

1546. In sum, Defendant SFM and the subsidiaries that the Sterling Funds dominated and controlled—Holding, Corporation, and CSL—gave Plaintiff Duncan the impression that CSL was fully compliant with ABA Standards and knew that Plaintiff Duncan was relying on this impression in deciding to enroll and then to remain at CSL.

1547. Defendant SFM's and the Sterling Funds' subsidiaries'—that is, Holding's, Corporation's, and CSL's—understanding of the ABA's Standards, accreditation, and review process, as well as their knowledge of CSL's state of noncompliance, was substantially superior to Plaintiff Duncan's at all material times.

1548. Defendant SFM and the Defendant Sterling Funds' subsidiaries—Holding, Corporation, and CSL—concealed from Plaintiff Duncan the information CSL received from the ABA in 2015 and through 2016 until CSL was forced by the ABA to make a public disclosure. Defendant SFM similarly caused the Sterling subsidiaries to conceal this information. But for the ABA's demand, there is no guarantee that CSL, InfiLaw, or the Defendants would have revealed anything to CSL students to this day—nor would the Defendants have directed them to do so.

1549. Given the Defendants' knowledge that Plaintiff Duncan and other students were relying on their previous statements about CSL's compliance, the failure to correct this misrepresentation after January 2015 amounted to an affirmation that the impression was correct.

1550. CSL, InfiLaw, and Defendant SFM were aware that students and prospective students do not have access to the ABA's data on each law school's bar-passage rate until a year

or more after the fact. Therefore, Plaintiff Duncan relied on CSL, InfiLaw, and/or Defendant SFM to publish CSL's bar passage rate as soon as they calculated it.

1551. Defendant SFM instructed CSL and InfiLaw agents, including faculty, counselors, and other staff, not to disclose CSL's state of noncompliance to Plaintiff Duncan and other students who asked about such compliance issues.

1552. The concealment of this information was reasonably calculated to deceive Plaintiff Duncan, made with the intent to deceive Plaintiff Duncan, and did in fact deceive Plaintiff Duncan. CSL and InfiLaw, under Defendant SFM's direction, concealed this material information about ABA compliance and bar-passage rates from Plaintiff Duncan in order to continue receiving her payments for tuition, fees, and dues, and did in fact continue receiving these payments.

1553. Before November 2016, Defendant SFM prevented InfiLaw and CSL from making any public statements that would have informed a student or prospective student that the ABA had found CSL to be out of compliance with ABA Standards, or that the ABA had determined that CSL has "not demonstrated that it is maintaining a rigorous program of legal education that prepares its students, upon graduation, for admission to the bar, and for effective, ethical, and responsible participation as members of the legal profession." Nor was there any statement or disclosure during that period by CSL that the ABA had determined that CSL was "admitting applicants who do not appear capable of satisfactorily completing its program of legal education and being admitted to the bar."

1554. Moreover, once Plaintiff Duncan became aware of DoE's denial of CSL's request for financial assistance, CSL knowingly concealed the severity of the matter from Plaintiff

Duncan by locking the seventh floor doors at CSL and cutting off elevator access to the seventh floor, thereby leaving current students in the dark.

1555. As a result of Defendant SFM's and the Sterling Funds' subsidiaries' fraudulent concealment, Plaintiff Duncan suffered and will continue to suffer damages including monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt, emotional pain, inconvenience, mental anguish, interference with family relationships, personal embarrassment, humiliation, loss of enjoyment of life, and loss of professional reputation. Plaintiff Duncan is therefore entitled to recover the damages she sustained as a result of the Defendants' conduct.

1556. Additionally, as a result of CSL's, InfiLaw's, and Defendants' fraudulent concealment, the accrual of any applicable statutes of limitation or other time-related defense that might otherwise apply to this action should be tolled.

WHEREFORE, Plaintiff Duncan, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT LXXIX
Fraudulent Concealment
(Plaintiff El-Halim against all Defendants)

Plaintiff El-Halim reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1557. Defendant SFM and the subsidiaries dominated and controlled by the Sterling Funds—CSL and InfiLaw—had a duty to disclose material information to Plaintiff El-Halim because they took affirmative steps to conceal from him material facts that, had they been known

to him, would have influenced her judgment and decision to enroll at and then continue to attend CSL.

1558. The material facts that Defendants took affirmative steps to conceal included the ABA decisions regarding CSL's noncompliance, with Dean Conison of CSL representing that the ABA's January 2015 decision was very positive (notwithstanding that the ABA had stated it had reason to believe that CSL was not in compliance with certain Standards). Moreover:

- a. CSL, InfiLaw, and Defendant SFM continued to try to conceal the ABA's decisions after the ABA affirmatively concluded that CSL was not in compliance with fundamental Standards; and
- b. CSL, InfiLaw, and Defendant SFM resisted the ABA's directive to disclose their decisions to CSL students by appealing the ABA's July 2016 decision, even though CSL admitted that it was not challenging the ABA's conclusion that CSL was not in compliance with fundamental Standards, because CSL, InfiLaw, and Defendant SFM wished to eliminate the requirement that CSL publicly disclose the ABA's findings of noncompliance in order to avoid the anticipated adverse impact on CSL's ability to retain high-performing students and enrollment.

1559. Even if CSL and InfiLaw, under the direction and management of Defendant SFM, did not have a prior duty to speak, they had a duty to make a full and fair disclosure of facts concerning the matters on which they chose to speak. CSL and InfiLaw, under Defendant SFM's direction and management, told Plaintiff El-Halim that CSL was compliant with ABA Standards during a time when that was arguably true, yet they failed to correct their statement after it became clearly untrue.

1560. Furthermore, under Defendant SFM's direction, Dean Conison e-mailed Plaintiff El-Halim and other students, on behalf of CSL, stating that the ABA January 2015 decision was very positive and that the ABA's additional requests were normal, despite knowing that the ABA had concluded that it had reason to believe that CSL was not in compliance with fundamental Standards. Thus, CSL, InfiLaw, and Defendant SFM had a duty to disclose additional information about the ABA's subsequent decisions.

1561. These facts were material. In fact, CSL itself admitted that students' and prospective students' awareness of the ABA's findings of compliance would have a profound impact on admissions.

1562. In sum, Defendant SFM and the subsidiaries that the Sterling Funds dominated and controlled—Holding, Corporation, and CSL—gave Plaintiff El-Halim the impression that CSL was fully compliant with ABA Standards and knew that Plaintiff El-Halim was relying on this impression in deciding to enroll and then to remain at CSL.

1563. Defendant SFM's and the Sterling Funds' subsidiaries'—that is, Holding's, Corporation's, and CSL's—understanding of the ABA's Standards, accreditation, and review process, as well as their knowledge of CSL's state of noncompliance, was substantially superior to Plaintiff El-Halim's at all material times.

1564. Defendant SFM and the Defendant Sterling Funds' subsidiaries—Holding, Corporation, and CSL—concealed from Plaintiff El-Halim the information CSL received from the ABA in 2015 and through 2016 until CSL was forced by the ABA to make a public disclosure. Defendant SFM similarly caused the Sterling subsidiaries to conceal this information. But for the ABA's demand, there is no guarantee that CSL, InfiLaw, or the Defendants would have revealed anything to CSL students to this day—nor would the Defendants have directed them to do so.

1565. Given the Defendants' knowledge that Plaintiff El-Halim and other students were relying on their previous statements about CSL's compliance, the failure to correct this misrepresentation after January 2015 amounted to an affirmation that the impression was correct.

1566. CSL, InfiLaw, and Defendant SFM were aware that students and prospective students do not have access to the ABA's data on each law school's bar-passage rate until a year

or more after the fact. Therefore, Plaintiff El-Halim relied on CSL, InfiLaw, and/or Defendant SFM to publish CSL's bar passage rate as soon as they calculated it.

1567. Defendant SFM instructed CSL and InfiLaw agents, including faculty, counselors, and other staff, not to disclose CSL's state of noncompliance to Plaintiff El-Halim and other students who asked about such compliance issues.

1568. The concealment of this information was reasonably calculated to deceive Plaintiff El-Halim, made with the intent to deceive Plaintiff El-Halim, and did in fact deceive Plaintiff El-Halim. CSL and InfiLaw, under Defendant SFM's direction, concealed this material information about ABA compliance and bar-passage rates from Plaintiff El-Halim in order to continue receiving his payments for tuition, fees, and dues, and did in fact continue receiving these payments.

1569. Before November 2016, Defendant SFM prevented InfiLaw and CSL from making any public statements that would have informed a student or prospective student that the ABA had found CSL to be out of compliance with ABA Standards, or that the ABA had determined that CSL has "not demonstrated that it is maintaining a rigorous program of legal education that prepares its students, upon graduation, for admission to the bar, and for effective, ethical, and responsible participation as members of the legal profession." Nor was there any statement or disclosure during that period by CSL that the ABA had determined that CSL was "admitting applicants who do not appear capable of satisfactorily completing its program of legal education and being admitted to the bar."

1570. Moreover, once Plaintiff El-Halim became aware of DoE's denial of CSL's request for financial assistance, CSL knowingly concealed the severity of the matter from

Plaintiff El-Halim by locking the seventh floor doors at CSL and cutting off elevator access to the seventh floor, thereby leaving current students in the dark.

1571. As a result of Defendant SFM's and the Sterling Funds' subsidiaries' fraudulent concealment, Plaintiff El-Halim suffered and will continue to suffer damages including monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt, emotional pain, inconvenience, mental anguish, interference with family relationships, personal embarrassment, humiliation, loss of enjoyment of life, and loss of professional reputation. Plaintiff El-Halim is therefore entitled to recover the damages he sustained as a result of the Defendants' conduct.

1572. Additionally, as a result of CSL's, InfiLaw's, and Defendants' fraudulent concealment, the accrual of any applicable statutes of limitation or other time-related defense that might otherwise apply to this action should be tolled.

WHEREFORE, Plaintiff El-Halim, by and through his undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT LXXX
Fraudulent Concealment
(Plaintiff El-Halim against all Defendants)

Plaintiff Girton reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1573. Defendant SFM and the subsidiaries dominated and controlled by the Sterling Funds—CSL and InfiLaw—had a duty to disclose material information to Plaintiff Girton because they took affirmative steps to conceal from her material facts that, had they been known

to her, would have influenced her judgment and decision to enroll at and then continue to attend CSL.

1574. The material facts that Defendants took affirmative steps to conceal included the ABA decisions regarding CSL's noncompliance, with Dean Conison of CSL representing that the ABA's January 2015 decision was very positive (notwithstanding that the ABA had stated it had reason to believe that CSL was not in compliance with certain Standards). Moreover:

- a. CSL, InfiLaw, and Defendant SFM continued to try to conceal the ABA's decisions after the ABA affirmatively concluded that CSL was not in compliance with fundamental Standards; and
- b. CSL, InfiLaw, and Defendant SFM resisted the ABA's directive to disclose their decisions to CSL students by appealing the ABA's July 2016 decision, even though CSL admitted that it was not challenging the ABA's conclusion that CSL was not in compliance with fundamental Standards, because CSL, InfiLaw, and Defendant SFM wished to eliminate the requirement that CSL publicly disclose the ABA's findings of noncompliance in order to avoid the anticipated adverse impact on CSL's ability to retain high-performing students and enrollment.

1575. Even if CSL and InfiLaw, under the direction and management of Defendant SFM, did not have a prior duty to speak, they had a duty to make a full and fair disclosure of facts concerning the matters on which they chose to speak. CSL and InfiLaw, under Defendant SFM's direction and management, told Plaintiff Girton that CSL was compliant with ABA Standards during a time when that was arguably true, yet they failed to correct their statement after it became clearly untrue.

1576. Furthermore, under Defendant SFM's direction, Dean Conison e-mailed Plaintiff Girton and other students, on behalf of CSL, stating that the ABA January 2015 decision was very positive and that the ABA's additional requests were normal, despite knowing that the ABA had concluded that it had reason to believe that CSL was not in compliance with fundamental Standards. Thus, CSL, InfiLaw, and Defendant SFM had a duty to disclose additional information about the ABA's subsequent decisions.

1577. These facts were material. In fact, CSL itself admitted that students' and prospective students' awareness of the ABA's findings of compliance would have a profound impact on admissions.

1578. In sum, Defendant SFM and the subsidiaries that the Sterling Funds dominated and controlled—Holding, Corporation, and CSL—gave Plaintiff Girton the impression that CSL was fully compliant with ABA Standards and knew that Plaintiff Girton was relying on this impression in deciding to enroll and then to remain at CSL.

1579. Defendant SFM's and the Sterling Funds' subsidiaries'—that is, Holding's, Corporation's, and CSL's—understanding of the ABA's Standards, accreditation, and review process, as well as their knowledge of CSL's state of noncompliance, was substantially superior to Plaintiff Girton's at all material times.

1580. Defendant SFM and the Defendant Sterling Funds' subsidiaries—Holding, Corporation, and CSL—concealed from Plaintiff Girton the information CSL received from the ABA in 2015 and through 2016 until CSL was forced by the ABA to make a public disclosure. Defendant SFM similarly caused the Sterling subsidiaries to conceal this information. But for the ABA's demand, there is no guarantee that CSL, InfiLaw, or the Defendants would have revealed anything to CSL students to this day—nor would the Defendants have directed them to do so.

1581. Given the Defendants' knowledge that Plaintiff Girton and other students were relying on their previous statements about CSL's compliance, the failure to correct this misrepresentation after January 2015 amounted to an affirmation that the impression was correct.

1582. CSL, InfiLaw, and Defendant SFM were aware that students and prospective students do not have access to the ABA's data on each law school's bar-passage rate until a year

or more after the fact. Therefore, Plaintiff Girton relied on CSL, InfiLaw, and/or Defendant SFM to publish CSL's bar passage rate as soon as they calculated it.

1583. Defendant SFM instructed CSL and InfiLaw agents, including faculty, counselors, and other staff, not to disclose CSL's state of noncompliance to Plaintiff Girton and other students who asked about such compliance issues.

1584. The concealment of this information was reasonably calculated to deceive Plaintiff Girton, made with the intent to deceive Plaintiff Girton, and did in fact deceive Plaintiff Girton. CSL and InfiLaw, under Defendant SFM's direction, concealed this material information about ABA compliance and bar-passage rates from Plaintiff Girton in order to continue receiving her payments for tuition, fees, and dues, and did in fact continue receiving these payments.

1585. Before November 2016, Defendant SFM prevented InfiLaw and CSL from making any public statements that would have informed a student or prospective student that the ABA had found CSL to be out of compliance with ABA Standards, or that the ABA had determined that CSL has "not demonstrated that it is maintaining a rigorous program of legal education that prepares its students, upon graduation, for admission to the bar, and for effective, ethical, and responsible participation as members of the legal profession." Nor was there any statement or disclosure during that period by CSL that the ABA had determined that CSL was "admitting applicants who do not appear capable of satisfactorily completing its program of legal education and being admitted to the bar."

1586. Moreover, once Plaintiff Girton became aware of DoE's denial of CSL's request for financial assistance, CSL knowingly concealed the severity of the matter from Plaintiff Girton by locking the seventh floor doors at CSL and cutting off elevator access to the seventh floor, thereby leaving current students in the dark.

1587. As a result of Defendant SFM's and the Sterling Funds' subsidiaries' fraudulent concealment, Plaintiff Girton suffered and will continue to suffer damages including monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt, emotional pain, inconvenience, mental anguish, interference with family relationships, personal embarrassment, humiliation, loss of enjoyment of life, and loss of professional reputation. Plaintiff Girton is therefore entitled to recover the damages she sustained as a result of the Defendants' conduct.

1588. Additionally, as a result of CSL's, InfiLaw's, and Defendants' fraudulent concealment, the accrual of any applicable statutes of limitation or other time-related defense that might otherwise apply to this action should be tolled.

WHEREFORE, Plaintiff Girton, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT LXXXI
Fraudulent Concealment
(Plaintiff Hammond against all Defendants)

Plaintiff Hammond reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1589. Defendant SFM and the subsidiaries dominated and controlled by the Sterling Funds—CSL and InfiLaw—had a duty to disclose material information to Plaintiff Hammond because they took affirmative steps to conceal from her material facts that, had they been known to her, would have influenced her judgment and decision to enroll at and then continue to attend CSL.

1590. The material facts that Defendants took affirmative steps to conceal included the ABA decisions regarding CSL's noncompliance, with Dean Conison of CSL representing that the ABA's January 2015 decision was very positive (notwithstanding that the ABA had stated it had reason to believe that CSL was not in compliance with certain Standards). Moreover:

- a. CSL, InfiLaw, and Defendant SFM continued to try to conceal the ABA's decisions after the ABA affirmatively concluded that CSL was not in compliance with fundamental Standards; and
- b. CSL, InfiLaw, and Defendant SFM resisted the ABA's directive to disclose their decisions to CSL students by appealing the ABA's July 2016 decision, even though CSL admitted that it was not challenging the ABA's conclusion that CSL was not in compliance with fundamental Standards, because CSL, InfiLaw, and Defendant SFM wished to eliminate the requirement that CSL publicly disclose the ABA's findings of noncompliance in order to avoid the anticipated adverse impact on CSL's ability to retain high-performing students and enrollment.

1591. Even if CSL and InfiLaw, under the direction and management of Defendant SFM, did not have a prior duty to speak, they had a duty to make a full and fair disclosure of facts concerning the matters on which they chose to speak. CSL and InfiLaw, under Defendant SFM's direction and management, told Plaintiff Hammond that CSL was compliant with ABA Standards during a time when that was arguably true, yet they failed to correct their statement after it became clearly untrue.

1592. Furthermore, under Defendant SFM's direction, Dean Conison e-mailed Plaintiff Hammond and other students, on behalf of CSL, stating that the ABA January 2015 decision was very positive and that the ABA's additional requests were normal, despite knowing that the ABA had concluded that it had reason to believe that CSL was not in compliance with fundamental Standards. Thus, CSL, InfiLaw, and Defendant SFM had a duty to disclose additional information about the ABA's subsequent decisions.

1593. These facts were material. In fact, CSL itself admitted that students' and prospective students' awareness of the ABA's findings of compliance would have a profound impact on admissions.

1594. In sum, Defendant SFM and the subsidiaries that the Sterling Funds dominated and controlled—Holding, Corporation, and CSL—gave Plaintiff Hammond the impression that CSL was fully compliant with ABA Standards and knew that Plaintiff Hammond was relying on this impression in deciding to enroll and then to remain at CSL.

1595. Defendant SFM's and the Sterling Funds' subsidiaries'—that is, Holding's, Corporation's, and CSL's—understanding of the ABA's Standards, accreditation, and review process, as well as their knowledge of CSL's state of noncompliance, was substantially superior to Plaintiff Hammond's at all material times.

1596. Defendant SFM and the Defendant Sterling Funds' subsidiaries—Holding, Corporation, and CSL—concealed from Plaintiff Hammond the information CSL received from the ABA in 2015 and through 2016 until CSL was forced by the ABA to make a public disclosure. Defendant SFM similarly caused the Sterling subsidiaries to conceal this information. But for the ABA's demand, there is no guarantee that CSL, InfiLaw, or the Defendants would have revealed anything to CSL students to this day—nor would the Defendants have directed them to do so.

1597. Given the Defendants' knowledge that Plaintiff Hammond and other students were relying on their previous statements about CSL's compliance, the failure to correct this misrepresentation after January 2015 amounted to an affirmation that the impression was correct.

1598. CSL, InfiLaw, and Defendant SFM were aware that students and prospective students do not have access to the ABA's data on each law school's bar-passage rate until a year

or more after the fact. Therefore, Plaintiff Hammond relied on CSL, InfiLaw, and/or Defendant SFM to publish CSL's bar passage rate as soon as they calculated it.

1599. Defendant SFM instructed CSL and InfiLaw agents, including faculty, counselors, and other staff, not to disclose CSL's state of noncompliance to Plaintiff Hammond and other students who asked about such compliance issues.

1600. The concealment of this information was reasonably calculated to deceive Plaintiff Hammond, made with the intent to deceive Plaintiff Hammond, and did in fact deceive Plaintiff Hammond. CSL and InfiLaw, under Defendant SFM's direction, concealed this material information about ABA compliance and bar-passage rates from Plaintiff Hammond in order to continue receiving her payments for tuition, fees, and dues, and did in fact continue receiving these payments.

1601. Before November 2016, Defendant SFM prevented InfiLaw and CSL from making any public statements that would have informed a student or prospective student that the ABA had found CSL to be out of compliance with ABA Standards, or that the ABA had determined that CSL has "not demonstrated that it is maintaining a rigorous program of legal education that prepares its students, upon graduation, for admission to the bar, and for effective, ethical, and responsible participation as members of the legal profession." Nor was there any statement or disclosure during that period by CSL that the ABA had determined that CSL was "admitting applicants who do not appear capable of satisfactorily completing its program of legal education and being admitted to the bar."

1602. Moreover, once Plaintiff Hammond became aware of DoE's denial of CSL's request for financial assistance, CSL knowingly concealed the severity of the matter from

Plaintiff Hammond by locking the seventh floor doors at CSL and cutting off elevator access to the seventh floor, thereby leaving current students in the dark.

1603. As a result of Defendant SFM's and the Sterling Funds' subsidiaries' fraudulent concealment, Plaintiff Hammond suffered and will continue to suffer damages including monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt, emotional pain, inconvenience, mental anguish, interference with family relationships, personal embarrassment, humiliation, loss of enjoyment of life, and loss of professional reputation. Plaintiff Hammond is therefore entitled to recover the damages she sustained as a result of the Defendants' conduct.

1604. Additionally, as a result of CSL's, InfiLaw's, and Defendants' fraudulent concealment, the accrual of any applicable statutes of limitation or other time-related defense that might otherwise apply to this action should be tolled.

WHEREFORE, Plaintiff Hammond, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT LXXXII
Fraudulent Concealment
(Plaintiff King against all Defendants)

Plaintiff King reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1605. Defendant SFM and the subsidiaries dominated and controlled by the Sterling Funds—CSL and InfiLaw—had a duty to disclose material information to Plaintiff King because they took affirmative steps to conceal from her material facts that, had they been known to her, would have influenced her judgment and decision to enroll at and then continue to attend CSL.

1606. The material facts that Defendants took affirmative steps to conceal included the ABA decisions regarding CSL's noncompliance, with Dean Conison of CSL representing that the ABA's January 2015 decision was very positive (notwithstanding that the ABA had stated it had reason to believe that CSL was not in compliance with certain Standards). Moreover:

- a. CSL, InfiLaw, and Defendant SFM continued to try to conceal the ABA's decisions after the ABA affirmatively concluded that CSL was not in compliance with fundamental Standards; and
- b. CSL, InfiLaw, and Defendant SFM resisted the ABA's directive to disclose their decisions to CSL students by appealing the ABA's July 2016 decision, even though CSL admitted that it was not challenging the ABA's conclusion that CSL was not in compliance with fundamental Standards, because CSL, InfiLaw, and Defendant SFM wished to eliminate the requirement that CSL publicly disclose the ABA's findings of noncompliance in order to avoid the anticipated adverse impact on CSL's ability to retain high-performing students and enrollment.

1607. Even if CSL and InfiLaw, under the direction and management of Defendant SFM, did not have a prior duty to speak, they had a duty to make a full and fair disclosure of facts concerning the matters on which they chose to speak. CSL and InfiLaw, under Defendant SFM's direction and management, told Plaintiff King that CSL was compliant with ABA Standards during a time when that was arguably true, yet they failed to correct their statement after it became clearly untrue.

1608. Furthermore, under Defendant SFM's direction, Dean Conison e-mailed Plaintiff King and other students, on behalf of CSL, stating that the ABA January 2015 decision was very positive and that the ABA's additional requests were normal, despite knowing that the ABA had concluded that it had reason to believe that CSL was not in compliance with fundamental Standards. Thus, CSL, InfiLaw, and Defendant SFM had a duty to disclose additional information about the ABA's subsequent decisions.

1609. These facts were material. In fact, CSL itself admitted that students' and prospective students' awareness of the ABA's findings of compliance would have a profound impact on admissions.

1610. In sum, Defendant SFM and the subsidiaries that the Sterling Funds dominated and controlled—Holding, Corporation, and CSL—gave Plaintiff King the impression that CSL was fully compliant with ABA Standards and knew that Plaintiff King was relying on this impression in deciding to enroll and then to remain at CSL.

1611. Defendant SFM's and the Sterling Funds' subsidiaries'—that is, Holding's, Corporation's, and CSL's—understanding of the ABA's Standards, accreditation, and review process, as well as their knowledge of CSL's state of noncompliance, was substantially superior to Plaintiff King's at all material times.

1612. Defendant SFM and the Defendant Sterling Funds' subsidiaries—Holding, Corporation, and CSL—concealed from Plaintiff King the information CSL received from the ABA in 2015 and through 2016 until CSL was forced by the ABA to make a public disclosure. Defendant SFM similarly caused the Sterling subsidiaries to conceal this information. But for the ABA's demand, there is no guarantee that CSL, InfiLaw, or the Defendants would have revealed anything to CSL students to this day—nor would the Defendants have directed them to do so.

1613. Given the Defendants' knowledge that Plaintiff King and other students were relying on their previous statements about CSL's compliance, the failure to correct this misrepresentation after January 2015 amounted to an affirmation that the impression was correct.

1614. CSL, InfiLaw, and Defendant SFM were aware that students and prospective students do not have access to the ABA's data on each law school's bar-passage rate until a year

or more after the fact. Therefore, Plaintiff King relied on CSL, InfiLaw, and/or Defendant SFM to publish CSL's bar passage rate as soon as they calculated it.

1615. Defendant SFM instructed CSL and InfiLaw agents, including faculty, counselors, and other staff, not to disclose CSL's state of noncompliance to Plaintiff King and other students who asked about such compliance issues.

1616. The concealment of this information was reasonably calculated to deceive Plaintiff King, made with the intent to deceive Plaintiff King, and did in fact deceive Plaintiff King. CSL and InfiLaw, under Defendant SFM's direction, concealed this material information about ABA compliance and bar-passage rates from Plaintiff King in order to continue receiving her payments for tuition, fees, and dues, and did in fact continue receiving these payments.

1617. Before November 2016, Defendant SFM prevented InfiLaw and CSL from making any public statements that would have informed a student or prospective student that the ABA had found CSL to be out of compliance with ABA Standards, or that the ABA had determined that CSL has "not demonstrated that it is maintaining a rigorous program of legal education that prepares its students, upon graduation, for admission to the bar, and for effective, ethical, and responsible participation as members of the legal profession." Nor was there any statement or disclosure during that period by CSL that the ABA had determined that CSL was "admitting applicants who do not appear capable of satisfactorily completing its program of legal education and being admitted to the bar."

1618. Moreover, once Plaintiff King became aware of DoE's denial of CSL's request for financial assistance, CSL knowingly concealed the severity of the matter from Plaintiff King by locking the seventh floor doors at CSL and cutting off elevator access to the seventh floor, thereby leaving current students in the dark.

1619. As a result of Defendant SFM's and the Sterling Funds' subsidiaries' fraudulent concealment, Plaintiff King suffered and will continue to suffer damages including monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt, emotional pain, inconvenience, mental anguish, interference with family relationships, personal embarrassment, humiliation, loss of enjoyment of life, and loss of professional reputation. Plaintiff King is therefore entitled to recover the damages she sustained as a result of the Defendants' conduct.

1620. Additionally, as a result of CSL's, InfiLaw's, and Defendants' fraudulent concealment, the accrual of any applicable statutes of limitation or other time-related defense that might otherwise apply to this action should be tolled.

WHEREFORE, Plaintiff King, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT LXXXIII
Fraudulent Concealment
(Plaintiff Levy against all Defendants)

Plaintiff Levy reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1621. Defendant SFM and the subsidiaries dominated and controlled by the Sterling Funds—CSL and InfiLaw—had a duty to disclose material information to Plaintiff Levy because they took affirmative steps to conceal from her material facts that, had they been known to her, would have influenced her judgment and decision to enroll at and then continue to attend CSL.

1622. The material facts that Defendants took affirmative steps to conceal included the ABA decisions regarding CSL's noncompliance, with Dean Conison of CSL representing that

the ABA's January 2015 decision was very positive (notwithstanding that the ABA had stated it had reason to believe that CSL was not in compliance with certain Standards). Moreover:

- a. CSL, InfiLaw, and Defendant SFM continued to try to conceal the ABA's decisions after the ABA affirmatively concluded that CSL was not in compliance with fundamental Standards; and
- b. CSL, InfiLaw, and Defendant SFM resisted the ABA's directive to disclose their decisions to CSL students by appealing the ABA's July 2016 decision, even though CSL admitted that it was not challenging the ABA's conclusion that CSL was not in compliance with fundamental Standards, because CSL, InfiLaw, and Defendant SFM wished to eliminate the requirement that CSL publicly disclose the ABA's findings of noncompliance in order to avoid the anticipated adverse impact on CSL's ability to retain high-performing students and enrollment.

1623. Even if CSL and InfiLaw, under the direction and management of Defendant SFM, did not have a prior duty to speak, they had a duty to make a full and fair disclosure of facts concerning the matters on which they chose to speak. CSL and InfiLaw, under Defendant SFM's direction and management, told Plaintiff Levy that CSL was compliant with ABA Standards during a time when that was arguably true, yet they failed to correct their statement after it became clearly untrue.

1624. Furthermore, under Defendant SFM's direction, Dean Conison e-mailed Plaintiff Levy and other students, on behalf of CSL, stating that the ABA January 2015 decision was very positive and that the ABA's additional requests were normal, despite knowing that the ABA had concluded that it had reason to believe that CSL was not in compliance with fundamental Standards. Thus, CSL, InfiLaw, and Defendant SFM had a duty to disclose additional information about the ABA's subsequent decisions.

1625. These facts were material. In fact, CSL itself admitted that students' and prospective students' awareness of the ABA's findings of compliance would have a profound impact on admissions.

1626. In sum, Defendant SFM and the subsidiaries that the Sterling Funds dominated and controlled—Holding, Corporation, and CSL—gave Plaintiff Levy the impression that CSL was fully compliant with ABA Standards and knew that Plaintiff Levy was relying on this impression in deciding to enroll and then to remain at CSL.

1627. Defendant SFM's and the Sterling Funds' subsidiaries'—that is, Holding's, Corporation's, and CSL's—understanding of the ABA's Standards, accreditation, and review process, as well as their knowledge of CSL's state of noncompliance, was substantially superior to Plaintiff Levy's at all material times.

1628. Defendant SFM and the Defendant Sterling Funds' subsidiaries—Holding, Corporation, and CSL—concealed from Plaintiff Levy the information CSL received from the ABA in 2015 and through 2016 until CSL was forced by the ABA to make a public disclosure. Defendant SFM similarly caused the Sterling subsidiaries to conceal this information. But for the ABA's demand, there is no guarantee that CSL, InfiLaw, or the Defendants would have revealed anything to CSL students to this day—nor would the Defendants have directed them to do so.

1629. Given the Defendants' knowledge that Plaintiff Levy and other students were relying on their previous statements about CSL's compliance, the failure to correct this misrepresentation after January 2015 amounted to an affirmation that the impression was correct.

1630. CSL, InfiLaw, and Defendant SFM were aware that students and prospective students do not have access to the ABA's data on each law school's bar-passage rate until a year or more after the fact. Therefore, Plaintiff Levy relied on CSL, InfiLaw, and/or Defendant SFM to publish CSL's bar passage rate as soon as they calculated it.

1631. Defendant SFM instructed CSL and InfiLaw agents, including faculty, counselors, and other staff, not to disclose CSL's state of noncompliance to Plaintiff Levy and other students who asked about such compliance issues.

1632. The concealment of this information was reasonably calculated to deceive Plaintiff Levy, made with the intent to deceive Plaintiff Levy, and did in fact deceive Plaintiff Levy. CSL and InfiLaw, under Defendant SFM's direction, concealed this material information about ABA compliance and bar-passage rates from Plaintiff Levy in order to continue receiving her payments for tuition, fees, and dues, and did in fact continue receiving these payments.

1633. Before November 2016, Defendant SFM prevented InfiLaw and CSL from making any public statements that would have informed a student or prospective student that the ABA had found CSL to be out of compliance with ABA Standards, or that the ABA had determined that CSL has "not demonstrated that it is maintaining a rigorous program of legal education that prepares its students, upon graduation, for admission to the bar, and for effective, ethical, and responsible participation as members of the legal profession." Nor was there any statement or disclosure during that period by CSL that the ABA had determined that CSL was "admitting applicants who do not appear capable of satisfactorily completing its program of legal education and being admitted to the bar."

1634. Moreover, once Plaintiff Levy became aware of DoE's denial of CSL's request for financial assistance, CSL knowingly concealed the severity of the matter from Plaintiff Levy by locking the seventh floor doors at CSL and cutting off elevator access to the seventh floor, thereby leaving current students in the dark.

1635. As a result of Defendant SFM's and the Sterling Funds' subsidiaries' fraudulent concealment, Plaintiff Levy suffered and will continue to suffer damages including monetary

loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt, emotional pain, inconvenience, mental anguish, interference with family relationships, personal embarrassment, humiliation, loss of enjoyment of life, and loss of professional reputation. Plaintiff Levy is therefore entitled to recover the damages she sustained as a result of the Defendants' conduct.

1636. Additionally, as a result of CSL's, InfiLaw's, and Defendants' fraudulent concealment, the accrual of any applicable statutes of limitation or other time-related defense that might otherwise apply to this action should be tolled.

WHEREFORE, Plaintiff Levy, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT LXXXIV
Fraudulent Concealment
(Plaintiff Louis-Jean against all Defendants)

Plaintiff Louis-Jean reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1637. Defendant SFM and the subsidiaries dominated and controlled by the Sterling Funds—CSL and InfiLaw—had a duty to disclose material information to Plaintiff Louis-Jean because they took affirmative steps to conceal from her material facts that, had they been known to her, would have influenced her judgment and decision to enroll at and then continue to attend CSL.

1638. The material facts that Defendants took affirmative steps to conceal included the ABA decisions regarding CSL's noncompliance, with Dean Conison of CSL representing that

the ABA's January 2015 decision was very positive (notwithstanding that the ABA had stated it had reason to believe that CSL was not in compliance with certain Standards). Moreover:

- a. CSL, InfiLaw, and Defendant SFM continued to try to conceal the ABA's decisions after the ABA affirmatively concluded that CSL was not in compliance with fundamental Standards; and
- b. CSL, InfiLaw, and Defendant SFM resisted the ABA's directive to disclose their decisions to CSL students by appealing the ABA's July 2016 decision, even though CSL admitted that it was not challenging the ABA's conclusion that CSL was not in compliance with fundamental Standards, because CSL, InfiLaw, and Defendant SFM wished to eliminate the requirement that CSL publicly disclose the ABA's findings of noncompliance in order to avoid the anticipated adverse impact on CSL's ability to retain high-performing students and enrollment.

1639. Even if CSL and InfiLaw, under the direction and management of Defendant SFM, did not have a prior duty to speak, they had a duty to make a full and fair disclosure of facts concerning the matters on which they chose to speak. CSL and InfiLaw, under Defendant SFM's direction and management, told Plaintiff Louis-Jean that CSL was compliant with ABA Standards during a time when that was arguably true, yet they failed to correct their statement after it became clearly untrue.

1640. Furthermore, under Defendant SFM's direction, Dean Conison e-mailed Plaintiff Louis-Jean and other students, on behalf of CSL, stating that the ABA January 2015 decision was very positive and that the ABA's additional requests were normal, despite knowing that the ABA had concluded that it had reason to believe that CSL was not in compliance with fundamental Standards. Thus, CSL, InfiLaw, and Defendant SFM had a duty to disclose additional information about the ABA's subsequent decisions.

1641. These facts were material. In fact, CSL itself admitted that students' and prospective students' awareness of the ABA's findings of compliance would have a profound impact on admissions.

1642. In sum, Defendant SFM and the subsidiaries that the Sterling Funds dominated and controlled—Holding, Corporation, and CSL—gave Plaintiff Louis-Jean the impression that CSL was fully compliant with ABA Standards and knew that Plaintiff Louis-Jean was relying on this impression in deciding to enroll and then to remain at CSL.

1643. Defendant SFM's and the Sterling Funds' subsidiaries'—that is, Holding's, Corporation's, and CSL's—understanding of the ABA's Standards, accreditation, and review process, as well as their knowledge of CSL's state of noncompliance, was substantially superior to Plaintiff Louis-Jean's at all material times.

1644. Defendant SFM and the Defendant Sterling Funds' subsidiaries—Holding, Corporation, and CSL—concealed from Plaintiff Louis-Jean the information CSL received from the ABA in 2015 and through 2016 until CSL was forced by the ABA to make a public disclosure. Defendant SFM similarly caused the Sterling subsidiaries to conceal this information. But for the ABA's demand, there is no guarantee that CSL, InfiLaw, or the Defendants would have revealed anything to CSL students to this day—nor would the Defendants have directed them to do so.

1645. Given the Defendants' knowledge that Plaintiff Louis-Jean and other students were relying on their previous statements about CSL's compliance, the failure to correct this misrepresentation after January 2015 amounted to an affirmation that the impression was correct.

1646. CSL, InfiLaw, and Defendant SFM were aware that students and prospective students do not have access to the ABA's data on each law school's bar-passage rate until a year or more after the fact. Therefore, Plaintiff Louis-Jean relied on CSL, InfiLaw, and/or Defendant SFM to publish CSL's bar passage rate as soon as they calculated it.

1647. Defendant SFM instructed CSL and InfiLaw agents, including faculty, counselors, and other staff, not to disclose CSL's state of noncompliance to Plaintiff Louis-Jean and other students who asked about such compliance issues.

1648. The concealment of this information was reasonably calculated to deceive Plaintiff Louis-Jean, made with the intent to deceive Plaintiff Louis-Jean, and did in fact deceive Plaintiff Louis-Jean. CSL and InfiLaw, under Defendant SFM's direction, concealed this material information about ABA compliance and bar-passage rates from Plaintiff Louis-Jean in order to continue receiving her payments for tuition, fees, and dues, and did in fact continue receiving these payments.

1649. Before November 2016, Defendant SFM prevented InfiLaw and CSL from making any public statements that would have informed a student or prospective student that the ABA had found CSL to be out of compliance with ABA Standards, or that the ABA had determined that CSL has "not demonstrated that it is maintaining a rigorous program of legal education that prepares its students, upon graduation, for admission to the bar, and for effective, ethical, and responsible participation as members of the legal profession." Nor was there any statement or disclosure during that period by CSL that the ABA had determined that CSL was "admitting applicants who do not appear capable of satisfactorily completing its program of legal education and being admitted to the bar."

1650. Moreover, once Plaintiff Louis-Jean became aware of DoE's denial of CSL's request for financial assistance, CSL knowingly concealed the severity of the matter from Plaintiff Louis-Jean by locking the seventh floor doors at CSL and cutting off elevator access to the seventh floor, thereby leaving current students in the dark.

1651. As a result of Defendant SFM's and the Sterling Funds' subsidiaries' fraudulent concealment, Plaintiff Louis-Jean suffered and will continue to suffer damages including monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt, emotional pain, inconvenience, mental anguish, interference with family relationships, personal embarrassment, humiliation, loss of enjoyment of life, and loss of professional reputation. Plaintiff Louis-Jean is therefore entitled to recover the damages she sustained as a result of the Defendants' conduct.

1652. Additionally, as a result of CSL's, InfiLaw's, and Defendants' fraudulent concealment, the accrual of any applicable statutes of limitation or other time-related defense that might otherwise apply to this action should be tolled.

WHEREFORE, Plaintiff Louis-Jean, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT LXXXV
Fraudulent Concealment
(Plaintiff McGee against all Defendants)

Plaintiff McGee reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1653. Defendant SFM and the subsidiaries dominated and controlled by the Sterling Funds—CSL and InfiLaw—had a duty to disclose material information to Plaintiff McGee because they took affirmative steps to conceal from her material facts that, had they been known to her, would have influenced her judgment and decision to enroll at and then continue to attend CSL.

1654. The material facts that Defendants took affirmative steps to conceal included the ABA decisions regarding CSL's noncompliance, with Dean Conison of CSL representing that the ABA's January 2015 decision was very positive (notwithstanding that the ABA had stated it had reason to believe that CSL was not in compliance with certain Standards). Moreover:

- a. CSL, InfiLaw, and Defendant SFM continued to try to conceal the ABA's decisions after the ABA affirmatively concluded that CSL was not in compliance with fundamental Standards; and
- b. CSL, InfiLaw, and Defendant SFM resisted the ABA's directive to disclose their decisions to CSL students by appealing the ABA's July 2016 decision, even though CSL admitted that it was not challenging the ABA's conclusion that CSL was not in compliance with fundamental Standards, because CSL, InfiLaw, and Defendant SFM wished to eliminate the requirement that CSL publicly disclose the ABA's findings of noncompliance in order to avoid the anticipated adverse impact on CSL's ability to retain high-performing students and enrollment.

1655. Even if CSL and InfiLaw, under the direction and management of Defendant SFM, did not have a prior duty to speak, they had a duty to make a full and fair disclosure of facts concerning the matters on which they chose to speak. CSL and InfiLaw, under Defendant SFM's direction and management, told Plaintiff McGee that CSL was compliant with ABA Standards during a time when that was arguably true, yet they failed to correct their statement after it became clearly untrue.

1656. Furthermore, under Defendant SFM's direction, Dean Conison e-mailed Plaintiff McGee and other students, on behalf of CSL, stating that the ABA January 2015 decision was very positive and that the ABA's additional requests were normal, despite knowing that the ABA had concluded that it had reason to believe that CSL was not in compliance with fundamental Standards. Thus, CSL, InfiLaw, and Defendant SFM had a duty to disclose additional information about the ABA's subsequent decisions.

1657. These facts were material. In fact, CSL itself admitted that students' and prospective students' awareness of the ABA's findings of compliance would have a profound impact on admissions.

1658. In sum, Defendant SFM and the subsidiaries that the Sterling Funds dominated and controlled—Holding, Corporation, and CSL—gave Plaintiff McGee the impression that CSL was fully compliant with ABA Standards and knew that Plaintiff McGee was relying on this impression in deciding to enroll and then to remain at CSL.

1659. Defendant SFM's and the Sterling Funds' subsidiaries'—that is, Holding's, Corporation's, and CSL's—understanding of the ABA's Standards, accreditation, and review process, as well as their knowledge of CSL's state of noncompliance, was substantially superior to Plaintiff McGee's at all material times.

1660. Defendant SFM and the Defendant Sterling Funds' subsidiaries—Holding, Corporation, and CSL—concealed from Plaintiff McGee the information CSL received from the ABA in 2015 and through 2016 until CSL was forced by the ABA to make a public disclosure. Defendant SFM similarly caused the Sterling subsidiaries to conceal this information. But for the ABA's demand, there is no guarantee that CSL, InfiLaw, or the Defendants would have revealed anything to CSL students to this day—nor would the Defendants have directed them to do so.

1661. Given the Defendants' knowledge that Plaintiff McGee and other students were relying on their previous statements about CSL's compliance, the failure to correct this misrepresentation after January 2015 amounted to an affirmation that the impression was correct.

1662. CSL, InfiLaw, and Defendant SFM were aware that students and prospective students do not have access to the ABA's data on each law school's bar-passage rate until a year

or more after the fact. Therefore, Plaintiff McGee relied on CSL, InfiLaw, and/or Defendant SFM to publish CSL's bar passage rate as soon as they calculated it.

1663. Defendant SFM instructed CSL and InfiLaw agents, including faculty, counselors, and other staff, not to disclose CSL's state of noncompliance to Plaintiff McGee and other students who asked about such compliance issues.

1664. The concealment of this information was reasonably calculated to deceive Plaintiff McGee, made with the intent to deceive Plaintiff McGee, and did in fact deceive Plaintiff McGee. CSL and InfiLaw, under Defendant SFM's direction, concealed this material information about ABA compliance and bar-passage rates from Plaintiff McGee in order to continue receiving her payments for tuition, fees, and dues, and did in fact continue receiving these payments.

1665. Before November 2016, Defendant SFM prevented InfiLaw and CSL from making any public statements that would have informed a student or prospective student that the ABA had found CSL to be out of compliance with ABA Standards, or that the ABA had determined that CSL has "not demonstrated that it is maintaining a rigorous program of legal education that prepares its students, upon graduation, for admission to the bar, and for effective, ethical, and responsible participation as members of the legal profession." Nor was there any statement or disclosure during that period by CSL that the ABA had determined that CSL was "admitting applicants who do not appear capable of satisfactorily completing its program of legal education and being admitted to the bar."

1666. Moreover, once Plaintiff McGee became aware of DoE's denial of CSL's request for financial assistance, CSL knowingly concealed the severity of the matter from Plaintiff

McGee by locking the seventh floor doors at CSL and cutting off elevator access to the seventh floor, thereby leaving current students in the dark.

1667. As a result of Defendant SFM's and the Sterling Funds' subsidiaries' fraudulent concealment, Plaintiff McGee suffered and will continue to suffer damages including monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt, emotional pain, inconvenience, mental anguish, interference with family relationships, personal embarrassment, humiliation, loss of enjoyment of life, and loss of professional reputation. Plaintiff McGee is therefore entitled to recover the damages she sustained as a result of the Defendants' conduct.

1668. Additionally, as a result of CSL's, InfiLaw's, and Defendants' fraudulent concealment, the accrual of any applicable statutes of limitation or other time-related defense that might otherwise apply to this action should be tolled.

WHEREFORE, Plaintiff McGee, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT LXXXVI
Fraudulent Concealment
(Plaintiff McGinnas against all Defendants)

Plaintiff McGinnas reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1669. Defendant SFM and the subsidiaries dominated and controlled by the Sterling Funds—CSL and InfiLaw—had a duty to disclose material information to Plaintiff McGinnas because they took affirmative steps to conceal from her material facts that, had they been known

to her, would have influenced her judgment and decision to enroll at and then continue to attend CSL.

1670. The material facts that Defendants took affirmative steps to conceal included the ABA decisions regarding CSL's noncompliance, with Dean Conison of CSL representing that the ABA's January 2015 decision was very positive (notwithstanding that the ABA had stated it had reason to believe that CSL was not in compliance with certain Standards). Moreover:

- a. CSL, InfiLaw, and Defendant SFM continued to try to conceal the ABA's decisions after the ABA affirmatively concluded that CSL was not in compliance with fundamental Standards; and
- b. CSL, InfiLaw, and Defendant SFM resisted the ABA's directive to disclose their decisions to CSL students by appealing the ABA's July 2016 decision, even though CSL admitted that it was not challenging the ABA's conclusion that CSL was not in compliance with fundamental Standards, because CSL, InfiLaw, and Defendant SFM wished to eliminate the requirement that CSL publicly disclose the ABA's findings of noncompliance in order to avoid the anticipated adverse impact on CSL's ability to retain high-performing students and enrollment.

1671. Even if CSL and InfiLaw, under the direction and management of Defendant SFM, did not have a prior duty to speak, they had a duty to make a full and fair disclosure of facts concerning the matters on which they chose to speak. CSL and InfiLaw, under Defendant SFM's direction and management, told Plaintiff McGinnas that CSL was compliant with ABA Standards during a time when that was arguably true, yet they failed to correct their statement after it became clearly untrue.

1672. Furthermore, under Defendant SFM's direction, Dean Conison e-mailed Plaintiff McGinnas and other students, on behalf of CSL, stating that the ABA January 2015 decision was very positive and that the ABA's additional requests were normal, despite knowing that the ABA had concluded that it had reason to believe that CSL was not in compliance with fundamental Standards. Thus, CSL, InfiLaw, and Defendant SFM had a duty to disclose additional information about the ABA's subsequent decisions.

1673. These facts were material. In fact, CSL itself admitted that students' and prospective students' awareness of the ABA's findings of compliance would have a profound impact on admissions.

1674. In sum, Defendant SFM and the subsidiaries that the Sterling Funds dominated and controlled—Holding, Corporation, and CSL—gave Plaintiff McGinnas the impression that CSL was fully compliant with ABA Standards and knew that Plaintiff McGinnas was relying on this impression in deciding to enroll and then to remain at CSL.

1675. Defendant SFM's and the Sterling Funds' subsidiaries'—that is, Holding's, Corporation's, and CSL's—understanding of the ABA's Standards, accreditation, and review process, as well as their knowledge of CSL's state of noncompliance, was substantially superior to Plaintiff McGinnas's at all material times.

1676. Defendant SFM and the Defendant Sterling Funds' subsidiaries—Holding, Corporation, and CSL—concealed from Plaintiff McGinnas the information CSL received from the ABA in 2015 and through 2016 until CSL was forced by the ABA to make a public disclosure. Defendant SFM similarly caused the Sterling subsidiaries to conceal this information. But for the ABA's demand, there is no guarantee that CSL, InfiLaw, or the Defendants would have revealed anything to CSL students to this day—nor would the Defendants have directed them to do so.

1677. Given the Defendants' knowledge that Plaintiff McGinnas and other students were relying on their previous statements about CSL's compliance, the failure to correct this misrepresentation after January 2015 amounted to an affirmation that the impression was correct.

1678. CSL, InfiLaw, and Defendant SFM were aware that students and prospective students do not have access to the ABA's data on each law school's bar-passage rate until a year

or more after the fact. Therefore, Plaintiff McGinnas relied on CSL, InfiLaw, and/or Defendant SFM to publish CSL's bar passage rate as soon as they calculated it.

1679. Defendant SFM instructed CSL and InfiLaw agents, including faculty, counselors, and other staff, not to disclose CSL's state of noncompliance to Plaintiff McGinnas and other students who asked about such compliance issues.

1680. The concealment of this information was reasonably calculated to deceive Plaintiff McGinnas, made with the intent to deceive Plaintiff McGinnas, and did in fact deceive Plaintiff McGinnas. CSL and InfiLaw, under Defendant SFM's direction, concealed this material information about ABA compliance and bar-passage rates from Plaintiff McGinnas in order to continue receiving her payments for tuition, fees, and dues, and did in fact continue receiving these payments.

1681. Before November 2016, Defendant SFM prevented InfiLaw and CSL from making any public statements that would have informed a student or prospective student that the ABA had found CSL to be out of compliance with ABA Standards, or that the ABA had determined that CSL has "not demonstrated that it is maintaining a rigorous program of legal education that prepares its students, upon graduation, for admission to the bar, and for effective, ethical, and responsible participation as members of the legal profession." Nor was there any statement or disclosure during that period by CSL that the ABA had determined that CSL was "admitting applicants who do not appear capable of satisfactorily completing its program of legal education and being admitted to the bar."

1682. Moreover, once Plaintiff McGinnas became aware of DoE's denial of CSL's request for financial assistance, CSL knowingly concealed the severity of the matter from

Plaintiff McGinnas by locking the seventh floor doors at CSL and cutting off elevator access to the seventh floor, thereby leaving current students in the dark.

1683. As a result of Defendant SFM's and the Sterling Funds' subsidiaries' fraudulent concealment, Plaintiff McGinnas suffered and will continue to suffer damages including monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt, emotional pain, inconvenience, mental anguish, interference with family relationships, personal embarrassment, humiliation, loss of enjoyment of life, and loss of professional reputation. Plaintiff McGinnas is therefore entitled to recover the damages she sustained as a result of the Defendants' conduct.

1684. Additionally, as a result of CSL's, InfiLaw's, and Defendants' fraudulent concealment, the accrual of any applicable statutes of limitation or other time-related defense that might otherwise apply to this action should be tolled.

WHEREFORE, Plaintiff McGinnas, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT LXXXVII
Fraudulent Concealment
(Plaintiff Merritt against all Defendants)

Plaintiff Merritt reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1685. Defendant SFM and the subsidiaries dominated and controlled by the Sterling Funds—CSL and InfiLaw—had a duty to disclose material information to Plaintiff Merritt because they took affirmative steps to conceal from her material facts that, had they been known

to her, would have influenced her judgment and decision to enroll at and then continue to attend CSL.

1686. The material facts that Defendants took affirmative steps to conceal included the ABA decisions regarding CSL's noncompliance, with Dean Conison of CSL representing that the ABA's January 2015 decision was very positive (notwithstanding that the ABA had stated it had reason to believe that CSL was not in compliance with certain Standards). Moreover:

- a. CSL, InfiLaw, and Defendant SFM continued to try to conceal the ABA's decisions after the ABA affirmatively concluded that CSL was not in compliance with fundamental Standards; and
- b. CSL, InfiLaw, and Defendant SFM resisted the ABA's directive to disclose their decisions to CSL students by appealing the ABA's July 2016 decision, even though CSL admitted that it was not challenging the ABA's conclusion that CSL was not in compliance with fundamental Standards, because CSL, InfiLaw, and Defendant SFM wished to eliminate the requirement that CSL publicly disclose the ABA's findings of noncompliance in order to avoid the anticipated adverse impact on CSL's ability to retain high-performing students and enrollment.

1687. Even if CSL and InfiLaw, under the direction and management of Defendant SFM, did not have a prior duty to speak, they had a duty to make a full and fair disclosure of facts concerning the matters on which they chose to speak. CSL and InfiLaw, under Defendant SFM's direction and management, told Plaintiff Merritt that CSL was compliant with ABA Standards during a time when that was arguably true, yet they failed to correct their statement after it became clearly untrue.

1688. Furthermore, under Defendant SFM's direction, Dean Conison e-mailed Plaintiff Merritt and other students, on behalf of CSL, stating that the ABA January 2015 decision was very positive and that the ABA's additional requests were normal, despite knowing that the ABA had concluded that it had reason to believe that CSL was not in compliance with fundamental Standards. Thus, CSL, InfiLaw, and Defendant SFM had a duty to disclose additional information about the ABA's subsequent decisions.

1689. These facts were material. In fact, CSL itself admitted that students' and prospective students' awareness of the ABA's findings of compliance would have a profound impact on admissions.

1690. In sum, Defendant SFM and the subsidiaries that the Sterling Funds dominated and controlled—Holding, Corporation, and CSL—gave Plaintiff Merritt the impression that CSL was fully compliant with ABA Standards and knew that Plaintiff Merritt was relying on this impression in deciding to enroll and then to remain at CSL.

1691. Defendant SFM's and the Sterling Funds' subsidiaries'—that is, Holding's, Corporation's, and CSL's—understanding of the ABA's Standards, accreditation, and review process, as well as their knowledge of CSL's state of noncompliance, was substantially superior to Plaintiff Merritt's at all material times.

1692. Defendant SFM and the Defendant Sterling Funds' subsidiaries—Holding, Corporation, and CSL—concealed from Plaintiff Merritt the information CSL received from the ABA in 2015 and through 2016 until CSL was forced by the ABA to make a public disclosure. Defendant SFM similarly caused the Sterling subsidiaries to conceal this information. But for the ABA's demand, there is no guarantee that CSL, InfiLaw, or the Defendants would have revealed anything to CSL students to this day—nor would the Defendants have directed them to do so.

1693. Given the Defendants' knowledge that Plaintiff Merritt and other students were relying on their previous statements about CSL's compliance, the failure to correct this misrepresentation after January 2015 amounted to an affirmation that the impression was correct.

1694. CSL, InfiLaw, and Defendant SFM were aware that students and prospective students do not have access to the ABA's data on each law school's bar-passage rate until a year

or more after the fact. Therefore, Plaintiff Merritt relied on CSL, InfiLaw, and/or Defendant SFM to publish CSL's bar passage rate as soon as they calculated it.

1695. Defendant SFM instructed CSL and InfiLaw agents, including faculty, counselors, and other staff, not to disclose CSL's state of noncompliance to Plaintiff Merritt and other students who asked about such compliance issues.

1696. The concealment of this information was reasonably calculated to deceive Plaintiff Merritt, made with the intent to deceive Plaintiff Merritt, and did in fact deceive Plaintiff Merritt. CSL and InfiLaw, under Defendant SFM's direction, concealed this material information about ABA compliance and bar-passage rates from Plaintiff Merritt in order to continue receiving her payments for tuition, fees, and dues, and did in fact continue receiving these payments.

1697. Before November 2016, Defendant SFM prevented InfiLaw and CSL from making any public statements that would have informed a student or prospective student that the ABA had found CSL to be out of compliance with ABA Standards, or that the ABA had determined that CSL has "not demonstrated that it is maintaining a rigorous program of legal education that prepares its students, upon graduation, for admission to the bar, and for effective, ethical, and responsible participation as members of the legal profession." Nor was there any statement or disclosure during that period by CSL that the ABA had determined that CSL was "admitting applicants who do not appear capable of satisfactorily completing its program of legal education and being admitted to the bar."

1698. Moreover, once Plaintiff Merritt became aware of DoE's denial of CSL's request for financial assistance, CSL knowingly concealed the severity of the matter from Plaintiff

Merritt by locking the seventh floor doors at CSL and cutting off elevator access to the seventh floor, thereby leaving current students in the dark.

1699. As a result of Defendant SFM's and the Sterling Funds' subsidiaries' fraudulent concealment, Plaintiff Merritt suffered and will continue to suffer damages including monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt, emotional pain, inconvenience, mental anguish, interference with family relationships, personal embarrassment, humiliation, loss of enjoyment of life, and loss of professional reputation. Plaintiff Merritt is therefore entitled to recover the damages she sustained as a result of the Defendants' conduct.

1700. Additionally, as a result of CSL's, InfiLaw's, and Defendants' fraudulent concealment, the accrual of any applicable statutes of limitation or other time-related defense that might otherwise apply to this action should be tolled.

WHEREFORE, Plaintiff Merritt, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT LXXXVIII
Fraudulent Concealment
(Plaintiff Mischko against all Defendants)

Plaintiff Mischko reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1701. Defendant SFM and the subsidiaries dominated and controlled by the Sterling Funds—CSL and InfiLaw—had a duty to disclose material information to Plaintiff Mischko because they took affirmative steps to conceal from her material facts that, had they been known

to her, would have influenced her judgment and decision to enroll at and then continue to attend CSL.

1702. The material facts that Defendants took affirmative steps to conceal included the ABA decisions regarding CSL's noncompliance, with Dean Conison of CSL representing that the ABA's January 2015 decision was very positive (notwithstanding that the ABA had stated it had reason to believe that CSL was not in compliance with certain Standards). Moreover:

- a. CSL, InfiLaw, and Defendant SFM continued to try to conceal the ABA's decisions after the ABA affirmatively concluded that CSL was not in compliance with fundamental Standards; and
- b. CSL, InfiLaw, and Defendant SFM resisted the ABA's directive to disclose their decisions to CSL students by appealing the ABA's July 2016 decision, even though CSL admitted that it was not challenging the ABA's conclusion that CSL was not in compliance with fundamental Standards, because CSL, InfiLaw, and Defendant SFM wished to eliminate the requirement that CSL publicly disclose the ABA's findings of noncompliance in order to avoid the anticipated adverse impact on CSL's ability to retain high-performing students and enrollment.

1703. Even if CSL and InfiLaw, under the direction and management of Defendant SFM, did not have a prior duty to speak, they had a duty to make a full and fair disclosure of facts concerning the matters on which they chose to speak. CSL and InfiLaw, under Defendant SFM's direction and management, told Plaintiff Mischko that CSL was compliant with ABA Standards during a time when that was arguably true, yet they failed to correct their statement after it became clearly untrue.

1704. Furthermore, under Defendant SFM's direction, Dean Conison e-mailed Plaintiff Mischko and other students, on behalf of CSL, stating that the ABA January 2015 decision was very positive and that the ABA's additional requests were normal, despite knowing that the ABA had concluded that it had reason to believe that CSL was not in compliance with fundamental Standards. Thus, CSL, InfiLaw, and Defendant SFM had a duty to disclose additional information about the ABA's subsequent decisions.

1705. These facts were material. In fact, CSL itself admitted that students' and prospective students' awareness of the ABA's findings of compliance would have a profound impact on admissions.

1706. In sum, Defendant SFM and the subsidiaries that the Sterling Funds dominated and controlled—Holding, Corporation, and CSL—gave Plaintiff Mischko the impression that CSL was fully compliant with ABA Standards and knew that Plaintiff Mischko was relying on this impression in deciding to enroll and then to remain at CSL.

1707. Defendant SFM's and the Sterling Funds' subsidiaries'—that is, Holding's, Corporation's, and CSL's—understanding of the ABA's Standards, accreditation, and review process, as well as their knowledge of CSL's state of noncompliance, was substantially superior to Plaintiff Mischko's at all material times.

1708. Defendant SFM and the Defendant Sterling Funds' subsidiaries—Holding, Corporation, and CSL—concealed from Plaintiff Mischko the information CSL received from the ABA in 2015 and through 2016 until CSL was forced by the ABA to make a public disclosure. Defendant SFM similarly caused the Sterling subsidiaries to conceal this information. But for the ABA's demand, there is no guarantee that CSL, InfiLaw, or the Defendants would have revealed anything to CSL students to this day—nor would the Defendants have directed them to do so.

1709. Given the Defendants' knowledge that Plaintiff Mischko and other students were relying on their previous statements about CSL's compliance, the failure to correct this misrepresentation after January 2015 amounted to an affirmation that the impression was correct.

1710. CSL, InfiLaw, and Defendant SFM were aware that students and prospective students do not have access to the ABA's data on each law school's bar-passage rate until a year

or more after the fact. Therefore, Plaintiff Mischko relied on CSL, InfiLaw, and/or Defendant SFM to publish CSL's bar passage rate as soon as they calculated it.

1711. Defendant SFM instructed CSL and InfiLaw agents, including faculty, counselors, and other staff, not to disclose CSL's state of noncompliance to Plaintiff Mischko and other students who asked about such compliance issues.

1712. The concealment of this information was reasonably calculated to deceive Plaintiff Mischko, made with the intent to deceive Plaintiff Mischko, and did in fact deceive Plaintiff Mischko. CSL and InfiLaw, under Defendant SFM's direction, concealed this material information about ABA compliance and bar-passage rates from Plaintiff Mischko in order to continue receiving her payments for tuition, fees, and dues, and did in fact continue receiving these payments.

1713. Before November 2016, Defendant SFM prevented InfiLaw and CSL from making any public statements that would have informed a student or prospective student that the ABA had found CSL to be out of compliance with ABA Standards, or that the ABA had determined that CSL has "not demonstrated that it is maintaining a rigorous program of legal education that prepares its students, upon graduation, for admission to the bar, and for effective, ethical, and responsible participation as members of the legal profession." Nor was there any statement or disclosure during that period by CSL that the ABA had determined that CSL was "admitting applicants who do not appear capable of satisfactorily completing its program of legal education and being admitted to the bar."

1714. Moreover, once Plaintiff Mischko became aware of DoE's denial of CSL's request for financial assistance, CSL knowingly concealed the severity of the matter from

Plaintiff Mischko by locking the seventh floor doors at CSL and cutting off elevator access to the seventh floor, thereby leaving current students in the dark.

1715. As a result of Defendant SFM's and the Sterling Funds' subsidiaries' fraudulent concealment, Plaintiff Mischko suffered and will continue to suffer damages including monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt, emotional pain, inconvenience, mental anguish, interference with family relationships, personal embarrassment, humiliation, loss of enjoyment of life, and loss of professional reputation. Plaintiff Mischko is therefore entitled to recover the damages she sustained as a result of the Defendants' conduct.

1716. Additionally, as a result of CSL's, InfiLaw's, and Defendants' fraudulent concealment, the accrual of any applicable statutes of limitation or other time-related defense that might otherwise apply to this action should be tolled.

WHEREFORE, Plaintiff Mischko, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT LXXXIX
Fraudulent Concealment
(Plaintiff Pappas against all Defendants)

Plaintiff Pappas reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1717. Defendant SFM and the subsidiaries dominated and controlled by the Sterling Funds—CSL and InfiLaw—had a duty to disclose material information to Plaintiff Pappas because they took affirmative steps to conceal from her material facts that, had they been known

to her, would have influenced her judgment and decision to enroll at and then continue to attend CSL.

1718. The material facts that Defendants took affirmative steps to conceal included the ABA decisions regarding CSL's noncompliance, with Dean Conison of CSL representing that the ABA's January 2015 decision was very positive (notwithstanding that the ABA had stated it had reason to believe that CSL was not in compliance with certain Standards). Moreover:

- a. CSL, InfiLaw, and Defendant SFM continued to try to conceal the ABA's decisions after the ABA affirmatively concluded that CSL was not in compliance with fundamental Standards; and
- b. CSL, InfiLaw, and Defendant SFM resisted the ABA's directive to disclose their decisions to CSL students by appealing the ABA's July 2016 decision, even though CSL admitted that it was not challenging the ABA's conclusion that CSL was not in compliance with fundamental Standards, because CSL, InfiLaw, and Defendant SFM wished to eliminate the requirement that CSL publicly disclose the ABA's findings of noncompliance in order to avoid the anticipated adverse impact on CSL's ability to retain high-performing students and enrollment.

1719. Even if CSL and InfiLaw, under the direction and management of Defendant SFM, did not have a prior duty to speak, they had a duty to make a full and fair disclosure of facts concerning the matters on which they chose to speak. CSL and InfiLaw, under Defendant SFM's direction and management, told Plaintiff Pappas that CSL was compliant with ABA Standards during a time when that was arguably true, yet they failed to correct their statement after it became clearly untrue.

1720. Furthermore, under Defendant SFM's direction, Dean Conison e-mailed Plaintiff Pappas and other students, on behalf of CSL, stating that the ABA January 2015 decision was very positive and that the ABA's additional requests were normal, despite knowing that the ABA had concluded that it had reason to believe that CSL was not in compliance with fundamental Standards. Thus, CSL, InfiLaw, and Defendant SFM had a duty to disclose additional information about the ABA's subsequent decisions.

1721. These facts were material. In fact, CSL itself admitted that students' and prospective students' awareness of the ABA's findings of compliance would have a profound impact on admissions.

1722. In sum, Defendant SFM and the subsidiaries that the Sterling Funds dominated and controlled—Holding, Corporation, and CSL—gave Plaintiff Pappas the impression that CSL was fully compliant with ABA Standards and knew that Plaintiff Pappas was relying on this impression in deciding to enroll and then to remain at CSL.

1723. Defendant SFM's and the Sterling Funds' subsidiaries'—that is, Holding's, Corporation's, and CSL's—understanding of the ABA's Standards, accreditation, and review process, as well as their knowledge of CSL's state of noncompliance, was substantially superior to Plaintiff Pappas's at all material times.

1724. Defendant SFM and the Defendant Sterling Funds' subsidiaries—Holding, Corporation, and CSL—concealed from Plaintiff Pappas the information CSL received from the ABA in 2015 and through 2016 until CSL was forced by the ABA to make a public disclosure. Defendant SFM similarly caused the Sterling subsidiaries to conceal this information. But for the ABA's demand, there is no guarantee that CSL, InfiLaw, or the Defendants would have revealed anything to CSL students to this day—nor would the Defendants have directed them to do so.

1725. Given the Defendants' knowledge that Plaintiff Pappas and other students were relying on their previous statements about CSL's compliance, the failure to correct this misrepresentation after January 2015 amounted to an affirmation that the impression was correct.

1726. CSL, InfiLaw, and Defendant SFM were aware that students and prospective students do not have access to the ABA's data on each law school's bar-passage rate until a year

or more after the fact. Therefore, Plaintiff Pappas relied on CSL, InfiLaw, and/or Defendant SFM to publish CSL's bar passage rate as soon as they calculated it.

1727. Defendant SFM instructed CSL and InfiLaw agents, including faculty, counselors, and other staff, not to disclose CSL's state of noncompliance to Plaintiff Pappas and other students who asked about such compliance issues.

1728. The concealment of this information was reasonably calculated to deceive Plaintiff Pappas, made with the intent to deceive Plaintiff Pappas, and did in fact deceive Plaintiff Pappas. CSL and InfiLaw, under Defendant SFM's direction, concealed this material information about ABA compliance and bar-passage rates from Plaintiff Pappas in order to continue receiving her payments for tuition, fees, and dues, and did in fact continue receiving these payments.

1729. Before November 2016, Defendant SFM prevented InfiLaw and CSL from making any public statements that would have informed a student or prospective student that the ABA had found CSL to be out of compliance with ABA Standards, or that the ABA had determined that CSL has "not demonstrated that it is maintaining a rigorous program of legal education that prepares its students, upon graduation, for admission to the bar, and for effective, ethical, and responsible participation as members of the legal profession." Nor was there any statement or disclosure during that period by CSL that the ABA had determined that CSL was "admitting applicants who do not appear capable of satisfactorily completing its program of legal education and being admitted to the bar."

1730. Moreover, once Plaintiff Pappas became aware of DoE's denial of CSL's request for financial assistance, CSL knowingly concealed the severity of the matter from Plaintiff

Pappas by locking the seventh floor doors at CSL and cutting off elevator access to the seventh floor, thereby leaving current students in the dark.

1731. As a result of Defendant SFM's and the Sterling Funds' subsidiaries' fraudulent concealment, Plaintiff Pappas suffered and will continue to suffer damages including monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt, emotional pain, inconvenience, mental anguish, interference with family relationships, personal embarrassment, humiliation, loss of enjoyment of life, and loss of professional reputation. Plaintiff Pappas is therefore entitled to recover the damages she sustained as a result of the Defendants' conduct.

1732. Additionally, as a result of CSL's, InfiLaw's, and Defendants' fraudulent concealment, the accrual of any applicable statutes of limitation or other time-related defense that might otherwise apply to this action should be tolled.

WHEREFORE, Plaintiff Pappas, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT XC
Fraudulent Concealment
(Plaintiff Pardo against all Defendants)

Plaintiff Pardo reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1733. Defendant SFM and the subsidiaries dominated and controlled by the Sterling Funds—CSL and InfiLaw—had a duty to disclose material information to Plaintiff Pardo because they took affirmative steps to conceal from her material facts that, had they been known

to her, would have influenced her judgment and decision to enroll at and then continue to attend CSL.

1734. The material facts that Defendants took affirmative steps to conceal included the ABA decisions regarding CSL's noncompliance, with Dean Conison of CSL representing that the ABA's January 2015 decision was very positive (notwithstanding that the ABA had stated it had reason to believe that CSL was not in compliance with certain Standards). Moreover:

- a. CSL, InfiLaw, and Defendant SFM continued to try to conceal the ABA's decisions after the ABA affirmatively concluded that CSL was not in compliance with fundamental Standards; and
- b. CSL, InfiLaw, and Defendant SFM resisted the ABA's directive to disclose their decisions to CSL students by appealing the ABA's July 2016 decision, even though CSL admitted that it was not challenging the ABA's conclusion that CSL was not in compliance with fundamental Standards, because CSL, InfiLaw, and Defendant SFM wished to eliminate the requirement that CSL publicly disclose the ABA's findings of noncompliance in order to avoid the anticipated adverse impact on CSL's ability to retain high-performing students and enrollment.

1735. Even if CSL and InfiLaw, under the direction and management of Defendant SFM, did not have a prior duty to speak, they had a duty to make a full and fair disclosure of facts concerning the matters on which they chose to speak. CSL and InfiLaw, under Defendant SFM's direction and management, told Plaintiff Pardo that CSL was compliant with ABA Standards during a time when that was arguably true, yet they failed to correct their statement after it became clearly untrue.

1736. Furthermore, under Defendant SFM's direction, Dean Conison e-mailed Plaintiff Pardo and other students, on behalf of CSL, stating that the ABA January 2015 decision was very positive and that the ABA's additional requests were normal, despite knowing that the ABA had concluded that it had reason to believe that CSL was not in compliance with fundamental Standards. Thus, CSL, InfiLaw, and Defendant SFM had a duty to disclose additional information about the ABA's subsequent decisions.

1737. These facts were material. In fact, CSL itself admitted that students' and prospective students' awareness of the ABA's findings of compliance would have a profound impact on admissions.

1738. In sum, Defendant SFM and the subsidiaries that the Sterling Funds dominated and controlled—Holding, Corporation, and CSL—gave Plaintiff Pardo the impression that CSL was fully compliant with ABA Standards and knew that Plaintiff Pardo was relying on this impression in deciding to enroll and then to remain at CSL.

1739. Defendant SFM's and the Sterling Funds' subsidiaries'—that is, Holding's, Corporation's, and CSL's—understanding of the ABA's Standards, accreditation, and review process, as well as their knowledge of CSL's state of noncompliance, was substantially superior to Plaintiff Pardo's at all material times.

1740. Defendant SFM and the Defendant Sterling Funds' subsidiaries—Holding, Corporation, and CSL—concealed from Plaintiff Pardo the information CSL received from the ABA in 2015 and through 2016 until CSL was forced by the ABA to make a public disclosure. Defendant SFM similarly caused the Sterling subsidiaries to conceal this information. But for the ABA's demand, there is no guarantee that CSL, InfiLaw, or the Defendants would have revealed anything to CSL students to this day—nor would the Defendants have directed them to do so.

1741. Given the Defendants' knowledge that Plaintiff Pardo and other students were relying on their previous statements about CSL's compliance, the failure to correct this misrepresentation after January 2015 amounted to an affirmation that the impression was correct.

1742. CSL, InfiLaw, and Defendant SFM were aware that students and prospective students do not have access to the ABA's data on each law school's bar-passage rate until a year

or more after the fact. Therefore, Plaintiff Pardo relied on CSL, InfiLaw, and/or Defendant SFM to publish CSL's bar passage rate as soon as they calculated it.

1743. Defendant SFM instructed CSL and InfiLaw agents, including faculty, counselors, and other staff, not to disclose CSL's state of noncompliance to Plaintiff Pardo and other students who asked about such compliance issues.

1744. The concealment of this information was reasonably calculated to deceive Plaintiff Pardo, made with the intent to deceive Plaintiff Pardo, and did in fact deceive Plaintiff Pardo. CSL and InfiLaw, under Defendant SFM's direction, concealed this material information about ABA compliance and bar-passage rates from Plaintiff Pardo in order to continue receiving her payments for tuition, fees, and dues, and did in fact continue receiving these payments.

1745. Before November 2016, Defendant SFM prevented InfiLaw and CSL from making any public statements that would have informed a student or prospective student that the ABA had found CSL to be out of compliance with ABA Standards, or that the ABA had determined that CSL has "not demonstrated that it is maintaining a rigorous program of legal education that prepares its students, upon graduation, for admission to the bar, and for effective, ethical, and responsible participation as members of the legal profession." Nor was there any statement or disclosure during that period by CSL that the ABA had determined that CSL was "admitting applicants who do not appear capable of satisfactorily completing its program of legal education and being admitted to the bar."

1746. Moreover, once Plaintiff Pardo became aware of DoE's denial of CSL's request for financial assistance, CSL knowingly concealed the severity of the matter from Plaintiff Pardo by locking the seventh floor doors at CSL and cutting off elevator access to the seventh floor, thereby leaving current students in the dark.

1747. As a result of Defendant SFM's and the Sterling Funds' subsidiaries' fraudulent concealment, Plaintiff Pardo suffered and will continue to suffer damages including monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt, emotional pain, inconvenience, mental anguish, interference with family relationships, personal embarrassment, humiliation, loss of enjoyment of life, and loss of professional reputation. Plaintiff Pardo is therefore entitled to recover the damages she sustained as a result of the Defendants' conduct.

1748. Additionally, as a result of CSL's, InfiLaw's, and Defendants' fraudulent concealment, the accrual of any applicable statutes of limitation or other time-related defense that might otherwise apply to this action should be tolled.

WHEREFORE, Plaintiff Pardo, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT XCI
Fraudulent Concealment
(Plaintiff Sastoque against all Defendants)

Plaintiff Sastoque reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1749. Defendant SFM and the subsidiaries dominated and controlled by the Sterling Funds—CSL and InfiLaw—had a duty to disclose material information to Plaintiff Sastoque because they took affirmative steps to conceal from her material facts that, had they been known to her, would have influenced her judgment and decision to enroll at and then continue to attend CSL.

1750. The material facts that Defendants took affirmative steps to conceal included the ABA decisions regarding CSL's noncompliance, with Dean Conison of CSL representing that the ABA's January 2015 decision was very positive (notwithstanding that the ABA had stated it had reason to believe that CSL was not in compliance with certain Standards). Moreover:

- a. CSL, InfiLaw, and Defendant SFM continued to try to conceal the ABA's decisions after the ABA affirmatively concluded that CSL was not in compliance with fundamental Standards; and
- b. CSL, InfiLaw, and Defendant SFM resisted the ABA's directive to disclose their decisions to CSL students by appealing the ABA's July 2016 decision, even though CSL admitted that it was not challenging the ABA's conclusion that CSL was not in compliance with fundamental Standards, because CSL, InfiLaw, and Defendant SFM wished to eliminate the requirement that CSL publicly disclose the ABA's findings of noncompliance in order to avoid the anticipated adverse impact on CSL's ability to retain high-performing students and enrollment.

1751. Even if CSL and InfiLaw, under the direction and management of Defendant SFM, did not have a prior duty to speak, they had a duty to make a full and fair disclosure of facts concerning the matters on which they chose to speak. CSL and InfiLaw, under Defendant SFM's direction and management, told Plaintiff Sastoque that CSL was compliant with ABA Standards during a time when that was arguably true, yet they failed to correct their statement after it became clearly untrue.

1752. Furthermore, under Defendant SFM's direction, Dean Conison e-mailed Plaintiff Sastoque and other students, on behalf of CSL, stating that the ABA January 2015 decision was very positive and that the ABA's additional requests were normal, despite knowing that the ABA had concluded that it had reason to believe that CSL was not in compliance with fundamental Standards. Thus, CSL, InfiLaw, and Defendant SFM had a duty to disclose additional information about the ABA's subsequent decisions.

1753. These facts were material. In fact, CSL itself admitted that students' and prospective students' awareness of the ABA's findings of compliance would have a profound impact on admissions.

1754. In sum, Defendant SFM and the subsidiaries that the Sterling Funds dominated and controlled—Holding, Corporation, and CSL—gave Plaintiff Sastoque the impression that CSL was fully compliant with ABA Standards and knew that Plaintiff Sastoque was relying on this impression in deciding to enroll and then to remain at CSL.

1755. Defendant SFM's and the Sterling Funds' subsidiaries'—that is, Holding's, Corporation's, and CSL's—understanding of the ABA's Standards, accreditation, and review process, as well as their knowledge of CSL's state of noncompliance, was substantially superior to Plaintiff Sastoque's at all material times.

1756. Defendant SFM and the Defendant Sterling Funds' subsidiaries—Holding, Corporation, and CSL—concealed from Plaintiff Sastoque the information CSL received from the ABA in 2015 and through 2016 until CSL was forced by the ABA to make a public disclosure. Defendant SFM similarly caused the Sterling subsidiaries to conceal this information. But for the ABA's demand, there is no guarantee that CSL, InfiLaw, or the Defendants would have revealed anything to CSL students to this day—nor would the Defendants have directed them to do so.

1757. Given the Defendants' knowledge that Plaintiff Sastoque and other students were relying on their previous statements about CSL's compliance, the failure to correct this misrepresentation after January 2015 amounted to an affirmation that the impression was correct.

1758. CSL, InfiLaw, and Defendant SFM were aware that students and prospective students do not have access to the ABA's data on each law school's bar-passage rate until a year

or more after the fact. Therefore, Plaintiff Sastoque relied on CSL, InfiLaw, and/or Defendant SFM to publish CSL's bar passage rate as soon as they calculated it.

1759. Defendant SFM instructed CSL and InfiLaw agents, including faculty, counselors, and other staff, not to disclose CSL's state of noncompliance to Plaintiff Sastoque and other students who asked about such compliance issues.

1760. The concealment of this information was reasonably calculated to deceive Plaintiff Sastoque, made with the intent to deceive Plaintiff Sastoque, and did in fact deceive Plaintiff Sastoque. CSL and InfiLaw, under Defendant SFM's direction, concealed this material information about ABA compliance and bar-passage rates from Plaintiff Sastoque in order to continue receiving her payments for tuition, fees, and dues, and did in fact continue receiving these payments.

1761. Before November 2016, Defendant SFM prevented InfiLaw and CSL from making any public statements that would have informed a student or prospective student that the ABA had found CSL to be out of compliance with ABA Standards, or that the ABA had determined that CSL has "not demonstrated that it is maintaining a rigorous program of legal education that prepares its students, upon graduation, for admission to the bar, and for effective, ethical, and responsible participation as members of the legal profession." Nor was there any statement or disclosure during that period by CSL that the ABA had determined that CSL was "admitting applicants who do not appear capable of satisfactorily completing its program of legal education and being admitted to the bar."

1762. Moreover, once Plaintiff Sastoque became aware of DoE's denial of CSL's request for financial assistance, CSL knowingly concealed the severity of the matter from

Plaintiff Sastoque by locking the seventh floor doors at CSL and cutting off elevator access to the seventh floor, thereby leaving current students in the dark.

1763. As a result of Defendant SFM's and the Sterling Funds' subsidiaries' fraudulent concealment, Plaintiff Sastoque suffered and will continue to suffer damages including monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt, emotional pain, inconvenience, mental anguish, interference with family relationships, personal embarrassment, humiliation, loss of enjoyment of life, and loss of professional reputation. Plaintiff Sastoque is therefore entitled to recover the damages she sustained as a result of the Defendants' conduct.

1764. Additionally, as a result of CSL's, InfiLaw's, and Defendants' fraudulent concealment, the accrual of any applicable statutes of limitation or other time-related defense that might otherwise apply to this action should be tolled.

WHEREFORE, Plaintiff Sastoque, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT XCII
Fraudulent Concealment
(Plaintiff Sharon against all Defendants)

Plaintiff Sharon reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1765. Defendant SFM and the subsidiaries dominated and controlled by the Sterling Funds—CSL and InfiLaw—had a duty to disclose material information to Plaintiff Sharon because they took affirmative steps to conceal from her material facts that, had they been known

to her, would have influenced her judgment and decision to enroll at and then continue to attend CSL.

1766. The material facts that Defendants took affirmative steps to conceal included the ABA decisions regarding CSL's noncompliance, with Dean Conison of CSL representing that the ABA's January 2015 decision was very positive (notwithstanding that the ABA had stated it had reason to believe that CSL was not in compliance with certain Standards). Moreover:

- a. CSL, InfiLaw, and Defendant SFM continued to try to conceal the ABA's decisions after the ABA affirmatively concluded that CSL was not in compliance with fundamental Standards; and
- b. CSL, InfiLaw, and Defendant SFM resisted the ABA's directive to disclose their decisions to CSL students by appealing the ABA's July 2016 decision, even though CSL admitted that it was not challenging the ABA's conclusion that CSL was not in compliance with fundamental Standards, because CSL, InfiLaw, and Defendant SFM wished to eliminate the requirement that CSL publicly disclose the ABA's findings of noncompliance in order to avoid the anticipated adverse impact on CSL's ability to retain high-performing students and enrollment.

1767. Even if CSL and InfiLaw, under the direction and management of Defendant SFM, did not have a prior duty to speak, they had a duty to make a full and fair disclosure of facts concerning the matters on which they chose to speak. CSL and InfiLaw, under Defendant SFM's direction and management, told Plaintiff Sharon that CSL was compliant with ABA Standards during a time when that was arguably true, yet they failed to correct their statement after it became clearly untrue.

1768. Furthermore, under Defendant SFM's direction, Dean Conison e-mailed Plaintiff Sharon and other students, on behalf of CSL, stating that the ABA January 2015 decision was very positive and that the ABA's additional requests were normal, despite knowing that the ABA had concluded that it had reason to believe that CSL was not in compliance with fundamental Standards. Thus, CSL, InfiLaw, and Defendant SFM had a duty to disclose additional information about the ABA's subsequent decisions.

1769. These facts were material. In fact, CSL itself admitted that students' and prospective students' awareness of the ABA's findings of compliance would have a profound impact on admissions.

1770. In sum, Defendant SFM and the subsidiaries that the Sterling Funds dominated and controlled—Holding, Corporation, and CSL—gave Plaintiff Sharon the impression that CSL was fully compliant with ABA Standards and knew that Plaintiff Sharon was relying on this impression in deciding to enroll and then to remain at CSL.

1771. Defendant SFM's and the Sterling Funds' subsidiaries'—that is, Holding's, Corporation's, and CSL's—understanding of the ABA's Standards, accreditation, and review process, as well as their knowledge of CSL's state of noncompliance, was substantially superior to Plaintiff Sharon's at all material times.

1772. Defendant SFM and the Defendant Sterling Funds' subsidiaries—Holding, Corporation, and CSL—concealed from Plaintiff Sharon the information CSL received from the ABA in 2015 and through 2016 until CSL was forced by the ABA to make a public disclosure. Defendant SFM similarly caused the Sterling subsidiaries to conceal this information. But for the ABA's demand, there is no guarantee that CSL, InfiLaw, or the Defendants would have revealed anything to CSL students to this day—nor would the Defendants have directed them to do so.

1773. Given the Defendants' knowledge that Plaintiff Sharon and other students were relying on their previous statements about CSL's compliance, the failure to correct this misrepresentation after January 2015 amounted to an affirmation that the impression was correct.

1774. CSL, InfiLaw, and Defendant SFM were aware that students and prospective students do not have access to the ABA's data on each law school's bar-passage rate until a year

or more after the fact. Therefore, Plaintiff Sharon relied on CSL, InfiLaw, and/or Defendant SFM to publish CSL's bar passage rate as soon as they calculated it.

1775. Defendant SFM instructed CSL and InfiLaw agents, including faculty, counselors, and other staff, not to disclose CSL's state of noncompliance to Plaintiff Sharon and other students who asked about such compliance issues.

1776. The concealment of this information was reasonably calculated to deceive Plaintiff Sharon, made with the intent to deceive Plaintiff Sharon, and did in fact deceive Plaintiff Sharon. CSL and InfiLaw, under Defendant SFM's direction, concealed this material information about ABA compliance and bar-passage rates from Plaintiff Sharon in order to continue receiving her payments for tuition, fees, and dues, and did in fact continue receiving these payments.

1777. Before November 2016, Defendant SFM prevented InfiLaw and CSL from making any public statements that would have informed a student or prospective student that the ABA had found CSL to be out of compliance with ABA Standards, or that the ABA had determined that CSL has "not demonstrated that it is maintaining a rigorous program of legal education that prepares its students, upon graduation, for admission to the bar, and for effective, ethical, and responsible participation as members of the legal profession." Nor was there any statement or disclosure during that period by CSL that the ABA had determined that CSL was "admitting applicants who do not appear capable of satisfactorily completing its program of legal education and being admitted to the bar."

1778. Moreover, once Plaintiff Sharon became aware of DoE's denial of CSL's request for financial assistance, CSL knowingly concealed the severity of the matter from Plaintiff

Sharon by locking the seventh floor doors at CSL and cutting off elevator access to the seventh floor, thereby leaving current students in the dark.

1779. As a result of Defendant SFM's and the Sterling Funds' subsidiaries' fraudulent concealment, Plaintiff Sharon suffered and will continue to suffer damages including monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt, emotional pain, inconvenience, mental anguish, interference with family relationships, personal embarrassment, humiliation, loss of enjoyment of life, and loss of professional reputation. Plaintiff Sharon is therefore entitled to recover the damages she sustained as a result of the Defendants' conduct.

1780. Additionally, as a result of CSL's, InfiLaw's, and Defendants' fraudulent concealment, the accrual of any applicable statutes of limitation or other time-related defense that might otherwise apply to this action should be tolled.

WHEREFORE, Plaintiff Sharon, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT XCIII
Fraudulent Concealment
(Plaintiff Stiles against all Defendants)

Plaintiff Stiles reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1781. Defendant SFM and the subsidiaries dominated and controlled by the Sterling Funds—CSL and InfiLaw—had a duty to disclose material information to Plaintiff Stiles because they took affirmative steps to conceal from him material facts that, had they been known

to him, would have influenced her judgment and decision to enroll at and then continue to attend CSL.

1782. The material facts that Defendants took affirmative steps to conceal included the ABA decisions regarding CSL's noncompliance, with Dean Conison of CSL representing that the ABA's January 2015 decision was very positive (notwithstanding that the ABA had stated it had reason to believe that CSL was not in compliance with certain Standards). Moreover:

- a. CSL, InfiLaw, and Defendant SFM continued to try to conceal the ABA's decisions after the ABA affirmatively concluded that CSL was not in compliance with fundamental Standards; and
- b. CSL, InfiLaw, and Defendant SFM resisted the ABA's directive to disclose their decisions to CSL students by appealing the ABA's July 2016 decision, even though CSL admitted that it was not challenging the ABA's conclusion that CSL was not in compliance with fundamental Standards, because CSL, InfiLaw, and Defendant SFM wished to eliminate the requirement that CSL publicly disclose the ABA's findings of noncompliance in order to avoid the anticipated adverse impact on CSL's ability to retain high-performing students and enrollment.

1783. Even if CSL and InfiLaw, under the direction and management of Defendant SFM, did not have a prior duty to speak, they had a duty to make a full and fair disclosure of facts concerning the matters on which they chose to speak. CSL and InfiLaw, under Defendant SFM's direction and management, told Plaintiff Stiles that CSL was compliant with ABA Standards during a time when that was arguably true, yet they failed to correct their statement after it became clearly untrue.

1784. Furthermore, under Defendant SFM's direction, Dean Conison e-mailed Plaintiff Stiles and other students, on behalf of CSL, stating that the ABA January 2015 decision was very positive and that the ABA's additional requests were normal, despite knowing that the ABA had concluded that it had reason to believe that CSL was not in compliance with fundamental Standards. Thus, CSL, InfiLaw, and Defendant SFM had a duty to disclose additional information about the ABA's subsequent decisions.

1785. These facts were material. In fact, CSL itself admitted that students' and prospective students' awareness of the ABA's findings of compliance would have a profound impact on admissions.

1786. In sum, Defendant SFM and the subsidiaries that the Sterling Funds dominated and controlled—Holding, Corporation, and CSL—gave Plaintiff Stiles the impression that CSL was fully compliant with ABA Standards and knew that Plaintiff Stiles was relying on this impression in deciding to enroll and then to remain at CSL.

1787. Defendant SFM's and the Sterling Funds' subsidiaries'—that is, Holding's, Corporation's, and CSL's—understanding of the ABA's Standards, accreditation, and review process, as well as their knowledge of CSL's state of noncompliance, was substantially superior to Plaintiff Stiles's at all material times.

1788. Defendant SFM and the Defendant Sterling Funds' subsidiaries—Holding, Corporation, and CSL—concealed from Plaintiff Stiles the information CSL received from the ABA in 2015 and through 2016 until CSL was forced by the ABA to make a public disclosure. Defendant SFM similarly caused the Sterling subsidiaries to conceal this information. But for the ABA's demand, there is no guarantee that CSL, InfiLaw, or the Defendants would have revealed anything to CSL students to this day—nor would the Defendants have directed them to do so.

1789. Given the Defendants' knowledge that Plaintiff Stiles and other students were relying on their previous statements about CSL's compliance, the failure to correct this misrepresentation after January 2015 amounted to an affirmation that the impression was correct.

1790. CSL, InfiLaw, and Defendant SFM were aware that students and prospective students do not have access to the ABA's data on each law school's bar-passage rate until a year

or more after the fact. Therefore, Plaintiff Stiles relied on CSL, InfiLaw, and/or Defendant SFM to publish CSL's bar passage rate as soon as they calculated it.

1791. Defendant SFM instructed CSL and InfiLaw agents, including faculty, counselors, and other staff, not to disclose CSL's state of noncompliance to Plaintiff Stiles and other students who asked about such compliance issues.

1792. The concealment of this information was reasonably calculated to deceive Plaintiff Stiles, made with the intent to deceive Plaintiff Stiles, and did in fact deceive Plaintiff Stiles. CSL and InfiLaw, under Defendant SFM's direction, concealed this material information about ABA compliance and bar-passage rates from Plaintiff Stiles in order to continue receiving his payments for tuition, fees, and dues, and did in fact continue receiving these payments.

1793. Before November 2016, Defendant SFM prevented InfiLaw and CSL from making any public statements that would have informed a student or prospective student that the ABA had found CSL to be out of compliance with ABA Standards, or that the ABA had determined that CSL has "not demonstrated that it is maintaining a rigorous program of legal education that prepares its students, upon graduation, for admission to the bar, and for effective, ethical, and responsible participation as members of the legal profession." Nor was there any statement or disclosure during that period by CSL that the ABA had determined that CSL was "admitting applicants who do not appear capable of satisfactorily completing its program of legal education and being admitted to the bar."

1794. Moreover, once Plaintiff Stiles became aware of DoE's denial of CSL's request for financial assistance, CSL knowingly concealed the severity of the matter from Plaintiff Stiles by locking the seventh floor doors at CSL and cutting off elevator access to the seventh floor, thereby leaving current students in the dark.

1795. As a result of Defendant SFM's and the Sterling Funds' subsidiaries' fraudulent concealment, Plaintiff Stiles suffered and will continue to suffer damages including monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt, emotional pain, inconvenience, mental anguish, interference with family relationships, personal embarrassment, humiliation, loss of enjoyment of life, and loss of professional reputation. Plaintiff Stiles is therefore entitled to recover the damages he sustained as a result of the Defendants' conduct.

1796. Additionally, as a result of CSL's, InfiLaw's, and Defendants' fraudulent concealment, the accrual of any applicable statutes of limitation or other time-related defense that might otherwise apply to this action should be tolled.

WHEREFORE, Plaintiff Stiles, by and through his undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT XCIV
Fraudulent Concealment
(Plaintiff Taraschi against all Defendants)

Plaintiff Taraschi reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1797. Defendant SFM and the subsidiaries dominated and controlled by the Sterling Funds—CSL and InfiLaw—had a duty to disclose material information to Plaintiff Taraschi because they took affirmative steps to conceal from her material facts that, had they been known to her, would have influenced her judgment and decision to enroll at and then continue to attend CSL.

1798. The material facts that Defendants took affirmative steps to conceal included the ABA decisions regarding CSL's noncompliance, with Dean Conison of CSL representing that the ABA's January 2015 decision was very positive (notwithstanding that the ABA had stated it had reason to believe that CSL was not in compliance with certain Standards). Moreover:

- a. CSL, InfiLaw, and Defendant SFM continued to try to conceal the ABA's decisions after the ABA affirmatively concluded that CSL was not in compliance with fundamental Standards; and
- b. CSL, InfiLaw, and Defendant SFM resisted the ABA's directive to disclose their decisions to CSL students by appealing the ABA's July 2016 decision, even though CSL admitted that it was not challenging the ABA's conclusion that CSL was not in compliance with fundamental Standards, because CSL, InfiLaw, and Defendant SFM wished to eliminate the requirement that CSL publicly disclose the ABA's findings of noncompliance in order to avoid the anticipated adverse impact on CSL's ability to retain high-performing students and enrollment.

1799. Even if CSL and InfiLaw, under the direction and management of Defendant SFM, did not have a prior duty to speak, they had a duty to make a full and fair disclosure of facts concerning the matters on which they chose to speak. CSL and InfiLaw, under Defendant SFM's direction and management, told Plaintiff Taraschi that CSL was compliant with ABA Standards during a time when that was arguably true, yet they failed to correct their statement after it became clearly untrue.

1800. Furthermore, under Defendant SFM's direction, Dean Conison e-mailed Plaintiff Taraschi and other students, on behalf of CSL, stating that the ABA January 2015 decision was very positive and that the ABA's additional requests were normal, despite knowing that the ABA had concluded that it had reason to believe that CSL was not in compliance with fundamental Standards. Thus, CSL, InfiLaw, and Defendant SFM had a duty to disclose additional information about the ABA's subsequent decisions.

1801. These facts were material. In fact, CSL itself admitted that students' and prospective students' awareness of the ABA's findings of compliance would have a profound impact on admissions.

1802. In sum, Defendant SFM and the subsidiaries that the Sterling Funds dominated and controlled—Holding, Corporation, and CSL—gave Plaintiff Taraschi the impression that CSL was fully compliant with ABA Standards and knew that Plaintiff Taraschi was relying on this impression in deciding to enroll and then to remain at CSL.

1803. Defendant SFM's and the Sterling Funds' subsidiaries'—that is, Holding's, Corporation's, and CSL's—understanding of the ABA's Standards, accreditation, and review process, as well as their knowledge of CSL's state of noncompliance, was substantially superior to Plaintiff Taraschi's at all material times.

1804. Defendant SFM and the Defendant Sterling Funds' subsidiaries—Holding, Corporation, and CSL—concealed from Plaintiff Taraschi the information CSL received from the ABA in 2015 and through 2016 until CSL was forced by the ABA to make a public disclosure. Defendant SFM similarly caused the Sterling subsidiaries to conceal this information. But for the ABA's demand, there is no guarantee that CSL, InfiLaw, or the Defendants would have revealed anything to CSL students to this day—nor would the Defendants have directed them to do so.

1805. Given the Defendants' knowledge that Plaintiff Taraschi and other students were relying on their previous statements about CSL's compliance, the failure to correct this misrepresentation after January 2015 amounted to an affirmation that the impression was correct.

1806. CSL, InfiLaw, and Defendant SFM were aware that students and prospective students do not have access to the ABA's data on each law school's bar-passage rate until a year

or more after the fact. Therefore, Plaintiff Taraschi relied on CSL, InfiLaw, and/or Defendant SFM to publish CSL's bar passage rate as soon as they calculated it.

1807. Defendant SFM instructed CSL and InfiLaw agents, including faculty, counselors, and other staff, not to disclose CSL's state of noncompliance to Plaintiff Taraschi and other students who asked about such compliance issues.

1808. The concealment of this information was reasonably calculated to deceive Plaintiff Taraschi, made with the intent to deceive Plaintiff Taraschi, and did in fact deceive Plaintiff Taraschi. CSL and InfiLaw, under Defendant SFM's direction, concealed this material information about ABA compliance and bar-passage rates from Plaintiff Taraschi in order to continue receiving her payments for tuition, fees, and dues, and did in fact continue receiving these payments.

1809. Before November 2016, Defendant SFM prevented InfiLaw and CSL from making any public statements that would have informed a student or prospective student that the ABA had found CSL to be out of compliance with ABA Standards, or that the ABA had determined that CSL has "not demonstrated that it is maintaining a rigorous program of legal education that prepares its students, upon graduation, for admission to the bar, and for effective, ethical, and responsible participation as members of the legal profession." Nor was there any statement or disclosure during that period by CSL that the ABA had determined that CSL was "admitting applicants who do not appear capable of satisfactorily completing its program of legal education and being admitted to the bar."

1810. Moreover, once Plaintiff Taraschi became aware of DoE's denial of CSL's request for financial assistance, CSL knowingly concealed the severity of the matter from

Plaintiff Taraschi by locking the seventh floor doors at CSL and cutting off elevator access to the seventh floor, thereby leaving current students in the dark.

1811. As a result of Defendant SFM's and the Sterling Funds' subsidiaries' fraudulent concealment, Plaintiff Taraschi suffered and will continue to suffer damages including monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt, emotional pain, inconvenience, mental anguish, interference with family relationships, personal embarrassment, humiliation, loss of enjoyment of life, and loss of professional reputation. Plaintiff Taraschi is therefore entitled to recover the damages she sustained as a result of the Defendants' conduct.

1812. Additionally, as a result of CSL's, InfiLaw's, and Defendants' fraudulent concealment, the accrual of any applicable statutes of limitation or other time-related defense that might otherwise apply to this action should be tolled.

WHEREFORE, Plaintiff Taraschi, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT XCV
Fraudulent Concealment
(Plaintiff Terrell against all Defendants)

Plaintiff Terrell reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1813. Defendant SFM and the subsidiaries dominated and controlled by the Sterling Funds—CSL and InfiLaw—had a duty to disclose material information to Plaintiff Terrell because they took affirmative steps to conceal from him material facts that, had they been known

to him, would have influenced her judgment and decision to enroll at and then continue to attend CSL.

1814. The material facts that Defendants took affirmative steps to conceal included the ABA decisions regarding CSL's noncompliance, with Dean Conison of CSL representing that the ABA's January 2015 decision was very positive (notwithstanding that the ABA had stated it had reason to believe that CSL was not in compliance with certain Standards). Moreover:

- a. CSL, InfiLaw, and Defendant SFM continued to try to conceal the ABA's decisions after the ABA affirmatively concluded that CSL was not in compliance with fundamental Standards; and
- b. CSL, InfiLaw, and Defendant SFM resisted the ABA's directive to disclose their decisions to CSL students by appealing the ABA's July 2016 decision, even though CSL admitted that it was not challenging the ABA's conclusion that CSL was not in compliance with fundamental Standards, because CSL, InfiLaw, and Defendant SFM wished to eliminate the requirement that CSL publicly disclose the ABA's findings of noncompliance in order to avoid the anticipated adverse impact on CSL's ability to retain high-performing students and enrollment.

1815. Even if CSL and InfiLaw, under the direction and management of Defendant SFM, did not have a prior duty to speak, they had a duty to make a full and fair disclosure of facts concerning the matters on which they chose to speak. CSL and InfiLaw, under Defendant SFM's direction and management, told Plaintiff Terrell that CSL was compliant with ABA Standards during a time when that was arguably true, yet they failed to correct their statement after it became clearly untrue.

1816. Furthermore, under Defendant SFM's direction, Dean Conison e-mailed Plaintiff Terrell and other students, on behalf of CSL, stating that the ABA January 2015 decision was very positive and that the ABA's additional requests were normal, despite knowing that the ABA had concluded that it had reason to believe that CSL was not in compliance with fundamental Standards. Thus, CSL, InfiLaw, and Defendant SFM had a duty to disclose additional information about the ABA's subsequent decisions.

1817. These facts were material. In fact, CSL itself admitted that students' and prospective students' awareness of the ABA's findings of compliance would have a profound impact on admissions.

1818. In sum, Defendant SFM and the subsidiaries that the Sterling Funds dominated and controlled—Holding, Corporation, and CSL—gave Plaintiff Terrell the impression that CSL was fully compliant with ABA Standards and knew that Plaintiff Terrell was relying on this impression in deciding to enroll and then to remain at CSL.

1819. Defendant SFM's and the Sterling Funds' subsidiaries'—that is, Holding's, Corporation's, and CSL's—understanding of the ABA's Standards, accreditation, and review process, as well as their knowledge of CSL's state of noncompliance, was substantially superior to Plaintiff Terrell's at all material times.

1820. Defendant SFM and the Defendant Sterling Funds' subsidiaries—Holding, Corporation, and CSL—concealed from Plaintiff Terrell the information CSL received from the ABA in 2015 and through 2016 until CSL was forced by the ABA to make a public disclosure. Defendant SFM similarly caused the Sterling subsidiaries to conceal this information. But for the ABA's demand, there is no guarantee that CSL, InfiLaw, or the Defendants would have revealed anything to CSL students to this day—nor would the Defendants have directed them to do so.

1821. Given the Defendants' knowledge that Plaintiff Terrell and other students were relying on their previous statements about CSL's compliance, the failure to correct this misrepresentation after January 2015 amounted to an affirmation that the impression was correct.

1822. CSL, InfiLaw, and Defendant SFM were aware that students and prospective students do not have access to the ABA's data on each law school's bar-passage rate until a year

or more after the fact. Therefore, Plaintiff Terrell relied on CSL, InfiLaw, and/or Defendant SFM to publish CSL's bar passage rate as soon as they calculated it.

1823. Defendant SFM instructed CSL and InfiLaw agents, including faculty, counselors, and other staff, not to disclose CSL's state of noncompliance to Plaintiff Terrell and other students who asked about such compliance issues.

1824. The concealment of this information was reasonably calculated to deceive Plaintiff Terrell, made with the intent to deceive Plaintiff Terrell, and did in fact deceive Plaintiff Terrell. CSL and InfiLaw, under Defendant SFM's direction, concealed this material information about ABA compliance and bar-passage rates from Plaintiff Terrell in order to continue receiving his payments for tuition, fees, and dues, and did in fact continue receiving these payments.

1825. Before November 2016, Defendant SFM prevented InfiLaw and CSL from making any public statements that would have informed a student or prospective student that the ABA had found CSL to be out of compliance with ABA Standards, or that the ABA had determined that CSL has "not demonstrated that it is maintaining a rigorous program of legal education that prepares its students, upon graduation, for admission to the bar, and for effective, ethical, and responsible participation as members of the legal profession." Nor was there any statement or disclosure during that period by CSL that the ABA had determined that CSL was "admitting applicants who do not appear capable of satisfactorily completing its program of legal education and being admitted to the bar."

1826. Moreover, once Plaintiff Terrell became aware of DoE's denial of CSL's request for financial assistance, CSL knowingly concealed the severity of the matter from Plaintiff

Terrell by locking the seventh floor doors at CSL and cutting off elevator access to the seventh floor, thereby leaving current students in the dark.

1827. As a result of Defendant SFM's and the Sterling Funds' subsidiaries' fraudulent concealment, Plaintiff Terrell suffered and will continue to suffer damages including monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt, emotional pain, inconvenience, mental anguish, interference with family relationships, personal embarrassment, humiliation, loss of enjoyment of life, and loss of professional reputation. Plaintiff Terrell is therefore entitled to recover the damages he sustained as a result of the Defendants' conduct.

1828. Additionally, as a result of CSL's, InfiLaw's, and Defendants' fraudulent concealment, the accrual of any applicable statutes of limitation or other time-related defense that might otherwise apply to this action should be tolled.

WHEREFORE, Plaintiff Terrell, by and through his undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT XCVI
Fraudulent Concealment
(Plaintiff Jasmine Turner against all Defendants)

Plaintiff Jasmine Turner reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1829. Defendant SFM and the subsidiaries dominated and controlled by the Sterling Funds—CSL and InfiLaw—had a duty to disclose material information to Plaintiff Jasmine Turner because they took affirmative steps to conceal from her material facts that, had they been

known to her, would have influenced her judgment and decision to enroll at and then continue to attend CSL.

1830. The material facts that Defendants took affirmative steps to conceal included the ABA decisions regarding CSL's noncompliance, with Dean Conison of CSL representing that the ABA's January 2015 decision was very positive (notwithstanding that the ABA had stated it had reason to believe that CSL was not in compliance with certain Standards). Moreover:

- a. CSL, InfiLaw, and Defendant SFM continued to try to conceal the ABA's decisions after the ABA affirmatively concluded that CSL was not in compliance with fundamental Standards; and
- b. CSL, InfiLaw, and Defendant SFM resisted the ABA's directive to disclose their decisions to CSL students by appealing the ABA's July 2016 decision, even though CSL admitted that it was not challenging the ABA's conclusion that CSL was not in compliance with fundamental Standards, because CSL, InfiLaw, and Defendant SFM wished to eliminate the requirement that CSL publicly disclose the ABA's findings of noncompliance in order to avoid the anticipated adverse impact on CSL's ability to retain high-performing students and enrollment.

1831. Even if CSL and InfiLaw, under the direction and management of Defendant SFM, did not have a prior duty to speak, they had a duty to make a full and fair disclosure of facts concerning the matters on which they chose to speak. CSL and InfiLaw, under Defendant SFM's direction and management, told Plaintiff Jasmine Turner that CSL was compliant with ABA Standards during a time when that was arguably true, yet they failed to correct their statement after it became clearly untrue.

1832. Furthermore, under Defendant SFM's direction, Dean Conison e-mailed Plaintiff Jasmine Turner and other students, on behalf of CSL, stating that the ABA January 2015 decision was very positive and that the ABA's additional requests were normal, despite knowing that the ABA had concluded that it had reason to believe that CSL was not in compliance with fundamental Standards. Thus, CSL, InfiLaw, and Defendant SFM had a duty to disclose additional information about the ABA's subsequent decisions.

1833. These facts were material. In fact, CSL itself admitted that students' and prospective students' awareness of the ABA's findings of compliance would have a profound impact on admissions.

1834. In sum, Defendant SFM and the subsidiaries that the Sterling Funds dominated and controlled—Holding, Corporation, and CSL—gave Plaintiff Jasmine Turner the impression that CSL was fully compliant with ABA Standards and knew that Plaintiff Jasmine Turner was relying on this impression in deciding to enroll and then to remain at CSL.

1835. Defendant SFM's and the Sterling Funds' subsidiaries'—that is, Holding's, Corporation's, and CSL's—understanding of the ABA's Standards, accreditation, and review process, as well as their knowledge of CSL's state of noncompliance, was substantially superior to Plaintiff Jasmine Turner's at all material times.

1836. Defendant SFM and the Defendant Sterling Funds' subsidiaries—Holding, Corporation, and CSL—concealed from Plaintiff Jasmine Turner the information CSL received from the ABA in 2015 and through 2016 until CSL was forced by the ABA to make a public disclosure. Defendant SFM similarly caused the Sterling subsidiaries to conceal this information. But for the ABA's demand, there is no guarantee that CSL, InfiLaw, or the Defendants would have revealed anything to CSL students to this day—nor would the Defendants have directed them to do so.

1837. Given the Defendants' knowledge that Plaintiff Jasmine Turner and other students were relying on their previous statements about CSL's compliance, the failure to correct this misrepresentation after January 2015 amounted to an affirmation that the impression was correct.

1838. CSL, InfiLaw, and Defendant SFM were aware that students and prospective students do not have access to the ABA's data on each law school's bar-passage rate until a year

or more after the fact. Therefore, Plaintiff Jasmine Turner relied on CSL, InfiLaw, and/or Defendant SFM to publish CSL's bar passage rate as soon as they calculated it.

1839. Defendant SFM instructed CSL and InfiLaw agents, including faculty, counselors, and other staff, not to disclose CSL's state of noncompliance to Plaintiff Jasmine Turner and other students who asked about such compliance issues.

1840. The concealment of this information was reasonably calculated to deceive Plaintiff Jasmine Turner, made with the intent to deceive Plaintiff Jasmine Turner, and did in fact deceive Plaintiff Jasmine Turner. CSL and InfiLaw, under Defendant SFM's direction, concealed this material information about ABA compliance and bar-passage rates from Plaintiff Jasmine Turner in order to continue receiving her payments for tuition, fees, and dues, and did in fact continue receiving these payments.

1841. Before November 2016, Defendant SFM prevented InfiLaw and CSL from making any public statements that would have informed a student or prospective student that the ABA had found CSL to be out of compliance with ABA Standards, or that the ABA had determined that CSL has "not demonstrated that it is maintaining a rigorous program of legal education that prepares its students, upon graduation, for admission to the bar, and for effective, ethical, and responsible participation as members of the legal profession." Nor was there any statement or disclosure during that period by CSL that the ABA had determined that CSL was "admitting applicants who do not appear capable of satisfactorily completing its program of legal education and being admitted to the bar."

1842. Moreover, once Plaintiff Jasmine Turner became aware of DoE's denial of CSL's request for financial assistance, CSL knowingly concealed the severity of the matter from

Plaintiff Jasmine Turner by locking the seventh floor doors at CSL and cutting off elevator access to the seventh floor, thereby leaving current students in the dark.

1843. As a result of Defendant SFM's and the Sterling Funds' subsidiaries' fraudulent concealment, Plaintiff Jasmine Turner suffered and will continue to suffer damages including monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt, emotional pain, inconvenience, mental anguish, interference with family relationships, personal embarrassment, humiliation, loss of enjoyment of life, and loss of professional reputation. Plaintiff Jasmine Turner is therefore entitled to recover the damages she sustained as a result of the Defendants' conduct.

1844. Additionally, as a result of CSL's, InfiLaw's, and Defendants' fraudulent concealment, the accrual of any applicable statutes of limitation or other time-related defense that might otherwise apply to this action should be tolled.

WHEREFORE, Plaintiff Jasmine Turner, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT XCVII
Fraudulent Concealment
(Plaintiff Kathryn Turner against all Defendants)

Plaintiff Kathryn Turner reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1845. Defendant SFM and the subsidiaries dominated and controlled by the Sterling Funds—CSL and InfiLaw—had a duty to disclose material information to Plaintiff Toynette Turner because they took affirmative steps to conceal from her material facts that, had

they been known to her, would have influenced her judgment and decision to enroll at and then continue to attend CSL.

1846. The material facts that Defendants took affirmative steps to conceal included the ABA decisions regarding CSL's noncompliance, with Dean Conison of CSL representing that the ABA's January 2015 decision was very positive (notwithstanding that the ABA had stated it had reason to believe that CSL was not in compliance with certain Standards). Moreover:

- a. CSL, InfiLaw, and Defendant SFM continued to try to conceal the ABA's decisions after the ABA affirmatively concluded that CSL was not in compliance with fundamental Standards; and
- b. CSL, InfiLaw, and Defendant SFM resisted the ABA's directive to disclose their decisions to CSL students by appealing the ABA's July 2016 decision, even though CSL admitted that it was not challenging the ABA's conclusion that CSL was not in compliance with fundamental Standards, because CSL, InfiLaw, and Defendant SFM wished to eliminate the requirement that CSL publicly disclose the ABA's findings of noncompliance in order to avoid the anticipated adverse impact on CSL's ability to retain high-performing students and enrollment.

1847. Even if CSL and InfiLaw, under the direction and management of Defendant SFM, did not have a prior duty to speak, they had a duty to make a full and fair disclosure of facts concerning the matters on which they chose to speak. CSL and InfiLaw, under Defendant SFM's direction and management, told Plaintiff Kathryn Turner that CSL was compliant with ABA Standards during a time when that was arguably true, yet they failed to correct their statement after it became clearly untrue.

1848. Furthermore, under Defendant SFM's direction, Dean Conison e-mailed Plaintiff Kathryn Turner and other students, on behalf of CSL, stating that the ABA January 2015 decision was very positive and that the ABA's additional requests were normal, despite knowing that the ABA had concluded that it had reason to believe that CSL was not in compliance with fundamental Standards. Thus, CSL, InfiLaw, and Defendant SFM had a duty to disclose additional information about the ABA's subsequent decisions.

1849. These facts were material. In fact, CSL itself admitted that students' and prospective students' awareness of the ABA's findings of compliance would have a profound impact on admissions.

1850. In sum, Defendant SFM and the subsidiaries that the Sterling Funds dominated and controlled—Holding, Corporation, and CSL—gave Plaintiff Kathryn Turner the impression that CSL was fully compliant with ABA Standards and knew that Plaintiff Kathryn Turner was relying on this impression in deciding to enroll and then to remain at CSL.

1851. Defendant SFM's and the Sterling Funds' subsidiaries'—that is, Holding's, Corporation's, and CSL's—understanding of the ABA's Standards, accreditation, and review process, as well as their knowledge of CSL's state of noncompliance, was substantially superior to Plaintiff Kathryn Turner's at all material times.

1852. Defendant SFM and the Defendant Sterling Funds' subsidiaries—Holding, Corporation, and CSL—concealed from Plaintiff Kathryn Turner the information CSL received from the ABA in 2015 and through 2016 until CSL was forced by the ABA to make a public disclosure. Defendant SFM similarly caused the Sterling subsidiaries to conceal this information. But for the ABA's demand, there is no guarantee that CSL, InfiLaw, or the Defendants would have revealed anything to CSL students to this day—nor would the Defendants have directed them to do so.

1853. Given the Defendants' knowledge that Plaintiff Kathryn Turner and other students were relying on their previous statements about CSL's compliance, the failure to correct this misrepresentation after January 2015 amounted to an affirmation that the impression was correct.

1854. CSL, InfiLaw, and Defendant SFM were aware that students and prospective students do not have access to the ABA's data on each law school's bar-passage rate until a year

or more after the fact. Therefore, Plaintiff Kathryn Turner relied on CSL, InfiLaw, and/or Defendant SFM to publish CSL's bar passage rate as soon as they calculated it.

1855. Defendant SFM instructed CSL and InfiLaw agents, including faculty, counselors, and other staff, not to disclose CSL's state of noncompliance to Plaintiff Kathryn Turner and other students who asked about such compliance issues.

1856. The concealment of this information was reasonably calculated to deceive Plaintiff Kathryn Turner, made with the intent to deceive Plaintiff Kathryn Turner, and did in fact deceive Plaintiff Kathryn Turner. CSL and InfiLaw, under Defendant SFM's direction, concealed this material information about ABA compliance and bar-passage rates from Plaintiff Kathryn Turner in order to continue receiving her payments for tuition, fees, and dues, and did in fact continue receiving these payments.

1857. Before November 2016, Defendant SFM prevented InfiLaw and CSL from making any public statements that would have informed a student or prospective student that the ABA had found CSL to be out of compliance with ABA Standards, or that the ABA had determined that CSL has "not demonstrated that it is maintaining a rigorous program of legal education that prepares its students, upon graduation, for admission to the bar, and for effective, ethical, and responsible participation as members of the legal profession." Nor was there any statement or disclosure during that period by CSL that the ABA had determined that CSL was "admitting applicants who do not appear capable of satisfactorily completing its program of legal education and being admitted to the bar."

1858. Moreover, once Plaintiff Kathryn Turner became aware of DoE's denial of CSL's request for financial assistance, CSL knowingly concealed the severity of the matter from

Plaintiff Kathryn Turner by locking the seventh floor doors at CSL and cutting off elevator access to the seventh floor, thereby leaving current students in the dark.

1859. As a result of Defendant SFM's and the Sterling Funds' subsidiaries' fraudulent concealment, Plaintiff Kathryn Turner suffered and will continue to suffer damages including monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt, emotional pain, inconvenience, mental anguish, interference with family relationships, personal embarrassment, humiliation, loss of enjoyment of life, and loss of professional reputation. Plaintiff Kathryn Turner is therefore entitled to recover the damages she sustained as a result of the Defendants' conduct.

1860. Additionally, as a result of CSL's, InfiLaw's, and Defendants' fraudulent concealment, the accrual of any applicable statutes of limitation or other time-related defense that might otherwise apply to this action should be tolled.

WHEREFORE, Kathryn Turner, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT XCVIII
Fraudulent Concealment
(Plaintiff Toynette Turner against all Defendants)

Plaintiff Toynette Turner reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1861. Defendant SFM and the subsidiaries dominated and controlled by the Sterling Funds—CSL and InfiLaw—had a duty to disclose material information to Plaintiff Toynette Turner because they took affirmative steps to conceal from her material facts that, had they been

known to her, would have influenced her judgment and decision to enroll at and then continue to attend CSL.

1862. The material facts that Defendants took affirmative steps to conceal included the ABA decisions regarding CSL's noncompliance, with Dean Conison of CSL representing that the ABA's January 2015 decision was very positive (notwithstanding that the ABA had stated it had reason to believe that CSL was not in compliance with certain Standards). Moreover:

- a. CSL, InfiLaw, and Defendant SFM continued to try to conceal the ABA's decisions after the ABA affirmatively concluded that CSL was not in compliance with fundamental Standards; and
- b. CSL, InfiLaw, and Defendant SFM resisted the ABA's directive to disclose their decisions to CSL students by appealing the ABA's July 2016 decision, even though CSL admitted that it was not challenging the ABA's conclusion that CSL was not in compliance with fundamental Standards, because CSL, InfiLaw, and Defendant SFM wished to eliminate the requirement that CSL publicly disclose the ABA's findings of noncompliance in order to avoid the anticipated adverse impact on CSL's ability to retain high-performing students and enrollment.

1863. Even if CSL and InfiLaw, under the direction and management of Defendant SFM, did not have a prior duty to speak, they had a duty to make a full and fair disclosure of facts concerning the matters on which they chose to speak. CSL and InfiLaw, under Defendant SFM's direction and management, told Plaintiff Toynette Turner that CSL was compliant with ABA Standards during a time when that was arguably true, yet they failed to correct their statement after it became clearly untrue.

1864. Furthermore, under Defendant SFM's direction, Dean Conison e-mailed Plaintiff Toynette Turner and other students, on behalf of CSL, stating that the ABA January 2015 decision was very positive and that the ABA's additional requests were normal, despite knowing that the ABA had concluded that it had reason to believe that CSL was not in compliance with fundamental Standards. Thus, CSL, InfiLaw, and Defendant SFM had a duty to disclose additional information about the ABA's subsequent decisions.

1865. These facts were material. In fact, CSL itself admitted that students' and prospective students' awareness of the ABA's findings of compliance would have a profound impact on admissions.

1866. In sum, Defendant SFM and the subsidiaries that the Sterling Funds dominated and controlled—Holding, Corporation, and CSL—gave Plaintiff Toynette Turner the impression that CSL was fully compliant with ABA Standards and knew that Plaintiff Toynette Turner was relying on this impression in deciding to enroll and then to remain at CSL.

1867. Defendant SFM's and the Sterling Funds' subsidiaries'—that is, Holding's, Corporation's, and CSL's—understanding of the ABA's Standards, accreditation, and review process, as well as their knowledge of CSL's state of noncompliance, was substantially superior to Plaintiff Toynette Turner's at all material times.

1868. Defendant SFM and the Defendant Sterling Funds' subsidiaries—Holding, Corporation, and CSL—concealed from Plaintiff Toynette Turner the information CSL received from the ABA in 2015 and through 2016 until CSL was forced by the ABA to make a public disclosure. Defendant SFM similarly caused the Sterling subsidiaries to conceal this information. But for the ABA's demand, there is no guarantee that CSL, InfiLaw, or the Defendants would have revealed anything to CSL students to this day—nor would the Defendants have directed them to do so.

1869. Given the Defendants' knowledge that Plaintiff Toynette Turner and other students were relying on their previous statements about CSL's compliance, the failure to correct this misrepresentation after January 2015 amounted to an affirmation that the impression was correct.

1870. CSL, InfiLaw, and Defendant SFM were aware that students and prospective students do not have access to the ABA's data on each law school's bar-passage rate until a year or more after the fact. Therefore, Plaintiff Toynette Turner relied on CSL, InfiLaw, and/or Defendant SFM to publish CSL's bar passage rate as soon as they calculated it.

1871. Defendant SFM instructed CSL and InfiLaw agents, including faculty, counselors, and other staff, not to disclose CSL's state of noncompliance to Plaintiff Toynette Turner and other students who asked about such compliance issues.

1872. The concealment of this information was reasonably calculated to deceive Plaintiff Toynette Turner, made with the intent to deceive Plaintiff Toynette Turner, and did in fact deceive Plaintiff Toynette Turner. CSL and InfiLaw, under Defendant SFM's direction, concealed this material information about ABA compliance and bar-passage rates from Plaintiff Toynette Turner in order to continue receiving her payments for tuition, fees, and dues, and did in fact continue receiving these payments.

1873. Before November 2016, Defendant SFM prevented InfiLaw and CSL from making any public statements that would have informed a student or prospective student that the ABA had found CSL to be out of compliance with ABA Standards, or that the ABA had determined that CSL has "not demonstrated that it is maintaining a rigorous program of legal education that prepares its students, upon graduation, for admission to the bar, and for effective, ethical, and responsible participation as members of the legal profession." Nor was there any statement or disclosure during that period by CSL that the ABA had determined that CSL was "admitting applicants who do not appear capable of satisfactorily completing its program of legal education and being admitted to the bar."

1874. Moreover, once Plaintiff Toynette Turner became aware of DoE's denial of CSL's request for financial assistance, CSL knowingly concealed the severity of the matter from Plaintiff Toynette Turner by locking the seventh floor doors at CSL and cutting off elevator access to the seventh floor, thereby leaving current students in the dark.

1875. As a result of Defendant SFM's and the Sterling Funds' subsidiaries' fraudulent concealment, Plaintiff Toynette Turner suffered and will continue to suffer damages including monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt, emotional pain, inconvenience, mental anguish, interference with family relationships, personal embarrassment, humiliation, loss of enjoyment of life, and loss of professional reputation. Plaintiff Toynette Turner is therefore entitled to recover the damages she sustained as a result of the Defendants' conduct.

1876. Additionally, as a result of CSL's, InfiLaw's, and Defendants' fraudulent concealment, the accrual of any applicable statutes of limitation or other time-related defense that might otherwise apply to this action should be tolled.

WHEREFORE, Plaintiff Toynette Turner, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT XCIX
Fraudulent Concealment
(Plaintiff Watson against all Defendants)

Plaintiff Watson reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1877. Defendant SFM and the subsidiaries dominated and controlled by the Sterling Funds—CSL and InfiLaw—had a duty to disclose material information to Plaintiff Watson because they took affirmative steps to conceal from her material facts that, had they been known to her, would have influenced her judgment and decision to enroll at and then continue to attend CSL.

1878. The material facts that Defendants took affirmative steps to conceal included the ABA decisions regarding CSL's noncompliance, with Dean Conison of CSL representing that the ABA's January 2015 decision was very positive (notwithstanding that the ABA had stated it had reason to believe that CSL was not in compliance with certain Standards). Moreover:

- a. CSL, InfiLaw, and Defendant SFM continued to try to conceal the ABA's decisions after the ABA affirmatively concluded that CSL was not in compliance with fundamental Standards; and
- b. CSL, InfiLaw, and Defendant SFM resisted the ABA's directive to disclose their decisions to CSL students by appealing the ABA's July 2016 decision, even though CSL admitted that it was not challenging the ABA's conclusion that CSL was not in compliance with fundamental Standards, because CSL, InfiLaw, and Defendant SFM wished to eliminate the requirement that CSL publicly disclose the ABA's findings of noncompliance in order to avoid the anticipated adverse impact on CSL's ability to retain high-performing students and enrollment.

1879. Even if CSL and InfiLaw, under the direction and management of Defendant SFM, did not have a prior duty to speak, they had a duty to make a full and fair disclosure of facts concerning the matters on which they chose to speak. CSL and InfiLaw, under Defendant SFM's direction and management, told Plaintiff Watson that CSL was compliant with ABA Standards during a time when that was arguably true, yet they failed to correct their statement after it became clearly untrue.

1880. Furthermore, under Defendant SFM's direction, Dean Conison e-mailed Plaintiff Watson and other students, on behalf of CSL, stating that the ABA January 2015 decision was very positive and that the ABA's additional requests were normal, despite knowing that the ABA

had concluded that it had reason to believe that CSL was not in compliance with fundamental Standards. Thus, CSL, InfiLaw, and Defendant SFM had a duty to disclose additional information about the ABA's subsequent decisions.

1881. These facts were material. In fact, CSL itself admitted that students' and prospective students' awareness of the ABA's findings of compliance would have a profound impact on admissions.

1882. In sum, Defendant SFM and the subsidiaries that the Sterling Funds dominated and controlled—Holding, Corporation, and CSL—gave Plaintiff Watson the impression that CSL was fully compliant with ABA Standards and knew that Plaintiff Watson was relying on this impression in deciding to enroll and then to remain at CSL.

1883. Defendant SFM's and the Sterling Funds' subsidiaries'—that is, Holding's, Corporation's, and CSL's—understanding of the ABA's Standards, accreditation, and review process, as well as their knowledge of CSL's state of noncompliance, was substantially superior to Plaintiff Watson's at all material times.

1884. Defendant SFM and the Defendant Sterling Funds' subsidiaries—Holding, Corporation, and CSL—concealed from Plaintiff Watson the information CSL received from the ABA in 2015 and through 2016 until CSL was forced by the ABA to make a public disclosure. Defendant SFM similarly caused the Sterling subsidiaries to conceal this information. But for the ABA's demand, there is no guarantee that CSL, InfiLaw, or the Defendants would have revealed anything to CSL students to this day—nor would the Defendants have directed them to do so.

1885. Given the Defendants' knowledge that Plaintiff Watson and other students were relying on their previous statements about CSL's compliance, the failure to correct this misrepresentation after January 2015 amounted to an affirmation that the impression was correct.

1886. CSL, InfiLaw, and Defendant SFM were aware that students and prospective students do not have access to the ABA's data on each law school's bar-passage rate until a year or more after the fact. Therefore, Plaintiff Watson relied on CSL, InfiLaw, and/or Defendant SFM to publish CSL's bar passage rate as soon as they calculated it.

1887. Defendant SFM instructed CSL and InfiLaw agents, including faculty, counselors, and other staff, not to disclose CSL's state of noncompliance to Plaintiff Watson and other students who asked about such compliance issues.

1888. The concealment of this information was reasonably calculated to deceive Plaintiff Watson, made with the intent to deceive Plaintiff Watson, and did in fact deceive Plaintiff Watson. CSL and InfiLaw, under Defendant SFM's direction, concealed this material information about ABA compliance and bar-passage rates from Plaintiff Kathryn Turner in order to continue receiving her payments for tuition, fees, and dues, and did in fact continue receiving these payments.

1889. Before November 2016, Defendant SFM prevented InfiLaw and CSL from making any public statements that would have informed a student or prospective student that the ABA had found CSL to be out of compliance with ABA Standards, or that the ABA had determined that CSL has "not demonstrated that it is maintaining a rigorous program of legal education that prepares its students, upon graduation, for admission to the bar, and for effective, ethical, and responsible participation as members of the legal profession." Nor was there any statement or disclosure during that period by CSL that the ABA had determined that CSL was "admitting applicants who do not appear capable of satisfactorily completing its program of legal education and being admitted to the bar."

1890. Moreover, once Plaintiff Watson became aware of DoE's denial of CSL's request for financial assistance, CSL knowingly concealed the severity of the matter from Plaintiff Watson by locking the seventh floor doors at CSL and cutting off elevator access to the seventh floor, thereby leaving current students in the dark.

1891. As a result of Defendant SFM's and the Sterling Funds' subsidiaries' fraudulent concealment, Plaintiff Watson suffered and will continue to suffer damages including monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt, emotional pain, inconvenience, mental anguish, interference with family relationships, personal embarrassment, humiliation, loss of enjoyment of life, and loss of professional reputation. Plaintiff Watson is therefore entitled to recover the damages she sustained as a result of the Defendants' conduct.

1892. Additionally, as a result of CSL's, InfiLaw's, and Defendants' fraudulent concealment, the accrual of any applicable statutes of limitation or other time-related defense that might otherwise apply to this action should be tolled.

WHEREFORE, Plaintiff Watson, by and through her undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT C
Fraudulent Concealment
(Plaintiff Williams against all Defendants)

Plaintiff Williams reasserts the allegations in paragraphs 1 through 733 and in addition alleges as follows:

1893. Defendant SFM and the subsidiaries dominated and controlled by the Sterling Funds—CSL and InfiLaw—had a duty to disclose material information to Plaintiff Williams

because they took affirmative steps to conceal from him material facts that, had they been known to him, would have influenced her judgment and decision to enroll at and then continue to attend CSL.

1894. The material facts that Defendants took affirmative steps to conceal included the ABA decisions regarding CSL's noncompliance, with Dean Conison of CSL representing that the ABA's January 2015 decision was very positive (notwithstanding that the ABA had stated it had reason to believe that CSL was not in compliance with certain Standards). Moreover:

- a. CSL, InfiLaw, and Defendant SFM continued to try to conceal the ABA's decisions after the ABA affirmatively concluded that CSL was not in compliance with fundamental Standards; and
- b. CSL, InfiLaw, and Defendant SFM resisted the ABA's directive to disclose their decisions to CSL students by appealing the ABA's July 2016 decision, even though CSL admitted that it was not challenging the ABA's conclusion that CSL was not in compliance with fundamental Standards, because CSL, InfiLaw, and Defendant SFM wished to eliminate the requirement that CSL publicly disclose the ABA's findings of noncompliance in order to avoid the anticipated adverse impact on CSL's ability to retain high-performing students and enrollment.

1895. Even if CSL and InfiLaw, under the direction and management of Defendant SFM, did not have a prior duty to speak, they had a duty to make a full and fair disclosure of facts concerning the matters on which they chose to speak. CSL and InfiLaw, under Defendant SFM's direction and management, told Plaintiff Williams that CSL was compliant with ABA Standards during a time when that was arguably true, yet they failed to correct their statement after it became clearly untrue.

1896. Furthermore, under Defendant SFM's direction, Dean Conison e-mailed Plaintiff Williams and other students, on behalf of CSL, stating that the ABA January 2015 decision was very positive and that the ABA's additional requests were normal, despite knowing that the ABA had concluded that it had reason to believe that CSL was not in compliance with fundamental

Standards. Thus, CSL, InfiLaw, and Defendant SFM had a duty to disclose additional information about the ABA's subsequent decisions.

1897. These facts were material. In fact, CSL itself admitted that students' and prospective students' awareness of the ABA's findings of compliance would have a profound impact on admissions.

1898. In sum, Defendant SFM and the subsidiaries that the Sterling Funds dominated and controlled—Holding, Corporation, and CSL—gave Plaintiff Williams the impression that CSL was fully compliant with ABA Standards and knew that Plaintiff Williams was relying on this impression in deciding to enroll and then to remain at CSL.

1899. Defendant SFM's and the Sterling Funds' subsidiaries'—that is, Holding's, Corporation's, and CSL's—understanding of the ABA's Standards, accreditation, and review process, as well as their knowledge of CSL's state of noncompliance, was substantially superior to Plaintiff Williams's at all material times.

1900. Defendant SFM and the Defendant Sterling Funds' subsidiaries—Holding, Corporation, and CSL—concealed from Plaintiff Williams the information CSL received from the ABA in 2015 and through 2016 until CSL was forced by the ABA to make a public disclosure. Defendant SFM similarly caused the Sterling subsidiaries to conceal this information. But for the ABA's demand, there is no guarantee that CSL, InfiLaw, or the Defendants would have revealed anything to CSL students to this day—nor would the Defendants have directed them to do so.

1901. Given the Defendants' knowledge that Plaintiff Williams and other students were relying on their previous statements about CSL's compliance, the failure to correct this misrepresentation after January 2015 amounted to an affirmation that the impression was correct.

1902. CSL, InfiLaw, and Defendant SFM were aware that students and prospective students do not have access to the ABA's data on each law school's bar-passage rate until a year or more after the fact. Therefore, Plaintiff Williams relied on CSL, InfiLaw, and/or Defendant SFM to publish CSL's bar passage rate as soon as they calculated it.

1903. Defendant SFM instructed CSL and InfiLaw agents, including faculty, counselors, and other staff, not to disclose CSL's state of noncompliance to Plaintiff Williams and other students who asked about such compliance issues.

1904. The concealment of this information was reasonably calculated to deceive Plaintiff Williams, made with the intent to deceive Plaintiff Williams, and did in fact deceive Plaintiff Williams. CSL and InfiLaw, under Defendant SFM's direction, concealed this material information about ABA compliance and bar-passage rates from Plaintiff Williams in order to continue receiving his payments for tuition, fees, and dues, and did in fact continue receiving these payments.

1905. Before November 2016, Defendant SFM prevented InfiLaw and CSL from making any public statements that would have informed a student or prospective student that the ABA had found CSL to be out of compliance with ABA Standards, or that the ABA had determined that CSL has "not demonstrated that it is maintaining a rigorous program of legal education that prepares its students, upon graduation, for admission to the bar, and for effective, ethical, and responsible participation as members of the legal profession." Nor was there any statement or disclosure during that period by CSL that the ABA had determined that CSL was "admitting applicants who do not appear capable of satisfactorily completing its program of legal education and being admitted to the bar."

1906. Moreover, once Plaintiff Williams became aware of DoE's denial of CSL's request for financial assistance, CSL knowingly concealed the severity of the matter from Plaintiff Williams by locking the seventh floor doors at CSL and cutting off elevator access to the seventh floor, thereby leaving current students in the dark.

1907. As a result of Defendant SFM's and the Sterling Funds' subsidiaries' fraudulent concealment, Plaintiff Williams suffered and will continue to suffer damages including monetary loss, loss of income, loss of employment opportunities, loss of educational opportunities, loss of opportunities for career advancement, significant debt, emotional pain, inconvenience, mental anguish, interference with family relationships, personal embarrassment, humiliation, loss of enjoyment of life, and loss of professional reputation. Plaintiff Williams is therefore entitled to recover the damages he sustained as a result of the Defendants' conduct.

1908. Additionally, as a result of CSL's, InfiLaw's, and Defendants' fraudulent concealment, the accrual of any applicable statutes of limitation or other time-related defense that might otherwise apply to this action should be tolled.

WHEREFORE, Plaintiff Williams, by and through his undersigned attorneys, demands judgment against all Defendants in a sum of money in excess of \$50,000, together with the costs of this action and attorney fees.

COUNT CI
Willful and Wanton Conduct
(as to all Plaintiffs and all Defendants)

Plaintiffs reassert all the allegations above and in addition allege as follows:

1909. The actions of Defendant SFM and those of the Sterling subsidiaries were reckless, willful, wanton, grossly negligent, and in total disregard for Plaintiffs' rights.

1910. Defendant SFM's officers, partners, and managers participated in or condoned the willful and wanton conduct, as did the officers, partners, and managers of the Sterling Funds.

DAMAGES

1911. As a direct and proximate result of the Defendants' wrongful conduct, jointly and severally, as set forth above in the Complaint, Plaintiffs suffered damages including, but not limited to, the following:

- a. Specific economic losses including the payment of tuition, fees, indebtedness, interest on debt and other out-of-pocket expenses incurred by Plaintiffs in their attempt to complete their education as promised by the Sterling Defendants, both directly and through the subsidiaries they dominated and controlled;
- b. Aggravation, annoyance, inconvenience, emotional pain, mental anguish, personal embarrassment, humiliation, interference with family relationships, loss of enjoyment of life and emotional distress;
- c. Loss of educational opportunities;
- d. Lost wages;
- e. Loss of future earning capacity and income;
- f. Loss of employment opportunities;
- g. Loss of opportunities for career advancement;
- h. Loss of professional reputation;
- i. Monetary expenses incurred in an attempt to mitigate damages;
- j. Attorney fees and costs incurred in prosecuting this action; and
- k. Such further relief as the Court deems appropriate.

WHEREFORE, Plaintiffs respectfully request the Court to enter judgment against the Defendant Sterling Entities, jointly and severally, and in favor of Plaintiffs, and each of them, for compensatory damages, with both pre-judgment and post-judgment interest calculated at the current legal rate, together with the costs of this action.

PLAINTIFFS DEMAND A TRIAL BY JURY.

This the 23rd day of September 2019.

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Court Rule 707*

ClassAction.org

This complaint is part of ClassAction.org's searchable class action lawsuit database and can be found in this post: [Former Students File Class Action Against Charlotte School of Law Owners Over Alleged Pattern of Fraud, Deception](#)
