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Attorneys for Plaintiffs,  
**JOSHUA JONES; JESUS CACIQUE; DOMINIQUE CALDERON;  
JAMIE CALLEJAS; ADRIAN CORTEZ; AGUSTIN CRUZ;  
LISHI LEE; OMRI OROZCO TORRES; NICK PETREE;  
CHARLES RIVAS; MICHAEL TORRES; and AARON VANG**

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Superior Court of California  
County of Fresno  
By: S. Garcia, Deputy

**SUPERIOR COURT OF THE STATE OF CALIFORNIA**

**COUNTY OF FRESNO**

JOSHUA JONES, an individual;  
JESUS CACIQUE, an individual;  
DOMINIQUE CALDERON, an individual;  
JAMIE CALLEJAS, an individual;  
ADRIAN CORTEZ, an individual;  
AGUSTIN CRUZ, an individual;  
LISHI LEE, an individual;  
OMRI OROZCO TORRES, an individual;  
NICK PETREE, an individual;  
CHARLES RIVAS, an individual;  
MICHAEL TORRES, an individual; and  
AARON VANG, an individual;

Plaintiffs,

vs.

UNITED EDUCATION INSTITUTE, a  
California corporation; IEC Corporation, a  
Delaware corporation; and DOES 1 through  
50, inclusive,

Defendants.

Case No.: 23CECG02897

Unlimited Civil Case  
Amount demanded exceeds \$10,000

**FIRST AMENDED COMPLAINT FOR  
DAMAGES, INJUNCTIVE RELIEF, AND  
RESTITUTION**

1. Deceptive Practices (Violation of Consumers Legal Remedies Act, Cal. Civil Code §§ 1750 *et seq.*);
2. Unfair Business Practices (Violation of Cal. Bus. & Prof. Code § 17200 *et seq.*);
3. Misleading and Deceptive Advertising (Violation of Cal. Bus. & Prof. Code § 17500 *et seq.*);
4. Fraud;
5. Breach of Contract;
6. Negligent Misrepresentation; and
7. Intentional Misrepresentation.

PLAINTIFFS, by and through their counsel, hereby allege on information and belief as follows:

**PRELIMINARY STATEMENT**

1. This Complaint seeks relief for claims brought by Plaintiffs JOSHUA JONES, an individual; JESUS CACIQUE, an individual; DOMINIQUE CALDERON, an individual; JAMIE CALLEJAS, an individual; ADRIAN CORTEZ, an individual; AGUSTIN CRUZ, an individual; LISHI LEE, an individual; OMRI OROZCO TORRES, an individual; NICK PETREE, an individual; CHARLES RIVAS, an individual; MICHAEL TORRES, an individual; and AARON VANG, an individual (hereafter, collectively, “PLAINTIFFS”) against UNITED EDUCATION INSTITUTE (“UEI”) and IEC CORPORATION (“IEC”; UEI and IEC are collectively “DEFENDANTS”), and Does 1-50, inclusive.

2. PLAINTIFFS seek to recover damages, injunctive relief, restitution, costs of suit, and attorneys’ fees resulting from DEFENDANTS’ unfair and deceptive business practices as a provider of post-secondary education. This Complaint alleges, among other things, unfair competition, false/misleading advertising, false/misleading statements, inadequate disclosures, intentional acts of record falsification – each in violation of statutory prohibitions against these practices. This Complaint also alleges fraud, negligent misrepresentation, and intentional misrepresentation.

**I. JURISDICTION AND VENUE**

3. This Court has jurisdiction over this action pursuant to Code of Civil Procedure section 410.10 and Business & Professions Code sections 17203, 17204 and 17535, which allow enforcement in any court of competent jurisdiction. The California Superior Court has jurisdiction over this action pursuant to California Constitution Article VI, section 10, which grants the Superior Court “original jurisdiction in all cases except those given by statute to other trial courts.” The statutes under which this action is brought do not grant jurisdiction to any other trial court.

4. This Court has jurisdiction over DEFENDANTS, and each of them, because DEFENDANTS have/had sufficient minimum contacts in California, are citizens of California, or otherwise intentionally avail themselves of the California market by conducting business and providing vocational training in California, and by having such other contacts with California so as to render the exercise of jurisdiction by California courts consistent with traditional notions of fair play and substantial justice.

5. This Court also has jurisdiction over UEI and IEC because both have their principal place of business in California.

6. Venue is proper in the Fresno County Superior Court pursuant to California *Civil* Procedure Code sections 395 and 395.5 because one or more of the violations alleged herein occurred in the County of Fresno, and all contracts signed by Plaintiffs were entered into in Fresno County.

## **II. PARTIES**

### **A. PLAINTIFFS**

7. At all times mentioned herein, Plaintiff, JOSHUA JONES was an individual residing within the County of Fresno, State of California. Plaintiff is a former student of DEFENDANTS' Fresno, California campus.

8. At all times mentioned herein, Plaintiff, JESUS CACIQUE was an individual residing within the County of Fresno, State of California. Plaintiff is a former student of DEFENDANTS' Fresno, California campus.

9. At all times mentioned herein, Plaintiff, DOMINIQUE CALDERON was an individual residing within the County of Fresno, State of California. Plaintiff is a former student of DEFENDANTS' Fresno, California campus.

10. At all times mentioned herein, Plaintiff, ADRIAN CORTEZ was an individual residing within the County of Fresno, State of California. Plaintiff is a former student of DEFENDANTS' Fresno, California campus.

11. At all times mentioned herein, Plaintiff, AGUSTIN CRUZ was an individual residing within the County of Fresno, State of California. Plaintiff is a former student of DEFENDANTS' Fresno, California campus.

12. At all times mentioned herein, Plaintiff, LISHI LEE was an individual residing within the County of Fresno, State of California. Plaintiff is a former student of DEFENDANTS' Fresno, California campus.

13. At all times mentioned herein, Plaintiff, OMRI OROZCO TORRES was an individual residing within the County of Fresno, State of California. Plaintiff is a former student of

DEFENDANTS' Fresno, California campus.

14. At all times mentioned herein, Plaintiff, NICK PETREE was an individual residing within the County of Fresno, State of California. Plaintiff is a former student of DEFENDANTS' Fresno, California campus.

15. At all times mentioned herein, Plaintiff, CHARLES RIVAS was an individual residing within the County of Fresno, State of California. Plaintiff is a former student of DEFENDANTS' Fresno, California campus.

16. At all times mentioned herein, Plaintiff, MICHAEL TORRES was an individual residing within the County of Fresno, State of California. Plaintiff is a former student of DEFENDANTS' Fresno, California campus.

17. At all times mentioned herein, Plaintiff, AARON VANG was an individual residing within the County of Fresno, State of California. Plaintiff is a former student of DEFENDANTS' Fresno, California campus.

**B. DEFENDANTS**

18. UEI is a corporation organized under the laws of the State of California with its principal place of business in Orange County, California. UEI is a person within the meaning of Business & Professions Code sections 17200 et seq. and Civil Code section 1750, et seq.

19. UEI is a for-profit, post-secondary education institution providing career preparation and training for students at thirteen California locations, including locations in Bakersfield, Chula Vista, Fresno, Garden Grove, Gardena, Huntington Park, Oceanside, Ontario, Reseda, Riverside, Sacramento, Stockton and West Covina. UEI offers programs in various fields including business office administration; HVAC technician; criminal justice; and the health care industry. These programs typically lasts nine-months.

20. UEI is and was at all relevant times a "private postsecondary educational institution" within the meaning of California Education Code section 94858. At all relevant times hereto, UEI was subject to the requirements of the Private Postsecondary Educational Act of 2009 (Educ. Code § 94800 et seq.), including the general requirements set forth in Article 6 (Educ. Code §§ 94885-94892), as well as the more specific requirements for fair business practices under Article 8 (Educ.

Code §§ 94897-94899.5) of the Act. DEFENDANTS are also subject to and regulated by Title 5, Division 7.5 of the Code of Regulations. DEFENDANTS do not meet the requirements for exemption under Education Code section 94874.

21. IEC is a Delaware corporation that is registered to do business in California as International Education Corporation. IEC owns UEI campuses and implements policies and procedures common to all such campuses.

22. IEC's Title IX Statement of Non-Discrimination states that an IEC subsidiary operates UEI.

23. PLAINTIFFS are unaware of the true names and capacity of defendants, DOES 1 through 50, and accordingly, sue these defendants by such fictitious names as allowed by Code of Civil Procedure. PLAINTIFFS will amend their claims to allege the true names and capacities of such DOE defendants when the same are ascertained. DOES 1 through 50 are in some manner responsible for the events herein alleged, and were the owners, principles, shareholders, employers, agents, coconspirators, subsidiaries, joint venturers, controllers, servants and/or employees of DEFENDANTS at all relevant times. At all relevant times alleged herein, DEFENDANTS and DOE defendants were the owners, principles, shareholders, employers, agents, coconspirators, subsidiaries, joint venturers, controllers, servants and/or employees of each other, and each were acting within the course and scope of their respective status.

24. Each of the PLAINTIFFS are individuals who were recruited by DEFENDANTS and subsequently enrolled in, paid for, and attended DEFENDANTS' Heating, Ventilation, and Air Conditioning ("HVAC") program at DEFENDANTS' facilities in Fresno. PLAINTIFFS are each a "person" under Business & Professions Code sections 17201, 17535 and Civil Code section 1750, et seq. They bring this action on behalf of themselves as victims of UEI's unlawful, unfair fraudulent and deceptive practices, as described herein.

### **III. BACKGROUND FACTS AND ALLEGATIONS**

#### **A. PLAINTIFF JOSHUA JONES**

25. In or around January of 2022, JONES was working at an Olive Garden restaurant and was struggling to provide for his fiancé and infant son. JONES saw an advertisement on Facebook

1 for UEI. JONES clicked on the advertisement, went to the UEI website, and entered his email  
2 address and phone number. Within hours, a UEI admissions recruiter called him and told JONES  
3 that he needed to tour UEI's facilities in Fresno for more information.

4 26. JONES went to UEI's facilities and brought his fiancé and infant son with him.  
5 During this visit, the admissions recruiter, identified as "Sal," showed JONES several advanced  
6 pieces of HVAC equipment, specifically pointing out a new model of a heat pump and a refrigeration  
7 system that JONES would purportedly use during his hands-on training at UEI; stated that there was  
8 a high demand for HVAC workers; and promised that with training from UEI, JONES was  
9 guaranteed a high-paying job upon graduation from employers who were desperate to hire HVAC  
10 technicians from UEI. The admissions recruiter promised that while JONES was a UEI student,  
11 DEFENDANTS would help him with his resume, interview skills and refer him to employers who  
12 were hiring HVAC technicians. The UEI admissions recruiter told JONES that UEI had good  
13 relationships with employers who valued UEI graduates, and these employers were eager to hire him  
14 as an HVAC technician.

15 27. The admissions recruiter told JONES that he should not wait to enroll at UEI because  
16 it was a well-respected program, and there was only one spot left, and if JONES did not enroll then,  
17 the opportunity would pass by, and he would be left behind until a new class started nine months  
18 later.

19 28. Believing that he would not be able to start his new career for nine months if he  
20 waited, JONES enrolled on-the-spot. The UEI admissions recruiter took him to a back office where  
21 a UEI Employee helped JONES complete student loan applications. It cost JONES approximately  
22 \$21,000 to attend UEI and he financed his education through the non-dischargeable loans UEI  
23 encouraged him to apply for in order to attend classes.

24 29. JONES started classes on or about February 28, 2022, and joined a group of students  
25 who had already been in the program for several months. This inclusion in an already ongoing class  
26 cycle meant that JONES missed foundational coursework and was perpetually trying to catch up,  
27 exacerbating his learning challenges. In other words, there was no need for JONES to sign up  
28 immediately because DEFENDANTS placed him mid-term into the last group of students. During

1 his nine months of school, JONES never got to use the vast majority of equipment he was shown  
2 during his tour and the few pieces of equipment he did use during his training were obsolete and/or  
3 missing components. JONES and his classmates could not train on heating equipment because UEI  
4 did not have the fuel that one heating simulator needed to operate, while other training simulators  
5 were broken.

6 30. Furthermore, JONES did not receive the instruction and training he was told he would  
7 receive, rather DEFENDANTS' program involved watching YouTube videos about HVAC systems,  
8 using colored pencils to repeatedly draw diagrams, and minimal hands-on instruction. During three  
9 months of the nine-month curriculum, UEI did not assign a teacher to instruct them. Instead, JONES  
10 and his classmates sat in their classroom and tried to watch videos about HVAC systems. At times,  
11 they tried to observe other HVAC classes at UEI, but they were not allowed to participate and,  
12 consequently, they did not receive any hands-on training for three of the nine-month course. UEI  
13 did not even provide them with written materials to work on while there was no instructor.

14 31. Near the end of the HVAC course, JONES, on multiple occasions, attempted to  
15 speak with someone in UEI's career services department to obtain assistance finding a job like they  
16 promised. UEI, however, did not provide JONES with job placement services. Instead, he found the  
17 career services office frequently closed or unstaffed, and on the few occasions he did find someone,  
18 they were unable to offer him any meaningful support or leads. UEI did not help him prepare a  
19 resume, practice interviewing; or refer him to any potential employers.

20 32. Even though DEFENDANTS did not provide JONES with any assistance with  
21 finding an HVAC technician job, DEFENDANTS pressured JONES to sign documents stating that  
22 DEFENDANTS' career services department had, in fact, provided JONES with assistance finding a  
23 job. This pressure included multiple phone calls and emails from UEI staff, claiming that signing  
24 these forms was a standard procedure and necessary for finalizing his program credentials.  
25 DEFENDANTS threatened to withhold from JONES his diploma, tools, and an Environmental  
26 Protection Agency certificate unless he signed documents that falsely stated that DEFENDANTS  
27 had provided him with assistance finding an HVAC job.

33. JONES dutifully completed the HVAC program at UEI. He obtained work in his field, but he obtained the job through his own initiative and without any assistance from UEI's career services.

34. When JONES got into the field, he quickly discovered that the training he received from UEI did not prepare him for even an entry-level position. He encountered basic wiring and refrigeration cycle issues that he was unable to resolve without additional training from his employer, a fact that embarrassed him and almost cost him his job. UEI did not teach him basic HVAC technician skills, and many of the HVAC processes he learned from UEI were either incorrect or outdated. Consequently, after incurring \$21,000 of non-dischargeable debt, JONES was unable to obtain a position that paid much more than minimum wage – despite UEI promising him that his new career was in high demand, and he would obtain a well-paying job which would pay for the loans while also providing for his family and new baby.

**B. PLAINTIFFS JESUS CACIQUE, DOMINIQUE CALDERON, JAMIE CALLEJAS, ADRIAN CORTEZ, AGUSTIN CRUZ, LISHI LEE, OMRI OROZCO TORRES, NICK PETREE, CHARLES RIVAS, MICHAEL TORRES, and AARON VANG**

35. UEI's recruitment process is highly scripted – so PLAINTIFFS JESUS CACIQUE, DOMINIQUE CALDERON, JAMIE CALLEJAS, ADRIAN CORTEZ, AGUSTIN CRUZ, LISHI LEE, OMRI OROZCO TORRES, NICK PETREE, MICHAEL TORRES, CHARLES RIVAS and AARON VANG each enrolled at UEI after a nearly identical tour and recruitment by UEI employees and agents. Each was subjected to a persuasive and emotionally manipulative pitch that played on their personal and financial vulnerabilities, assuring them that enrolling at UEI was the pathway out of their current hardships. The only difference is the precise date that DEFENDANTS recruited them, the date they started classes, and how they first learned of UEI.

36. CALLEJAS, LEE, TORRES, and VANG, like JONES, first heard of UEI through a Facebook advertisement. CACIQUE, OROZCO TORRES, and PETREE discovered UEI through an online search. CALDERSON drove by. CORTEZ came across UEI's website. CRUZ had known about UEI. RIVAS saw a television ad.

37. Regardless of how each PLAINTIFF learned of UEI, they each contacted UEI and spoke to an admissions recruiter who told them that they could not obtain information via phone - but needed to tour the school. They each received tours from a UEI admissions recruiter and were given promises of receiving hands-on training with qualified teachers and shown state-of-the-art equipment they would have the opportunity to use if they enrolled in UEI's HVAC program.

38. UEI's employees told all PLAINTIFFS that they were entering a career which was in high-demand and experiencing growth, and assured each of them that a high-paying job in HVAC was waiting upon graduation. Each was told that they needed to enroll before they lost the chance to transform their lives, since seats were limited. Additionally, each was told that; in addition to the top-quality, hands-on training they would receive, UEI's career services team would assist them with resumes, interviews, and job referrals.

39. UEI targeted vulnerable people and asked the PLAINTIFFS deeply personal questions. No matter what information was provided, UEI informed applicants that enrollment at UEI would transform their lives and provide them with new careers as in-demand HVAC technicians.

40. One of the PLAINTIFFS ("PLAINTIFF A") informed UEI that he had a criminal record, and UEI told him that his history would not be a problem and that enrolling would give him a new life. PLAINTIFF A reasonably believed UEI's assurances that his history would not be a problem if he completed their HVAC program, since they told him that UEI would help him find a good job through their network of employers. Enrollment at UEI, DEFENDANTS told him, would be a way to avoid the collateral consequences of a conviction. Based on their representations, he believed that an education at UEI's HVAC program would be a ticket to a new start and he decided to enroll.

41. But, when PLAINTIFF A graduated, he discovered that UEI did not have a network of employers eager to hire him and employers would not hire him due to his record. As a result, he has not been able to get a job in HVAC, as UEI promised, and now has over \$20,000 in nondischargeable debt.

42. UEI asked AGUSTIN CRUZ (“CRUZ”) about his personal life, and CRUZ shared that he worked Amazon’s graveyard shift and was struggling to care for and spend time with his child. UEI assured him that their program would get him a job in HVAC and he would make better money, and his new career would allow him to be able to spend time with his family. CRUZ was convinced by these promises, believing that the certifications and hands-on training he was promised would immediately transition him into a more stable, lucrative career. Based on the promises of a better life with better pay, CRUZ enrolled at UEI.

43. When OMRI OROZCO TORRES (“OROZCO TORRES”) toured UEI’s facility, the admissions recruiter pried into his family life. OROZCO TORRES shared that he was married with four children, and the admission recruiter promised that if he went to school at UEI, he would have a good job waiting for him when he graduated, and he would be able to pay for his children to go to college. He was shown images of graduates who had supposedly moved on to lucrative careers, which deeply influenced his decision to enroll. UEI’s promises convinced him to enroll.

44. The PLAINTIFFS all enrolled at UEI in 2021 and 2022, following the aforementioned, highly-scripted, recruitment process. Once they decided to enroll, they were ushered into rapid financial planning sessions where they were encouraged to take out loans without full explanations of terms or alternative options presented. After PLAINTIFFS made their decision, a financial aid counselor at UEI immediately helped them obtain private and federal student loans so that they could pay DEFENDANTS to enroll at UEI.

45. After classes started, the PLAINTIFFS did not use the equipment UEI represented that they would use, nor did they receive the training they were promised. Instead, much of their training consisted of theoretical explanations and simulated activities that did not translate into practical skills. They often spent their days watching HVAC-related YouTube videos, drawing diagrams with colored pencils, and watching other students’ classes. For several months, PLAINTIFFS did not even have a teacher.

46. They all completed the programs, and after completing their training, not one received any of the job assistance UEI promised it would provide upon completion of the program. Many of them were left to navigate job boards and cold-call employers, a far cry from the proactive

placement support, with employers that UEI had established relationships with through the years. Of the PLAINTIFFS who did find work in the HVAC industry, they discovered, once they were in the field, that the minimal training they received from UEI did not prepare them for entry-level work and that the few procedures they were taught were outdated and no longer in use. Therefore, they received jobs paying about the same as they were already making before incurring \$21,000 in debt.

**IV. SPECIFIC ACTIONS AND REPRESENTATIONS BY RECRUITERS TO INDIVIDUAL PLAINTIFFS**

**47. Specific Actions and Representations to PLAINTIFF JOSHUA JONES:**

- a. Joshua Jones was initially contacted by Sal, a recruiter from UEI, after clicking on a Facebook advertisement. Sal emphasized the high demand for HVAC technicians and the urgent need for Jones to visit the campus to secure his future in this high-paying career field. Sal's approach was aggressive and designed to make Jones feel like this opportunity was fleeting and he had to act immediately to secure his future.
- b. During the campus tour, Jones was shown advanced, state-of-the-art HVAC equipment by Sal. Sal represented that Jones would be using this equipment regularly in hands-on training sessions. Jones was particularly impressed by a demonstration of a modern HVAC unit, which Sal claimed would be a key component of his hands-on training, a claim which later proved to be entirely false as the equipment was for show and, after enrollment, PLAINTIFFS were instructed not to touch it.
- c. During the tour with Sal, they ran into a UEI Campus Department Chair of HVACR Trades, Louie Lopez Junior "Louie." Louie stated to Jones that he "looked like an HVAC guy" and that "[Jones should] be ready to be busy all summer and gone most of the time" but "[Jones'] wife would be happy when he brought home those nice paychecks." Louie further said "if your wife asks how your day went 'don't even bother explaining it, no offense to your wife but it'll be complex you are going to learn some complex stuff.'" Louie went on to

represent that “UEI students are starting businesses, like he did, and that UEI helps students start those businesses.”

- d. After the campus tour, Sal took Jones and to an office where the “Dean” of UEI joined them. Sal and the Dean promised Jones that he would have a high-paying job immediately upon graduation due to UEI’s strong relationships with local employers desperate for UEI-trained HVAC technicians. They quoted inflated salary figures, suggesting Jones could expect to start making upwards of \$25 an hour immediately after graduation.
- e. The recruiter pressed Jones about the urgency of enrolling immediately, claiming that only one spot remained and delaying his enrollment could result in a nine-month setback for his career. This high-pressure tactic was coupled with stories of past students who hesitated and missed their chance, which played on Jones’s anxieties about providing for his young family, so he enrolled immediately.

**48. Specific Actions and Representations to PLAINTIFF JESUS CACIQUE:**

- a. Chuck, the recruiter, reached out to Jesus Cacique following an initial email from Cacique expressing interest in the HVAC program. Chuck told Cacique that he had to come for an in-person tour to learn more about the HVAC program. Once Cacique arrived, Chuck immediately highlighted the lucrative nature of a career in HVAC and the comprehensive job placement support UEI offered. Chuck’s enthusiastic pitch included mentions of how past graduates were now thriving, using examples of alumni who were “making over \$100,000 a year.”
- b. During Cacique’s tour, Chuck showed him the HVAC training facilities, pointing out the modern equipment and technology that Cacique would use. Chuck emphasized that this equipment was the latest in the industry, assuring Cacique that he would be on the cutting edge of HVAC technology post-graduation.
- c. When discussing the cost of the program Chuck stated that it would “cost around \$20,000; however, loans would cover the majority of the cost, and Cacique would have no problem covering the loan with his new, higher salary after graduation.”

- d. Chuck created a false sense of urgency by mentioning that the program had limited spots left and that they were filling up fast. He insisted that Cacique needed to sign up immediately to secure his place. This pressure was intensified by Chuck guiding Cacique to imagine the lost income and opportunities if he delayed his decision even by a day.
- e. Cacique feeling pressured was ushered into the financial aid office where he met with Associate Director of Student Finance at UEI College Maria Alonso “Alonso.” Alonso quickly assisted Cacique in filling out financial aid and other UEI enrollment documents.
- f. On or about a week before classes began UEI hosted orientation. At orientation, Cacique met with Alonso again to fill out additional paperwork. While in the financial aid office, Cacique was assisted by an unknown UEI employee at the front desk. The individual at the front desk recorded Cacique's information. At that time, Cacique was not employed. The same staff member then guided Cacique to a computer to complete the FAFSA forms. While she assisted Cacique by directing where to click, type, and sign, she did not provide answers to any questions. After Cacique finished, he consulted a different staff member who informed him that government loans would cover only half of the costs. She explained that Cacique would need to make monthly payments of \$60 while attending school, which would increase to \$180 after finishing.

**49. Specific Actions and Representations to PLAINTIFF DOMINIQUE CALDERON:**

- a. Amanda Cook, the recruiter, engaged Dominique Calderon during his visit to the UEI campus. Initially interested in a nursing program, Dominique was quickly redirected by Amanda to consider the HVAC program instead. She highlighted the immediate job opportunities, hands-on training with machinery, and comprehensive financial aid options, including a promise of a bus pass. Amanda exploited Calderon’s vulnerabilities, specifically his lack of a high school diploma and his recent release from incarceration, by promising that UEI’s

HVAC program was tailor-made for individuals seeking a second chance and a fresh start in life. She emphasized that the program's hands-on approach and practical skills training were ideal for someone like him who was accustomed to manual, hands-on work.

- b. Amanda promised Calderon extensive job placement support, including resume help and direct introductions to local employers. She claimed that many employers prefer UEI graduates for their practical skills and reliability. She told him about the success stories of past students who had similar backgrounds to Calderon and were now successful HVAC technicians.
- c. Knowing Calderon's urgent need to change his life, especially after his incarceration, Amanda assured him that delaying his enrollment could mean missing out on a transformative career opportunity. She made him feel that enrolling immediately was the only way to avoid the pitfalls that had affected his past.
- d. Amanda addressed Calderon's concerns about his financial situation and his incomplete education. She reassured him that he could enroll in a supplementary program to complete his high school diploma concurrently with his HVAC training, at no additional cost. When Dominique expressed concerns about how to finance his education and manage without a job, Amanda suggested that he could work part-time at the school in a supportive role, such as a toolman, to help cover his tuition fees. This was coupled with the promise of a bus pass to assist with his transportation needs, given that he didn't have a car.
- e. During a campus tour with another staff member, Ashley, Calderon was shown the classrooms and the practical work areas where he would be trained. Ashley pointed out the wire wall and various HVAC units, explaining that he would learn comprehensive skills including how to fix, break, disassemble, and reassemble these units. She assured him that by the end of the program, he would have a thorough understanding of HVAC systems. Calderon was impressed by the new

equipment and the quality of the staff, and he was reassured by Ashley's guarantee that he would secure a job in HVAC, with starting wages between \$20 and \$25 an hour and opportunities for advancement after gaining experience.

- f. Back in the office, Calderon hesitated, said that he was still worried about his financial situation. Amanda promised him that he wouldn't have to worry about upfront costs, highlighting that he would qualify for grants and a job at the school which would alleviate his financial concerns. She urged him not to delay enrollment due to quickly filling classes and the risk of losing his spot. She then guided him through the financial aid process to see what grants he qualified for. After reviewing his options and the additional support he would receive, Calderon was convinced to enroll, and completed the necessary paperwork with Amanda's assistance.

**50. Specific Actions and Representations to PLAINTIFF ADRIAN CORTEZ:**

- a. Chuck contacted Adrian Cortez after Cortez showed interest in an online ad. Chuck was persistent in his communications, frequently calling and texting Cortez to visit the campus for a better future. Chuck emphasized that the HVAC field was a fresh start where Cortez could leave his past, including his recent incarceration, behind.
- b. During the tour, Chuck showed Cortez the HVAC classrooms, units, equipment, and tools, claiming that everything was hands-on and that Cortez would be working with this equipment daily. Chuck told Cortez that he would be making \$30-\$40 an hour immediately after graduation.
- c. Knowing about Cortez's recent incarceration and the pressures of expecting a new child, Chuck assured Cortez that he could quickly turn his life around by enrolling in UEI. Chuck told Cortez that his criminal record would not be an obstacle in the HVAC industry.

**51. Specific Actions and Representations to PLAINTIFF AGUSTIN CRUZ:**

- a. Laurie, the recruiter, capitalized on Agustin Cruz’s spontaneous visit to the campus. She quickly toured him through the HVAC facilities and pressed him to enroll immediately, citing closing enrollment and a chance to transform his life. Laurie told Cruz that by enrolling, he could leave his graveyard shift at Amazon for a lucrative HVAC career with regular hours.
- b. Laurie stressed that immediate employment opportunities awaited Cruz upon graduation. She suggested that the hands-on nature of the training would make him a preferred candidate for local HVAC companies. She told Cruz that, as an HVAC Tech, he would not only have a reliable, well-paying career – but, he would also have the time and resources to be with his family, leveraging his desire to be a better parent as a key selling point.
- c. Knowing Cruz’s financial and personal struggles, Laurie emphasized how the HVAC program at UEI was a pathway to financial stability and more quality time with his family. She assured him that the investment in education would pay off exponentially in terms of salary and lifestyle improvements.

**52. Specific Actions and Representations to PLAINTIFF LISHI LEE:**

- a. After Lishi Lee expressed interest online, Linda, the recruiter, called him multiple times, until he set up a campus visit. She promised that the HVAC program was comprehensive, and aligned with Lee’s interest in hands-on, practical training. Linda told Lee that delaying enrollment could mean missing out due to the high demand for the HVAC program.
- b. During the tour, Linda showed Lee the classrooms and equipment, emphasizing the modern and comprehensive nature of the training. She assured him that UEI’s training was unparalleled in preparing students for immediate employment. She also told him about the program’s duration and depth, telling him that he would be job-ready in a fraction of the time compared to if he attended other institutions.
- c. Knowing Lee’s aspirations to start his own business, Linda told him that many UEI graduates went on to successful entrepreneurship in the HVAC field. She

promised that Lee would receive not just technical training but also business development support from UEI, a promise that was never fulfilled.

**53. Specific Actions and Representations to PLAINTIFF OMRI OROZCO TORRES:**

- a. Chuck arranged for Omri Orozco Torres to attend an in-person tour at the UEI campus. Once Torres arrived, Chuck was heavily focused on Torres's role as a family man. Chuck emphasized how the HVAC program would allow Torres to provide for his large family and ensure their long-term financial security. Chuck's narrative was emotionally charged, promising Torres that he could be the "family hero" by securing a stable, high-paying job through enrollment at UEI.
- b. During the campus tour, Chuck showed Torres various pieces of HVAC equipment and classrooms, explaining that he would "be using these in his daily training." Chuck also promised ongoing support in job placement and interviews, suggesting that Torres's commitment to his family would be rewarded with immediate employment upon graduation.
- c. Knowing Torres's aspirations to improve his children's future, Chuck promised that the income from his new HVAC career would be enough to send all his kids to college. This deeply resonated with Torres, who saw UEI as a pathway to fulfilling his responsibilities as a father and husband, and he enrolled the same day.

**54. Specific Actions and Representations to PLAINTIFF NICK PETREE:**

- a. Nick Petree's interest in transitioning to a new career was met with enthusiasm by Amanda Garcia, when he visited UEI's campus. She highlighted how UEI's HVAC program was perfectly suited for those looking to make a significant career change. Amanda used examples of past students who had transitioned from unrelated fields into successful HVAC careers, telling Petree that he could replicate their success.
- b. Amanda told Petree that HVAC was not just a job, but a career path that could lead to owning a business. She told Petree he would be earning between \$22 to

\$60 an hour, depending on his progression, with the potential for business ownership enhancing his earnings significantly.

- c. During his campus tour, Petree was shown various training rooms with equipment that Amanda said he would be using frequently. She told him that immediate enrollment was necessary to secure his place and start on the path to financial independence and career satisfaction.

**55. Specific Actions and Representations to PLAINTIFF AARON VANG:**

- a. Aaron Vang saw a UEI ad pop up on Facebook, so he clicked it and it took him to the UEI website. Aaron saw the HVAC Program on UEI's website. It said that he would get hands-on training and learn the skills needed to get a new job in the HVAC field. The UEI website described the training he would receive on both heating and cooling; and after graduation, he would qualify for a number of jobs in the HVAC field. He would also become certified in the HVAC industry.
- b. The information on UEI's website said that workers in the HVAC field were in high demand. The website also said that UEI would help Vang update his resume and assist him in finding a job in his area. Vang hadn't really been interested in HVAC, but wanted a good-paying job and the UEI website said that HVAC workers were in demand – and training he received from UEI would also help him in other careers.
- c. Vang provided his contact information and, very soon afterward received an email from UEI, encouraging him to proceed with enrollment, and emphasizing the urgency due to limited spots available in the HVAC program.
- d. Not wanting to miss out on one of the class spots, Vang enrolled online. About two weeks after enrolling, he received an email with information about his orientation. At the orientation, he toured the campus with a male HVAC instructor, Mr. Patch. Patch told him to be ready to make good money and even start your own business. Vang was shown the state-of-the-art equipment he would be using Patch said he would start at about \$21 hourly, but could expect to make

six figures after a few years. Patch also told Vang that HVAC was a job always in high demand and that UEI would assist with a resume and in finding a job, due to the extensive network of businesses UEI worked with in placing graduates.

- e. During his orientation, Vang was assisted by a financial aid counselor who quickly guided him through the process of setting up financial aid. This session was rushed, with little explanation provided about the long-term implications of the loans or the total cost of the program. Vang was assured that the financial investment would be minor compared to the immediate and substantial income he would receive in his new career after graduating UEI's HVAC program.
- f. After enrolling, Vang realized the disparity between the promotional material and the actual program delivery. He noticed the lack of structured job placement support and the generic nature of the training, which did not align with the hands-on, comprehensive training that had been implied during his online interactions. The hands-on training was minimal, and the equipment often outdated or non-functional. The promised job placement support was non-existent; Vang was left to navigate the job market on his own, without the extensive network of employer connections that had been promised.

The representations made to all of the PLAINTIFFS were false; and Defendants' omissions of relevant information a reasonable student visiting vocational schools would want to know before enrolling was purposeful. PLAINTIFFS did not receive hands-on training on high-tech equipment. To the contrary, a large portion of the equipment was in disrepair and the majority of PLAINTIFFS' time was spent drawing the same electrical diagram over and over with colored pencils – or watching YouTube HVAC training videos. PLAINTIFFS were specifically told that they were not allowed to touch the high-end equipment they were shown during their tour, since they might break it. For approximately three months, all but one PLAINTIFF had no instructor, at all. They were, therefore, told to just take turns working on the dilapidated equipment in their room; or continue drawing diagrams.

UEI did not even have the proper gas needed to allow PLAINTIFFS to have hands on experience with brazing and fusing refrigerant lines together – a necessary skill in the HVAC field. All PLAINTIFFS graduated, but UEI did not provide them promised career services. For the few graduates who managed to locate HVAC jobs on their own – they learned just how poorly UEI had prepared them. They did not know how to test electrical equipment; test thermostats or test fuses and perform diagnostics. They had to be trained on the job to test the pressure of refrigerant; calculate superheat or subcooling; to handle refrigerant pursuant to EPA regulations. These are all basic components of an HVAC job and necessary to diagnose and repair the problem. As a result of the poor training received, those few PLAINTIFFS who found HVAC jobs made at or just above minimum wage.

## **DEFENDANTS**

56. UEI is a corporation organized under the laws of the State of California with its principal place of business in Orange County, California. UEI is a person within the meaning of Business & Professions Code sections 17200 et seq. and Civil Code section 1750, et seq.

57. UEI is a for-profit, post-secondary education institution providing career preparation and training for students at thirteen California locations, including locations in Bakersfield, Chula Vista, Fresno, Garden Grove, Gardena, Huntington Park, Oceanside, Ontario, Reseda, Riverside, Sacramento, Stockton and West Covina. UEI offers programs in various fields including business office administration; HVAC technician; criminal justice; and the health care industry. These programs typically lasts nine months.

58. UEI is and was at all relevant times a “private postsecondary educational institution” within the meaning of California Education Code section 94858. At all relevant times hereto, UEI was subject to the requirements of the Private Postsecondary Educational Act of 2009 (Educ. Code § 94800 et seq.), including the general requirements set forth in Article 6 (Educ. Code §§ 94885-94892), as well as the more specific requirements for fair business practices under Article 8 (Educ. Code §§ 94897-94899.5) of the Act. DEFENDANTS are also subject to and regulated by Title 5,

Division 7.5 of the Code of Regulations. DEFENDANTS do not meet the requirements for exemption under Education Code section 94874.

59. IEC is a Delaware corporation that is registered to do business in California as International Education Corporation. IEC owns UEI campuses and implements policies and procedures common to all such campuses.

60. IEC's Title IX Statement of Non-Discrimination states that an IEC subsidiary operates UEI.

61. PLAINTIFFS are unaware of the true names and capacity of defendants, DOES 1 through 50, and accordingly, sue these defendants by such fictitious names as allowed by Code of Civil Procedure. PLAINTIFFS will amend their claims to allege the true names and capacities of such DOE Defendants when the same are ascertained. DOES 1 through 50 are in some manner responsible for the events herein alleged, and were the owners, principles, shareholders, employers, agents, coconspirators, subsidiaries, joint venturers, controllers, servants and/or employees of DEFENDANTS at all relevant times.

62. At all relevant times alleged herein, DEFENDANTS and DOE Defendants were the owners, principles, shareholders, employers, agents, coconspirators, subsidiaries, joint venturers, controllers, servants and/or employees of each other, and each were acting within the course and scope of their respective status.

## V. RELEVANT FACTS AND ALLEGATIONS

63. PLAINTIFFS refer to each paragraph alleged above and incorporate the same by reference herein as though fully set forth at length. The following substantive allegations are only intended to be specific examples of DEFENDANTS' wrongdoing, and are by no means inclusive of all unfair, deceptive, and unlawful acts and conduct contemplated by this complaint.

64. PLAINTIFFS are informed and believe that DEFENDANTS offer post-secondary education programs at 13 locations throughout California, including Fresno County.

65. PLAINTIFFS are informed and believe that UEI engages in deceptive trade practices from the recruitment stage through job placement after graduation. UEI's admissions recruiters, commercials, marketing literature, and website provide uniform misrepresentations and make

material omissions as to the reputation of their post-secondary education programs in the community; the skills that the prospective student will attain from programs of study; instructional equipment that is used; quality of instruction; the qualifications of instructors; job placement opportunities; job placement assistance that will be provided; salary expectations; job growth in areas of study; and rate that graduates obtain employment in their field of study after graduation.

66. Multiple Plaintiffs were asked to sign a form stating that they had located full-time work in their field of study, in exchange for a gift card – even though they hadn’t - so that UEI could alter the actual data which showed that UEI graduates were not obtaining employment upon graduation at the rate claimed by UEI - and reported to the BPPE.

67. These misrepresentations are intended to bolster prospective students’ confidence in the quality and value of a UEI education and induce them to enroll at UEI and incur substantial debt to pay for the UEI education.

68. PLAINTIFFS are informed and believe that the vast majority of students enrolled pay tuition through financing, which includes but is not limited to Federal Pell Grants, Federal Subsidized Stafford Loans, Federal Unsubsidized Stafford Loans, and private loans. PLAINTIFFS who are unable to obtain a job in their field of study are almost certainly saddled with the debt and negative consequences of that debt for years to come, because with few exceptions, such student loan debt cannot be discharged through bankruptcy.

69. PLAINTIFFS are informed and believe that UEI failed and continues to fail to disclose the total cost of tuition on its website and/or in any way prior to students entering into an enrollment agreement with UEI.

70. PLAINTIFFS are informed and believe that from the initial contact with a prospective new student, UEI admissions representatives begin a standardized, high-pressure, scripted recruitment program with the sole purpose of inducing prospective students, including PLAINTIFFS, to enroll in UEI so that Defendants can maximize federal and private loan money obtained by Defendants.

71. PLAINTIFFS are informed and believe that UEI trained its admissions recruiters (including those at the Fresno campus) to follow a mandatory, highly-scripted, high-pressure sales

approach that it utilized to recruit prospective students to enroll in UEI programs with a promise of a bright future and a new career.

72. UEI's admissions recruiters specifically targeted vulnerable people – including people who had recently been incarcerated, did not have stable work, or were struggling to support their family financially, or enduring some type of personal hardship. UEI designed its recruitment to target prospective students' emotions, using pain in their life as the primary motivator, and to portray an education from UEI as their narrow means of relief. UEI targeted vulnerable people because it knew that they would be susceptible to the DEFENDANTS' psychological sales methods.

73. UEI had its admission recruiters make the prospective new student want the new life that would come when they graduated UEI and were working and making money in their new career as an HVAC technician. The goal was to promise applicants a new life and high-paying career that would only come by enrolling in UEI. UEI's admission recruiters told prospective students, including PLAINTIFFS, that their chosen field of study was in high demand and, upon graduation, they would find a well-paying job in their field from the countless businesses who were offering competitive wages and lining up to hire the few workers who had the training that only UEI could provide. To push potential new students to enroll, UEI falsely claimed that spots at UEI were in high demand and that a prospective new student would lose the opportunity if they did not immediately enroll.

74. PLAINTIFFS allege UEI has made and continues to make or disseminate untrue or misleading statements with the intent to induce members of the public to enroll in the post-secondary education programs offered by UEI.

## **VI. SUBSTANTIVE ALLEGATIONS**

75. At all relevant times hereto, DEFENDANTS were subject to the requirements of the Private Postsecondary Educational Act of 2009 (Educ. Code § 94800 et seq.), including the general requirements set forth in Article 6 (Educ. Code §§ 94885-94892), as well as the more specific requirements for fair business practices under Article 8 (Educ. Code §§ 94897-94899.5), enrollment agreements and disclosures requirements under Article 11 (Educ. Code §§ 94902-94913), and the completion, placement, licensure, and salary disclosure requirements under Article 16 (Educ. Code

§§ 94928-94929.8) of the Act. On information and belief, DEFENDANTS have and continue to violate multiple provisions of California Education Code including, but not limited to, sections 94897, 94910, 94929, 94929.5, 94929.7, 94928 subsection (e), and 94911, which were promulgated, in part, to establish minimum standards concerning the quality of education, career training and business practices, and to provide consumers with protection against substandard, unethical, deceptive, or fraudulent institutions and practices.

**A. DEFENDANTS HAVE AND CONTINUE TO VIOLATE EDUCATION CODE §§ 94910, 94929.5, AND 94929.7.**

76. Education Code sections 94910, 94929.5, and 94929.7 require that, prior to enrollment, post-secondary educational institutes must provide prospective students a performance fact sheet disclosing accurate historical information pertaining to the number and percentage of students successfully completing programs of study; the percentage and number of students that have secured employment in the field for which they were trained; and the average annual salary of program graduates. PLAINTIFFS allege that UEI has and continues to fail to provide PLAINTIFFS accurate information as required under Sections 94910, 94929.5, and 94929.7.

**B. DEFENDANTS HAVE AND CONTINUE TO VIOLATE EDUCATION CODE § 94897.**

77. Education Code section 94897 subsection (b) prohibits post-secondary education institutions and their representatives from promising or guaranteeing employment, or otherwise overstating the availability of jobs upon graduation. PLAINTIFFS allege that DEFENDANTS have and continue to promise and overstate the availability of jobs in the field of study to entice and induce prospective students to enroll in its programs in violation of Section 94897 subsection (b). Education Code section 94897 subsection (j) prohibits post-secondary education institutions and their representatives from making any untrue or misleading change in or untrue or misleading statement related to a test score, grade, record of grades, attendance record, or record indicating student completion, placement, employment, salaries, or financial information. PLAINTIFFS contend that DEFENDANTS have violated and continue to violate these provisions with the intent of misleading California students and consumers, thereby gaining an unjust economic benefit and

contravening the underlying purposes and policies of the Private Postsecondary Educational Act of 2009.

**C. DEFENDANTS HAVE AND CONTINUE TO VIOLATE EDUCATION CODE § 94928(E)(1).**

78. Education Code section 94928 subsection (e)(1) defines “Graduate employed in the field” as “graduates who are gainfully employed in a single position for which the institution represents the program prepares its graduates, beginning within six months after a student completes the applicable educational program.” PLAINTIFFS allege that UEI has and continues to misrepresent the number of graduates employed in the field to prospective students in violation of Section 94928 subsection (e)(1) with the intent of misleading California students and consumers, thereby gaining an unjust economic benefit and contravening the underlying purposes and policies of the Private Postsecondary Educational Act of 2009.

**D. DEFENDANTS HAVE AND CONTINUE TO VIOLATE EDUCATION CODE § 94911.**

79. Education Code section 94911 requires post-secondary education institutions to include a schedule of total charges in the enrollment agreement. Education Code section 94870 defines “total charges” as all institutional and non-institutional charges to be paid by students. PLAINTIFFS contend that DEFENDANTS violated and continue to violate these provisions by, for example, requiring PLAINTIFFS to pay an additional fee for tools following the completion of their program. PLAINTIFFS are not informed of this additional charge until completion of their program. PLAINTIFFS are informed and believe that if a student does not pay this additional fee, UEI will not provide the student with an Environmental Protection Agency certification that HVAC technicians are required to have. Furthermore, while Education Code section 94911 requires for-profit education institutions like UEI to show prospective students a Performance Fact Sheet prior to enrollment, UEI failed to provide PLAINTIFFS with this information. This misrepresentation was a part of UEI’s strategy to induce prospective new students to enroll so that they could obtain a well-paying job after graduation and pay off the student loan debt they assumed to afford tuition and other education expenses.

80. UEI made these misrepresentations and omissions while knowing that only a fraction of its graduates were obtaining employment in their field of study within six months of graduation. When the students enrolled, they were required to sign a document saying they had received the school catalog and School Performance Fact Sheet. (Ed. Code § 94911.) UEI admission recruiters informed the enrollees that they had received the necessary documents and quickly pointed to the area that needed to be signed or initialed.

81. In addition to numerous violations of California Education Code, DEFENDANTS violated and continue to violate other state and federal statutes including, but not limited to:

- a. Business & Profession Code sections 17200 et seq. for the wrongful dissemination of advertisements;
- b. 34 C.F.R. section 668.74 for recruiting students via false, erroneous, or misleading statements as to the institution's plans to maintain a placement service for graduates or otherwise assist its graduates to obtain employment, and the institution's knowledge about the current or likely future conditions, compensation, or employment opportunities in the industry or occupation for which the students are prepared;
- c. 15 U.S.C section 45 subsection (a) for unfair and/or deceptive practices in relation to advertising; and
- d. Business & Profession Code section 17500 for unfair methods of competition and unfair or deceptive acts or practices resulting in the sale of goods or services to consumers.

## **VII. CAUSES OF ACTION**

### **FIRST CAUSE OF ACTION**

#### **DECEPTIVE PRACTICES**

#### **Violation of the Consumers Legal Remedies Act, Civil Code §§ 1750 et seq.**

(Against DEFENDANTS and DOES 1-50)

82. PLAINTIFFS, each and every one, re-allege and incorporate by reference each and every allegation in each paragraph alleged above as though fully set forth at length here.

83. PLAINTIFFS, allege that at all times herein mentioned and continuing to the present time, DEFENDANTS have deceived PLAINTIFFS by engaging in deceptive business practices, proscribed and enumerated in Civil Code section 1770, and alleged herein; said acts and practices are likely to deceive and have deceived PLAINTIFFS.

84. DEFENDANTS' acts and practices, as herein described, present a continuing threat to members of the public in that DEFENDANTS continue to engage in these unfair and deceptive practices and will not cease unless and until this Court issues an injunction and an award of damages.

85. DEFENDANTS have misrepresented and continue to misrepresent that their educational services have sponsorship, approval, characteristics, benefits, and quantities that they do not have in violation of Civil Code section 1770 subsection (a)(5) of the Consumers Legal Remedies Act ("CLRA").

86. DEFENDANTS have made false, misleading and deceptive representations, and continues to do so, concerning the standard and quality of educational services offered by DEFENDANTS, which was and continues to be a violation of Civil Code section 1770 subsection (a)(7) of CLRA.

87. DEFENDANTS have and continue to have no intention of offering the services advertised to PLAINTIFFS, which was and continues to be a violation of Civil Code section 1770 subsection (a)(9) of CLRA.

88. DEFENDANTS advertised services, including availability of resume workshops, interview training, and career-placement services, for which it had and continues to have no intention of supplying the reasonably expected demand, which was and continues to be a violation of Civil Code section 1770 subsection (a)(10) of CLRA.

89. DEFENDANTS misrepresented or omitted and continue to misrepresent or omit that the transactions with PLAINTIFFS conferred rights or involved rights, remedies or obligations which it did not have or involve or which were prohibited by law (e.g. representations and/or omissions concerning the skills that the prospective student will attain from programs of study, job placement opportunities, salary expectations, and employment rates of graduates within their field of study, etc.), which was and continues to be a violation of Civil Code section 1770 subsection (a)(14) of CLRA.

3            91.     PLAINTIFFS seek an order permanently enjoining the DEFENDANTS from  
4 engaging in unfair and deceptive business practices relating to marketing and promotion of its  
5 education programs.

6           92.       As alleged with specificity herein, DEFENDANTS misrepresented its educational  
7 programs and benefits that would result through participation in and graduation from the programs.  
8 These promised benefits included proficiency in the chosen field of study, job placement assistance  
9 and extensive job opportunities, which were likely to deceive and did in fact deceive PLAINTIFFS.

93. As a direct and proximate result of DEFENDANTS' deceptive and fraudulent business practices complained of herein, each and every PLAINTIFF was deceived into enrolling in UEI, paying monies and incurring debt. Had PLAINTIFFS been aware of the fact that the claims made by DEFENDANTS, as set forth above, were untrue, they would not have enrolled in UEI's programs.

15           94.       PLAINTIFFS further allege, on information and belief: that as a direct and proximate  
16 result of the DEFENDANTS' misrepresentations, omissions and deceptive conduct as alleged above,  
17 DEFENDANTS have obtained a monetary benefit from PLAINTIFFS in the form of monies paid  
18 and debt incurred for tuition, books and other items required DEFENDANTS advised were necessary  
19 to complete enrollment and graduation.

95. PLAINTIFFS seek an order permanently enjoining the DEFENDANTS from  
engaging in the wrongful conduct alleged above.

## SECOND CAUSE OF ACTION

## UNFAIR COMPETITION

**Violation of Business & Professions Code §§ 17200 et seq.**

(Against All DEFENDANTS and DOES 1-50)

96. PLAINTIFFS re-allege and incorporate by reference each and every allegation in each paragraph alleged above as though fully set forth at length here.

97. PLAINTIFFS, each and every one, allege that at all times herein mentioned and continuing to the present time, DEFENDANTS' actions and practices, including but not limited to its violations of the California Education Code section 94800 et seq., constitute a continuing and ongoing unfair, unlawful and/or fraudulent activity prohibited by Business & Professions Code section 17200 et seq.; said acts and practices are likely to deceive and have deceived PLAINTIFFS.

98. As a direct result of the aforementioned unlawful acts and practices, DEFENDANTS have unjustly collected and continue to hold revenue and profits from affected members of the general public who have been victimized by the acts and practices challenged herein including PLAINTIFFS.

99. Each of the PLAINTIFFS has lost money and/or incurred debt and suffered an injury in fact as a direct result of DEFENDANTS' unlawful and unfair acts and practices.

100. DEFENDANTS' acts and practices, as herein described, present a continuing threat to members of the public in that DEFENDANTS continue to engage in these unfair, unlawful, and fraudulent practices, which target the most vulnerable citizens – people who are desperate for work – and will not cease unless and until this Court issues an injunction. The actions alleged in this Complaint justify the issuance of an injunction, restitution, and other equitable relief pursuant to Business & Professions Code section 17203, both as to DEFENDANTS and their managing agents and officers. This Court is authorized to order injunctive relief, declaratory relief, and restitution to affected members of the general public as remedies for any violations of Business & Professions Code section 17200 et seq.

101. In accordance with the provisions of Business & Professions Code section 17200, PLAINTIFFS, acting as a private attorney general, are entitled to an order (a) enjoining the unfair, unlawful, and fraudulent acts described herein and (b) directing UEI to disgorge its ill-gotten gains and make full restitution to all persons who have suffered from such acts.

102. Specifically, DEFENDANTS should be ordered to: (a) fully comply with all state and federal statutes enacted to regulate the business of private post-secondary education institutions in California including, but not limited to, requiring the implementation of new procedures, practices and documentation to comply with said laws; (b) make refunds to, or assume the educational loans

of, its student customers for all wrongfully received fees; (c) forfeit all fees and charges prohibited under the Education Code; and (d) void all contracts involving student customers who contracted for and were charged amounts other than and/or in excess of the charges permitted by the Education Code.

### **THIRD CAUSE OF ACTION**

#### **MISLEADING & DECEPTIVE ADVERTISING**

##### **Violation of Business & Professions Code §§ 17500 et seq.**

(Against All Defendants and DOES 1-50)

103. PLAINTIFFS re-allege and incorporate by reference each and every allegation in each paragraph alleged above as though fully set forth at length here.

104. PLAINTIFFS allege that at all times herein mentioned and continuing to the present time, DEFENDANTS, have and continue to commit acts of misleading and deceptive advertising, as defined in Business & Professions Code section 17500, by engaging in the acts and practices alleged in this Complaint. DEFENDANTS represented and continue to represent, through its advertising and other express and scripted representations, that a UEI education possessed a value that it did not actually have. More specifically, DEFENDANTS engaged in broad-based marketing efforts in several mediums including, but not limited to, one-on-one communications, broadcast and online advertisements, the UEI website, and via such documentary mediums as enrollment agreements, brochures, catalogs, facsimiles, emails and other written materials intended to reach PLAINTIFFS and induce them to enter into enrollment contracts with DEFENDANTS. The advertisements made by DEFENDANTS contain misleading and deceptive language regarding the value of a UEI education; the availability of well-paying jobs and the extensive job-placement assistance that will be provided. These advertisements are likely to deceive the general public and/or violate applicable law.

105. Each of the PLAINTIFFS has lost money and/or incurred debt and suffered an injury as a direct result of DEFENDANTS' misleading and deceptive advertising.

106. DEFENDANTS' misleading and deceptive advertisements present a continuing threat to members of the general public in that DEFENDANTS will continue to disseminate their

advertisements to California consumers and will not cease doing so unless and until this Court issues an injunction.

107. As a direct result of the aforementioned unlawful acts and practices, DEFENDANTS have unjustly collected and continue to hold revenues and profits from affected members of the general public, including PLAINTIFFS, who have been victimized by the acts and practices challenged herein.

108. In accordance with the provisions of Business & Professions Code sections 17500 and 17535, PLAINTIFFS, acting as a private attorney general, are entitled to an order (a) enjoining DEFENDANTS' misleading and deceptive advertisements described herein and (b) directing DEFENDANTS to disgorge its ill-gotten gains and make restitution to all persons who have suffered from such acts.

109. Specifically, DEFENDANTS should be ordered to: (a) fully comply with all state and federal statutes enacted to regulate the business of private postsecondary vocational education institutions in California including, but not limited to, requiring the implementation of new procedures, practices and documentation to comply with said laws; (b) make refunds to its student customers for all wrongfully received fees and; (c) forfeit all fees and charges prohibited under the Education Code; and (d) void all contracts involving student customers who contracted for and were charged amounts other than and/or in excess of the charges permitted by the Education Code.

#### **FOURTH CAUSE OF ACTION**

##### **FRAUD**

(Against DEFENDANTS and DOES 1-50)

110. PLAINTIFFS re-allege and incorporate by reference each and every allegation in each paragraph alleged above as though fully set forth at length here.

111. DEFENDANTS have made omissions, and material and false representations to PLAINTIFFS, made with knowledge of the falsity of the representations, and made with the intent of inducing action by PLAINTIFFS, who then justifiably relied upon the representations to their detriment.

112. DEFENDANTS have engaged in a pattern and practice of making materially false representations and omissions to PLAINTIFFS, starting with its ads that promise an easily achievable, well-paying, career in a short time period.

113. DEFENDANTS' purpose in requiring an in-person meeting with admissions recruiters, and other agents and employees of DEFENDANTS, was so DEFENDANTS could pressure PLAINTIFFS to sign up for DEFENDANTS' programs and take out loans to pay for the courses. These actions were taken by DEFENDANTS for the sole purpose of increasing DEFENDANTS' profits.

114. DEFENDANTS' agents and employees used scripted sales pitches which falsely represented to PLAINTIFFS that they would immediately find a well-paying job upon graduation from DEFENDANTS' programs; that DEFENDANTS enjoyed a favorable reputation in the community and had numerous relationships with local businesses that employed DEFENDANTS' graduates; that DEFENDANTS' classes were taught by professionals with experience in the chosen field of study; that DEFENDANTS employed skilled and aggressive career services personnel that would work extensively with PLAINTIFFS in order to assist them in finding a job; and that DEFENDANTS' graduates benefited from high rates of post-graduation employment.

115. The truth was that DEFENDANTS have extensive turnover in its teaching and administrative staff; DEFENDANTS' career services offered little to no assistance to graduates; DEFENDANTS' students were ill-prepared for careers in their chosen field of study; and DEFENDANTS had few relationships with employers who hired recent graduates.

116. DEFENDANTS also acted in violation of Education Code sections 94910, 94929.5, and 94929.7 by failing to provide PLAINTIFFS, prior to enrollment, with a performance fact sheet disclosing accurate historical information pertaining to the number and percentage of students successfully completing programs of study; the percentage and number of students that have secured employment in the field for which they were trained; and the average annual salary of program graduates.

117. When DEFENDANTS made these representations to PLAINTIFFS, it knew them to be false, and made these representations with the intention to defraud and deceive PLAINTIFFS and

to induce PLAINTIFFS to act in reliance on these representations in the manner in which they did, or with the expectation that they would so act.

118. In reasonable reliance upon the representation of DEFENDANTS, PLAINTIFFS were induced to and did enroll in DEFENDANTS' programs. PLAINTIFFS also took out loans at DEFENDANT'S urging in order to pay for their education. PLAINTIFFS would not have taken such actions had they known the actual facts.

119. DEFENDANTS made materially false representations to PLAINTIFFS, including statements and material omissions as to the reputation of their post-secondary education programs in the community, the skills that the prospective student would attain from programs of study, job placement opportunities, salary expectations, and employment rates of graduates within their field of study. These misrepresentations are material because a prospective student would tend to take into consideration the importance of said representations prior to enrolling into the courses of study offered by DEFENDANTS and taking out large loans to pay for the courses.

120. DEFENDANTS made these misrepresentations with knowledge of the untruthfulness contained within therein. DEFENDANTS are in the best position to know whether there is any truth to these representations. Furthermore, DEFENDANTS are familiar with their legal obligations not to make misrepresentations of this kind pursuant to Education Code sections 94910, 94929.5, 94929.7, 94897, and 94928 subsection (e), yet chose to make them anyways.

121. DEFENDANTS made the aforementioned misrepresentations with intent to bolster students' confidence in the quality and value of a UEI education and induce action by PLAINTIFFS.

122. PLAINTIFFS reasonably relied upon these representations when deciding whether or not to enroll in the programs of study offered by DEFENDANTS and becoming contractually bound to repayment of the cost of tuition.

123. PLAINTIFFS were justified in their reliance because they believed that DEFENDANTS, as a regulated educational institution, were making truthful representations concerning the quality of its educational programs.

124. As a legal result of this fraud, both common law fraud and Business and Professions Code section 17200 fraud, PLAINTIFFS have been damaged and paid monies to DEFENDANTS

(for the price of enrollment) requiring restitution exceeding the minimum jurisdictional limits of this Court.

125. DEFENDANTS' conduct was especially despicable, in that it preyed on a vulnerable population of those who were uneducated and desperate for work. DEFENDANTS acted with malice, oppression, and fraud in performing the conduct set forth above, thereby justifying an award of punitive damages.

### **FIFTH CAUSE OF ACTION**

#### **BREACH OF CONTRACT**

(Against DEFENDANTS and DOES 1-50)

126. PLAINTIFFS re-allege and incorporate by reference each and every allegation in each paragraph alleged above as though fully set forth at length here.

127. Each PLAINTIFF entered into a contract with Defendants to obtain a vocational education in the HVAC field.

128. Each PLAINTIFF did all or substantially all of the significant things that the contract required him to do – including paying tuition for the HVAC course.

129. Upon each PLAINTIFF'S payment of tuition, DEFENDANTS were required to provide each PLAINTIFF with training, by competent instructors, that would allow them to locate work in their chosen field.

130. Upon each PLAINTIFF'S completion of the HVAC course, DEFENDANTS were required to provide the promised job placement assistance to the PLAINTIFFS.

131. DEFENDANTS did not provide PLAINTIFFS with training on modern equipment which is used in the HVAC industry, in order to prepare them for a career in HVAC.

132. DEFENDANTS did not provide PLAINTIFFS with a competent instructor and for several months of the vocational course – no instructor, whatsoever, was assigned to their classroom.

133. DEFENDANTS placed PLAINTIFFS in courses in which students had already completed a portion of the HVAC course, which impaired the PLAINTIFFS' learning of the subject matter of the class – a direct violation of §94898 of the California Private Postsecondary

Education Act of 2009.

134. As a result of DEFENDANTS breaches, each PLAINTIFF was harmed by incurring substantial debt to obtain inadequate vocational training and no job placement assistance from DEFENDANTS.

135. DEFENDANTS' breaches of the contract were a substantial factor in causing each PLAINTIFF's harm.

136. As a result of DEFENDANTS breaches of the contract, PLAINTIFFS have been damaged and paid monies to DEFENDANTS (for the price of enrollment) requiring restitution exceeding the minimum jurisdictional limits of this Court.

### **SIXTH CAUSE OF ACTION**

#### **NEGLIGENT MISREPRESENTATION**

(Against DEFENDANTS and DOES 1-50)

137. PLAINTIFFS re-allege and incorporate by reference each and every allegation in each paragraph alleged above as though fully set forth at length here.

138. PLAINTIFFS allege that DEFENDANTS are liable for negligent misrepresentation. "The representation need not be made with knowledge of actual falsity, but need only be an assertion, as a fact, of that which is not true, by one who has no reasonable ground for believing it to be true and made with intent to induce [the recipient] to alter his position to his injury or his risk. The elements of negligent misrepresentation also include justifiable reliance on the representation and resulting damage." (*B.L.M. v. Sabo & Deitsch* (1997) 55 Cal.App.4th 823, 834, cleaned up.)

139. DEFENDANTS' employees, agents, and representatives, made the following false statements of material fact:

- That PLAINTIFFS would receive hands-on training with modern, state-of-the-art equipment they saw during their tour of DEFENDANTS' facilities.
- That there was a high demand for HVAC technicians.
- That DEFENDANTS had a favorable reputation amongst HVAC companies, and that these companies were eager to hire graduates of DEFENDANTS' HVAC program because of the program's reputation.

- That DEFENDANTS had relationships with many HVAC companies, and that these companies were very interested in hiring DEFENDANTS HVAC program graduates.
- That recent graduates from DEFENDANTS' HVAC program had a near-perfect track record of having a job in HVAC upon graduation.
- That all classes in DEFENDANTS' HVAC program would have a teacher.
- That DEFENDANTS' HVAC teachers were very experienced in the HVAC industry and were experienced instructors.
- That DEFENDANTS would help PLAINTIFFS prepare resumes.
- That DEFENDANTS would help PLAINTIFFS prepare for job interviews.
- That PLAINTIFFS were guaranteed a job in the HVAC field upon graduation of DEFENDANTS' HVAC program.
- That PLAINTIFFS would earn higher pay than they currently were making upon graduation from DEFENDANTS' HVAC program.
- That seats in the HVAC programs were in high demand and PLAINTIFFS needed to enroll immediately.

140. These statements from DEFENDANTS were all false statements of material fact and were revealed as false by the aforementioned experiences PLAINTIFFS had after they enrolled at UEI. DEFENDANTS did not plan to provide PLAINTIFFS with any of the training and job placement services mentioned above, and, in fact, did not provide these training and job placement services. Furthermore, DEFENDANTS could not provide PLAINTIFFS with the job opportunities they promised, nor did DEFENDANTS' recent HVAC graduates have a near perfect track record of obtaining work in the HVAC field as DEFENDANTS claimed. There was no urgency to enroll in DEFENDANTS' program because newly admitted students were put into existing cohorts of students approximately once every month.

141. DEFENDANTS' employees had knowledge of DEFENDANTS' operations, so there were no reasonable grounds for DEFENDANTS to make these statements about the experiences PLAINTIFFS would have at UEI and the employment opportunities they would have upon graduation.

142. These misrepresentations were about material facts. They are material facts because a prospective student would tend to take into consideration the importance of said representations before enrolling in the courses of study offered by DEFENDANTS and taking out large loans to pay for the courses.

143. DEFENDANTS have engaged in a pattern and practice of making false representations to PLAINTIFFS, starting with its ads that promise an easily achievable, well-paying career in a short time period.

144. DEFENDANTS' purpose in requiring an in-person meeting with admissions recruiters, and other agents and employees of DEFENDANTS, was so DEFENDANTS could pressure PLAINTIFFS to sign up for DEFENDANTS' programs and take out loans to pay for the courses. DEFENDANTS took these actions solely to increase DEFENDANTS' profits.

145. DEFENDANTS' agents and employees used scripted sales pitches which falsely represented to PLAINTIFFS that they would immediately find a well-paying job upon graduation from DEFENDANTS' programs; that DEFENDANTS enjoyed a favorable reputation in the community and had numerous relationships with local businesses that employed DEFENDANTS' graduates; that DEFENDANTS' classes were taught by professionals with experience in the chosen field of study; that DEFENDANTS employed skilled and aggressive career services personnel that would work extensively with PLAINTIFFS in order to assist them in finding a job; and that DEFENDANTS' graduates benefited from high rates of post-graduation employment.

146. The truth was that DEFENDANTS have extensive turnover in its teaching and administrative staff; DEFENDANTS' career services offered little to no assistance to graduates; DEFENDANTS' students were ill-prepared for careers in their chosen field of study; and DEFENDANTS had few relationships with employers who hired recent graduates.

147. DEFENDANTS also acted in violation of Education Code sections 94910, 94929.5, and 94929.7 by failing to provide PLAINTIFFS, prior to enrollment, with a performance fact sheet disclosing accurate historical information pertaining to the number and percentage of students successfully completing programs of study; the percentage and number of students that have secured

employment in the field for which they were trained; and the average annual salary of program graduates.

148. In reliance upon the representation of DEFENDANTS, PLAINTIFFS were induced to and did enroll in DEFENDANTS' programs. PLAINTIFFS also took out loans at DEFENDANT'S urging, in order to pay for their education. Had PLAINTIFFS known the actual facts, they would not have taken such actions.

149. DEFENDANTS have made material, false, representations to PLAINTIFFS, including statements and material omissions as to the reputation of their post-secondary education programs in the community, the skills that the prospective student would attain from programs of study, job placement opportunities, salary expectations, and employment rates of graduates within their field of study. These misrepresentations are material because a prospective student would tend to take into consideration the importance of said representations prior to enrolling into the courses of study offered by DEFENDANTS and taking out large loans to pay for the courses.

150. DEFENDANTS knew or should have known that the statements were not true. DEFENDANTS are in the best position to know whether there is any truth to these representations. Furthermore, DEFENDANTS are familiar with their legal obligations not to make misrepresentations of this kind pursuant to Education Code sections 94910, 94929.5, 94929.7, 94897, and 94928(e), yet chose to make them.

151. Due to the fact that DEFENDANTS' employees had knowledge of DEFENDANTS' operations there were no reasonable grounds for DEFENDANTS to make these statements about the experiences PLAINTIFFS would have at UEI and the employment opportunities they would have upon graduation.

152. DEFENDANTS made the aforementioned misrepresentations with intent to bolster students' confidence in the quality and value of a UEI education and induce PLAINTIFFS to enroll and take out sizable loans.

153. PLAINTIFFS relied upon these representations when deciding whether or not to enroll in the programs of study offered by DEFENDANTS and becoming contractually bound to repayment of the cost of tuition. PLAINTIFFS were justified in their reliance because they believed

1 that DEFENDANTS, as a regulated educational institution, were making truthful representations  
2 concerning the quality of its educational programs.

3 154. As a legal result of this fraud, PLAINTIFFS have been damaged and paid monies to  
4 DEFENDANTS (for the price of enrollment) requiring restitution exceeding the minimum  
5 jurisdictional limits of this Court.

6 **SEVENTH CAUSE OF ACTION**

7 **INTENTIONAL MISREPRESENTATION**

8 (Against DEFENDANTS and DOES 1-50)

9 155. PLAINTIFFS re-allege and incorporate by reference each and every allegation in  
10 each paragraph alleged above as though fully set forth at length here.

11 156. PLAINTIFFS, allege that DEFENDANTS, and DEFENDANTS' employees, agents,  
12 and representatives, made the following false statements of material fact:

- 13 • That PLAINTIFFS would receive hands-on training with the equipment they saw  
14 during their tour of DEFENDANTS' facilities.
- 15 • That there was a high demand for HVAC technicians.
- 16 • That DEFENDANTS had a favorable reputation amongst HVAC companies, and that  
17 these companies were eager to hire graduates of DEFENDANTS' HVAC program  
18 because of the program's reputation.
- 19 • That DEFENDANTS had relationships with many HVAC companies, and that these  
20 companies were very interested in hiring DEFENDANTS HVAC program graduates.
- 21 • That recent graduates from DEFENDANTS' HVAC program had a near-perfect  
22 track record of having a job in HVAC upon graduation.
- 23 • That all classes in DEFENDANTS' HVAC program would have a qualified teacher.
- 24 • That DEFENDANTS' HVAC teachers were very experienced in the HVAC industry  
25 and were experienced instructors.
- 26 • That DEFENDANTS would help PLAINTIFFS prepare resumes.
- 27 • That DEFENDANTS would help PLAINTIFFS prepare for job interviews.
- 28 • That PLAINTIFFS were guaranteed a job in the HVAC field upon graduation of

DEFENDANTS' HVAC program.

- That PLAINTIFFS would have a job waiting for them upon graduation from DEFENDANTS provided enough compensation for the PLAINTIFFS could pay back their student loans.
- That there were only a few remaining spots in DEFENDANTS' HVAC program and PLAINTIFFS needed to enroll immediately or risk delaying their new career.

157. These statements from DEFENDANTS were all false statements of material fact and were revealed as false by the aforementioned experiences PLAINTIFFS had after they enrolled at UEI. DEFENDANTS did not plan to provide PLAINTIFFS with any of the training and job placement services mentioned above, and, in fact, did not provide these training and job placement services. Furthermore, DEFENDANTS could not provide PLAINTIFFS with the job opportunities they promised, nor did DEFENDANTS' recent HVAC graduates have a near perfect track record of obtaining work in the HVAC field as DEFENDANTS claimed. There was no urgency to enroll in DEFENDANTS' program because newly admitted students were put into existing cohorts of students approximately once every month.

158. DEFENDANTS have made material and false representations to PLAINTIFFS, made with knowledge of the falsity of the representations, and made with the intent of inducing action by PLAINTIFFS, who then justifiably relied upon the representations to their detriment. DEFENDANTS have engaged in a pattern and practice of making materially false representations to PLAINTIFFS, starting with its deceptive television and print ads that promise an easily achievable, well-paying career in a short time period.

PLAINTIFFS responded to the ads and were advised they could not obtain written information, or information over the phone but, instead, needed to meet in person with an admissions recruiter.

159. DEFENDANTS' purpose in requiring an in-person meeting with admissions recruiters, and other agents and employees of DEFENDANTS, was so DEFENDANTS could pressure PLAINTIFFS to sign up for DEFENDANTS' programs and take out loans to pay for the courses. DEFENDANTS took these actions solely to increase DEFENDANTS' profits.

1           160. DEFENDANTS' agents and employees used scripted sales pitches which falsely  
2 represented to PLAINTIFFS that they would have a well-paying job upon graduation from  
3 DEFENDANTS' HVAC program; that DEFENDANTS enjoyed a favorable reputation in the  
4 HVAC industry and had numerous relationships with local HVAC businesses that employed  
5 DEFENDANTS' graduates; that DEFENDANTS' classes were taught by professionals with  
6 experience in the chosen field of study; that DEFENDANTS employed skilled and aggressive career  
7 services personnel that would work extensively with PLAINTIFFS in order to assist them in finding  
8 a job; and that DEFENDANTS' graduates benefited from high rates of post-graduation employment.  
9 The truth was that DEFENDANTS had extensive turnover in its teaching and administrative staff;  
10 DEFENDANTS' career services offered little to no assistance to graduates; DEFENDANTS'  
11 students were ill-prepared for careers in their chosen field of study; and DEFENDANTS had few  
12 relationships with employers who hired recent graduates.

13           161. DEFENDANTS also acted in violation of Education Code sections 94910, 94929.5,  
14 and 94929.7 by failing to provide PLAINTIFFS, prior to enrollment, with a performance fact sheet  
15 disclosing accurate historical information pertaining to the number and percentage of students  
16 successfully completing programs of study; the percentage and number of students that have secured  
17 employment in the field for which they were trained; and the average annual salary of program  
18 graduates.

19           162. When DEFENDANTS made these representations to PLAINTIFFS, DEFENDANTS  
20 knew them to be false, and made these representations with the intention to defraud and deceive  
21 PLAINTIFFS and to induce PLAINTIFFS to act in reliance on these representations in the manner  
22 in which they did, or with the expectation that they would so act.

23           163. In reliance upon the representation of DEFENDANTS, PLAINTIFFS were induced  
24 to and did enroll in DEFENDANTS' programs. PLAINTIFFS also took out loans at  
25 DEFENDANT'S urging in order to pay for their education. PLAINTIFFS would not have taken  
26 such actions had they known the actual facts.

27           164. DEFENDANTS have made materially false representations to PLAINTIFFS,  
28 including statements and material omissions as to the reputation of their post-secondary education

1 programs in the community, the skills that the prospective student would attain from programs of  
2 study, job placement opportunities, salary expectations, and employment rates of graduates within  
3 their field of study. These misrepresentations are material because a prospective student would tend  
4 to take into consideration the importance of said representations prior to enrolling into the courses  
5 of study offered by DEFENDANTS and taking out large loan to pay for the courses.

6 165. DEFENDANTS have made said misrepresentations with knowledge of the  
7 untruthfulness contained within therein. DEFENDANTS are in the best position to know whether  
8 there is any truth to these representations. Furthermore, DEFENDANTS are familiar with their legal  
9 obligations not to make misrepresentations of this kind pursuant to Education Code sections 94910,  
10 94929.5, 94929.7, 94897, and 94928 subsection (e), yet chose to make them.

11 166. DEFENDANTS made the aforementioned misrepresentations with intent to bolster  
12 students' confidence in the quality and value of a UEI education and induce action by PLAINTIFFS.  
13 PLAINTIFFS relied upon these representations when deciding whether or not to enroll in the  
14 programs of study offered by DEFENDANTS and becoming contractually bound to repayment of  
15 the cost of tuition. PLAINTIFFS were justified in their reliance because they believed that  
16 DEFENDANTS, as a regulated educational institution, was making truthful representations  
17 concerning the quality of its educational programs.

18 167. As a legal result of these misrepresentations, PLAINTIFFS have been damaged and  
19 paid monies to DEFENDANTS (for the price of enrollment) requiring restitution exceeding the  
20 minimum jurisdictional limits of this Court.

21 168. DEFENDANTS' conduct was especially despicable, in that it preyed on a vulnerable  
22 population of those who were uneducated and desperate for work. DEFENDANTS acted with  
23 malice, oppression, and fraud in performing the conduct set forth above, thereby justifying an award  
24 of punitive damages.

25 **VIII. PRAYER FOR RELIEF**

26 PLAINTIFFS, each and every one, pray for judgment and relief as follows:

- 27 1. For injunctive relief;
- 28 2. For actual damages and/or restitution;

3. For punitive damages;
4. For prejudgment interest;
5. For fees and costs; and
6. For such other and further relief as the Court may deem just and proper under the circumstances.

DATED: May 14, 2024

**CALLAHAN, THOMPSON, SHERMAN &  
CAUDILL, LLP**

By:

Annette C. Clark

Joshua P. Stewart

**ATTORNEYS FOR PLAINTIFFS**

**PROOF OF SERVICE**

STATE OF CALIFORNIA )  
COUNTY OF SAN DIEGO )

I am employed in the County of San Diego, State of California, I am over the age of 18 years and not a party to the within action; my business address is 550 West C Street, Suite 1150, San Diego, California.

On May 14, 2024, I served the foregoing document described as:

**FIRST AMENDED COMPLAINT FOR DAMAGES, INJUNCTIVE RELIEF, AND RESTITUTION; and**

**PROOF OF SERVICE**

A true and correct copy of the above-listed document was served on the party listed below, in the manner described:

Courtney L. Baird (SBN 234410)  
Ayad Mathews (SBN 339785)  
**DUANE MORRIS LLP**  
750 B Street, Suite 2900  
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*Attorneys for Defendant, UNITED  
EDUCATION INSTITUTE and IEC  
CORPORATION*

  X   **(By Electronic Service)** Based on a court order or an agreement of the parties to accept service by electronic transmission, I caused the documents to be sent to the persons at the electronic notification addresses listed above. My electronic services address is [aclark@ctsclaw.com](mailto:aclark@ctsclaw.com).

I declare under penalty of perjury under the laws of the State of California that the above is true and correct. I further declare that I am employed in the office of a member of the bar of this court at whose direction the service was made.

Executed on May 14, 2024 at San Diego, California.

*Shelli Steele*

Shelli Steele