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12	SUPERIOR COURT FOR THE FOR THE COUNTY		
13		Case	No. 22-cv-011159
14 15 16	WILLA CORDREY, JENNY VARNER, CLARA MACKENZIE, JOYA SAXENA, and SAVANNAH MCCOY, individually and on	CON	ST AMENDED CLASS ACTION MPLAINT FOR DAMAGES, TITUTION, AND INJUNCTIVE JIEF
17 18	behalf of the putative classes, and on behalf of the general public, Plaintiffs,	(1)	Violation of the Unfair Competition Law (UCL), Cal. Bus. & Prof. Code § 17200, <u>et seq.</u> ;
19	v.	(2)	Violation of the False Advertising Law (FAL), Cal. Bus. & Prof. Code § 17500, et seq.;
20 21	MILLS COLLEGE, NORTHEASTERN UNIVERSITY, and DOES 1-50,	(3)	Violation of the Consumer Legal Remedies Act (CLRA), Cal. Civ. Code § 1750 <u>et seq.</u> : and
22	Defendants.	(4)	Negligent Misrepresentation.
23		. ,	JURY TRIAL DEMANDED
24			
25	Plaintiff Willa Cordrey ("Plaintiff Cordrey	"). Pla	intiff Jenny Varner ("Plaintiff Varner")
26	and Plaintiff Clara MacKenzie ("Plaintiff MacK	<i>.</i>	•
27			j, mainum joya Saxena, and mainum

Savannah McCoy (collectively, "Plaintiffs"), by and through their attorneys, on behalf of 28

1 themselves and all others similarly situated, and on behalf of the general public, hereby submit this 2 Class Action Complaint against Defendants Mills College ("Mills") and Northeastern University 3 ("Northeastern"), and allege as follows:

#### NATURE OF PLAINTIFFS' CLAIMS

1. After 170 years of operation, Defendant Mills College – the oldest undergraduate college for women in the West - abruptly notified students and staff on March 17, 2021, of its impending closure.

8 2. Mills told current and prospective students that it would no longer admit first-year 9 undergraduate students after fall 2021, and that it would most likely confer its final degrees in 10 2023.

3. 11 In June 2021, Mills announced a forthcoming merger with Defendant Northeastern 12 University – a Boston-based coed university.

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Students were shocked, saddened, and concerned about their future.

14 5. Mills, however, assured students this was an exciting new alliance that "would 15 allow for continued conferral of degrees on the Mills campus with the Mills name as part of those 16 degrees" and "enhanced support for Mills' current students, faculty and staff; and the future 17 development of new educational programs."

18 6. Mills further represented to its students that it would keep them informed, that it 19 would build degree pathways for its continuing students, and current students would be able to 20 complete their degrees with no increased costs. Mills reaffirmed its promise that it would most 21 likely confer its final degrees in 2023 in the June announcement.

22 7. In reliance on Mills' repeated assurances as detailed below, Plaintiffs and other 23

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similarly-situated students decided to proceed with their studies at Mills with the expectation of 24 graduating in the proscribed period and in their desired program.

25 8. Mills' promises were false. Now its students are scrambling due to Mills' repeated 26 failure to deliver on its promises.

27 9. Indeed, more than a year after its closure announcement and within just a few 28 months of spring 2022 graduation, Mills finally provided its long-promised guidance to students

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outlining Northeastern transfer pathways.

10. Upon receiving this guidance, students like Plaintiff Cordrey learned for the first
time that their majors were going to be eliminated as part of the merger with Northeastern, and
that they would have to change majors or transfer to other institutions to receive their intended
degrees.

6 11. Other students received similarly damaging news. For example, in the nursing
7 partnership program, students learned that they will have to move across the country to
8 Northeastern's Boston campus if they want to complete their degrees.

9 12. Students like Plaintiff MacKenzie learned for the first time in January 2022 that
10 they would not be able to graduate with the degree for which they enrolled.

11 13. As of the beginning of March 2022, some students still had not received a complete 12 and accurate degree map, which is needed by students to understand what courses they need to 13 take for their selected major as well what their predicted graduation date will be. This is 14 particularly troubling because the new semester had already begun and the deadline for filing a 15 notice of intent to enroll for fall 2022 courses was May 1, 2022.

16 14. Because of Mills' false promises, misinformation, and misrepresentations, students 17 like Plaintiff Cordrey were left with an ultimatum: either change their major or transfer to other 18 schools that offer their desired degrees, resulting in delayed graduation dates and additional 19 expenses. What is more, based on Mills' late disclosures, students like Plaintiff Varner, who would 20 have desired to transfer earlier if they had complete and accurate information from the outset, 21 missed deadlines to enroll, and their graduation dates will be delayed as a result. And students like 22 Plaintiff MacKenzie were left with no choice but to leave Mills when the degree program for which 23 they enrolled in the Fall of 2022 was changed so drastically to become unrecognizable.

24 15. To remedy Mills' unlawful conduct, Plaintiffs bring this class action alleging
25 violations of California state law. Plaintiffs seek disgorgement, all available damages, punitive
26 damages, declaratory and injunctive relief, and all other available relief.

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#### JURISDICTION AND VENUE

16. This Court has jurisdiction over Plaintiffs' and the putative class's causes of actions

-3-

1 alleged herein under section 410.10 of the Code of Civil Procedure. 2 17. Some of the business transactions that are the subject of this action were performed 3 in the County of Alameda, State of California. Plaintiffs certify that venue is proper in this judicial 4 district pursuant to the Code of Civil Procedure section 395(a). 5 THE PARTIES 18. Plaintiff Willa Cordrey is a resident of the State of California. She began studies at 6 7 Mills College in August 2019 and was enrolled at Mills through the spring semester of 2022. 8 19. Plaintiff Jennifer Varner is a resident of the State of California. She was enrolled at 9 Mills College from August 2018 through December 2021. 10 20. Plaintiff MacKenzie is a resident of the State of California. She was enrolled at 11 Mills College from August 2021 through February 5, 2022. 12 21. Plaintiff Joya Saxena was enrolled at Mills College from August 2020 through 13 Spring 2022. 14 22. Plaintiff Savannah McCoy was enrolled at Mills College from August 2019 through 15 Spring 2022. 16 23. Defendant Mills College is a nonprofit public benefit corporation organized under 17 the laws of the State of California. Mills' principal place of business is located at 5000 MacArthur 18 Boulevard, Oakland, California, in the County of Alameda. 19 24. Defendant Northeastern University is a corporation organized under the laws of the 20 Commonwealth of Massachusetts. Its principle place of business is located at 716 Columbus 21 Avenue, Boston, Massachusetts. 22 25. Defendants Does 1-50, are sued herein under fictious names as their true names and 23 capacities are unknow to Plaintiffs. When their true names and capacities are identified, Plaintiffs 24 will amend the complaint to include them. 25 **FACTUAL ALLEGATIONS** 26 I. **Defendants** 27 Defendant Mills College *A*. 28 26. Mills College was founded in 1852 and "is a nationally renowned independent -4-FIRST AMENDED CLASS ACTION COMPLAINT

liberal arts college for women and non-binary students, with graduate programs for all genders."<sup>1</sup>

27. The president of Mills College during the relevant time period was Elizabeth Hillman. Hillman has been in this position since 2016. During the relevant time frame, Hillman served and continues to serve on the board of the Western Association of Schools and Colleges ("WASC") Senior College and University Commission, Mills' accrediting body.

28. According to Mills' website, the student body composition for the 2021-22 academic year was as follows:<sup>2</sup>

Undergraduate women	446
Graduate women and men	371
Total	817

29. Within the 2021-2022 student body, about 44% were first-generation undergraduate students and about 66% of undergraduate students are students of color.<sup>3</sup>

30. According to Mills' website, cost of full-time undergraduate attendance for the 2021-22 academic year was as follows:<sup>4</sup>

Tuition	\$29,340
Room and Board	\$14,369
(if student lives on campus)	
Fees (estimate)	\$1,610
Total Cost	\$45,319

31. Students enrolled in 12-18 credits were charged the full-time tuition rate.

32. Students enrolled in fewer than 12 credits were charged the per-course-credit rate
and students enrolled over 18 credits are charged the full-time rate plus the overload fee per .25
credits above 18 credits.

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33. Depending on the graduate program, graduate program tuition was based on either

- <sup>1</sup> Mills College Named One of the 386 Best Colleges in the Nation by the Princeton Review,
   available at https://www.mills.edu/news/press-releases/mills-named-one-of-best-colleges-by-princeton-
- review.php#:~:text=Located%20in%20Oakland%2C%20California%2C%20Mills,by%20U.S.%
   20News%20%26%20World%20Report (last visited May 6, 2022).
- 26 <sup>2</sup> *Facts about Mills*, available at https://www.mills.edu/uniquely-mills/facts-about-mills.php (last visited May 6, 2022).

27  $^{3}$  *Id.* 

<sup>4</sup> *Affording a Mills* Education, available at https://www.mills.edu/admission-aid/undergraduate-admissions/cost-aid/affording-mills-education.php (last visited May 6, 2022).

1	a flat rate per semester or a per-credit based on the number of courses a student takes. <sup>5</sup>		
2	34. The top undergraduate majors at Mills for the 2021-2022 academic year included:		
3	Psychology, English, Sociology, Biology, and Studio Art. <sup>6</sup>		
4	35. The top graduate programs at Mills for the 2021-2022 academic year included:		
5	Education, English, Public Policy, Pre-Medical, and MBA. <sup>7</sup>		
6	B. Defendant Northeastern University		
7	36. Defendant Northeastern University is a co-ed private university in Boston,		
8	Massachusetts.		
9	37. Effective July 1, 2022, Mills College merged with Northeastern.		
10	38. Northeastern is liable for Mills' debts as Mills' successor.		
11	39. Northeastern is contractually liable for Mills' debts pursuant to the merger		
12	agreement between Northeastern and Mills.		
13	II. Facts Common to the Classes.		
14	A. Mills Announces Plans to Close		
15	40. On March 17, 2021, President Hillman unexpectedly announced via email that		
16	Mills planned to stop conferring degrees and enrolling new students and that it would become an		
17	institute.		
18	41. Specifically, Mills emailed Plaintiffs Cordrey and Varner and members of the		
19	Enrolled Students Class from the President's Office email account, stating in part that Mills was		
20	going to "shift away from being a degree-granting college and toward becoming a Mills Institute		
21	that can sustain Mills' mission."		
22	42. In this same email, President Hillman stated in part that Mills would:		
23	• no longer enroll new first-year graduate students after fall 2021;		
24	• focus its resources on building degree pathways for its continuing students;		
25	<sup>5</sup> Graduate Tuition & Fees 2021-22, available at https://www.mills.edu/admission-aid/graduate-		
26			
27	<sup>6</sup> Facts about Mills, available at https://www.mills.edu/uniquely-mills/facts-about-mills.php (last		
28	visited May 6, 2022). <sup>7</sup> <i>Id</i> .		
	FIRST AMENDED CLASS ACTION COMPLAINT		

1	• most likely confer its final degrees in 2023;		
2	• work under the guidance of Mills' accrediting agency, WASC Senior		
3	College and University Commission, to develop plans for each degree		
4	program that Mills offered, enabling students to either earn a Mills degree		
5	or transfer to another college or university, and;		
6	• begin to transition its academic programs by creating options and degree		
7	pathways for all Mills students.		
8	43. In this same communication, President Hillman also promised to keep students		
9	informed, stating in part:		
10	We will provide regular updates as the design of the Mills Institute evolves.		
11	At the same time, Mills is pursuing promising discussions with other academic institutions to continue the College's mission. We also will keep		
12	you informed about those discussions.		
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14	Mills takes seriously our obligation to keep you apprised as we assess options and build pathways for transition.		
15	44. On or about March 17, 2021, the Provost sent an email following President		
16	Hillman's email with an attachment titled "Mills Transition Undergraduate Student FAQ." The		
17	FAQs stated that "[s]tudents will be able to earn Mills degrees through at least Spring 2023."		
18	45. On March 19, 2021, Mills also emailed Plaintiff MacKenzie and members of the		
19	Prospective Students Class to inform them that fall 2021 would be the last semester for Mills to		
20	enroll new students and that Mills would likely confer its final degrees in spring 2023.		
21	46. The March 19 email further represented that Mills "remain[ed] committed to		
22	delivering an exceptional academic and co-curricular experience to our students for at least the		
23	next two years." It also represented that Mills would "continue to enroll new graduate students		
24	after fall 2021 with the expectation that such programs will be completed by the end of spring		
25	2023." It asked "[s]tudents considering part-time enrollment to weigh their individual needs		
26	against the need to complete their degree program at Mills by spring 2023."		
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#### B. Mills Announces Merger with Northeastern University

47. On June 17, 2021, President Hillman publicly announced in a press release posted
on the school's website as well as in an email to its students that it was beginning formal
discussions with Northeastern University regarding a merger of the two schools.

48. President Hillman stated that this new alliance "would allow for continued conferral
of degrees on the Mills campus with the Mills name as part of those degrees; enhanced support for
Mills' current students, faculty, and staff; and the future development of new educational
programs."<sup>8</sup>

- 9 49. President Hillman further stated that as part of the schools' alliance:
  - Mills would be gender inclusive at the undergraduate level.
- Current Mills students would be able to complete their degrees at Mills or at Mills College at Northeastern University, depending on a student's degree path and timing of the alliance.
  - Prior to finalization of the alliance, Mills students would also have the possible option to transfer to Northeastern at no additional cost, based on individual degree paths, or to transfer to other universities with which Mills has negotiated transfer agreements.
- 18 50. President Hillman's email reaffirmed the promise that Mills would most likely19 confer its final degrees in 2023.
- 20 51. President Hillman represented that more information was expected to be available
  21 in the fall regarding specific pathways and that scholarship and financial aid commitments that
  22 Mills made to current Mills College students would be honored by Mills College at Northeastern
  23 University the new name of the organization once the merger was complete.
- 24 52. At the time of the June 17, 2021 announcement, Mills knew or should have known
  25 whether it was going to meet its previous promise to confer degrees through at least 2023. It was
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<sup>8</sup> *Mills College & Northeastern University Pursue New Alliance* (June 17, 2021), available at https://www.mills.edu/news/news-stories/new-alliance-announcement.php.

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negligent, misleading, and deceitful for Mills to reaffirm, in June 2021, that it would confer its degrees through 2023 if that material fact was false or had not been confirmed with Northeastern.

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3 53. With the exercise of reasonable care, Mills could have provided accurate
4 information prior to the fall 2021 semester. The failure to do so constitutes a material
5 misrepresentation by omission.

6 54. On September 14, 2021, Mills announced that the Mills Board of Trustees had
7 approved a merger between Mills College and Northeastern University, and that Mills College
8 would cease conferring degrees after June 30, 2022, as the merger was set to take effect on or
9 about July 1, 2022. This was approximately one year sooner than Mills had previously promised.<sup>9</sup>

10 55. Mills also announced at this time that any degrees issued after June 30, 2022, would
11 be issued by Mills College at Northeastern University – not by Mills.

12 56. Notably, Mills made these announcements approximately *six days after* the
13 September 8, 2021, deadline for students to withdraw and receive any tuition refund.

14 57. Mills' failure to provide updated information regarding the expected date for final
15 conferral of Mills degrees prior to the fall 2021 semester withdrawal deadline constitutes a material
16 misrepresentation by omission.

58. That same day, President Hillman emailed Mills' students, including Plaintiffs,
stating that support would be provided to "enable currently enrolled students to complete their
degrees without increases in anticipated costs."

20 59. Mills further stated during a town hall meeting for students on or about September
21 14, 2021, that Mills would provide degree maps soon and hoped to do so by the end of the month.
22 However, this did not happen.

60. On September 22, 2021, the Provost's Office at Mills College emailed the student
body, repeating Mills' promise that current Mills students who continue at Mills College at

 <sup>9</sup> See Mills College to Merge with Northeastern University (Sept. 14, 2021), available at https://www.mills.edu/news/press-releases/mills-to-merge-with-northeastern-

28 university.php#:~:text=Oakland%2C%20CA%E2%80%94September%2014%2C,cultivating%2 0women's%20leadership%20will%20endure (last visited May 6, 2022). Northeastern University "will be able to complete their degrees without increases in anticipated costs."

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# C. Mills Abruptly Eliminates Majors and Fails to Provide Accurate Degree Mapping to Students.

61. On January 19, 2022, Mills hosted another town hall meeting for students.

62. 6 For the first time, Mills notified students that it planned to eliminate all Mills 7 College majors and programs that did not already exist at Northeastern University. For example, 8 Mills planned to eliminate the Art History program, and students in the program were encouraged 9 to instead enroll in the Art program, a completely different program focused on studio artwork, 10 rather than the sort of art history background often needed for those wishing to pursue careers in 11 museums or academia. Mills planned to eliminate the Dance program, and students in the program 12 were encouraged to instead enroll in the entirely distinct Art or Theater programs. Mills planned 13 to change the Masters of Fine Arts ("MFA") in Creative Writing to a Masters of Fine Arts in 14 Interdisciplinary Arts ("MFAIA"), which would require 60 credits instead of 36 and would include 15 courses unrelated to creative writing. Further, Mills planned to discontinue majors like Child 16 Development and Education - these students were encouraged to instead enroll in utterly distinct 17 Human Services and Communications programs. Many other programs were similarly eliminated.

18 63. It was not until January 2022, approximately seven months after students were first
19 informed of Mills' impending alliance with Northeastern, that Mills first notified students,
20 including Plaintiffs Cordrey and MacKenzie, that certain degrees would be eliminated. Mills
21 delayed in disclosing this information until the beginning of the spring semester, which
22 commenced on January 19, 2022.

23 24 64. On or about January 22, 2022, Mills sent students a letter stating they only had one week to provide their notice of intent to continue at Mills College at Northeastern, even though students only first learned of the eradication of certain programs just days earlier. Those who chose to stay were required to adjust their degree if it was not offered by Northeastern.

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65. Mills' failure to disclose the elimination of degrees and programs prior to the
 enrollment deadline for the spring 2022 semester constitutes a material misrepresentation by
 omission.

4 66. With the exercise of reasonable care, Mills could have provided accurate
5 information prior to the spring 2022 semester.

6 67. On or about February 25, 2022, Mills' Provost's Office emailed its students,
7 including Plaintiff Cordrey, and acknowledged that a number of students had "received a degree
8 audit that was incomplete."

9 68. A degree map essentially is an audit of a student's Mills transcript to determine (1)
10 completed coursework; (2) remaining coursework outstanding in order to complete their degree;
11 and (3) an estimated time to complete their degree. Thus, the degree map is a critical tool for
12 students to make an informed decision on how to spend their educational resources and time.

69. In this same email, students were told that once their map was ready, Northeastern
transition counselors, Jordana Bischoff and Shelby Stewart, would reach out to schedule a time to
meet.

16 70. It was not until March 5, 2022, that Mills provided Plaintiff Cordrey with her degree
17 map, which provided that some if not nearly all of her credits were no longer transferable. This
18 was on top of the previous news that her major was being eliminated.

19 71. At the time of Plaintiffs' original complaint, Mills students had not been informed20 of what courses would be available in the fall.

72. Because of Mills' false promises, misinformation, and misrepresentations, students
like Plaintiff Cordrey were left with the ultimatum of being forced to change their major or transfer
to another school that offers their desired program, resulting in delayed graduation dates and
additional expenses.

73. What is more, because of Mills' late and incomplete disclosures, students who
would have desired to transfer, have missed deadlines to do so. For example, Mills' own website
provided that students interested in transferring out of Mills into another school for spring 2022
"should begin the transfer process no later than early October 2021." Similarly, Mills' website

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provided that students interested in transferring out of Mills and into another school for the fall 2022 semester "should begin the transfer process no later than early December 2021."<sup>10</sup>

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#### III. Plaintiff Willa Cordrey

74. Plaintiff Cordrey began her studies at Mills in August 2019 with the goal of becoming a licensed teacher in California.

75. As of March 2021, Plaintiff Cordrey was projected to graduate from Mills College
in May 2023 with a Bachelor of Arts degree in Education, and to receive her California teaching
credential and Masters in Education degree in May 2024.

9 76. On or about March 17, 2021, Plaintiff Cordrey received and reviewed the email
10 from President Hillman announcing the closure of Mills as described in paragraphs 38-41, *supra*.

77. Plaintiff Cordrey also reviewed the FAQ attachment described in paragraph 42, *supra*, and relied on Mills' representation that students should be able to earn a Mills degree
through at least Spring 2023.

14 78. In order to ensure she would complete her degree and credential by May 2023,
15 Plaintiff Cordrey changed her major to Child Development and Elementary Education on or about
16 April 6, 2021. Multiple school advisors informed her that this would allow her to get a Bachelor's
17 degree and a multiple-subject teaching credential in four years, finishing in 2023.

18 79. On April 26, 2021, Plaintiff Cordrey received an email from Mandala Pham, Mills'
19 Outreach, Partnerships, and Student Communications Specialist, School of Education, stating in
20 part:

Based on the information the college has provided about conferring our last degrees in spring 2023, we are operating with the understanding that the credential program will end in spring 2023. With that said, any undergraduate who has completed all of their BA requirements by the end of spring 2022 would be eligible to complete the credential program by the end of the 2022-2023 academic year. Generally speaking, that includes current juniors and seniors.

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<sup>&</sup>lt;sup>10</sup> *Transferring to an Official Partner School*, available at https://inside.mills.edu/academic-resources/transfer-partnerships/index.php (last visited May 6, 2022).

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80. In addition to changing her major, Plaintiff Cordrey paid for and completed two
 summer courses during the summer of 2021 to ensure she was on track to complete her degree and
 requisite credentials by the 2023 deadline.

81. Plaintiff Cordrey learned on or about June 17, 2021, of Mills' plans for a future
alliance with Northeastern University. She reviewed President Hillman's email (as described in
paragraphs 36, 38-41, *supra*) and understood she would still be able to graduate with a Mills degree
in her desired field.

8 82. Plaintiff Cordrey reenrolled as a full-time student and continued her education at
9 Mills for the fall 2021 in reliance on Mills' assurances she would be able to complete her desired
10 Mills degree and credential by 2023.

11 83. Plaintiff Cordrey continued to meet with her advisor throughout the 2021-2022
12 academic school year to ensure she was on track to graduate on time with her desired degree and
13 credential.

14 84. By way of example, on or about November 9, 2021, Plaintiff Cordrey met with
15 Professor Emily Nusbaum to discuss her completion of the program. Nusbaum emailed Cordrey,
16 stating in part:

I ended [sic] having a conversation with Dr. Galguera today, which is easier often than via email. I have some great news for you, Willa! B/c of the program you are in and how structured it is, if you complete all of what is required by the end of the spring semester then you will just enroll in the summer/and '22/'23 AY courses listed. You don't apply in or anything like that. And yes- you will end up with a Multiple Subjects credential at the end of next year.

85. On or about November 17, 2021, Plaintiff Cordrey was assured by Mills' staff that
she would be able to complete her desired program by 2023. Specifically, Wendi Williams, Dean
of the School of Education, told her that the program would run in the summer of 2022 and that
Plaintiff Cordrey would be able to graduate with her credential in spring 2023. This teaching
credential would enable Cordrey to teach in California in her designated field.

86. Plaintiff Cordrey was again assured on or about January 6, 2022, via email from
Mandala Pham that she was on track to receiving her credential as part of the integrated 4-year
bachelor's program.

87. Plaintiff Cordrey relied on Mills' representations in continuing to invest in her Mills
 education.

88. On January 19, 2022, Plaintiff Cordrey attended a town hall hosted by Mills to discuss transition pathways at Northeastern. At this meeting, she discovered for the first time that her major, Child Development and Elementary Education, was eliminated. She reviewed the transition pathways document Mills put together and now "Child Development" was mapped to "Human Services" and "Education" was mapped to "Communications."

8 89. Mills' proposed "transition pathways" were completely different degrees. Not only
9 would they not help Plaintiff Cordrey learn how to become a teacher, but she would be required
10 to take wholly unrelated classes like "Free Speech in Cyberspace." Further, this pathway would
11 not allow Plaintiff Cordrey to obtain the requisite credentials needed to teach in the State of
12 California.

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90. Plaintiff Cordrey was shocked and immediately reached out to her advisor.

91. On or about January 20, 2022, Plaintiff's advisor, an Associate Professor & Director of Early Childhood Special Education, notified Plaintiff Cordrey via email that there was no way Plaintiff Cordrey would be able to graduate with her teaching credential, contrary to Mills' prior, repeated misrepresentations that Plaintiff's program would be continuing. Because of the accreditation required through the California Commission on Teacher Credentialing ("CTC") and Mills' merger with Northeastern (a non-California school), the teaching credential program was canceled. This advisor told Plaintiff that she had "a right to be furious."

21 92. On or about February 14, 2022, Plaintiff Cordrey met with President Hillman to 22 share the impact of Mills' actions on her and other students. Plaintiff Cordrey told President 23 Hillman what Mills' actions meant for her future plans to become a teacher and asked President 24 Hillman for her help. President Hillman explained that she expected Mills at Northeastern 25 University to have an education department at some point in a couple of years. Plaintiff Cordrey 26 asked her about what that timeline meant for current students like herself, who would not be able 27 to get their teaching credential from Mills. In response, President Hillman said something to the 28 effect of "unfortunately some students are no longer a fit for Mills, and it sounds like you are one

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of those students." It was clear that, although Plaintiff Cordrey did everything Mills required of
 her, Mills would not provide Plaintiff with the benefit of the bargain.

93. On or about March 5, 2022, Mills provided Plaintiff Cordrey with her degree map.
Plaintiff Cordrey was again surprised to learn for the first time that none of her completed
coursework applied to a new degree from Mills at Northeastern University. Approximately ten
(10) courses were classified as possible elective and approximately twelve (12) courses had yet to
be evaluated. The degree map further indicated that she still needed to complete approximately
fifty (50) semester hours in the Communications major if she wanted to transition to that pathway
which was never her educational objective.

94. On or about April 11, 2022, Plaintiff Cordrey received an updated degree map
stating that she would have to complete approximately twenty-six (26) semester hours in the
Communications major if she wanted to transition to that pathway. Thus, the number of semester
hours Plaintiff needs to complete for the Communications major continues to change.

95. Because of Mills' false promises, misinformation, and misrepresentations, Plaintiff
Cordrey will no longer be able to complete her desired degree at Mills as promised and will be
forced to transfer to do so, likely delaying her graduation date and causing her to incur additional
expenses. Plaintiff Cordrey would have transferred schools earlier had she known she would not
be able to get her degree and teaching credential as promised. Plaintiff Cordrey paid out of pocket
to take summer school classes this summer in hopes of remaining on track to graduate in the Spring
of 2023.

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#### IV. Plaintiff Jenny Varner

96. Plaintiff Varner began studies at Mills College in August 2018. As of March 2021,
Varner was on track to graduate from Mills College in May 2023 with a Bachelor of Arts in Art
History, with a second major in History.

97. Plaintiff Varner received the March 17, 2021, communication from Mills stating
that Mills students could graduate from Mills College through 2023. She subsequently attended a
student town hall in spring 2021, wherein, Mills reiterated they had enough money to get through
until at least 2023, meaning that 2023 would be the earliest Mills would stop conferring degrees.

-15-

She also reviewed and relied on the June 2021 email from President Hillman reiterating Mills would be conferring degrees in 2023, as identified in paragraphs 45-49 *supra*.

98. In reliance on Mills' repeated promises, Plaintiff Varner developed a plan to ensure that she could graduate by May 2023 and enrolled as a full-time student for the fall 2021 semester.

99. On or about September 14, 2021, Plaintiff Varner received communication from
Mills via email stating that Mills would stop conferring degrees after June 2022. Plaintiff Varner
also attended the student town hall hosted on September 14, 2021.

8 100. Plaintiff Varner was shocked that she would no longer be able to graduate with a
9 Mills degree in light of Mills' representations and assurances that Mills would be issuing degrees
10 through 2023.

11 101. Because of the timing of Mills' notice, Plaintiff Varner was unable to withdraw
12 from the current semester and receive any tuition refund for the fall 2021 semester.

13 102. Plaintiff Varner would not have enrolled at Mills for fall 2021 had she known she
14 would not have been able to graduate in 2023 with a Mills degree. She incurred approximately
15 \$15,421 in costs for the fall 2021 semester.

16 103. Plaintiff Varner decided to transfer following the fall 2021 semester because of
17 Mills' conduct, but due to the timing of Mills' communications, Varner was unable to secure a
18 transfer plan for the spring 2022 semester, further delaying her anticipated graduation date.

19 104. In January 2022, Mills announced that Varner's program, Art History, would be
20 eliminated once the merger with Northeastern University was effective.

21 105. Plaintiff has since enrolled at Lewis & Clark University, where the tuition is
22 approximately \$8,000 more per year than at Mills. Plaintiff Varner is pursuing a degree in Art
23 History and History but will likely graduate one year later than expected because of the delays
24 caused by Mills' unlawful conduct.

106. Plaintiff Varner enrolled in summer courses for 2022 at Lewis & Clark to make up
for not being able to attend school in spring 2022 and also in case credits from Mills did not transfer
to Lewis & Clark.

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1 107. Further, Lewis & Clark has an academic residency requirement, meaning that a
 transfer student must complete at least 60 semester credits at Lewis & Clark out of the 128 semester
 credits required for the degree.

108. Plaintiff Varner has paid approximately \$10,000 for these summer courses. This of course does not take into account future summer courses she may be required to take in order to graduate with her desired degrees in a timely manner and to meet the residency requirement at Lewis & Clark.

8 109. At the time Plaintiff Varner left Mills, prior to the spring semester of 2022, she
9 needed to complete three more semesters to graduate. As of July 2022, Plaintiff Varner expects
10 she will need to complete at least four more semesters to graduate from Lewis & Clark.

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#### V. Plaintiff Clara MacKenzie

12 110. Plaintiff MacKenzie applied for admission to Mills College in January or February
13 of 2021. Plaintiff MacKenzie hoped to complete a Masters of Fine Arts in Creative Writing, which
14 was a two year degree at Mills.

15 111. On March 19, 2021, before learning whether she had been accepted to Mills,
16 Plaintiff MacKenzie received the communication from Mills described in paragraphs 43-44 *supra*,
17 stating that Mills students could graduate from Mills College through 2023.

18 112. After receiving this communication, Plaintiff MacKenzie considered whether to
19 attend Mills if accepted. She decided that she would, since she would be able to complete her
20 degree by 2023 and therefore would be able to graduate from Mills.

21 113. On March 21, 2021, Mills informed Plaintiff MacKenzie that she had been accepted
22 for admission to Mills. Having already considered her options after receiving the March 19, 2021
23 email, Plaintiff MacKenzie informed Mills that she would be enrolling for the fall 2021 semester.
24 Plaintiff MacKenzie paid her enrollment deposit prior to the May 1, 2021 deadline.

25 114. Plaintiff MacKenzie received the June 17, 2021 communication described in
26 paragraphs 45-49*supra*.

27 115. In reliance on Mills' promises, Plaintiff MacKenzie paid her fall tuition prior to the
28 August 2, 2021 payment deadline. That tuition payment was over \$9,000.

<sup>-17-</sup>

1 116. In the fall of 2021, Plaintiff MacKenzie began taking classes at Mills with the
 2 intention of graduating from Mills in the spring of 2023 with a Masters of Fine Arts in Creative
 3 Writing.

117. Plaintiff MacKenzie received the September 14, 2021 communication outlined in
paragraphs 52-53 *supra*. Because that communication did not suggest she would be unable to
graduate on time with her intended degree, Plaintiff MacKenzie continued with her studies for the
rest of the fall semester.

8 118. Plaintiff MacKenzie made a tuition payment of over \$9,000 in January 2022 for the
9 spring 2022 semester and intended to continue with her education at Mills. But then Plaintiff
10 MacKenzie learned of the town hall discussion to be held on January 22, 2022. Plaintiff
11 MacKenzie was unable to attend the meeting, but learned from friends who attended the meeting
12 that Mills would be completely changing her degree program.

13 119. Plaintiff MacKenzie received a letter dated January 28, 2022 explaining the
14 changes from the MFA program in which she enrolled to the MFAIA program at Northeastern.

15 120. The change from an MFA to an MFAIA and the expansion of the degree from 36
16 credits to 60 were significant. The new degree would take Plaintiff MacKenize much longer to
17 complete and would cost her much more than the MFA for which she enrolled. Plaintiff
18 MacKenzie would not have enrolled at Mills had the program been a 60 credit MFAIA from the
19 beginning.

121. Because the future program no longer matched what she signed up for, Plaintiff
MacKenzie decided to withdraw from Mills. She withdrew as soon as possible after she made this
decision because she knew if she waited, she would be unable to get any money back from Mills.
As it was, Mills only refunded about 90% of her spring 2022 tuition and did not refund any of her
fall 2021 tuition.

25 122. Unfortunately, very few schools in California offer a Masters of Fine Arts in
26 creative writing, and it is very difficult to transfer MFA credits into a new program. Because
27 Plaintiff MacKenzie did not have a viable alternative to continue her education, she returned to
28 work. The money she paid Mills for the fall of 2021 (and the unrefunded portion of her spring

-18-

2022 tuition) is now lost, as those credits provided no benefit to her. If the March, June, or
 September 2021 communications had informed Plaintiff MacKenzie of the changes in her
 program, she would not have continued taking classes at Mills.

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#### VI. Plaintiff Joya Saxena

Joya Saxena ("Saxena") began studies at Mills College in August 2020. As of
March 2021, Saxena was on track to graduate from Mills College in May 2024 with a Bachelor of
Arts in Education.

8 124. Saxena received the March 2021 and June 2021 communications from Mills stating
9 that Mills students could graduate from Mills College and that it would focus its resources on
10 building degree pathways for its continuing students. Saxena received additional assurances from
11 Mills that Mills would undergo a merger with another school, and that such a merger would
12 preserve all of the academic programs that Mills offers.

13 125. In reliance on the promises that any upcoming closure or merger would not impact
14 her ability to receive her Bachelor of Arts in Education, Saxena enrolled in the fall 2021 semester
15 and spring 2022 semester at Mills.

16 126. On or about March 5, 2022, Mills provided Saxena with her degree map. None of 17 Saxena's completed coursework appeared to apply to the Communications studies pathway at 18 Northeastern University. Approximately nine courses were classified as possible electives and 19 approximately four courses had yet to be evaluated. The degree map indicated that Saxena still 20 needed to complete approximately 52 semester hours in the Communication studies major in order 21 to graduate.

22 127. Saxena was left with no other option than to transfer colleges in order to receive
23 her Bachelor of Arts in Education. She has transferred to Beloit College.

128. Saxena is expected to complete additional semesters of coursework in order to
graduate from Beloit College and is projected to graduate in spring of 2025. This is later than her
anticipated spring 2024 graduation date from Mills.

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#### VII. Plaintiff Savannah McCoy

2 129. Savannah McCoy ("McCoy") began studies at Mills College in August 2019. As
3 of March 2021, McCoy was on track to graduate from Mills College in May 2023 with a Bachelor
4 of Science in Biology.

McCoy received the March 2021, communication from Mills stating that Mills
students could graduate from Mills College through May 2023. Plaintiff McCoy enrolled for the
Fall 2021 and Spring 2022 semesters in reliance on the promise that she would be able to graduate
from Mills College in 2023.

9 131. Mills did not provide McCoy with an updated degree map until Spring 2022 – at
10 least one of McCoy's courses would not map over to Northeastern.

11 132. McCoy has since received updated degree maps from Northeastern, but it was not
12 until July 2022 that McCoy received any information about which classes would be offered on the
13 Oakland campus in the fall.

14 133. At that time, McCoy's Northeastern adviser registered her for two fall courses
15 without her input. As of July 31, 2022 McCoy still did not know what other classes she will be
16 able to take in the fall.

17 134. Mills informed McCoy that she would have on campus housing available to her for
18 the fall of 2022. However, as of July 31, 2022 McCoy still has not received confirmation regarding
19 housing for the fall.

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#### **CLASS ACTION ALLEGATIONS**

21 135. Plaintiffs and the putative classes hereby re-allege and incorporate the foregoing
22 paragraphs of this Complaint.

136. Plaintiffs seek certification of this lawsuit as a class action, pursuant to section 382
of the Code of Civil Procedure, in order that their rights, and the rights of the putative classes, be
resolved.

26 137. Plaintiffs seek to represent a Class, which is comprised of anyone in one of the
27 following Subclasses:

28 **Enrolled Student Subclass:** All persons enrolled at Mills on March 17, 2021, and who re--20enrolled at Mills for the fall 2021 semester, excluding students who graduated with a degree from
 Mills in 2021 or 2022 or who were designated as No Degree students in Mills' records.

Prospective Student Subclass: All persons who were admitted to Mills in spring 2021, and
who enrolled at Mills for the fall 2021 semester, excluding students who graduated with a degree
from Mills in 2021 or 2022 or who were designated as No Degree students in Mills' records.

Mediation Disclosure Subclass: All persons enrolled at Mills on March 17, 2021 or who were
admitted to Mills in spring 2021, and who enrolled at Mills for the fall 2021 semester who
consented to the disclosure of the facts of their claims and circumstances for purposes of mediation.

9 138. Excluded from the putative classes are the immediate family of any officer,
10 director, or senior administrator of Mills College or Northeastern University; the immediate family
11 of any judge to whom this case is assigned; and the immediate family of any members of the
12 judge's staff.

13 139. More than two-thirds of these classes in the aggregate are citizens of the State of14 California.

15 140. Plaintiffs, on behalf of themselves and the putative classes, seek significant relief16 from Mills.

17 141. Mills' conduct, as described herein, forms a significant basis for the relief sought18 by the Plaintiff classes.

19 142. The principal injuries for which Plaintiffs seek redress, on behalf of themselves and
20 the class, were incurred in the State of California.

21 143. These putative classes are easily ascertainable and readily definable as all class
22 members are registered students of Mills and / or Northeastern.

- 144. The putative classes are so numerous that joinder of all members is impracticable.
  While the precise number of putative class members has not yet been determined, several hundred
  individuals likely satisfy these class definitions.
- Plaintiffs maintain a well-defined community of interest with the putative classes.
  Plaintiffs are able to fairly and adequately represent and protect the interests of the

28 putative classes. No known conflicts exist between Plaintiffs and the classes they seeks to

represent. Likewise, Plaintiffs' Counsel are competent and experienced in litigating large class actions.

3 147. The named Plaintiffs are members of the putative classes and are typical of other 4 class members. Plaintiff Cordrey was enrolled at Mills at the time Mills announced its impending 5 closure on March 17, 2021 and remained enrolled for the fall 2021 and spring 2022 semesters. 6 Plaintiff Cordrey reviewed and reasonably relied on Mills' misleading communications to her 7 detriment as outlined herein and was damaged as a result. Plaintiff Varner was enrolled at Mills at 8 the time of Mills announced its impending closure on March 17, 2021, re-enrolled for the fall 2021 9 semester, and thereafter transferred to another institution. Plaintiff Varner reviewed and reasonably 10 relied on Mills' misleading communications to her detriment as outlined herein and was damaged 11 as a result. Plaintiff MacKenzie received the announcement of Mills' impending closure on March 12 17, 2021, was admitted to Mills on March 21, 2021, enrolled for the fall 2021 semester, competed 13 her fall semester at Mills, and has now discontinued her quest for a Masters of Fine Arts in Creative 14 Writing. Plaintiff MacKenzie reviewed and reasonably relied on Mills' misleading 15 communications to her detriment as outlined herein and was damaged as a result.

16 148. At all applicable times, Mills has subjected Plaintiffs and the putative classes to
17 common policies and practices.

18 149. Plaintiffs and the putative classes also have suffered ascertainable damages and
19 losses as a result of Mills' common course of conduct in violation of law as alleged herein.

20 150. The issues surrounding this lawsuit present common questions of law and fact, and
21 these common questions predominate over the variations, if any, which may exist between
22 members of the classes. These common, predominant questions of law and fact include, but are
23 not limited to, the following:

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a) Whether Mills made false or misleading representations regardingthe ability for students to graduate with their intended programs;

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b) Whether Mills made false or misleading representations regarding the ability for students to graduate by 2023;

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#### FIRST AMENDED CLASS ACTION COMPLAINT

Whether Mills made false or misleading representations regarding

1	the transferability of credits;	
2	d) Whether Mills made false or misleading representations regarding	
3	the ability for students to continue their education at Mills or Mills at	
4	Northeastern with no increased costs	
5	e) Whether Mills failed to disclose material facts to Plaintiffs and the	
6	putative classes;	
7	f) Whether Mills' deceptive conduct caused Plaintiffs to be harmed;	
8	g) Whether Mills violated the California Unfair Competition Law,	
9	Cal. Bus. & Prof. Code § 17200, et. seq.;	
10	h) Whether Mills violated the California False Advertising Law, Cal.	
11	Bus. & Prof. Code § 17500, et seq.;	
12	i) Whether Mills violated the Consumer Legal Remedies Act, Cal.	
13	Civ. Code § 1750 et seq.;	
14	j) Whether Mills made negligent representations to Plaintiffs and the	
15	putative classes;	
16	k) The nature of appropriate declaratory and injunctive relief;	
17	1) The appropriate measure and amount of damages due to Plaintiffs	
18	and the putative classes; and	
19	m) Whether Northeastern is responsible for the damages sought in this	
20	complaint as a successor to Mills .	
21	151. The questions of law and fact listed above will yield common answers for Plaintiffs	
22	and the classes as to whether Defendants are liable for the alleged legal violations.	
23	152. Class adjudication would provide a substantial benefit to the Court, the parties, and	
24	the putative classes, promoting the interests of justice and judicial efficiency. Management of this	
25	case as a class action will not present any likely difficulties and is the best mechanism for providing	
26	members of the putative classes with a meaningful opportunity for relief. Conversely, individual	
27	actions by each member of the classes injured or affected would result in a multiplicity of actions,	
28	and potentially inconsistent judgments, creating a hardship to Plaintiffs, the putative classes, the -23-	
	FIRST AMENDED CLASS ACTION COMPLAINT	

Court, and Defendants. The damages suffered by the individual members of the putative classes
 are small compared to the expense and burden of vigorous individual prosecution of this litigation
 against institutional defendants. Accordingly, a class action is the superior method for the fair and
 efficient adjudication of this lawsuit and distribution of the common fund to which the putative
 classes are entitled.

6 153. This action is further maintainable as a class action because Mills has acted or
7 refused to act on grounds that apply generally to the putative classes, so that final injunctive relief
8 or corresponding declaratory relief is appropriate respecting the putative classes as a whole.

FIRST CAUSE OF ACTION

**UNFAIR COMPETITION LAW** 

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(Cal. Bus. & Prof. Code § 17200, <u>et. seq.</u>) (On Behalf of Plaintiffs and the Putative Classes and against Defendant Mills, with Defendant Northeastern Liable as Successor)

12 154. Plaintiffs and the putative classes allege and incorporate by reference the13 allegations in the preceding paragraphs.

14 155. The California Unfair Competition Law (UCL), Cal. Bus. & Prof. Code § 17200,
 15 <u>et seq.</u>, prohibits any unlawful, unfair or fraudulent business acts or practices and unfair, deceptive,
 16 untrue or misleading advertising, and any act prohibited by Cal. Bus. & Prof. Code § 17500.

17 156. Mills' course of conduct, acts, and practices alleged throughout this Complaint each
18 constitute a separate and independent violation of the UCL. Mills' conduct described herein
19 violates the policy, spirit, and letter of the law and otherwise significantly threatens or harms
20 competition. The following misrepresentations are examples of Mills' unfair, fraudulent, and
21 unlawful actions:

- a) the ability to graduate from Mills in the student's chosen program, *see*,
   *e.g.*, *supra* ¶¶ 40-44, 47, 60-61, 63-64;
  - b) the ability to graduate from Mills by 2023, *see, e.g., supra* ¶¶ 40-44, 48, 50-51;
  - c) the ability to continue their education at Mills or Mills at Northeastern with no increased costs, *see*, *e.g.*, *supra* ¶¶ 47, 56, 58 and;
    - d) the transferability of credits, *see*, *e.g.*, *supra*  $\P\P$  40-42, 47, 63-65, 68, 70.

1 Plaintiffs relied on the representations described herein before enrolling, re-157. 2 enrolling, and in deciding to continue their enrollment, and taking additional summer courses. 3 158. Mills' failure to provide timely, accurate information constitutes material 4 misrepresentations by omission. 159. 5 As demonstrated above, Mills systematically violated the UCL to the detriment of 6 Plaintiffs and the putative classes. 7 160. Mills' conduct is unlawful as it is contrary to the principles of the False Advertising 8 Law, and other applicable laws. Violations of these laws may serve as the basis for a UCL claim. 9 Mills' foregoing conduct is further unfair in that it deprived students of meaningful 161. choice in the marketplace. 10 11 162. Mills' conduct is fraudulent and has the likelihood to deceive reasonable consumers 12 into entering into and/or maintaining a business relationship with Mills. 13 163. The harm caused by these acts and practices outweighs any legitimate business utility. 14 15 164. Plaintiffs and the putative classes have been injured and have suffered a monetary loss as a result of Mills' violations of the UCL. 16 17 Mills' unlawful, unfair, and fraudulent acts and practices, as described above, 165. 18 present a continued threat to Plaintiffs and the putative classes. 19 166. Plaintiffs and the putative classes are entitled to restitution in the form of actual 20 damages, and injunctive relief for Mills' violations of the UCL. Cal. Bus. & Prof. Code § 17203. 21 Plaintiffs and the putative classes are also entitled to attorneys' fees and costs pursuant to Cal. 22 Code Civ. Proc. § 1021.5 because this action is to vindicate important rights affecting the public 23 interest. 24 Defendant Northeastern is liable for Mills' violations of the UCL as a successor to 167. Mills. 25 SECOND CAUSE OF ACTION 26 FALSE ADVERTISING LAW (Cal. Bus. & Prof. Code § 17500, et seq.) 27 (On Behalf of Plaintiffs and the Putative Classes and against Defendant Mills, with 28 -25-FIRST AMENDED CLASS ACTION COMPLAINT

#### **Defendant Northeastern Liable as Successor)**

168. Plaintiffs and the putative classes allege and incorporate by reference the allegations in the preceding paragraphs.

The False Advertising Law ("FAL") prohibits the dissemination of untrue or 169. misleading statements, by any means, in connection with the sale of property or services. Cal. Bus. & Prof. Code § 17500. This prohibition extends to statements that are either known to be untrue or misleading or which by the exercise of reasonable care should be known, to be untrue or misleading. Id.

170. The following communications from Mills act as Mills' representations of its goods and services to students before students decided to continue to enroll with Mills and/or increase their course load with the expectation they would be able to graduate by 2023:

- a) the email communication from President Hillman on March 17, 2021, *see supra* ¶¶ 38-41;
- b) the FAQ email communication from Mills' Provost on March 17, 2021, see supra ¶ 42;
- c) the email to prospective students on March 19, 2021, see supra  $\P$  43-44;
  - d) the email and press release communicated by President Hillman on June 17, 2021, see supra ¶¶ 45-49;
- e) The communication from President Hillman on September 14, 2021, see supra ¶ 52, and;
  - f) The email communication from Mills' Provost's Office at Mills college on September 22, 2021, see supra ¶ 58.

171. Mills' communications contained false, deceptive, and misleading statements

regarding: 24

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- a) the ability to graduate from Mills in the student's chosen program, see, *e.g.*, *supra* ¶¶ 40-44, 47, 60-61, 63-64;
  - b) the ability to graduate from Mills by 2023, see, e.g., supra ¶ 40-44, 48, 50-51;

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- c) the ability to continue their education at Mills or Mills at Northeastern with no increased costs, *see*, *e.g.*, *supra* ¶¶ 47, 56, 58 and;
- d) the transferability of credits, *see*, *e.g.*, *supra* ¶¶ 40-42, 47, 63-65, 68, 70.

4 172. Mills' statements were rendered false, deceptive, and misleading, because, among
5 other things, Mills failed to provide timely, accurate information.

6 173. Mills made these representations with the intent to induce students to enroll or re7 enroll with Mills, take a heavier course load to graduate by 2023, and/or continue to purchase
8 course credits from Mills.

9 174. Plaintiffs reasonably relied on Mills' false and misleading statements, and took
actions they otherwise would not have had they known the full truth, and suffered damages as a
result of Mills' unlawful conduct. A reasonable consumer would likely be deceived by the above
false, misleading, and deceptive statements, and would likely be induced into continuing a
relationship with Mills when they otherwise would not.

14 175. Mills knew, or in the exercise of reasonable care should have reasonably known,15 that these statements would be misleading and deceptive to the reasonable consumer.

16 176. As a result, Mills has been unjustly enriched at the expense of Plaintiffs and theputative classes.

18 177. Plaintiffs and the putative classes are entitled to restitution in the form of actual
19 damages, attorneys' fees and costs, and injunctive relief for Mills' violations of the FAL. Plaintiffs
20 are entitled to this restitution from Mills directly and from Northeastern as successor.

#### <u>THIRD CAUSE OF ACTION</u> CONSUMER LEGAL REMEDIES ACT (Cal. Civ. Code § 1750 <u>et seq.</u>) (On Behalf of Plaintiffs Cordrey and Varner and the Enrolled Student Class and against Defendant Mills, with Defendant Northeastern Liable as Successor)

- 25 178. Plaintiffs and the putative classes allege and incorporate by reference the26 allegations in the preceding paragraphs.
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Credits are a "good" under Cal. Civ. Code § 1761(a) because they are a fungible

1 commodity purchased primarily for personal purposes.

2 180. Plaintiffs and members of the putative classes are "consumers" under Cal. Civ.
3 Code § 1761(d) because they acquired credits from Mills for personal purposes.

4 181. The payment of tuition on behalf of Plaintiffs and members of the putative classes
5 in exchange for credits constitutes a "transaction" under Cal. Civ. Code § 1761(e).

6 182. Plaintiffs have standing to pursue these claims because they have suffered injury in
7 fact and a loss of money as a result of the wrongful conduct alleged herein.

8 183. The Consumer Legal Remedies Act (CLRA) prohibits unfair practices, including 9 misrepresenting the source, sponsorship, approval, or certification of goods or services; 10 misrepresenting the affiliation, connection, or association with, or certification by another; 11 representing that goods or services have sponsorship, approval, characteristics, ingredients, uses, 12 benefits, or quantities that they do not have or that a person has a sponsorship, approval, status, 13 affiliation, or connection that the person does not have; and advertising goods or services with 14 intent not to sell them as advertised. Cal. Civ. Code §§ 1770(a)(2–3); 1770(a)(5); 1770(a)(9).

15 184. Mills obtained the tuition paid on behalf of Plaintiffs and the classes by making
16 material misrepresentations, employing unfair practices, and engaging in otherwise deceptive
17 conduct, including:

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- a) falsely representing that Mills would be the source of students' credits until 2023, *see*, *e.g.*, *supra* ¶¶ 40-44, 48, 50-52;
- b) falsely representing that students would have the ability to graduate from Mills by 2023, *see*, *e.g.*, *supra* ¶¶ 40-44, 48, 50-51;
- c) misrepresenting students' ability to graduate in their chosen program, *see*, *e.g.*, *supra* ¶¶ 40-44, 47, 60-61, 63-64;
- d) misrepresenting students' ability to continue their education at Mills or Mills at Northeastern at no additional cost, *see, e.g., supra* ¶¶ 47, 56, 58;
- e) misrepresenting how students' credits would transfer to other institutions, *see*, *e.g.*, *supra* ¶¶ 40-42, 47, 63-65, 68, 70;
  - f) failing to disclose that students may need to purchase extra credits to -28-

1	graduate from Mills at Northeastern, see, e.g., supra ¶¶40-53, 59-64;	
2	g) failing to disclose that the credits students purchased may not be sufficient to	
3	graduate on the students' expected timeline, see, e.g., supra ¶¶ 40-53, 59-64;	
4	h) failing to disclose that the credits students purchased for the fall 2021 and spring	
5	2022 semesters may not be useful in completing their degrees, see, e.g., supra	
6	¶¶ 40-53, 59-64;	
7	i) soliciting payment for credits that go towards a degree despite intending to sell	
8	students credits that may not transfer to other institutions, including Mills at	
9	Northeastern, <i>see,_e.g., supra</i> ¶¶ 40-53, 59-64;	
10	j) and soliciting new and continued enrollment with the promise of Mills degrees	
11	through 2023 despite intending to sell students a Mills at Northeastern degree,	
12	<i>see,<u>e.g.,</u>supra</i> ¶¶ 40-53.	
13	185. Upon information and belief, Mills' conduct alleged herein was undertaken by	
14	Mills knowingly, willfully, and with oppression, fraud, and/or malice, within the meaning of Cal.	
15	Civ. Code § 3294(c).	
16	186. Plaintiffs and the putative classes were injured by Mills because Mills deceived	
17	them into purchasing credits through its deceptive conduct.	
18	187. Plaintiffs and the putative classes were damaged as a direct and proximate result of	
19	Mills' violations of Cal. Civ. Code § 1770(a).	
20	188. In compliance with Cal. Civ. Code § 1782(a), Plaintiffs Cordery and Varner	
21	notified Mills of and demanded it rectify its violations of Section 1770 via certified mail, return	
22	receipt requested on May 20, 2022.	
23	189. Mills did not respond to this communication.	
24	190. Plaintiffs and the putative classes are entitled to restitution in the form of actual	
25	damages, punitive damages, injunctive relief, and attorneys' fees and costs. Cal. Civ. Code §§	
26	3294(c); 1780(a); 1780(e). Plaintiffs and the putative classes are entitled to recover from Mills	
27	directly and from Northeastern as successor.	
28	191. Plaintiffs Cordrey and Varner's CLRA venue declarations are attached as Exhibit -29-	

1	A. Cal. Civ. Code § 1780(d).		
2	FOURTH CAUSE OF ACTION		
3	NEGLIGENT MISREPRESENTATION (On Behalf of Plaintiffs and the Putative Classes and against Defendant Mills, with		
4	Defendant Northeastern Liable as Successor)		
5	192. Plaintiffs and the putative classes allege and incorporate by reference the		
6	allegations in the preceding paragraphs.		
7	193. Mills made systematic, identical written misrepresentations of material fact		
8	regarding:		
9	a) the ability to graduate from Mills in the student's chosen program, see,		
10	<i>e.g., supra</i> ¶¶ 40-44, 47, 60-61, 63-64;		
11	b) the ability to graduate from Mills by 2023, <i>see</i> , <i>e.g.</i> , <i>supra</i> $\P$ 40-44, 48,		
12	50-51;		
13	c) the ability to continue their education at Mills or Mills at Northeastern		
14	with no increased costs see, e.g., supra ¶¶ 47, 56, 58 and;		
15	d) the transferability of credits, <i>see</i> , <i>e.g.</i> , <i>supra</i> ¶¶ 40-42, 47, 63-65, 68, 70.		
16	194. Mills' failure to provide timely, accurate information constitutes		
17	misrepresentations by omission. With the exercise of reasonable care, Mills could have provided		
18	accurate information prior to the fall 2021 semester and again prior to the spring 2022 semester.		
19	195. Mills made these representations in order to induce Plaintiffs and the putative		
20	classes to act in reliance on these representations by enrolling or re-enrolling at Mills and/or taking		
21	a heavier course load to graduate by 2023.		
22	196. Plaintiffs relied on these negligent misrepresentations before enrolling, re-		
23	enrolling, and in deciding to continue their enrollment.		
24	197. Plaintiffs and the members of the putative classes would not have enrolled or re-		
25	enrolled in Mills if Mills had provided timely, accurate information.		
26	198. Plaintiffs and members of the putative classes have been damaged as a proximate		
27	result of Mills' negligent conduct, and seek all damages available, including but not limited to,		
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	-30-		
	FIRST AMENDED CLASS ACTION COMPLAINT		

economic damages, restitution, disgorgement, and attorneys' fees and costs. Plaintiffs seek these 1 2 damages from Mills directly and from Northeastern as successor. 3 PRAYER FOR RELIEF 4 199. WHEREFORE, Plaintiffs and the putative classes pray for relief as follows: 5 Certification of this action as a class action on behalf of the putative a) 6 classes; 7 b) Designation of Plaintiffs as the Class Representatives; 8 Appointment of Nichols Kaster, LLP and Bryan Schwartz Law, P.C. as c) 9 class counsel and lead counsel for the Classes; 10 d) An award of actual damages, punitive damages, and restitution; 11 Pre-Judgment and Post-Judgment interest as provided by law; e) 12 Such other injunctive and equitable relief as the Court may deem just and f) 13 proper; 14 g) Attorneys' fees and costs of suit; and 15 h) An award of any further and additional relief to which Plaintiffs and the 16 putative classes may be entitled. 17 **DEMAND FOR JURY TRIAL** 18 200. Plaintiffs and the putative classes hereby demand a jury trial with respect to all 19 causes of actions and claims for which they have a right to jury trial. 20 21 22 23 24 25 26 27 28 -31-FIRST AMENDED CLASS ACTION COMPLAINT

1		Respectfully submitted,
2 3	Dated: October 10, 2023	NICHOLS KASTER, LLP
4		,
5		Mythavilelles
6		By: Matthew Helland
7		BRYAN SCHWARTZ LAW, P.C.
8		
9		By: <u>/s/ Bryan Schwartz</u> Bryan Schwartz
10		
11		ATTORNEYS FOR INDIVIDUAL AND REPRESENTATIVE PLAINTIFFS
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	FIRST AMENDED C	CLASS ACTION COMPLAINT