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9 Ronceria, Wenzhi Fei, Proposed Class and Subclass,
and Collective Action

10 **UNITED STATES DISTRICT COURT**
11 **NORTHERN DISTRICT OF CALIFORNIA**
12 **SAN FRANCISCO DIVISION**

13 **QIUZI HU**, an individual, **EDWIN**
14 **RAMIREZ**, an individual, **IVAN**
15 **RONCERIA**, an individual, **WENZHI**
FEI, an individual, on behalf of themselves
and all others similarly situated,

16 Plaintiffs,

17 v.

18 **JOSE M. PLEHN-DUJOWICH**, a.k.a.
19 **JOSE M. PLEHN**, an individual;
20 **BIZQUALIFY LLC**, a California limited
liability company; and **POWERLYTICS,**
21 **INC.**, a Delaware corporation,

22 Defendants.

Case Number: 3:18-cv-01791-EDL

Honorable Elizabeth D. Laporte

**FIRST AMENDED CLASS AND COLLECTIVE
ACTION COMPLAINT FOR:**

1. **Failure to Pay Minimum Wage (29 U.S.C. §§ 201 et seq.);**
2. **Failure to Pay Minimum Wage (Cal. Lab. Code §§ 1182.12, 1194, 1194.2, 1197, 1197.1);**
3. **Failure to Provide Accurate Wage Statements (Cal. Lab. Code § 226);**
4. **Failure to Reimburse Required Business Expenses (Cal. Lab. Code § 2802);**
5. **Failure to Pay Earned Wages Upon Discharge (Cal. Lab. Code §§ 201-203);**
6. **False Advertising (Cal. Bus. & Prof. Code § 17500);**
7. **Unfair Competition (Cal. Bus. & Prof. Code § 17200);**
8. **Violation of Consumer Legal Remedies Act (Cal. Civ. Code § 1750, et seq.);**
9. **Fraud (Cal. Civ. Code §§ 1709, 1710);**
10. **Negligent Misrepresentation (Cal. Civ. Code § 1710(2));**
11. **Breach of Implied Contract;**
12. **Quantum Meruit; and**
13. **Civil Theft (Cal. Pen. Code §496)**

JURY TRIAL DEMANDED



1 Plaintiffs Qiuzi Hu, Edwin Ramirez, Ivan Ronceria, and Wenzhi Fei (collectively,
2 “Plaintiffs”) bring this class and collective action against Dr. Jose M. Plehn-Dujowich, also known
3 as Jose M. Plehn (“Dr. Plehn-Dujowich”), Bizqualify LLC (“BizQualify”), and Powerlytics, Inc.
4 (“Powerlytics;” Dr. Plehn-Dujowich, BizQualify, and Powerlytics are collectively referred to as
5 “Defendants”) for damages, penalties, and injunctive relief following Defendants’ failure to
6 compensate hundreds of university students who Defendants fraudulently convinced to work for
7 them, by falsely promising to provide them with educational instruction in the areas of finance,
8 accounting, and economics; a course certification from University of California, Berkeley and/or
9 University of California, Los Angeles, with which Defendants’ program is not sponsored, endorsed, or
10 affiliated; and a letter of recommendation. In exchange, the enrollees were required to pay
11 thousands of dollars to Defendants in the form of a “course fee” and to conduct dozens of hours of
12 data collection and research for the benefit of Defendants’ businesses.

13 INTRODUCTION

14 1. Defendants maintain and sell access to one or more databases that contain information
15 relating to, *inter alia*, growth, revenue, employment, website, global and U.S. rank, and other statistics
16 on millions of businesses. Defendants’ customers then use this information to make informed
17 investment or other decisions. Collecting and updating portions of the database(s) from online sources,
18 such as Alexa, whois.icann.org, Census NAICS, Crunchbase, and SEC Edgar, among other sites, is a
19 painstaking process that requires individuals to independently retrieve information specific to each
20 business, because, in the words of Dr. Plehn-Dujowich, “[t]he manual collection process seems to be
21 the only reliable, comprehensive method.”

22 2. As a result of this reality, and in their quest to grab profits and minimize labor costs,
23 Defendants Dr. Plehn-Dujowich, BizQualify, and Powerlytics conspired to fraudulently and
24 maliciously recruit approximately 240 foreign and domestic university students to enroll in the Global
25 Financial Data Project (“GFDP”), requiring the enrollees of the GFDP to manually collect data for
26 Defendants’ businesses. Defendants falsely advertised the GFDP as an online educational program
27 conducted by the University of California, Berkeley Haas School of Business (“Haas”) and the
28 University of California, Los Angeles Anderson School of Management (“Anderson”). UC Berkeley

1 and UCLA have disavowed any connection to the GFDP, and UC police have encouraged those
2 affected by this fraud to seek civil redress of the harm Defendants have caused.

3 3. The GFDP purports to offer—yet fails to provide—educational instruction, a
4 certification from Haas and/or Anderson, and a letter of recommendation written by the director of the
5 non-existent Haas- and Anderson-run program. In exchange for these false promises, the enrollees
6 were required to pay a \$2,413, or more, directly to BizQualify, and to spend dozens of hours collecting
7 and updating Defendants’ data, which was then ingested back into Defendants’ database(s) for sale to
8 their customers.

9 4. Defendants’ fraudulent actions include: routinely, and falsely, referring to the GFDP as
10 the “Berkeley Haas Global Financial Data Project;” fraudulently entering into contracts on behalf of
11 UC Berkeley to disseminate false and misleading recruiting materials; creating email addresses of the
12 form “gfdp@haas.berkeley.edu” and “gfdp@ucla.anderson.edu” to further the appearance that the
13 GFDP is operated by those institutions; and circulating misleading advertisements displaying UC
14 Berkeley and UCLA insignia, and what appears to be a UC Berkeley GFDP diploma or certificate,
15 now known to be fake.

16 5. Throughout the duration of the GFDP, which ran from approximately July 2016
17 through May 2017, Dr. Plehn-Dujowich misrepresented himself to the enrollees as being independent
18 from BizQualify, despite acting as its sole Manager and Chief Executive Officer. Dr. Plehn-Dujowich
19 also fraudulently omitted disclosing any relationship to Powerlytics whatsoever, though it is now
20 known that Dr. Plehn-Dujowich is Powerlytics’ Board Chairman and Chief Research Officer.
21 Powerlytics, in turn, relied heavily on Dr. Plehn-Dujowich and BizQualify to interface with and
22 demand payment from the enrollees, in an effort to conceal its involvement in Defendants’ conspiracy.

23 6. In spring 2017, Defendants’ fraudulent conspiracy unraveled after Dr. Plehn-Dujowich
24 was suspended by UCLA and investigated for misusing university assets. In April and May 2017, Dr.
25 Plehn-Dujowich abruptly disappeared from the GFDP, ceased conducting the online course sessions,
26 and ignored the GFDP enrollees’ efforts to contact him. Then in early May 2017, Dr. Plehn-Dujowich
27 contacted the enrollees, offered a hollow apology for his absence, and falsely stated he was
28 transitioning from UCLA to MIT, and that the GFDP would continue as normal. In truth, Dr. Plehn-

1 Dujowich was not transitioning to employment at MIT, and during his absence he was busy
2 purchasing a new home in Huntington Beach, California for \$1,375,000, likely aided by the estimated
3 \$580,000, or more, Defendants took from the GFDP enrollees, under false pretenses. By all
4 appearances, Defendants ceased operations of the GFDP shortly after Dr. Plehn-Dujowich's
5 manipulative email to the enrollees.

6 7. Plaintiffs Hu, Ramirez, Ronceria, and Fei, on behalf of themselves and all others
7 similarly situated, seek to recover monetary damages and temporary and permanent injunctive
8 relief to prevent Defendants from continuing or recommencing their fraudulent scam of acquiring
9 uncompensated workers who *pay Defendants* for work being completed for Defendants' sole
10 benefit.

11 JURISDICTION AND VENUE

12 8. This action arises under 29 U.S.C. §§ 201 *et seq.* in relation to Defendants' failure to
13 pay their student-employees minimum wage for work performed for Defendants. Accordingly, this
14 Court has federal question jurisdiction under 28 U.S.C. §§ 1331 and 1343. The Court has
15 supplemental jurisdiction over all related state claims pursuant to 28 U.S.C. § 1367.

16 9. Venue is proper in this judicial district under 28 U.S.C. § 1391, because a substantial
17 part of the acts or omissions giving rise to the claims for relief occurred in or were directed toward this
18 District, and each of the Defendants is subject to the personal jurisdiction of this Court. Such acts or
19 omissions include, but are not limited to, Defendants' fraudulently displaying the UC Berkeley logo
20 on advertising and billing materials, and conspiring to do the same; deceiving Plaintiffs and other
21 enrollees by falsely suggesting that the GFDP is operated, sponsored, or endorsed by, or affiliated
22 with, UC Berkeley, when it is not; promising to issue course certifications bearing UC Berkeley's
23 mark; and recording, or live-streaming, "instruction" in and from this District throughout the duration
24 of the online program.¹ In April 2017, Powerlytics also hired (but did not pay) then-UC Berkeley
25 student, GFDP enrollee, and GFDP Assistant Director, Ningrui Zhang ("Ms. Zhang") as a "data
26 analyst," instructing her to spend 20 hours per week collecting, analyzing, and cleaning the data

27 _____
28 ¹ Plaintiffs submit with this filing a declaration by Plaintiff Qiuzi Hu attesting to these facts, pursuant
to California Civil Code § 1780(d) and California Code of Civil Procedure § 2015.5.

1 collected by the GFDP enrollees to “prepare it for ingestion into database systems,” as set forth in Ms.
 2 Zhang’s March 27, 2017 offer letter, attached here as **Exhibit A**. This work, which Ms. Zhang had
 3 already been doing for months at Dr. Plehn-Dujowich’s direction before being formalized, was
 4 performed in Berkeley, California.² Accordingly, venue is proper in this District.

5 10. This Court has personal jurisdiction over each of the Defendants, because each
 6 Defendant is domiciled in the State of California, has sufficient minimum contacts with California,
 7 and/or otherwise has intentionally availed himself or itself of significant benefits provided by the State
 8 of California, rendering the exercise of jurisdiction by this Court permissible under traditional notions
 9 of fair play and substantial justice.

10 INTRADISTRICT ASSIGNMENT

11 11. This Action is properly assigned to the San Francisco Division of the Court, as the
 12 conduct giving rise to this dispute occurred in or was directed to Alameda County, California. *See*
 13 Local Rule 3-2(d).

14 PARTIES

15 12. Plaintiff Qiuzi “Vanessa” Hu (“Hu”) is an individual who currently resides in Burbank,
 16 California, and has resided there since April, 2017. Prior to moving to California, Hu resided in
 17 Phoenix, Arizona.

18 13. Plaintiff Edwin Ramirez (“Ramirez”) is an individual who, at all times relevant to the
 19 First Amended Complaint, resided in South San Francisco, California.

20 14. Plaintiff Ivan Ronceria (“Ronceria”) is an individual who, at all times relevant to the
 21 First Amended Complaint, resided in Casselberry, Florida.

22 15. Plaintiff Wenzhi Fei (“Fei”) is an individual who, at all times relevant to the First
 23 Amended Complaint, resided in Santa Cruz, California.

24 16. Defendant Dr. Plehn-Dujowich, also known as Jose Plehn, is an individual who, on
 25

26 ² Defendants concealed the fraudulent nature of the GFDP from Ms. Zhang, who, like all other
 27 enrollees, paid thousands of dollars to enroll in the program. As a result of Defendants’ fraudulent
 28 actions, Ms. Zhang worked approximately 600 hours to assist Dr. Plehn-Dujowich with instruction
 and other tasks necessary to operate the GFDP. She acted without knowledge of the fraudulent nature
 of the GFDP or that Defendants sought to monetize the data being collected by the enrollees.

1 information and belief, permanently resided in Berkeley, Newport Beach, Huntington Beach, and/or
2 San Leandro, California at all times relevant to the First Amended Complaint, and, at the time of this
3 filing, resides in Huntington Beach, California.

4 17. Defendant BizQualify is a California limited liability company with its principal place
5 of business in San Leandro, Newport Beach, or Huntington Beach, California. BizQualify engages in
6 the business of procuring and selling financial data and analysis, which it claims on its website to be
7 “the highest quality available financial information on private companies in the U.S.,” sourced from
8 filings with government regulatory agencies. According to documents filed with the California
9 Secretary of State, Dr. Plehn-Dujowich is the sole Manager and Chief Executive Officer of
10 BizQualify, and serves as its agent for service of process.

11 18. Defendant Powerlytics is a Delaware corporation with its principal place of business in
12 Doylestown, Pennsylvania. Like BizQualify, Powerlytics engages in the business of procuring and
13 selling financial data and analysis to its customers. Dr. Plehn-Dujowich is a co-founder, Board
14 Chairman, and Chief Research Officer for Powerlytics. According to documents produced by
15 Powerlytics, Dr. Plehn-Dujowich owns 24.2% of Powerlytics’ fully diluted shares, as of July 13, 2018.

16 RELEVANT FACTS

17 Defendants Conspire to Develop Fraudulent Scam to Obtain Unpaid Labor

18 19. Dr. Plehn-Dujowich is a highly-educated businessman and academic, who routinely
19 exploits his professional connections to several major universities in the United States to further
20 Defendants’ fraudulent practices described in this First Amended Complaint. He received a B.S. from
21 the Massachusetts Institute of Technology (“MIT”) in information technology and economics, and a
22 Ph.D. in economics from the University of Chicago. He previously served as an assistant professor in
23 the areas of accounting, finance, strategic management, and economics at Temple University’s Fox
24 School of Business and at State University of New York at Buffalo.

25 20. In or around April 2011, Dr. Plehn-Dujowich co-founded Powerlytics to engage in the
26 for-profit accumulation, analysis, and sale of public and private company financial data to consumers.
27 According to its website, Powerlytics offers “the most comprehensive consumer and business
28 financial data available.” Its database of information, as advertised by Powerlytics, can be used to

1 “create precise benchmarking and market-sizing reports, and to perform detailed economic, business
2 and marketing research,” which in turn may be used to “drive corporate strategy, discover potential
3 markets, evaluate competitors, and identify risks and trends in both the business and consumer
4 sectors.”³

5 21. In or around 2013, Dr. Plehn-Dujowich founded BizQualify, which, like Powerlytics,
6 engages in the for-profit accumulation, analysis, and sale of public and private company financial
7 information. According to information presented on its website, BizQualify “leverages Form 5500
8 filings with the IRS & Labor Dept. . . . [and] collects regulatory filings and scrapes the websites of
9 10M+ companies.”⁴ BizQualify then compiles this and other information about companies into reports
10 and its database of information. The company also claims to use the information contained in those
11 materials to conduct “fundamental research” and quantitative analysis. Like Powerlytics, BizQualify
12 sells access to its reports and research to its customers, who then use the information in making
13 investment, sales, and marketing decisions. By way of example, BizQualify’s publicly accessible
14 report on Dropbox, Inc., dated December 16, 2015, is attached here as **Exhibit B**.⁵ On information and
15 belief, Powerlytics maintains the same or substantially similar reports.

16 22. Some of the information contained in Defendants’ reports and database(s) must be
17 collected and updated by individuals reviewing online materials and resources, and cannot (or was
18 not) acquired or updated automatically by computer programs. In fact, in a February 20, 2017 email to
19 Ms. Zhang, on this very topic, Dr. Plehn-Dujowich wrote “I have not seen a systematic simple way of
20 accessing everything we need from Alexa or WHOIS in bulk the way we need it. The manual
21 collection process seems to be the only reliable, comprehensive method. Please send an email to
22 everyone about this.” A copy of this email is attached here as **Exhibit C**.

23 23. Sifting through material contained on online platforms such as Alexa, whois.icann.org,
24

25 ³ At the time of this filing, Powerlytics’ website is accessible at the following url:
<http://www.powerlytics.com/>.

26 ⁴ At the time of this filing, BizQualify’s flyer describing its business services is accessible at the
27 following url: https://bizqualify.com/assets/bq_flyer_2017-a9def638ace8830e5055ae517babead0.pdf

28 ⁵ At the time of this filing, BizQualify’s 2015 report on Dropbox, Inc., is available online at the
following url:
https://bizqualify.com/assets/bq_report_dropbox69649a9f592ac8185972005f955e0443.pdf.

1 Census NAICS, Crunchbase, and SEC Edgar, among other sites, is labor-intensive, requiring
2 substantial work on the part of the researcher.

3 24. As a result, Defendants sought out cost-effective methods of acquiring and analyzing as
4 much financial data as possible.

5 25. In or around January 2014, Dr. Plehn-Dujowich joined UC Berkeley as a visiting
6 professor. Then in spring 2015, Dr. Plehn-Dujowich was made a lecturer and the Executive Director
7 of the Center for Financial Reporting and Management at UC Berkeley's Haas School of Business. In
8 June 2016, Dr. Plehn-Dujowich applied for, and was granted, a transfer to UCLA's Anderson School
9 of Management, where he was made the Director of the Fink Center for Finance & Investments.

10 26. In furtherance of their efforts to collect and update their database(s), in or around mid-
11 2016, Defendants, including Dr. Plehn-Dujowich, who, duly authorized, acted on behalf of himself,
12 BizQualify, and Powerlytics, formed a conspiracy and thereafter conspired to establish the fraudulent
13 GFDP program, and to disseminate false and misleading advertisements about the same, in order to
14 trick hundreds of unsuspecting university students into correcting and supplementing Defendants'
15 database(s); and to take, under false pretenses, thousands of dollars from each enrollee, while unjustly
16 profiting from their labor, yet failing to compensate the enrollees or adhere to California and Federal
17 employment laws and regulations.

18 27. UC Berkeley operates a "Global Access Program," which allows for international
19 students to travel to the United States to study at UC Berkeley. Through the program, international
20 students may enroll in a wide variety of courses offered by several different departments and schools
21 within UC Berkeley, including the Haas School of Business, and UC Berkeley Extension. As UC
22 Berkeley is held in high esteem, both within the United States and abroad, its Global Access Program
23 is highly successful and profitable for the university.

24 28. Beginning in or around July 2016, Defendants established and began marketing the
25 similarly named "Global Financial Data Project," with Dr. Plehn-Dujowich acting as the project's
26 Executive Director. At the time of the GFDP's commencement, Dr. Plehn-Dujowich worked as a
27 lecturer for UC Berkeley until mid-September 2016, when he transferred to UCLA.

28 29. As discussed in detail below, Defendants used the GFDP as a means to recruit

1 approximately 240 university students, particularly foreign students, interested in business,
2 accounting, and finance to perform the data collection and analysis tasks required for Defendants'
3 business, without pay. Plaintiffs and all other enrollees did not receive what they bargained for, and
4 instead were fraudulently exploited into paying Defendants for the privilege of completing
5 Defendants' work for free.

6 **Defendants' False and Deceptive Advertising Practices**

7 30. Defendants systematically engaged in fraudulent recruiting tactics, primarily targeting
8 undergraduate students, both those living abroad and in the United States, by disseminating false and
9 misleading advertisements about the GFDP, and leveraging Dr. Plehn-Dujowich's relationships with
10 UC Berkeley and UCLA faculty and/or staff to target students with an academic focus in business and
11 finance.

12 31. As advertised by Defendants, the GFDP is conducted online, and purports to run
13 cyclically for a period of 10 weeks at a time, once or more per year, but, in reality, was held more or
14 less continually from in or around July, 2016 through May, 2017, with enrollees dropping in or out of
15 the program at differing times. Defendants appear to have loosely grouped enrollees into four groups
16 based on differing start dates or spans of dates.

17 32. According to Defendants' promotional materials for the program, the GFDP is
18 composed of four phases: (1) Learning; (2) Data Collection; (3) Data Analysis; and (4) Presentations.
19 During the "Learning" phase, the students were to receive instruction and training from Dr. Plehn-
20 Dujowich on how to perform the financial data collection and research. During the "Data Collection"
21 and "Data Analysis" phases of the program, the students collected and analyzed data to "uncover
22 patterns and trends" and "[w]rite a professional report." Finally, the students were to present their
23 findings for feedback and assessment. A copy of Defendants' flier for the February 3, 2017 to April
24 14, 2017 program is attached here as **Exhibit D**.

25 33. In exchange for a "course fee" of \$2,413 to \$2,913 (or more⁶) and their data collection

26 _____
27 ⁶ Several individuals enrolled in the GFDP through third-party educational recruitment companies
28 hired by Defendants, including WholeRen LLC and GreatChina International Education. Defendants
offset the recruitment service's commission fees by charging those students recruited by such services
a higher course fee.

1 work, Defendants promised to compensate Plaintiffs and the other enrollees by providing meaningful
2 educational instruction, a course certification from UC Berkeley and/or UCLA, and a letter of
3 recommendation written by Dr. Plehn-Dujowich—none of which Defendants provided to Plaintiffs or
4 the other enrollees in the program.

5 34. Defendants’ fraudulent advertising efforts include, but are not limited to, the following:

6 a. falsely stating or implying that the GFDP is operated by UC Berkeley Haas School of
7 business and/or UCLA Anderson School of Management, including by referring to the GFDP as the
8 “Berkeley Haas Global Financial Data Project” and by stating that the GFDP is “from Berkeley Haas”
9 in written and spoken communications with enrollees and/or prospective enrollees, including in the
10 form attached here as **Exhibit E**, and shown below, with the relevant language excerpted and
11 highlighted;

12 **From:** joseplehn@gmail.com on behalf of Jose M. Plehn-Dujowich
<jplehn@haas.berkeley.edu>
13 **Sent:** Sunday, July 17, 2016 9:56 PM
To: undisclosed-recipients:
14 **Subject:** Congratulations! You have been accepted into the Berkeley Haas Global Financial Data
Project

15
16 Hello,

17 This email is to certify that you have been admitted into the Berkeley Haas Global Financial Data Project.
18 Congratulations!

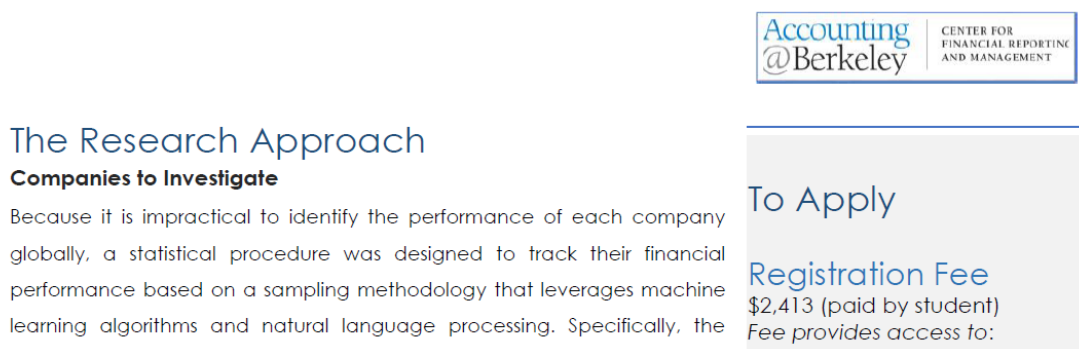
20
21 **From:** joseplehn@gmail.com on behalf of Jose M. Plehn-Dujowich
<jplehn@haas.berkeley.edu>
22 **Sent:** Sunday, July 10, 2016 8:30 PM
To: undisclosed-recipients:
23 **Subject:** New summer research program from Berkeley Haas
24 **Attachments:** Global Financial Data Project_flyer_July 2016.pdf

25
26
27
28 //

1 b. fraudulently disseminating flyers that display the UC Berkeley Haas School of
2 Business and UCLA Anderson School of Management marks, falsely indicating that GFDP is
3 operated, sponsored, endorsed, or approved by, or is affiliated with, these schools; *See* Ex. D;



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13 c. fraudulently disseminating flyers that display “Accounting@Berkeley: Center for
14 Financial Reporting and Management,” falsely indicating that the GFDP is operated, sponsored,
15 endorsed, or approved by, or is affiliated with, UC Berkeley; Ex. D;



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23 d. fraudulently disseminating flyers that display a website address containing the name
24 “Haas,” referring to the UC Berkeley Haas School of Business, falsely indicating that the GFDP is
25 operated, sponsored, endorsed, or approved by, or is affiliated with, UC Berkeley;

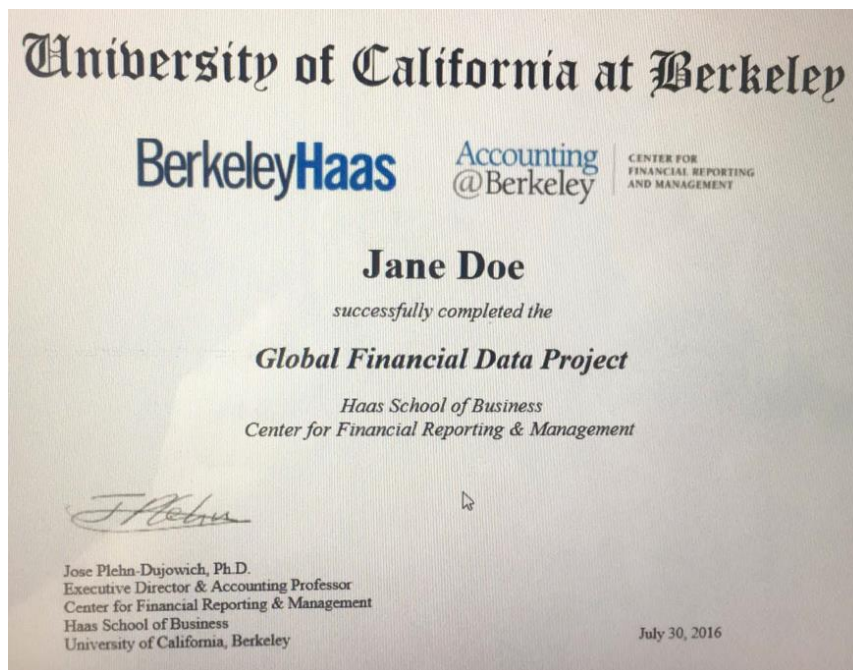
26 **APPLY NOW**

27 <https://globalfinancialhaas.wufoo.com/forms/global-financial-data-project-fall-2016/>

28

1 e. fraudulently entering into contracts on behalf of UC Berkeley or UCLA, or entities or
2 organizations under the control of those universities, with third party advertising and recruiting
3 agencies, including, by way of example, Defendants' contract with WholeRen LLC, attached here as
4 **Exhibit F**;

5 f. falsely promising that Defendants will provide a "certificate of completion," also
6 bearing the UC Berkeley and/or UCLA marks, in the same or substantially similar form as attached
7 here as **Exhibit G**, and shown below;



19 g. falsely promising to provide a "letter of recommendation written personally by the
20 Executive Director" of what was advertised to be a UC-operated educational program, where, in truth,
21 no such program exists, and no such recommendation would be provided; Ex. D;

22 h. falsely promising that the GFDP will assist students in preparing for a career or
23 graduate program in finance, accounting, business, or economics; Ex. D;

24 i. misleadingly using Dr. Plehn-Dujowich's former relationships with UC Berkeley and
25 UCLA faculty and/or staff to send emails from UCLA and/or UC Berkeley email accounts to recruit
26 prospective enrollees, including, by way of example, Dr. Plehn-Dujowich's email attached hereto as
27 **Exhibit H**, thereby falsely indicating that the GFDP is operated, sponsored, endorsed, or approved by,
28 or is affiliated with, those institutions;

1 j. misleadingly using Dr. Plehn-Dujowich’s prior affiliation with UC Berkeley and
2 UCLA’s faculty and/or staff to create general inquiry email addresses bearing the names of those
3 institutions (i.e. “gfdp@haas.berkeley.edu” and “gfdp@anderson.ucla.edu”), so that prospective
4 enrollees could correspond with Dr. Plehn-Dujowich or his UC Berkeley and UCLA undergraduate
5 teaching assistants; Ex. D;

6 k. misleadingly advertising that the GFDP is “taught by Berkeley Haas and UCLA
7 Anderson students and faculty,” falsely suggesting that an official connection between UC Berkeley,
8 UCLA, and the GFDP exists, where it does not; Ex. D;

9 l. fraudulently using Dr. Plehn-Dujowich’s connections to UC Berkeley and UCLA to
10 encourage undergraduate advisors at those universities to disseminate misleading advertisements from
11 the advisors’ email accounts, falsely suggesting that the GFDP is operated, sponsored, endorsed, or
12 approved by, or is affiliated with, UC Berkeley and/or UCLA, an example of which is attached hereto
13 as **Exhibit I**;

14 m. fraudulently using Dr. Plehn-Dujowich’s connections to UC Berkeley and UCLA to
15 place advertisements for the GFDP on the UC Berkeley and UCLA websites, falsely suggesting that
16 the GFDP is operated, sponsored, endorsed, or approved by, or is affiliated with, UC Berkeley and/or
17 UCLA, copies of which, as obtained from internet archiving service web.archive.org, are attached here
18 as **Exhibits J and K**;⁷

19 n. fraudulently disseminating advertising materials falsely stating that the GFDP is “co-
20 sponsored by UC Berkeley and UCLA” to other universities, including Ohio State University,
21 University of Washington, University of Toronto, University of Illinois, University of Central Florida,
22 and Texas A&M University, for the purpose of having undergraduate advisors at those universities
23 relay that false information to students at their universities, an example of which is attached here as
24 **Exhibit L**; and

25 o. misleadingly submitting invoices to the GFDP enrollees with “Accounting@Berkeley
26 Center for Financial Reporting and Management” displayed on the invoice, thereby falsely indicating

27 _____
28 ⁷ UC Berkeley and UCLA have since removed these false and deceptive advertisements from their
respective websites.

1 that the GFDP is operated, sponsored, endorsed, or approved by, or is affiliated with, UC Berkeley
2 and that payment is being remitted to UC Berkeley, when it is not, in the form attached hereto as

3 **Exhibit M;**



4
5
6 **INVOICE**

7 **BILL TO**
8 Ivan Ronceria

INVOICE # 83532
DATE 10/17/2016

9
10 p. fraudulently stating or implying that Defendants are wholly independent of each other
11 and not acting in furtherance of their conspiracy, including by pretending that Dr. Plehn-Dujowich is
12 not connected to BizQualify:

13 **From:** joseplehn@gmail.com on behalf of Jose M. Plehn-Dujowich
<jplehn@haas.berkeley.edu>
14 **Sent:** Thursday, July 21, 2016 8:10 PM
15 **To:** undisclosed-recipients:
16 **Subject:** Summer research program reminder

17 Hi everyone,

18 You are receiving this email because I was notified by BizQualify that you have not yet paid their fee. Please do
19 so ASAP so you can gain access and explore their systems before our meeting on Monday.

20 Best,
21 Jose

22 **From:** Jose M. Plehn-Dujowich <joseplehn@gmail.com>
23 **Sent:** Friday, May 05, 2017 8:33 PM
24 **To:** Gary Vartanian
25 **Cc:** Ningrui Zhang
26 **Subject:** Re: Checking In

27 Hi Gary,

28 Apologies for not replying sooner! You should have gotten the email I sent everyone.

BTW, good news about your request to have access to time series data from BizQualify. They told me you contacted them, and they said yes! They will send me a file shortly.

On Fri, May 5, 2017 at 1:08 PM, Gary Vartanian <gary.vartanian@gmail.com> wrote:
Dear Professor Plehn-Dujowich,

Many of the other students and myself have not heard from you for a while now and we wanted to know if all is well. I would like to inquire about the status of GFDP and if we are still proceeding with the Chinese research as planned.

Please let me know as I wish to know that all is well.

Sincerely
Gary

1 q. concealing that the work performed by the enrollees consisted of correcting and
2 supplementing Defendants' database(s) and that Defendants would be profiting from use of the data
3 the enrollees collected; Ex. A (data would later be prepared for "ingestion into database systems").

4 35. Defendants did not intend to fulfill any of their promises to Plaintiffs and the other
5 enrollees at the time they made such promises and advertisements, nor could they fulfill any such
6 promises.

7 36. The GFDP was never operated, sponsored, endorsed, or approved by, or affiliated with,
8 UC Berkeley or UCLA, and both institutions have since removed all GFDP advertisements from their
9 websites, and adamantly deny any involvement with the GFDP. On August 3, 2017, James Webb, the
10 current Executive Director for UC Berkeley's Center for Financial Reporting and Management, stated
11 in an email to WholeRen LLC that "[the GFDP] is not and has never been affiliated with the
12 University of California. When Berkeley was made aware of the unauthorized use of its trademarks by
13 the program, Berkeley successfully demanded the cessation of any use of its name. The matter has
14 been referred for criminal investigation, and anyone who thinks they have been defrauded should
15 contact UCPD."

16 37. Both UC Berkeley and UCLA are widely recognized in many parts of Asia, and across
17 the world as being premier educational institutions in the areas of business, finance, and economics.
18 Knowing this, Defendants maliciously targeted unsuspecting international students, many of whom
19 are not native English speakers, with their deceptive advertising campaigns. Indeed, Defendants' flyer,
20 attached as Exhibit D, states an "[i]nternational background is preferred."

21 38. Though failing to fulfill their promises to provide meaningful instruction, letters of
22 recommendation, and course certifications, Dr. Plehn-Dujowich did create approximately 23 form
23 letters that proclaim to "certify" that the 23 students named in the letters participated in the GFDP.
24 Each such letter fraudulently bears either UC Berkeley's "Accounting@Berkeley" and
25 "BerkeleyHaas," or UCLA's "UCLA Anderson School of Management" insignia, or, in at least one
26 instance, is issued by Powerlytics, not UC Berkeley or UCLA, as was promised. Given the fraudulent
27 nature of these letters, even those letters that contain UC Berkeley or UCLA's marks do not constitute
28 performance of the promised certification from UC Berkeley or UCLA or letter of recommendation

1 from Dr. Plehn-Dujowich. Representative examples of these letters are attached here as **Exhibit N**.

2 **Plaintiffs Rely on Defendants' False Advertisements and Enroll in the GFDP**

3 39. Defendants conducted the GFDP program from approximately July 2016 through May
4 2017, and advertised separate cycles of the 10-week program, including for following dates: October
5 14, 2016 – January 13, 2017; February 3, 2017 – April 14, 2017, and June 2, 2017 – August 11, 2017.
6 Contrary to Defendants' advertisements, the GFDP ran more or less continually from July 2016
7 through May 2017, with enrollees starting and stopping at differing times, and being separated into
8 groups based on start dates or spans of start dates. It is unknown whether the latest iteration of the
9 program advertised by Defendants (June 2, 2017 through August 11, 2017) actually occurred.

10 40. Approximately 240 individuals, including Plaintiffs, enrolled in the program and paid
11 the applicable course fee. Plaintiffs Edwin Ramirez and Wenzhi Fei enrolled in the GFDP in or around
12 August 2016, and Plaintiffs Ivan Ronceria and Qiuzi Hu enrolled in October 2016 and January 2017,
13 respectively. On information and belief, Defendants continue to operate the GFDP and/or plan to do
14 so in the future.

15 41. In late 2016 and early 2017, Plaintiffs learned of the GFDP through the false and
16 misleading advertisements distributed by Defendants, which are described above and attached hereto.
17 In reliance on those false representations and promises, Plaintiffs enrolled in the GFDP. Each paid
18 Defendants a \$2,413 course fee, and completed all tasks required of them to register for the program.

19 42. After Plaintiffs joined the GFDP, Dr. Plehn-Dujowich provided some initial, basic
20 instruction on the class format and method for accessing BizQualify's financial data, all of which was
21 done to further Defendants' concealed business interests. Dr. Plehn-Dujowich did not provide any
22 meaningful educational instruction in the areas of finance, economics, accounting, or business, despite
23 advertising and promising otherwise.

24 43. Instead, the task of providing instruction to Plaintiffs and other enrollees fell primarily
25 to Defendants' undergraduate student-instructors, including Ningrui Zhang, then a student from UC
26 Berkeley, and Danwei Chen, a student from UCLA. Ms. Zhang was eventually given the title
27 "Assistant Director" of the GFDP, and Ms. Chen was made the "Managing Director".

28 44. Despite paying the course fee of \$2,413, and contributing approximately 600 hours of

1 her time to the GFDP, Ms. Zhang was paid a mere \$200 by Dr. Plehn-Dujowich in December 2016,
2 which Dr. Plehn-Dujowich described as a “gift.” Plaintiffs are unaware of whether Ms. Chen was
3 compensated, or was promised compensation, for her work.

4 45. Throughout the duration of the GFDP, Plaintiffs received instruction primarily from
5 Ms. Chen and/or Ms. Zhang. Dr. Plehn-Dujowich played little or no role in providing course
6 instruction, except as necessary to direct the enrollees on how to access BizQualify’s data and how to
7 correct and supplement the same. Throughout much of the program, Dr. Plehn-Dujowich passively
8 observed the enrollees’ presentations, and he provided little or no constructive guidance or evaluation
9 of their research, other than was necessary to ensure that the data being collected was assimilated in a
10 format useable by Defendants.

11 46. Through the online instruction, Defendants directed enrollees to collect specific data,
12 from specified sources. Defendants instructed the enrollees to download a batch of data from
13 BizQualify in the form of an excel spreadsheet. Defendants then instructed the enrollees to add several
14 additional columns to the spreadsheet, and to populate those columns with the relevant information on
15 each of the businesses pulled from the database. Each enrollee would then obtain the desired data,
16 populate the spreadsheet, and return the new data to Defendants.

17 47. The new and/or corrected data that the enrollees were required to obtain included the
18 following: Alexa⁸ global ranking; Alexa country ranking; Alexa categorization indicator; Alexa
19 category ranking; correct website address; website creation date; website registrant; website privacy
20 protection information; and parent-company information.

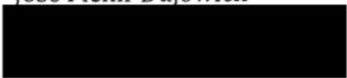
21 48. The GFDP enrollees were required to obtain this information from specified online
22 sources, and to collect and return this data to Defendants in specified manner, and by deadlines set by
23 Defendants. By way of example, one of several instruction sheets provided by Defendants to enrollees
24 is attached here as **Exhibit O**, describing the tasks Defendants charged the enrollees with completing.

25 49. During this time, and throughout the project, Plaintiffs, along with all other enrollees,
26 spent approximately three to five hours, per week, collecting and analyzing BizQualify’s financial data
27 for Defendants, and later presented their findings and research to the other enrollees.

28 ⁸ Alexa measures and ranks website trafficking information.

1 pending UCLA's investigation of him for the misuse of university assets:

2 March 15, 2017

3 Jose Plehn-Dujowich
4 

5 **Re: Investigatory Leave**

6 Dear Jose,

7 In accordance with Personnel Policies for Staff Members (PPSM) Policy 63, this letter is to notify
8 you that you are being placed on paid investigatory leave from your position as Executive
9 Director in the Fink Center for Finance & Investments at UCLA Anderson commencing today,
10 March 15, 2017 and ending on approximately March 31, 2017. You will be contacted if the leave
11 period needs to be extended. The reason you are being placed on leave is to allow the Department
12 time to review allegations of misuse of University assets.

11 57. Dr. Plehn-Dujowich's employment with UCLA ceased thereafter.

12 58. By mid-April 2017, Dr. Plehn-Dujowich withdrew his limited involvement in the
13 GFDP altogether, without warning or stating that he was doing so. Over the course of several weeks,
14 Dr. Plehn-Dujowich failed to respond to inquiries from students, including from Ms. Chen and Ms.
15 Zhang.

16 59. On May 4, 2017, Ms. Zhang emailed Plaintiffs and the other program enrollees, stating
17 that she had not been in contact with Dr. Plehn-Dujowich for several weeks, and that the project would
18 need to be discontinued until such time as Dr. Plehn-Dujowich "shows up." A copy of Ms. Zhang's
19 email is attached here as **Exhibit Q**.

20 60. After receiving Ms. Zhang's email, Gary Vartanian, one of the other enrollees in the
21 GFDP, emailed the Fink Center for Finance & Investments at the UCLA Anderson School of
22 Management, to which Dr. Plehn-Dujowich had represented he was affiliated with, on May 4, 2017,
23 inquiring as to Dr. Plehn-Dujowich's whereabouts.

24 61. Alexandra Gomez, the Fink Center's assistant director, responded by email the
25 following morning, stating that Dr. Plehn-Dujowich "is no longer with the UCLA Anderson School of
26 Management." A copy of this email exchange is attached here as **Exhibit R**.

27 62. Later that same day, Mr. Vartanian received a second email from the Fink Center
28 stating that "[t]he GFDP program is not authorized by UCLA nor the UCLA Fink Center. Jose is no

1 longer with the university. You will need to take up any questions or issues directly with Jose. This is
2 not a UCLA program.” A copy of this email is attached here as **Exhibit S**.

3 63. On May 5, 2017, Ms. Zhang again emailed Plaintiffs and the rest of the enrollees,
4 stating that she had learned that Dr. Plehn-Dujowich was no longer associated with UCLA and that
5 UCLA had “officially stopped endorsing the project.” It is now known that UCLA *never* endorsed the
6 project, and Ms. Zhang, like Plaintiffs, was misled by Defendants as to the true nature of the program.
7 A copy of Ms. Zhang’s email is attached here as **Exhibit T**.

8 64. Later that day, Dr. Plehn-Dujowich emailed Ms. Zhang and all enrollees, stating that he
9 had been “traveling extensively” and “got very busy with an important personal transition.” He
10 revealed that he was leaving the University of California to join MIT, and stated that the next online
11 session for the program would be held the following week, on May 12, 2017. A copy of Dr. Plehn-
12 Dujowich’s email is attached here as **Exhibit U**.

13 65. It is now known that Dr. Plehn-Dujowich’s stated reason for his disappearance, namely
14 that he was transitioning to MIT, was yet another lie. Dr. Plehn-Dujowich is not currently employed
15 by MIT, and despite performing a diligent search, MIT was unable to locate any records that Dr.
16 Plehn-Dujowich was ever considered for employment by MIT.

17 66. Adding insult to injury, it is also now known, that during the period of his
18 disappearance, Dr. Plehn-Dujowich was busy purchasing a lavish new house in Huntington Beach,
19 California. According to county records and Zillow.com, after nearly ten months of defrauding
20 hundreds of people out of hundreds of thousands of dollars, Dr. Plehn-Dujowich paid \$1,375,000, on
21 or around May 30, 2017, for his new home, complete with a pool. County records do not show that
22 any mortgage or deed of trust has been recorded in connection with Dr. Plehn-Dujowich’s purchase of
23 this property, suggesting he owns the property outright.

24 67. Upon completing their side of the bargain, Plaintiffs were surprised to discover that—
25 contrary to Defendants’ false advertisements and promises—Plaintiffs and all other enrollees in the
26 GFDP were not enrolled in a program that was operated, endorsed, or sponsored by, or affiliated with,
27 UC Berkeley or UCLA, were not and would not be provided with meaningful instruction, be issued
28 certifications, or be provided with letters of recommendation from the executive director of a

1 legitimate UC Berkeley or UCLA program. Indeed, with the exception of the initial lectures covering
 2 the class format and method for accessing and analyzing the financial data needed to further Dr.
 3 Plehn-Dujowich and BizQualify's business interests, Dr. Plehn-Dujowich did not provide *any*
 4 meaningful instruction. Instead, this task fell to teaching assistants, who were, or are, misled as to the
 5 nature of the program as well. For the duration of the program, Dr. Plehn-Dujowich merely observed
 6 and commented on student presentations. The promised certification, which prominently features the
 7 UC Berkeley insignia, cannot lawfully be issued in connection with the program, as the GFDP is not
 8 operated, endorsed, or sponsored by, or affiliated with, the University of California, nor will the
 9 executive director of any legitimate UC Berkeley or UCLA program issue letters of recommendation
 10 to the enrollees.

11 68. Plaintiffs and hundreds of other students fell victim to Defendants' fraud by enrolling
 12 in the GFDP, paying Defendants \$2,413 to \$2,913, or more, for goods and services never provided,
 13 and foregoing other opportunities to advance their careers and/or educations, only to find Dr. Plehn-
 14 Dujowich, BizQualify, and Powerlytics were not what they declared themselves to be, and would not
 15 provide the goods and services the enrollees paid for. Plaintiffs and all other persons similarly situated
 16 have suffered damages as a result of this fraud, for which Defendants are liable.

17 **Class and Collective Action Allegations**

18 **A. Fair Labor Standards Act Collective Action**

19 69. Plaintiffs Qiuzi Hu, Edwin Ramirez, Ivan Ronceria, and Wenzhi Fei bring the First
 20 Cause of Action, the Fair Labor Standards Act ("FLSA") claim, as a nationwide "opt-in" collective
 21 action pursuant to 29 U.S.C. § 216(b), on behalf of themselves and all other persons similarly
 22 situated. The period covered by the collective action is three (3) years prior to the filing of the
 23 original complaint in this matter on March 22, 2018, up to and including the time of trial for this
 24 matter (hereinafter "FLSA Collective Action" or "FLSA Collective Action Period"). The FLSA
 25 Collective Action members which Plaintiffs seek to represent is composed of and defined as
 26 follows:

27 All current and former enrollees of the Global Financial Data Project residing
 28 or performing work for the project in the United States or any territory or

1 possession of the United States at any time within the FLSA Collective Action
2 Period.

3 70. Plaintiffs are informed and believe that the FLSA Collective Action members
4 potentially consists of dozens or hundreds of individuals from all over the United States.

5 71. During this litigation, Plaintiffs may find it appropriate or necessary to amend the
6 definition of those covered by the FLSA Collective Action. Similarly, Plaintiffs reserve the right to
7 move for the creation of subdivisions of the Collective Action, so that the Collective Action
8 members may be divided along any reasonable point of distinction that might exist among them.

9 72. Plaintiffs and the FLSA Collective Action members are similarly situated in that
10 they were/are all non-exempt employees subject to Defendants' common practice, policy, or plan
11 of willfully and unlawfully failing to compensate them in accordance with the FLSA.

12 73. The names and addresses of the FLSA Collective Action members are available from
13 Defendants, and notice should be provided to the members of the FLSA Collective Action via first
14 class mail to the last address known as provided by the Defendants as soon as possible.

15 **B. California State Law Class under Federal Rule of Civil Procedure 23**

16 74. Plaintiffs Qiuzi Hu, Edwin Ramirez, Ivan Ronceria, and Wenzhi Fei (collectively,
17 the "Class Representatives") bring the Second through Thirteenth Causes of Action as a class
18 action pursuant to Rule 23 of the Federal Rules of Civil Procedure, as follows.

19 75. The class that the Class Representatives seek to represent is composed of and
20 defined as follows:

21 All persons who enrolled in Defendants' Global Financial Data Project. Excluded
22 from the Class are Defendants' officers and directors and the immediate families
23 of the Defendants' officer and directors. Also excluded from the Class are the
24 Defendants' legal representatives, heirs, successors or assigns, and any entity in
25 which Defendants have or have had a controlling interest (the "Class").

26 76. A California Subclass that the Class Representatives Hu, Ramirez, and Fei seek to
27 represent is composed of and defined as follows:

28 All members of the Class that resided, temporarily or permanently, in California

1 during any portion of their enrollment in the Global Financial Data Project, or that
2 performed work in California for the GFDP, at any point (the “California
3 Subclass”).

4 77. As set forth below, claims two through five are asserted by Plaintiffs Hu, Ramirez,
5 and Fei, and the California Subclass, and claims six through thirteen are asserted by Plaintiffs and
6 the Class. Each Plaintiff is a member of the Class, and Plaintiffs Hu, Ramirez, and Fei are members
7 of the California Subclass. The Class and California Subclass period is four (4) years from the
8 filing of the original complaint in this matter, on March 22, 2018, up to and including the time of
9 trial for this matter.

10 78. This Class and California Subclass are so numerous that joinder of all members is
11 impracticable. Plaintiffs estimate that approximately 240 persons enrolled in Defendants’ fraudulent
12 program. A significant portion of those are believed to have resided, and/or performed work for
13 Defendants in connection with the GFDP, in California.

14 79. Many common questions of law and fact involve and affect the parties to be
15 represented. These common questions of law or fact predominate over any questions affecting only
16 individual members of the Class and California Subclass. Common questions include, but are not
17 limited to, the following:

- 18 a. whether Defendants falsely advertised the GFDP in violation of California law;
- 19 b. whether Defendants engaged in unfair, unlawful, or fraudulent business practices
20 related to their fraudulently inducing persons to enroll into the GFDP under false pretenses;
- 21 c. whether Defendants are liable for failing to compensate the program enrollees in
22 satisfaction of federal and California minimum wage laws;
- 23 d. whether Defendants are liable for failing to comply with California laws requiring
24 Defendants to provide all program enrollees with accurate wage statements, to reimburse for all
25 business expenses incurred, and to promptly pay all enrollees upon their termination;
- 26 e. whether Defendants are liable for defrauding the GFDP enrollees; and
- 27 f. whether the Class and California Subclass are entitled to equitable relief, including
28 temporary, preliminary, and permanent injunctive relief, enjoining Defendants from further violating

1 federal and California wage and hour, unfair competition, and consumer protection laws.

2 80. The Class Representatives' claims are typical of the claims of the Class and the
3 California Subclass they seek to represent, in that the Class Representatives, and all members of the
4 proposed Class and Subclasses because they (a) enrolled in the GFDP, (b) paid Defendants a course
5 fee, (c) were not provided with meaningful educational instruction, as Defendants promised, (d) were
6 not provided with a certification from UC Berkeley or UCLA, as Defendants promised, (e) were not
7 provided with a letter of recommendation written by the director of a legitimate UC Berkeley and/or
8 UCLA educational program, as Defendants promised, and, as with respect to the California Subclass,
9 (f) Plaintiffs Hu, Ramirez, and Fei resided and/or performed work for the GFDP within California.

10 81. The Class Representatives will fairly and adequately protect the interests of the Class
11 and California Subclass. Plaintiffs have no interests which are adverse to the interests of absent class
12 members. Plaintiffs have retained attorneys experienced in class actions and complex litigation as their
13 counsel.

14 82. Defendants have acted on grounds generally applicable to the Class and California
15 Subclass, thereby making final injunctive relief appropriate.

16 83. The Class Representatives aver that the prerequisites for class action treatment apply to
17 this action, and that questions of law or fact common to the Class and California Subclass predominate
18 over any questions affecting only individual members, and that class action treatment is superior to
19 other available methods for the fair and efficient adjudication of the controversy which is the subject
20 of this action. The Class Representatives further state that the interest of judicial economy will be
21 served by concentrating litigation concerning these claims in this Court, and that the management of
22 this Class and California Subclass will not be difficult.

23 **FIRST CLAIM FOR RELIEF**

24 **Failure to Pay Minimum Wage (29 U.S.C. §§ 201 *et seq.*)**

25 **(By All Plaintiffs Individually and as a Collective Action Against All Defendants)**

26 84. Plaintiffs incorporate by reference the allegations in the preceding paragraphs, as if fully
27 set forth herein.

28 85. The Fair Labor Standards Act applies to Defendants. Defendants engage in interstate

1 commerce, including because a significant portion of the enrollees, including Plaintiff Ronceria, reside
2 outside of California and enrolled in Defendants' fraudulent program. Additionally, Defendants'
3 annual revenue exceeds \$500,000, including because approximately 240 individuals enrolled in the
4 GFDP and paid a minimum of \$2,413, each, for an approximate total of \$580,000, in addition to
5 Defendants' other expected income streams.

6 86. Defendants violated the Fair Labor Standards Act by failing to pay the Collective
7 Action members minimum wage for services provided to Defendants. Each Plaintiff and Collective
8 Action member was an employee of Defendants by enrolling and participating in the GFDP.
9 Defendants instructed each Plaintiff and Collective Action member on how to collect and analyze
10 financial data maintained by Defendants, including by accessing and using BizQualify's financial
11 tools. Defendants therefore had the right to control the manner and means by which the work was or is
12 performed. The data collection and analysis services provided by Plaintiffs and the Collective Action
13 members were, and are, an integral part of Defendants' business of acquiring and selling financial
14 data. Plaintiffs and the Collective Action members did not, and did not stand to, independently profit
15 from engaging in those activities; rather, Defendants profited, and continue to profit, from their
16 efforts, and failed to compensate Plaintiffs and the Collective Action members whatsoever.

17 87. At this time, Plaintiffs estimate that each Collective Action member provided an
18 average of six to ten hours of work for each week enrolled in the GFDP, without any compensation for
19 their work.

20 88. The foregoing conduct, as alleged, constitutes a willful violation of the FLSA within
21 the meaning of 29 U.S.C. § 255(a).

22 89. Plaintiffs, on behalf of themselves and the Collective Action members, seek recovery
23 of their attorneys' fees and costs of action to be paid by Defendants, as provided by the FLSA.

24 90. Plaintiffs, on behalf of themselves and the Collective Action members, seek damages in
25 the amount of their respective unpaid minimum wage compensation, liquidated damages as provided
26 by the FLSA, interest, and such other legal and equitable relief as this Court deems just and proper.

27 91. At all times relevant to this First Amended Complaint, since three years prior to the
28 commencement of this action, Plaintiff and the Collective Action members, as alleged herein, claim

1 that each Defendant willfully failed to pay minimum wage owed to said Plaintiff and the Collective
2 Action members for all of his/her/their hours worked per workweek, in violation of the FLSA.

3 92. The aforementioned conduct of Defendants, and each of them, constitutes multiple and
4 repeated violations of 29 U.S.C. § 206; based thereon, Plaintiffs pray for and seek judgment and
5 appropriate orders in favor of Plaintiffs and those in the Collective Action identified above against
6 Defendants, jointly and severally, as follows: for the recovery of minimum wage compensation owed
7 to Plaintiffs and the Collective Action members plus liquidated damages, attorneys' fees and costs
8 pursuant to 29 U.S.C. § 216(b), in an amount according to proof; for an award of pre-judgment
9 interest; for costs of suit; for interest as allowed by law; and for such other relief as may be proper.

10 93. Defendants are independently liable as a result of their own actions and inactions.
11 Defendants are also jointly and severally liable as co-conspirators. *See Navarrete v. Meyer*, 237 Cal.
12 App. 4th 1276 (2015) ("Civil conspiracy is not an independent cause of action . . . [i]nstead, it is a
13 theory of co-equal legal liability under which certain defendants may be held liable for 'an
14 independent civil wrong.'). Defendants conspired to, and did, violate the FLSA by failing to pay
15 Plaintiffs and the Collective Action members wages. Defendants agreed to a common plan or design
16 to accomplish their tortious acts, with full knowledge of the conspiracy's unlawful purposes.

17 94. WHEREFORE, Plaintiffs, on behalf of themselves and all members of the proposed
18 Collective Action seek to represent, prays for relief as follows:

- 19 a. for an order certifying that the first claim of this First Amended Complaint may be
20 maintained as a collective action pursuant to 29 U.S.C. § 216(b) and that prompt notice
21 of this action be issued to potential members of the opt-in Collective Action, apprising
22 them of the pendency of this action, and permitting them to assert timely FLSA claims;
- 23 b. designation of Plaintiffs as representatives for the FLSA claims and Plaintiffs'
24 attorneys as counsel for the Collective Action;
- 25 c. appropriate equitable relief to remedy Defendants' violations of the FLSA, including
26 but not limited to, an order enjoining Defendants from continuing its unlawful
27 practices;
- 28 d. all unpaid minimum wages, as calculated by the applicable provisions of the FLSA at

- 1 29 U.S.C. §§ 201 *et seq.*, and applicable regulations promulgated in the Code of
2 Federal Regulations and/or opinions and directives of the Department of Labor;
3 e. all appropriate federal statutory penalties;
4 f. an award of liquidated damages pursuant to the FLSA, and according to proof;
5 g. pre-Judgement and post-Judgment interest, as provided by law;
6 h. attorneys' fees and costs of suit including expert fees, as permitted by the FLSA and/or
7 federal law;
8 i. such other equitable relief as the Court may deem just and proper.

9 **SECOND CLAIM FOR RELIEF**

10 **Failure to Pay Minimum Wage (Cal. Lab. Code §§ 1182.12, 1194, 1194.2, 1197, 1197.1)**

11 **(By Plaintiffs Hu, Ramirez, and Fei, and California Subclass Against All Defendants)**

12 95. Plaintiffs incorporate by reference the allegations in the preceding paragraphs as if fully
13 set forth herein.

14 96. California Labor Code §§ 1182.12, 1194, 1194.2, 1197, 1197.1 and the Industrial
15 Welfare Commission Wage Orders 4-2001 entitle non-exempt employees to an amount equal to or
16 greater than the minimum wage for all hours worked.

17 97. Defendants did not, and do not, compensate Plaintiffs Hu, Ramirez, and Fei or the
18 California Subclass for time spent performing data collection and analysis services, or training for the
19 same. At this time, Plaintiffs estimate that each Plaintiff and California Subclass member provided six
20 to ten hours of work for each of the ten, or more, weeks that the Plaintiffs and California Subclass
21 members participated in the GFDP.

22 98. As a result of these violations, Defendants are liable to Plaintiffs Hu, Ramirez, and Fei
23 and the California Subclass for failure to pay minimum wage, pursuant to California Labor Code §§
24 558, 1197.1, and 2698.

25 99. Plaintiffs Hu, Ramirez, and Fei, on behalf of themselves and the California Subclass,
26 seek damages in the amount of their respective unpaid minimum wage compensation, liquidated
27 damages as provided by California Labor Code § 1194.2, interest, attorneys' fees and costs, as
28 permitted by California Labor Code § 1194, and such other legal and equitable relief as this Court

1 deems just and proper.

2 100. At all-times relevant to this First Amended Complaint, since three years prior to the
3 commencement of this action, Plaintiffs Hu, Ramirez, and Fei and the California Subclass, as alleged
4 herein, claim that each Defendant willfully failed to pay minimum wage owed to Plaintiffs and the
5 California Subclass members for all of his/her/their hours worked per workweek, in violation of the
6 above-cited provisions.

7 101. Defendants are independently liable as a result of their own actions and inactions.
8 Defendants are also jointly and severally liable as co-conspirators. *See Navarrete v. Meyer*, 237 Cal.
9 App. 4th 1276 (2015) (“Civil conspiracy is not an independent cause of action . . . [i]nstead, it is a
10 theory of co-equal legal liability under which certain defendants may be held liable for ‘an
11 independent civil wrong.’”). Defendants conspired to, and did, violate the above-cited provisions by
12 failing to pay Plaintiffs Hu, Ramirez, and Fei and the California Subclass members wages. Defendants
13 agreed to a common plan or design to accomplish their tortious acts, with full knowledge of the
14 conspiracy’s unlawful purposes.

15 **THIRD CLAIM FOR RELIEF**

16 **Failure to Provide Accurate Wage Statements (Cal. Lab. Code § 226)**

17 **(By Plaintiffs Hu, Ramirez, and Fei, and California Subclass Against All Defendants)**

18 102. Plaintiffs incorporate by reference the allegations in the preceding paragraphs as if fully
19 set forth herein.

20 103. Labor Code § 226 requires an employer to furnish its employees with an accurate
21 itemized statement in writing showing, among other things: (1) all applicable hourly rates in effect
22 during each respective pay period and the corresponding number of hours worked by each respective
23 individual; (2) total hours worked by each respective individual; (3) gross wages earned; (4) net wages
24 earned; (5) all deductions; (6) inclusive dates of the period for which the employee is paid; (7) the
25 name of the employee and an employee identification or social security number; and (8) the name and
26 address of the legal entity that is the employer.

27 104. As a pattern and practice, in violation of Labor Code § 226(a), Defendants did not, and
28 do not, provide Plaintiffs Hu, Ramirez, and Fei or the California Subclass members with accurate

1 itemized wages statements, or any statement whatsoever.

2 105. As a result of Defendants' failure to provide accurate itemized wages statements,
3 Plaintiffs Hu, Ramirez, and Fei and the California Subclass members suffered actual damages and
4 harm by being unable to determine their applicable hourly rate or the amount of hours worked each
5 pay period, which prevented them from becoming aware of these violations and asserting their
6 statutory protections under California law.

7 106. Defendants have knowingly and intentionally failed to comply with Labor Code §
8 226(a) by failing to provide any wage statement to Plaintiffs Hu, Ramirez, and Fei or the California
9 Subclass members.

10 107. Pursuant to Labor Code § 226(e), Plaintiffs Hu, Ramirez, and Fei and the California
11 Subclass members are entitled to recover the greater of all actual damages or fifty dollars (\$50.00) for
12 the initial pay period in which a violation occurs and one hundred dollars (\$100.00) per employee for
13 each violation in a subsequent pay period, not exceeding an aggregate penalty of four thousand dollars
14 (\$4,000.00) per employee.

15 108. The Plaintiffs Hu, Ramirez, and Fei and California Subclass are entitled to an award of
16 costs and reasonable attorneys' fees under Labor Code § 226(h).

17 109. Defendants are independently liable as a result of their own actions and inactions.
18 Defendants are also jointly and severally liable as co-conspirators. *See Navarrete v. Meyer*, 237 Cal.
19 App. 4th 1276 (2015) ("Civil conspiracy is not an independent cause of action . . . [i]nstead, it is a
20 theory of co-equal legal liability under which certain defendants may be held liable for 'an
21 independent civil wrong.'). Defendants conspired to, and did, violate the above-cited provisions by
22 failing to provide Plaintiffs Hu, Ramirez, and Fei and the California Subclass members with wage
23 statements. Defendants agreed to a common plan or design to accomplish their tortious acts, with full
24 knowledge of the conspiracy's unlawful purposes.

25 **FOURTH CLAIM FOR RELIEF**

26 **Failure to Reimburse Required Business Expenses (Cal. Lab. Code § 2802)**

27 **(By Plaintiffs Hu, Ramirez, and Fei, and California Subclass Against All Defendants)**

28 110. Plaintiffs incorporate by reference the allegations in the preceding paragraphs as if fully

1 set forth herein.

2 111. Labor Code § 2802 provides that “[a]n employer shall indemnify his or her employee
3 for all necessary expenditures or losses incurred by the employee in direct consequence of the
4 discharge of his or her duties.”

5 112. Plaintiffs Hu, Ramirez, and Fei and the California Subclass members incurred
6 reasonable and necessary expenses in the course of completing their job duties, which were not
7 reimbursed by Defendants. These expenses include paying a \$2,413 (or more) course fee to
8 Defendants (through BizQualify), and computer, internet, and related costs.

9 113. Plaintiffs Hu, Ramirez, and Fei and the California Subclass members are entitled to
10 reimbursement for these necessary expenditures, plus interest and attorneys’ fees and costs, under
11 Labor Code § 2802.

12 114. Defendants are independently liable as a result of their own actions and inactions.
13 Defendants are also jointly and severally liable as co-conspirators. *See Navarrete v. Meyer*, 237 Cal.
14 App. 4th 1276 (2015) (“Civil conspiracy is not an independent cause of action . . . [i]nstead, it is a
15 theory of co-equal legal liability under which certain defendants may be held liable for ‘an
16 independent civil wrong.’”). Defendants conspired to, and did, violate the above-cited provisions by
17 failing to reimburse Plaintiffs Hu, Ramirez, and Fei and the California Subclass members’ reasonable
18 and necessary expenses. Defendants agreed to a common plan or design to accomplish their tortious
19 acts, with full knowledge of the conspiracy’s unlawful purposes.

20 **FIFTH CLAIM FOR RELIEF**

21 **Failure to Pay Wages Upon Discharge (Cal. Lab. Code §§ 201-203)**

22 **(By Plaintiffs Hu, Ramirez, and Fei, and California Subclass Against All Defendants)**

23 115. Plaintiffs incorporate by reference the allegations in the preceding paragraphs as if fully
24 set forth herein.

25 116. Labor Code § 203 provides that if an employer willfully fails to pay, without abatement
26 or reduction, in accordance with Labor Code §§ 201, 201.5, 202, and 205.5, any wages of an
27 employee who is discharged or who quits, the wages of the employee shall continue as a penalty from
28 the due date thereof at the same rate until paid or until an action therefore is commenced; but wages

1 shall not continue for more than thirty (30) days.

2 117. Defendants had a constituent and uniform policy, practice, and procedure of willfully
3 failing to pay the earned wages of Defendants' former employees, including, but not limited to, the
4 failure to pay minimum wage and other forms of compensation in an amount according to proof.

5 118. Plaintiffs Hu, Ramirez, and Fei and the California Subclass members are no longer
6 employed by Defendants, having either been discharged from or quit their employ.

7 119. Defendants willfully failed to pay Plaintiffs Hu, Ramirez, and Fei and the California
8 Subclass members for monies earned within seventy-two (72) hours of their resignation, failed to pay
9 those sums for thirty (30) days thereafter, and continue to owe such sums.

10 120. Defendants willful failure to pay wages to Plaintiffs Hu, Ramirez, and Fei and the
11 California Subclass violates Labor Code § 203, and Plaintiffs and the California Subclass members are
12 entitled to penalties in the amount of their respective daily wages multiplied by thirty (30) days, plus
13 the full amount of the unpaid wages, plus interest, reasonable attorneys' fees and costs of suit.

14 121. Defendants are independently liable as a result of their own actions and inactions.
15 Defendants are also jointly and severally liable as co-conspirators. *See Navarrete v. Meyer*, 237 Cal.
16 App. 4th 1276 (2015) ("Civil conspiracy is not an independent cause of action . . . [i]nstead, it is a
17 theory of co-equal legal liability under which certain defendants may be held liable for 'an
18 independent civil wrong.'"). Defendants conspired to, and did, violate the above-cited provisions by
19 failing to pay Plaintiffs and the California Subclass members wages upon their discharge. Defendants
20 agreed to a common plan or design to accomplish their tortious acts, with full knowledge of the
21 conspiracy's unlawful purposes.

22 **SIXTH CLAIM FOR RELIEF**

23 **False Advertising (Cal. Bus. & Prof. Code §§ 17500)**

24 **(By All Plaintiffs and Class Against All Defendants)**

25 122. Plaintiffs incorporate by reference the allegations in the preceding paragraphs as if fully
26 set forth herein.

27 123. California Business and Professions Code § 17500 *et seq.* prohibits various deceptive
28 practices in connection with the dissemination in any manner of representations which are likely to

1 deceive members of the public to purchase products and services, such as enrolling in Defendants’
2 fraudulent GFDP in exchange for a course fee.

3 124. Defendants’ acts and practices as described herein have deceived and/or are likely to
4 deceive Plaintiffs and Class members. Defendants use of UC Berkeley and UCLA insignia, statements
5 indicating that UC Berkeley and/or UCLA sponsor or are affiliated with the GFDP, and statements
6 indicating that enrollees in the program will receive meaningful educational instruction, a certification
7 of completion, and letter of recommendation, were all false, deceptive, and misleading to consumers,
8 including to Plaintiffs and the Class.

9 125. By their actions, Defendants have been and are disseminating uniform advertising,
10 including advertisements attached hereto, which by its nature is unfair, deceptive, untrue, or
11 misleading within the meaning of California Business and Professions Code § 17500 *et seq.* Such
12 advertisements are likely to deceive, and continue to deceive, the consuming public for the reasons
13 detailed above.

14 126. Defendants intended that Plaintiffs and Class members rely upon the false
15 advertisements and numerous material misrepresentations as set forth more fully above.

16 127. Plaintiffs and the Class members relied upon the advertisements and misrepresentations
17 to their detriment.

18 128. The above-described false, misleading, deceptive advertising Defendants disseminated
19 continues to have likelihood to deceive the consuming public.

20 129. Plaintiffs and the Class are entitled to recover restitutionary damages, penalties, and
21 permanent and temporary injunctive relief to prevent Defendants from continuing in their deceptive
22 advertising campaign.

23 130. Defendants are independently liable as a result of their own actions and inactions.
24 Defendants are also jointly and severally liable as co-conspirators. *See Navarrete v. Meyer*, 237 Cal.
25 App. 4th 1276 (2015) (“Civil conspiracy is not an independent cause of action . . . [i]nstead, it is a
26 theory of co-equal legal liability under which certain defendants may be held liable for ‘an
27 independent civil wrong.’”). Defendants conspired to, and did, violate the above-cited provisions by
28 falsely advertising the GFDP. Defendants agreed to a common plan or design to accomplish their

1 tortious acts, with full knowledge of the conspiracy’s unlawful purposes.

2 **SEVENTH CLAIM FOR RELIEF**

3 **Unfair Competition (Cal. Bus. & Prof. Code §§ 17200)**

4 **(By All Plaintiffs and Class Against All Defendants)**

5 131. Plaintiffs incorporate by reference the allegations in the preceding paragraphs as if fully
6 set forth herein.

7 132. California Business & Professions Code § 17200 *et seq.* prohibits any unlawful, unfair,
8 or fraudulent business practice.

9 133. Defendants’ actions and omissions as described herein constitute unlawful, unfair, and
10 fraudulent activities as proscribed by California’s unfair competition law. Defendants violated the
11 laws stated herein, including California Civil Code §§ 1709, 1710, 1710(2), 1750, 17500, and
12 California Penal Code § 496.

13 134. Defendants’ fraudulent advertisements and false promises of providing Plaintiffs and
14 the Class with meaningful educational instruction, a course certification, and a letter of
15 recommendation were unlawful, unfair, and fraudulent. Such practices are unethical, oppressive, and
16 unscrupulous, and they violated fundamental policies of the State of California.

17 135. Defendants’ conduct caused and continues to cause substantial injury to Plaintiffs and
18 other Class members. Plaintiffs have suffered injury and lost money as a result of Defendants’
19 unlawful, unfair, and fraudulent conduct.

20 136. Accordingly, Plaintiffs and the Class are entitled to restitutionary and temporary and
21 permanent injunctive relief.

22 137. Defendants are independently liable as a result of their own actions and inactions.
23 Defendants are also jointly and severally liable as co-conspirators. *See Navarrete v. Meyer*, 237 Cal.
24 App. 4th 1276 (2015) (“Civil conspiracy is not an independent cause of action . . . [i]nstead, it is a
25 theory of co-equal legal liability under which certain defendants may be held liable for ‘an
26 independent civil wrong.’”). Defendants conspired to, and did, violate the above-cited provisions by
27 engaging in unlawful, unfair, and fraudulent business practices. Defendants agreed to a common plan
28 or design to accomplish their tortious acts, with full knowledge of the conspiracy’s unlawful purposes.

EIGHTH CLAIM FOR RELIEF

Violation of Consumer Legal Remedies Act (Cal. Bus. & Prof. Code §§ 1750 *et seq.*)

(By All Plaintiffs and Class Against All Defendants)

138. Plaintiffs incorporate by reference the allegations in the preceding paragraphs as if fully set forth herein.

139. The California Consumer Legal Remedies Act, Cal. Civ. Code § 1750 *et seq.*, provides protection for consumers against unfair, deceptive, and unlawful practices, and unconscionable commercial practices in connection with the sale of any goods or services in California.

140. Plaintiffs and the Class are “consumers” as defined by Cal. Civ. Code § 1761(d). Plaintiffs and the Class members paid at least \$2,413 to enroll in Defendants’ fraudulent GFDP, in exchange for meaningful educational instruction, a course certification, and a letter of recommendation, which constituted “goods” and “services” as defined by Cal. Civ. Code § 1761(a)-(b).

141. Defendants’ actions violated Cal. Civ. Code § 1770(a) in the following respects:

a. passing off the GFDP, and its related goods (i.e. certification and recommendation letter) and services (i.e. instruction), as those of UC Berkeley and UCLA, in violation of Civ. Code, § 1770(a)(1);

b. misrepresenting the source, sponsorship, approval, or certification of the GFDP, and its related goods (i.e. certification and recommendation letter) and services (i.e. instruction), as that of UC Berkeley and UCLA, in violation of Civ. Code, § 1770(a)(2);

c. misrepresenting the affiliation, connection, or association with, or certification of the GFDP, and its related goods (i.e. certification and recommendation letter) and services (i.e. instruction), as being with or by UC Berkeley and UCLA, in violation of Civ. Code, § 1770(a)(3);

d. misrepresenting that the GFDP, and its related goods (i.e. certification and recommendation letter) and services (i.e. instruction), has “sponsorship, approval, characteristics ingredients, uses, benefits, or quantities” that it does not have, including but not limited to Defendants’ misrepresentation that UC Berkeley and UCLA operate, endorse, sponsor, or approve of the GFDP, that Defendants will provide meaningful instruction, that Defendants will provide a certification and

1 recommendation letter upon completion of the GFDP, and that work performed by Plaintiffs and Class
2 in connection with the GFDP will meaningfully advance the students' career objectives, in violation of
3 Civ. Code, § 1770(a)(5);

4 e. misrepresenting that the instruction, certification, and letter of recommendation offered
5 through GFDP are of a particular standard, quality, and/or grade, when they are of another, lesser,
6 grade, in violation of Civ. Code § 1770(a)(7); and

7 f. advertising the GFDP, and its related goods (i.e. certification and recommendation
8 letter) and services (i.e. instruction), with the intent not to sell them as advertised or represented. Civ.
9 Code, § 1770(a)(9).

10 142. By reason of the foregoing, Plaintiff and the Class have been irreparably harmed,
11 entitling them to injunctive relief, disgorgement, and restitution. At this time, Plaintiffs seek
12 compensatory and punitive damages against BizQualify and Dr. Plehn-Dujowich, and injunctive relief
13 against all Defendants.

14 143. Pursuant to § 1782 of the CLRA, Plaintiffs notified Defendants Dr. Plehn-Dujowich
15 and BizQualify in writing of the particular violations of the CLRA and demanded Defendants rectify
16 the actions described above by providing complete monetary relief, agreeing to be bound by their legal
17 obligations and to give notice to all affected customers of their intent to do so. Plaintiffs sent this
18 notice by certified mail, return receipt request to Defendants Dr. Plehn-Dujowich and BizQualify's
19 principal place of business and place of employment.

20 144. As Powerlytics involvement in Defendants' fraudulent conspiracy was only recently
21 discovered at the time of this filing, Plaintiffs' claims against Powerlytics are limited to injunctive
22 relief, until such time as the statutory notice requirement has been satisfied. *See* Cal. Civ. Code §
23 1782(d). After satisfying the notice requirements with respect to Powerlytics, Plaintiffs will seek leave
24 to amend this First Amended Complaint to seek monetary damages, in addition to the injunctive relief
25 currently sought, against Powerlytics.

26 145. Defendants failed to adequately rectify, or state an interest in rectifying, their actions,
27 and, accordingly, Plaintiffs and the Class are entitled to compensatory and punitive damages, costs,
28 attorneys' fees, and any other relief which the Court deems proper.

1 146. Defendants are independently liable as a result of their own actions and inactions.
 2 Defendants are also jointly and severally liable as co-conspirators. *See Navarrete v. Meyer*, 237 Cal.
 3 App. 4th 1276 (2015) (“Civil conspiracy is not an independent cause of action . . . [i]nstead, it is a
 4 theory of co-equal legal liability under which certain defendants may be held liable for ‘an
 5 independent civil wrong.’”). Defendants conspired to, and did, violate the above-cited provisions by
 6 engaging in the above-described conduct. Defendants agreed to a common plan or design to
 7 accomplish their tortious acts, with full knowledge of the conspiracy’s unlawful purposes.

8 **NINTH CLAIM FOR RELIEF**

9 **Fraud (Cal. Civ. Code §§ 1709, 1710)**

10 **(By All Plaintiffs and Class Against All Defendants)**

11 147. Plaintiffs incorporate by reference the allegations in the preceding paragraphs as if fully
 12 set forth herein.

13 148. Defendants intentionally misrepresented to Plaintiffs and the Class the true nature of
 14 the GFDP – a program that benefits Defendants, not the program’s enrollees. Defendants knowingly
 15 lied to Plaintiffs and the Class, falsely promising to them that in exchange for paying a \$2,413 (or
 16 more) course fee Plaintiffs and the Class would receive meaningful educational instruction, a course
 17 certification from UC Berkeley and/or UCLA, and a letter of recommendation written by Dr. Plehn-
 18 Dujowich. At no time did Defendants intend to fulfill these false promises.

19 149. Defendants’ misrepresentations and false promises were material. Plaintiffs and the
 20 Class members would not have enrolled in the GFDP had they known the truth, namely, that they
 21 would be paying Defendants for the privilege of working for Defendants’ business without pay, and
 22 without any of the items Defendants promised.

23 150. Defendants intended for Plaintiffs and the Class members to rely on their
 24 misrepresentations and false promises, and Defendants had reason to expect that Plaintiffs and the
 25 Class members would so rely, due to their status as undergraduate or graduate students, and their
 26 interest in finance, accounting, economics, or related areas.

27 151. Plaintiffs and the Class members were justified in relying upon Defendants’
 28 misrepresentations and false promises, including because Defendants expended substantial efforts to

1 fraudulently advertise the GFDP through UC Berkeley, UCLA, and other reputable university
2 contacts, such as undergraduate advisors. Indeed, advertisements for the GFDP were posted on both
3 the UC Berkeley and UCLA websites, as a result of Defendants' fraudulent activities.

4 152. Plaintiffs and the Class members have been substantially harmed by Defendants'
5 misrepresentations and false promises because they paid Defendants a course fee; invested significant
6 time, energy, and resources into performing work for Defendants, without compensation; and
7 forewent career and educational opportunities to participate in the GFDP.

8 153. Plaintiffs are informed and believe, and thereon allege, that in performing the acts
9 herein alleged, Defendants, and each of them, acted with oppression, fraud, and malice, and that
10 Plaintiffs and the Class members are entitled to punitive damages to punish Defendants and to deter
11 such conduct in the future, in an amount to be determined at trial.

12 154. Defendants are independently liable as a result of their own actions and inactions.
13 Defendants are also jointly and severally liable as co-conspirators. *See Navarrete v. Meyer*, 237 Cal.
14 App. 4th 1276 (2015) ("Civil conspiracy is not an independent cause of action . . . [i]nstead, it is a
15 theory of co-equal legal liability under which certain defendants may be held liable for 'an
16 independent civil wrong.'). Defendants conspired to, and did, violate the above-cited provisions by
17 engaging in the above-described fraudulent conduct. Defendants agreed to a common plan or design to
18 accomplish their tortious acts, with full knowledge of the conspiracy's unlawful purposes.

19 **TENTH CLAIM FOR RELIEF**

20 **Negligent Misrepresentation (Cal. Civ. Code § 1710(2))**

21 **(By All Plaintiffs and Class Against All Defendants)**

22 155. Plaintiffs incorporate by reference the allegations in the preceding paragraphs as if fully
23 set forth herein.

24 156. Defendants intentionally, recklessly, or negligently misrepresented to Plaintiffs and the
25 Class that true nature of the GFDP—a program that benefits Defendants, not the program's enrollees.
26 Defendants misrepresented to Plaintiffs and the Class that, in exchange for a minimum \$2,413 course
27 fee, that Plaintiffs and the Class would receive meaningful educational instruction, a course
28 certification from UC Berkeley and/or UCLA, and a letter of recommendation written by the director

1 of a legitimate UC Berkeley and/or UCLA educational program. At no time did Defendants intend to
2 fulfill these false promises. Defendants did so without grounds for believing these representations and
3 promises to be true.

4 157. Defendants' misrepresentations and false promises were material. Plaintiffs and the
5 Class members would not have enrolled in the GFDP had they known the truth, that they would be
6 paying Defendants for the privilege of working for Defendants' business without pay, and without any
7 of the items Defendants promised.

8 158. Defendants intended for Plaintiffs and the Class members to rely on their
9 misrepresentations and false promises, and Defendants had reason to expect that Plaintiffs and the
10 Class members would so rely, due to their status as undergraduate or graduate students, and interest in
11 finance, accounting, economics, or related areas.

12 159. Plaintiffs and the Class members were justified in relying upon Defendants'
13 misrepresentations and false promises, because Defendants expended substantial efforts to
14 fraudulently advertise the GFDP through UC Berkeley, UCLA, and other reputable university
15 contacts, including undergraduate advisors. Indeed, advertisements for the GFDP were posted on both
16 the UC Berkeley and UCLA websites, as a result of Defendants fraudulent activities.

17 160. Plaintiffs and the Class members have been substantially harmed by Defendants'
18 misrepresentations and false promises because they paid Defendants a course fee, and invested
19 significant time, energy, and resources into performing work for Defendants, without compensation.

20 161. Defendants are independently liable as a result of their own actions and inactions.
21 Defendants are also jointly and severally liable as co-conspirators. *See Navarrete v. Meyer*, 237 Cal.
22 App. 4th 1276 (2015) ("Civil conspiracy is not an independent cause of action . . . [i]nstead, it is a
23 theory of co-equal legal liability under which certain defendants may be held liable for 'an
24 independent civil wrong.'). Defendants conspired to, and did, violate the above-cited provisions by
25 engaging in the above-described conduct. Defendants agreed to a common plan or design to
26 accomplish their tortious acts, with full knowledge of the conspiracy's unlawful purposes.

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ELEVENTH CLAIM FOR RELIEF

Breach of Implied Contract

(By All Plaintiffs and Class Against All Defendants)

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4 162. Plaintiffs incorporate by reference the allegations in the preceding paragraphs as if fully
5 set forth herein.

6 163. By their actions, Defendants entered into a contract with each Plaintiff and each Class
7 member whereby Plaintiffs and the Class members paid Defendants a course fee, in exchange for
8 Defendants promise to provide Plaintiffs and the Class members meaningful educational instruction, a
9 course certification, and a letter of recommendation.

10 164. Plaintiffs and the Class members satisfied all obligations pursuant to the implied
11 contract, by paying the course fee, and satisfying all obligations required by Defendants.

12 165. Defendants breached the implied contract by failing to provide meaningful education
13 instruction, a course certification, and a letter of recommendation to Plaintiffs and the Class members.

14 166. Plaintiffs the Class members have been harmed as a result of Defendants' breaches of
15 contract, and are entitled to damages in an amount to be determined at trial.

TWELFTH CLAIM FOR RELIEF

Quantum Meruit

(By All Plaintiffs and Class Against All Defendants)

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19 167. Plaintiffs incorporate by reference the allegations in the preceding paragraphs as if fully
20 set forth herein.

21 168. As a result of Defendants requests, representations, and instructions, Plaintiffs and the
22 Class members performed data collection and analysis services and incurred costs.

23 169. There was never any understanding between Plaintiffs, the Class, and Defendants, that
24 the services rendered were gratuitous. Rather, Plaintiffs and Class performed these services, to the sole
25 benefit of Defendants' business operations, in exchange for educational instruction, a certification, and
26 a letter of recommendation that were never provided.

27 170. Accordingly, Plaintiffs and the Class are entitled to recover the reasonable value of
28 such services rendered on behalf of, and for, Defendants.

1 171. Defendants are independently liable as a result of their own actions and inactions.
2 Defendants are also jointly and severally liable as co-conspirators. *See Navarrete v. Meyer*, 237 Cal.
3 App. 4th 1276 (2015) (“Civil conspiracy is not an independent cause of action . . . [i]nstead, it is a
4 theory of co-equal legal liability under which certain defendants may be held liable for ‘an
5 independent civil wrong.’”). Defendants conspired to, and did, violate the above-cited provisions by
6 engaging in the above-described conduct. Defendants agreed to a common plan or design to
7 accomplish their tortious acts, with full knowledge of the conspiracy’s unlawful purposes.

8 **THIRTEENTH CLAIM FOR RELIEF**

9 **Civil Theft (Cal. Pen. Code § 496)**

10 **(By All Plaintiffs and Class Against All Defendants)**

11 172. Plaintiffs incorporate by reference the allegations in the preceding paragraphs as if fully
12 set forth herein.

13 173. Cal. Penal Code § 496(a) provides that “[e]very person who buys or receives any
14 property that has been stolen or that has been obtained in any manner constituting theft or extortion,
15 knowing the property to be so stolen or obtained, or who conceals, sells, withholds, or aids in
16 concealing, selling, or withholding any property from the owner, knowing the property to be so stolen
17 or obtained, shall be punished” Cal. Penal Code § 496(c) provides that [a]ny person who has been
18 injured by a violation of subdivision (a) or (b) may bring an action for three times the amount of actual
19 damages, if any, sustained by the plaintiff, costs of suit, and reasonable attorney’s fees.” Citing Cal.
20 Penal Code §§ 484 and 532, the California Court of Appeal has held that theft by false pretenses
21 constitutes a violation of Cal. Penal Code § 496(a). *Bell v. Feibush*, 212 Cal. App. 4th 1041, 1043
22 (2013).

23 174. Defendants intentionally deceived Plaintiffs and the Class by falsely promising and
24 representing, including in writing, that, in exchange for paying Defendants a course fee of at least
25 \$2,413, Defendants would provide each Plaintiff and Class member with meaningful educational
26 instruction, a course certification from UC Berkeley or UCLA, and a letter of recommendation.

27 175. At no point did Defendants intend to fulfill these promises. Rather, Defendants
28 intended to steal, through false pretenses, thousands of dollars from Plaintiffs and the Class, knowing

1 that Defendants would never, and could never, uphold their end of the bargain.

2 176. In reliance on Defendants false promises and representations, Plaintiffs and the Class
3 members paid Defendants a minimum of \$2,413 each, yet Defendants did not fulfill their promises to
4 provide educational instruction, a course certification, or a letter of recommendation.

5 177. Through their theft, Defendants obtained, bought, received, concealed, sold, and/or
6 withheld Plaintiffs' and the Class's money, knowing it to be stolen, and Defendants possessed the
7 same. Despite Plaintiffs' demand that all stolen funds be returned to Plaintiffs and the Class,
8 Defendants have refused.

9 178. Defendants maliciously and ruthlessly deceived Plaintiffs and the Class, stealing
10 hundreds of thousands of dollars, and their labor, providing nothing of value in return. As a result of
11 their actions, Defendants are liable to Plaintiffs and the Class for the entire value of all sums paid to
12 Defendants, plus treble damages, the costs of suit, and reasonable attorneys' fees, pursuant to Cal.
13 Penal Code § 496(c). Plaintiffs are also informed and believe, and thereon allege, that in performing
14 the acts herein alleged, Defendants, and each of them, acted with oppression, fraud, and malice, and
15 that Plaintiffs and the Class members are entitled to punitive damages to punish Defendants and to
16 deter such conduct in the future, in an amount to be determined at trial.

17 179. Defendants are independently liable as a result of their own actions and inactions.
18 Defendants are also jointly and severally liable as co-conspirators. *See Navarrete v. Meyer*, 237 Cal.
19 App. 4th 1276 (2015) ("Civil conspiracy is not an independent cause of action . . . [i]nstead, it is a
20 theory of co-equal legal liability under which certain defendants may be held liable for 'an
21 independent civil wrong.'). Defendants conspired to, and did, violate the above-cited provisions by
22 engaging in the above conduct. Defendants agreed to a common plan or design to accomplish their
23 tortious acts, with full knowledge of the conspiracy's unlawful purposes.

24 **PRAYER FOR RELIEF**

25 WHEREFORE, Plaintiffs, on behalf of themselves and all other similarly situated, pray for
26 the following:

27 i. for an order certifying the Class and the California Subclass under Fed. R. Civ. P. 23
28 and naming Plaintiffs Qiuzi Hu, Edwin Ramirez, Ivan Ronceria, and Wenzhi Fei as the

1 representatives of the Class; Plaintiffs Qiuzi Hu, Edwin Ramirez, and Wenzhi Fei as representatives
2 of the California Subclass; and Plaintiffs’ attorneys as class counsel to represent members of the Class
3 and California Subclass;

4 ii. for compensatory, restitutionary, treble, and punitive damages against Defendants Dr.
5 Plehn-Dujowich, BizQualify, and Powerlytics on all claims, to the fullest extent permitted by law;

6 iii. for penalties to the fullest extent permitted by law;

7 iv. for temporary, preliminary, and permanent injunctive relief, enjoining Defendants
8 from: advertising the GFDP as being operated, endorsed, or sponsored by, or affiliated with, UC
9 Berkeley or UCLA; misrepresenting the source, sponsorship, or affiliation of the GFDP in any way; or
10 making false promises in connection with any efforts to recruit enrollees to the GFDP.

11 v. for an award of attorneys’ fees;

12 vi. for costs of suit incurred herein; and

13 vii. for such other and further relief as the Court deems just and proper.

14 Respectfully submitted,

15 Date: July 31, 2018

DHILLON LAW GROUP INC.

16 By: /s/ Harmeet K. Dhillon

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27 and Collective Action
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DEMAND FOR JURY TRIAL

Pursuant to Rule 38 of the Federal Rules of Civil Procedure, Plaintiffs demand trial by jury on all claims in this action of all issues so triable.

Date: July 31, 2018

DHILLON LAW GROUP INC.

By: /s/ Harmeet K. Dhillon
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