

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

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TOURO COLLEGE and TOURO COLLEGE	:	
JACOB D. FUCHSBERG LAW CENTER,	:	VERIFIED
on behalf of themselves and all other law schools similarly	:	COMPLAINT
situated,	:	CLASS ACTION
	:	
Plaintiffs,	:	
	:	Index No: _____/13
-against-	:	
	:	
NOVUS UNIVERSITY, NOVUS LAW SCHOOL, and	:	
NOVUS UNIVERSITY INTERNET PUBLISHING	:	
GROUP, INC.,	:	
	:	
Defendants.	:	
-----X		

I. INTRODUCTION

1. Plaintiffs Touro College and Touro College Jacob D. Fuchsberg Law Center (hereinafter collectively referred to as "Plaintiffs" or "Touro") bring this class action on behalf of themselves and all other law schools similarly situated (hereinafter "the Class").
2. This class action is brought in connection with Defendants Novus University, Novus Law Schools and Novus University Internet Publishing Group, Inc.s' (hereinafter collectively referred to as "Defendants" or "Novus"), false representations that it was an "international law school" authorized to confer Juris Doctor degrees to its graduates.
3. Touro reasonably relied upon the representation of facts made by Defendants and their alumni, (hereinafter "Graduates"), who sought to, and enrolled in, Masters of Law (LL.M.) programs for graduates of foreign law schools.
4. Novus graduates often apply and are erroneously accepted to American Bar Association accredited LL.M. programs.

5. Case in point, Plaintiffs were drawn into meritless litigation, which was directly caused by Defendants' misrepresentations.
6. Defendants have engaged in false, deceptive, misleading, and unfair practices by representing itself to be a *bona fide* foreign law school.
7. Defendants collected "tuition" from their students and conferred worthless law degrees.
8. The recipients of Defendants' "degrees" represented to Plaintiffs that they were graduates of a foreign law school, rather than an on-line school.
9. The false representations made by Graduates were directly predicated upon Novus's business practices and the information it provided to its students and consumers of legal education as a whole.
10. Touro, together with the Class, reasonably relied upon the representations made by Graduates, *to wit*, that they earned a legitimate Juris Doctor degree from a foreign law school.
11. Plaintiffs, in conjunction with the Class, seek a declaratory judgment, pursuant to Civil Practice Law and Rule § 3001 to deem Defendants Novus: (a) a "Diploma Mill" as defined by the Higher Education Opportunity Act of 2008;¹ (b) not authorized to confer law degrees in the United States, and (c) not sanctioned to operate in New York State and that any degree awarded in New York are illegal and invalid.
12. Plaintiffs, together with the Class, additionally request the awarding of such other and further relief the Court deems just and proper.

¹ 20 U.S.C. § 1003, as amended, defines Diploma Mills as "an entity that— (A)(i) offers, for a fee, degrees, diplomas, or certificates, that may be used to represent to the general public that the individual possessing such a degree, diploma, or certificate has completed a program of postsecondary education or training; and (ii) requires such individual to complete little or no education or coursework to obtain such degree, diploma, or certificate; and (B) lacks accreditation by an accrediting agency or association that is recognized as an accrediting agency or association of institutions of higher education (as such term is defined in section 102) by— (i) the Secretary pursuant to subpart 2 of part H of title IV; or (ii) a Federal agency, State government, or other organization or association that recognizes accrediting agencies or associations."

II. JURISDICTION AND VENUE

13. Pursuant to CPLR § 302 (a) (1), Novus's conduct subjects it to the personal jurisdiction of the courts of the State of New York.
14. Novus continuously conducted business activities, of a quality and nature, and availed itself of benefits of operating in New York and the increased business opportunities that it provides.
15. Defendant availed itself of business opportunities in New York in that it sought out students, including in New York, to enroll in its "online Juris Doctor degree program."
16. "Enrolled students" entered into a contract with Defendant; namely, payment of "tuition" in exchange for Novus's educational services and the conferring of a law degree at the "programs'" completion.
17. Novus tortious conduct outside New York caused injury to Plaintiffs, who are located in New York.
18. Defendants regularly solicit business in New York and derive substantial revenue from services rendered in New York.
19. Defendant expects or should reasonably expect that its actions would have direct consequences in New York. Further, Defendants derive substantial revenue from interstate commerce.
20. Defendants' business model rests upon purporting to be a *bona fide* law school and offering a worthless law degree upon completion of its "online Juris Doctor degree program."
21. Defendants' business amounts to being an educational service.
22. Defendants regularly solicit prospective "students" (business), from across the United States, including from New York.

23. Novus derived substantial revenue from persons who enrolled in Defendant's program and were from New York.
24. As New York is one of the largest legal markets in the United States, Novus reasonably foresaw that offering an online Juris Doctor degree program would directly impact persons in New York.
25. Novus derived substantial revenue from interstate commerce in that the persons who enrolled in Defendants' program were from New York.
26. By reason of the foregoing, Defendants' conduct subjects it to the personal jurisdiction of the courts of the State of New York, pursuant to CPLR § 302 (a) (3).
27. Novus can be served in California and the Marshall Islands.² Courts, including a Bankruptcy Court, have hailed Novus into "foreign" jurisdictions. *In re Ronnie Moore*, 407 B.R. 855 (Bankr. E.D.Va. 2009). Jurisdiction in New York is proper.
28. Pursuant to CPLR § 503, venue is proper in this Court because at least one party to this action resides within the County of New York.

III. PARTIES

Plaintiff—Touro

30. Touro is a not-for-profit education corporation organized and existing under the laws of the State of New York.
31. Touro's principal place of business is located at 27-33 West 23rd Street, New York, New York 10010.

² Courts have served Novus, at its address in Palmdale, California. *In re Ronnie Moore*, 407 B.R. 855, 856 (Bankr. E.D.Va. 2009). A Bankruptcy Court has also determined that service on "Novus University Corporation, c/o The Trust Company of the Marshall Islands, Inc." by first class mail, postage pre-paid at "Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, Marshall Islands 96960" to be valid and sufficient service. *Id.*, at 857. There the Court noted that "[a]lthough it is not entirely clear whether Novus University Corporation is in fact a non-resident domestic Marshall Islands corporation, the court, in the absence of information to the contrary, will assume that service on the Marshall Islands registered agent by first class mail, postage pre-paid, is sufficient under Rule 7004." *Id.* at 858 n.2.

32. Touro is an independent institution of higher and professional education, approved by the New York State Board of Regents, with several graduate programs including a law school.
33. Touro College Jacob D. Fuchsberg Law Center (hereinafter “Touro Law”) is an affiliate of Touro.
34. Touro Law is located at 225 Eastview Drive, Central Islip, New York 11722.
35. Touro Law is accredited by the American Bar Association (“ABA”).
36. Touro Law limits its matriculating students to those whose credentials comply with ABA’s regulations. Further, Touro Law admits students in accordance with its mission of educating future attorney who will be qualified, competent, and ethical.

Defendants—Novus

37. Novus University holds itself out as a “Registered and Chartered [sic] Private International Postsecondary Law School,” incorporated under the laws of the Marshall Islands, and its internet publishing and book-sharing operations are incorporated in California.
38. **At least as many as five times on its website, Novus incorrectly asserts that it is an “international” school.**
39. With respect to its law school, Novus states: “Novus Law School is the Graduate and Undergraduate Law School of Novus University.”
40. The web domain www.novus.edu is registered to Novus Law School.
41. The domain name was activated on March 25, 2003 and set to expire July 31, 2014.
42. The domain name registry indicates that: the school address is 3053 Rancho Vista Boulevard, Suite H # 387, Palmdale California 93551. The administrative contact is listed to be Natalie A. Handy, with the same address.

43. In furtherance of its scheme, Novus' website provides that it has no campus or public facilities and that it is principally an "International Web-Based Private Postsecondary Educational Institution."
44. Novus' website provides that it is a "member" of the United States Distance Learning Association (hereinafter "USDLA").
45. The USDLA is not listed on the United States Department of Education's database of Accrediting Agencies for Postsecondary Education.
46. The USDLA lists "Novus University Law School, *Palmdale, CA*" as "affiliated with USDLA through current membership not having accreditation with a U.S. Department of Education agency nor have they been accredited" by the USDLA.
47. The telephone number "*818-743-7888*" is listed on Novus' website.
48. The web domain registry lists the number "818-392-8260" as affiliated with Novus.
49. "*818*" is a *California* area code covering an area in the vicinity of Palmdale, California.
50. In California's records of business entities, Novus is listed as an "active" business.
51. The California's records of business entities provides that Novus' information is as such: Novus's entity name is "Novus University Internet Publishing Group Inc." and its entity number is C2842845. The date of filing is 09/13/2006; its status is active; the jurisdiction is California; the entity address is 3053 Rancho Vista Boulevard, #H387, Palmdale California, 93551; the agent for service of process is Natalie Handy; and the agent's address is the same as the entity's address.
52. Novus was previously recorded as an active business in the State of Mississippi.
53. In Mississippi, Novus was formed April 26, 2001 and was dissolved on December 26, 2007.

54. Records of business entities maintained by Mississippi's Secretary of State indicate that Novus operated as "Novus University International, Inc." when in Mississippi.
55. Mississippi records indicate that: the President was Natalie Handy, who maintained two addresses. One was at PO Box 6550, Diamondhead, Mississippi 39525, and the second was at 1040 Highway 49 South, Suite 310, Richland, Mississippi 39218. Novus's principal address was listed as 3090 Gause Boulevard #544, Slidell, Louisiana 70461.
56. The Novus of California and the Novus of Mississippi were both incorporated by Natalie Handy.
57. Despite Novus' unmistakable presence in California and Mississippi, Novus' website misrepresents that as a "Web-Based School Novus is NOT part of any Single Geo-Political System, Nation, Social or Religious System," and that it is an "International" school.
58. *The Texas Higher Education Coordinating Board ("THECB"), an agency of the State of Texas that oversees all public post-secondary education in Texas, classifies Novus on a list titled, "Institutions Whose Degrees are Illegal To Use in Texas."*
59. *The Oregon Student Access Commission, an agency of the State of Oregon that is tasked with the regulating and granting of degrees of institutions in Oregon, classifies Novus on a list titled "Unauthorized Schools and Invalid Degrees."*
60. Novus does not apprise the consumer of these facts, and in instead, refers to its degree as "prestigious."

IV. FACTUAL ALLEGATIONS

61. Plaintiffs together with the Class repeat and incorporate by reference the paragraphs above as if the same were set forth at length herein.

62. Novus' website represents to the public at large that it is a *bona fide* law school
63. Novus' website communicates to the public at large that it awards law degrees to its graduates upon completion of its "*online* Juris Doctor degree program."
64. Novus's business model is predicated entirely upon falsehoods, misstatements, half-truths, and hyperbole.
65. Novus writes on its website that: "Novus University Grants and Certifies Law Degrees under Corporate Educational Charter and the authority of the Novus University Board of Directors to graduates who meet School [] of Law Graduate Requirements" and that such degrees are awarded "Online via the World Wide Web (www)."
66. In another section of the website, Novus communicates that it confers degrees based upon the "power of the Novus University of the Marshall Islands."
67. *The Marshall Islands' Ministry of Education does not recognize Novus as an educational institution and has not "chartered" or approved it.*
68. Novus' website provides, in a section not directly accessible from the main page,³ that "Novus University's degree programs are not designed to meet any particular local, state or national licensing or credentialing laws, or to meet any requirements established by any private, independent professional associations." *See* 20 U.S.C. § 1003
69. Novus lists the following admission requirements on its website: (1) an Associate's Degree, or (2) sixty semester units, or (3) "five years professional, technical, management, or administrative experience." Plus, applicants are required to fill in general information and write why they are contemplating a law degree.

³ To reach this section, one begins at <http://www.novus.edu> (main page), clicks the link "General Information," then clicks the link "Program Information," and then will find the above-cited text at the very bottom of a long web page."

70. The cost for a “Juris Doctor” degree from Novus is \$6,195.00 (US dollars). A table of Novus’ “Supplemental Law School” of administrative fees and materials further adds to the base amount.
71. On its website, Novus equates its online “law school” with physical presence at an American Bar Association (“ABA”) accredited law schools. Novus’ website provides:
- (i) "Your online degree is just as valued as one earned in person, now."
 - (ii) “[Y]ou can make the case that a less expensive institution without ABA accreditation is just as useful as an expensive online institution with ABA accreditation or just approval. While the ABA approval of, say, Yale or Harvard would be nice, if you don't need it, the cost difference is extreme."
72. Novus describes itself, on its website, as being a “prestigious law school,” yet makes no mention of the states in which its degree is illegal or unauthorized.
73. The following representations appear on Novus’s website:
- (i) "Some of the best minds of our nation have law degrees that did not require an LSAT, and you will rank among them with your own JD degree."
 - (ii) "Many schools will demand that you take the LSAT . . . however, and if you don't have the time or inclination to study for the LSAT, Novus is a prestigious law schools where you can earn a law degree and go on to apply that knowledge and training to your career."
 - (iii) "Novus allows you to earn your law degree without an LSAT from the comfort of your own home. Once upon a time online degrees were seen as degree mills, and not trustworthy programs where you would actually learn your trade. High quality online programs have turned a corner and become largely accepted in the law community!"
 - (iv) “[A]s the Internet becomes more and more prevalent in education the likelihood of expanding ABA approval to worthy online programs increases.”
74. Novus’ website provides to its students that they can represent to the general public that they earned a “Juris Doctor.”

75. Novus communicates on its website that a Novus degree “qualifies you to be the authority on a number of different topics.”
76. Novus asserts on its website that it offers online law degrees through distance education, advertising as “allowing students the flexibility to complete their degree online – offline – anyplace – anywhere – anytime.”
77. Novus does not inform consumers in a *conspicuous* manner that its “Juris Doctor” degrees will not, generally, allow the recipient to practice in any United States court.
78. Novus is not accredited by the American Bar Association.
79. Novus does not make repeated or overtly conspicuous references through all sections of its website that it is not accredited by the ABA.
80. On the Novus website, in a section requiring multiple links to access,⁴ (hereinafter the “Buried Section”), Defendant makes mention of the ABA, the process to be licensed to practice law, and provides a lengthy “terms of service” provision.
81. In the Buried Section, Novus states how the “majority of states require graduation from a Law school accredited by the American Bar Association or approved by the state bar, The American Bar Association does not approve online or Distance Education Schools or Programs.”
82. It adds in the same Buried Section, that “[a]dmission to the practice of law in the United States of America is regulated by the State Bar Examiners.... The majority of states require graduation from a Law school accredited by the American Bar Association or approved by the state bar, The American Bar Association does not approve online or Distance Education Schools or Programs.”

⁴ To reach this section, one begins at <http://www.novus.edu> (main page), clicks the link “General Information,” then clicks the link “Program Information,” and then will find the above-cited text at the very bottom of a long web page.”

83. The Buried Section provides that seven states “allow apprenticeship as a method for meeting all or part of admission requirements.”
84. Novus’ website provides that it would “assist Novus University Graduates who establish apprenticeships program.”
85. Elsewhere on its website, Novus writes that the “District of Columbia rules state that Non ABA graduates may qualify by completing 26 units at an ABA School (see DC Rules). Further, a number of states may allow admission for non-ABA graduates if they complete a LLM from an ABA school.”
86. From another link, accessible from the Buried Section, but not directly from the main web page, Novus provides a “Terms of Service Section.”
87. The degree awarded by Novus at the completion of its “program” is used to misrepresent and mislead the general public into believing that the recipient has a Juris Doctor degree and completed a postsecondary education program.
88. Graduates represented to Plaintiffs that they were graduates of a “foreign law school” and had earned a Juris Doctor degree.
89. Graduates reasonably relied upon Defendants’ representations of fact, and sought to, and enrolled in, Masters of Law (LL.M.) programs for graduates of foreign law schools.
90. Plaintiffs were drawn into litigation with Graduates, who insisted that Novus was a foreign law school and that their “Juris Doctor” degrees were valid. *See, e.g., In the matter of the Application of Leodegario D. Salvador v. Touro College and Touro College Jacob D. Fuchsberg Law Center*, Index No. 102913/12 (Sup. Ct. N.Y. Co.).
91. Plaintiffs became embroiled in frivolous litigation after having reasonably relied upon misrepresentations made by applicants about their qualifications for admission

92. The representations made by Graduates, concerning their “Juris Doctor” and Novus’ principal place of business, were directly predicated upon the Defendants’ business practices and the information it provided on its website.
93. Defendants, by titling themselves a university, school of law, and conferring Juris Doctor degrees, are in breach of New York Education Law § 224 (hereinafter “EL”).
94. EL § 224 provides that:

No individual, association, partnership or corporation not holding university, college or other degree conferring powers by special charter from the legislature of this state or from the regents, shall confer any degree or use, advertise or transact business under the name university or college, or any name, title or descriptive material indicating or tending to imply that said individual, association, partnership or corporation conducts, carries on, or is a school of law, medicine, dentistry, pharmacy, veterinary medicine, nursing, optometry, podiatry, architecture or engineering, unless the right to do so shall have been granted by the regents in writing under their seal.

95. EL § 224, New York case law, and a New York Attorney General published opinion have affirmed the constitutionality of this provision and have construed it to apply extraterritorially.
96. Therefore, Defendants’ business practice of representing themselves online as a law school and conferring degrees violates New York law. It is immaterial that Novus erroneously claims to be international, or is situated in California; Defendants fraudulent activity reaches into New York and the state is permitted to enact legislation to protect its citizens against degrees that are designed to deceive and mislead individuals as to someone’s academic qualifications.

V. CLASS ACTION ALLEGATIONS

97. Plaintiffs, in conjunction with the Class, repeat and incorporate by reference the paragraphs above as if the same were set forth at length herein.

98. This action is brought and may properly be maintained as a class action pursuant to New York Civil Practice Law and Rules, Article 9.

99. Plaintiffs bring this action, on behalf of themselves and all other similarly situated, as representative members of the following proposed class (the “Class”):

All lawfully accredited law schools in the United States who suffered injury on account of Novus “law graduates” who represented themselves to possess a Juris Doctor degree from a foreign law school.

100. For the following reasons, this action fulfills the standards and requirements set forth in Article 9 of the CPLR.

i. The Parties are Numerous and Easily Ascertainable

101. Members of the Class are so numerous that joinder of all members is impracticable.

102. Members of the Class are lawfully accredited law schools in the United States, in which Novus “graduates” purported to and in fact, represented to admission committees that they possessed a Juris Doctor degree from a foreign law school.

ii. Common Questions of Law and Facts Predominate

103. There are questions of law and fact, common to the Class and predominates any questions affecting solely the individual class members. This question is: Whether Defendant is a “Diploma Mill” per the Higher Education Opportunity Act of 2008 (20 U.S.C. § 1003) for which any awarded diplomas are a nullity.

iii. Plaintiffs’ Claims Are Typical of the Class

104. Plaintiffs’ claims are typical of the claims of the Class, which all arise from the same operative facts and are based on the same legal theories.

iv. The Class Representatives Can Adequately Represent the Class

105. Plaintiffs will fairly and adequately protect the interests of the Class.

106. Plaintiffs and the Class are committed to vigorously prosecuting this action. They have the will, fortitude, and financial resources to litigate this action to conclusion.
107. Neither Plaintiffs nor the class has any interest that would cause them to not vigorously pursue the claims asserted herein.

v. A Class Action Provides a Substantial Benefit to the Courts and Litigants

108. A class action is a superior method for the fair and efficient adjudication of this controversy. Management of the class is likely to present few difficulties. Further, prosecutions of separate actions by individual members of the Class would create a risk of inconsistent or varying adjudications, result in the establishment of inconsistent or varying standards for the parties, and would not be in the interests of judicial economy.
109. As discovery bolsters the above allegations, Plaintiffs will seek to certify the Class pursuant to CPLR § 902.

VI. CLAIMS FOR RELIEF

**Cause of Action
(Declaratory Judgment)**

110. Plaintiffs, in conjunction with the Class, repeat and incorporate by reference the paragraphs above as if the same were set forth at length herein.
111. Pursuant to CPLR § 3001, this Court has the authority to declare the rights, status, or other legal relations of the parties before it.
112. There exists a genuine and justiciable controversy, concerning Plaintiffs and the Class's contention that Novus is a "diploma mill" as defined by 20 U.S.C. § 1003.
113. Defendant Novus is a business that offers a "Juris Doctor" degree program at a cost of \$6,195.00 (US dollars), plus administrative and materials expenses. The cost is for the entire "Degree Term" and is "charged in full at time of registration."

114. Graduates represent to the general public that they completed a postsecondary education program in the law.
115. Novus' websites provides, in a section titled "Juris Doctor (JD) Degree Requirements" that "achieving a Juris Doctorate degree online . . . can be very valuable for a variety of professions."
116. Novus is not accredited by the American Bar Association.
117. Novus lacks accreditation by any accrediting agency recognized by the U.S. Department of Education.
118. Any Juris Doctor degrees awarded by Novus are illusory and hollow.
119. Novus represents to its students, on its website, that they can represent to the general public that they have earned a Juris Doctor degree from a "prestigious law school."
120. Defendants' website provides: "Once upon a time online degrees were seen as degree mills, and not trustworthy programs where you would actually learn your trade. High quality online programs have turned a corner and become largely accepted in the law community! . . . Your online degree is just as valued as one earned in person, now. The education you'll receive at Novus and the opportunities it opens up for you are unparalleled."
121. Novus lists the following admission requirements on its website: (1) an Associate's Degree, or (2) sixty semester units, or (3) "five years professional, technical, management, or administrative experience." Plus, applicants are to fill in general information about themselves and write why they are contemplating a law degree.
122. Novus "graduates" are awarded a "Juris Doctor," which is used to represent to the general public that they completed the required coursework and studies, necessary to be

conferred a law degree. Yet, with all this supposed educational instruction, Novus does not employ faculty.

123. The Novus's website indicates that its courses are "taught" by "mentors" because Novus purportedly does not employ full time faculty.⁵
124. According to its website, Novus mentors "instruct" students exclusively via email and telephone.
125. Novus states on its website that grading of coursework is done by multiple choice.
126. The claims against Novus are valid and justifiable in that Novus claimed to be a foreign law school and awarded illusory law degrees to students, who subsequently sought to enroll in LL.M. programs for foreign educated attorneys or hold themselves out as legally being able to dispense legal advice.
127. Once Novus' hollow law degrees were discovered, students who relied upon Defendants' false statements caused Plaintiffs to become defendants in frivolous litigation. *See, Salvador v. Touro, supra.*
128. Novus' business practice of awarding worthless law degrees and misrepresenting its principal place of business directly caused Touro to become embroiled in litigation with at least one Novus graduate. *See, Salvador v. Touro, supra.*
129. If Novus graduates could erroneously be accepted to Plaintiffs' LL.M. program, on account of misleading and false representations perpetuated by the Defendant, other law schools could be similarly hoodwinked.

⁵

Of note, it is upon information and belief, that Novus is running afoul of its obligation to properly pay taxes. Novus is required to pay federal employment taxes for its employees, pursuant to the Federal Insurance Contributions Act and the Collection of Income Tax at Source on Wages law.

Novus titles the individuals who teach their students as "mentors." Presumably such workers are not classified as Novus employees. This appears to be a nefarious attempt to improvidently bolster its "international" status, among other nefarious things.


130. Novus is in violation of New York Education Law § 224 by titling itself a university and a school of law, and by conferring Juris Doctor degrees.

131. Plaintiffs together with the class are entitled to relief, to wit: declaratory judgment that: (a) Novus is a “diploma mill” as such term is defined in 20 U.S.C. § 1003, (b) Novus is not authorized to confer law degrees in the United States, (c) Novus is not authorized to operate in New York State and that any degree awarded in New York are illegal and invalid.

WHEREFORE, upon the forgoing facts, Plaintiffs pray for the following requested relief:

- (i) declaratory judgment that (a) Novus is a “diploma mill” as such term is defined in 20 U.S.C. § 1003, (b) Novus is not authorized to confer law degrees in the United States, and (c) Novus is not authorized to operate in New York State and that any degree awarded in New York are illegal and invalid;
- (ii) granting to Plaintiffs such other and further relief the Court deems just and proper.

Dated: New York, New York
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