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UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

IOLA FAVELL, SUE ZARNOWSKI,
MARIAH CUMMINGS, and AHMAD
MURTADA, *on behalf of themselves and
all others similarly situated,*

Plaintiffs,

vs.

UNIVERSITY OF SOUTHERN
CALIFORNIA and 2U, INC.,

Defendants.

Case No. 2:23-cv-00846-GW-MAR

Assigned to: Hon. George H. Wu

**DEFENDANT UNIVERSITY OF
SOUTHERN CALIFORNIA'S
ANSWER TO PLAINTIFFS'
SECOND AMENDED COMPLAINT**

Complaint filed: December 20, 2022
FAC filed: March 29, 2023
SAC filed: July 28, 2023

1 Defendant University of Southern California (“USC”), by and through
2 undersigned counsel, hereby answers Plaintiffs’ Second Amended Complaint (Dkt. 58)
3 as follows:

4 **ANSWER TO SECOND AMENDED COMPLAINT**

5 USC denies each and every allegation in Plaintiffs’ Second Amended Complaint,
6 except those expressly admitted below. USC adopts for convenience the headings used
7 in Plaintiffs’ Second Amended Complaint as reference only, and denies any allegations
8 implied thereby.

9 **INTRODUCTION**

10 1. USC admits that USC’s Rossier School of Education (“Rossier”) withdrew
11 from U.S. News and World Report’s (“U.S. News”) rankings for best graduate schools
12 of education (“Subject Rankings”) in March 2022, that the “single number” itself on the
13 Subject Rankings (*i.e.*, each school’s individual numerical ranking) is intended to
14 convey U.S. News’s opinion of a school’s academic quality, that USC retained Jones
15 Day to conduct an independent investigation into whether Rossier misreported data to
16 U.S. News for the Subject Rankings, that Jones Day concluded Rossier misreported
17 certain data to U.S. News with the understanding that doing so could result in a higher
18 ranking for Rossier in the Subject Rankings, and that Rossier withdrew from the Subject
19 Rankings because of such misreporting. USC denies that the “single number” itself on
20 the Subject Rankings (*i.e.*, each school’s individual numerical ranking) is intended to
21 convey, or does convey, a school’s selectivity or reputation. The remaining allegations
22 in Paragraph 1 are argumentative characterizations or opinions that do not state
23 allegations of fact calling for an answer from USC. To the extent an answer is required,
24 USC is without knowledge or information sufficient to form a belief as to the truth of
25 the remaining allegations in Paragraph 1 and, therefore, denies the same.

26 2. To the extent allegations in Paragraph 2 are directed to 2U, Inc. (“2U”), no
27 answer to such allegations is required from USC. To the extent an answer is required
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1 regarding allegations directed at 2U, USC is without knowledge or information
2 sufficient to form a belief as to the truth of such allegations, and, therefore, denies the
3 same. USC admits that 2U has an agreement with USC to provide services, including
4 services relating to technical support, advertising and recruiting, with respect to Rossier.
5 USC denies the allegation that 2U and USC “split the profits” with 2U “receiving an
6 estimated 60% of all tuition revenues, while USC . . . received only 40%.” The
7 remaining allegations in Paragraph 2 are argumentative characterizations, opinions, or
8 legal conclusions that do not state allegations of fact calling for an answer from USC.
9 To the extent an answer is required, USC denies the remaining allegations in
10 Paragraph 2.

11 3. To the extent allegations in Paragraph 3 are directed to 2U, no answer to
12 such allegations is required from USC. To the extent an answer is required regarding
13 allegations directed at 2U, USC is without knowledge or information sufficient to form
14 a belief as to the truth of such allegations, and, therefore, denies the same. To the extent
15 allegations in Paragraph 3 refer to statements in a U.S. News publication, USC states
16 that such publication speaks for itself. The remaining allegations in Paragraph 3 are
17 argumentative characterizations or opinions that do not state allegations of fact calling
18 for an answer from USC. To the extent an answer is required, USC denies the remaining
19 allegations in Paragraph 3.

20 4. USC admits that Rossier misreported selectivity data to U.S. News relating
21 to Rossier’s doctoral programs, that Rossier’s misreporting of selectivity data to U.S.
22 News began with the 2010 edition of the Subject Rankings (released in 2009), and that
23 Rossier’s online offerings expanded over time. USC states that enrollment in Rossier’s
24 online programs increased at times and decreased at times. To the extent allegations in
25 Paragraph 4 refer to statements in U.S. News publications, USC states that such
26 publications speak for themselves. USC denies the allegation that Rossier “was caught
27 in 2021.” The remaining allegations in Paragraph 4 are argumentative
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1 characterizations, opinions, or legal conclusions that do not state allegations of fact
2 calling for an answer from USC. To the extent an answer is required, USC denies the
3 remaining allegations in Paragraph 4.

4 5. To the extent allegations in Paragraph 5 are directed to 2U, no answer to
5 such allegations is required from USC. To the extent an answer is required regarding
6 allegations directed at 2U, USC is without knowledge or information sufficient to form
7 a belief as to the truth of such allegations, and, therefore, denies the same. To the extent
8 allegations in Paragraph 5 refer to statements in U.S. News publications, USC states
9 that such publications speak for themselves. USC denies the allegation that it “relied
10 exclusively” on the Subject Rankings in marketing Rossier. The remaining allegations
11 in Paragraph 5 are argumentative characterizations or opinions that do not state
12 allegations of fact calling for an answer from USC. To the extent an answer is required,
13 USC denies the remaining allegations in Paragraph 5.

14 6. To the extent allegations in Paragraph 6 are directed to 2U, no answer to
15 such allegations is required from USC. To the extent an answer is required regarding
16 allegations directed at 2U, USC is without knowledge or information sufficient to form
17 a belief as to the truth of such allegations, and, therefore, denies the same. To the extent
18 allegations in Paragraph 6 refer to a statement in the Jones Day report, USC states that
19 such report speaks for itself. USC admits that Rossier began offering a 2U-supported
20 online doctorate of education (“EdD”) program in 2015, and that Rossier did not report
21 selectivity data for online or on-campus EdD programs for the Subject Rankings. USC
22 denies the allegation that Rossier never submitted selectivity data for any other online
23 programs for the Subject Rankings. The remaining allegations in Paragraph 6 are
24 argumentative characterizations or opinions that do not state allegations of fact calling
25 for an answer from USC. To the extent an answer is required, USC denies the remaining
26 allegations in Paragraph 6.

1 7. To the extent allegations in Paragraph 7 are directed to 2U, no answer to
2 such allegations is required from USC. To the extent an answer is required regarding
3 allegations directed at 2U, USC is without knowledge or information sufficient to form
4 a belief as to the truth of such allegations, and, therefore, denies the same. To the extent
5 allegations in Paragraph 7 refer to statements in social media posts, press releases, the
6 Rossier webpage, or U.S. News publications, USC states that such social media posts,
7 press releases, webpage, and publications speak for themselves. USC is without
8 knowledge or information sufficient to form a belief as to the truth of the allegations in
9 Paragraph 7 regarding the referenced study and its speculative application to Rossier's
10 situation, and, therefore, denies the same. The remaining allegations in Paragraph 7 are
11 argumentative characterizations or opinions that do not state allegations of fact calling
12 for an answer from USC. To the extent an answer is required, USC denies the remaining
13 allegations in Paragraph 7.

14 8. To the extent allegations in Paragraph 8 are directed to 2U, no answer to
15 such allegations is required from USC. To the extent an answer is required regarding
16 allegations directed at 2U, USC is without knowledge or information sufficient to form
17 a belief as to the truth of such allegations, and, therefore, denies the same. USC is
18 without knowledge or information sufficient to form a belief as to the truth of the
19 allegation in Paragraph 8 regarding what applicants were told, and, therefore, denies the
20 same. USC denies any allegation or implication that selectivity data was reported or
21 omitted on the basis of whether programs were online or on-campus. The remaining
22 allegations in Paragraph 8 are argumentative characterizations, opinions, or legal
23 conclusions that do not state allegations of fact calling for an answer from USC. To the
24 extent an answer is required, USC denies the remaining allegations in Paragraph 8.

25 9. USC admits that Rossier withdrew from the Subject Rankings in March
26 2022 and that, on December 15, 2022, the dean of Rossier stated that Rossier voluntarily
27 decided to no longer participate in future editions of the Subject Rankings. USC denies
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1 the allegation in Paragraph 9 that Rossier withdrew to avoid “reveal[ing] its true
2 selectivity numbers” and denies the allegation that “the truth remains hidden.” The
3 remaining allegations in Paragraph 9 are argumentative characterizations, opinions, or
4 legal conclusions that do not state allegations of fact calling for an answer from USC.
5 To the extent an answer is required, USC denies the remaining allegations in
6 Paragraph 9.

7 10. To the extent allegations in Paragraph 10 are directed to 2U, no answer to
8 such allegations is required from USC. To the extent an answer is required regarding
9 allegations directed at 2U, USC is without knowledge or information sufficient to form
10 a belief as to the truth of such allegations, and, therefore, denies the same. To the extent
11 allegations in Paragraph 10 refer to statements in U.S. News publications, USC states
12 that such publications speak for themselves. USC admits that many Rossier students
13 were or wanted to be teachers. The remaining allegations in Paragraph 10 are
14 argumentative characterizations, opinions, or legal conclusions that do not state
15 allegations of fact calling for an answer from USC. To the extent an answer is required,
16 USC denies the remaining allegations in Paragraph 10.

17 11. USC admits that Plaintiffs bring this lawsuit on their own behalf and that
18 they purport to represent a class, but USC denies that this action can be maintained
19 individually or on behalf of any Class and denies that Plaintiffs or the proposed Class
20 are entitled to any relief. The remaining allegations in Paragraph 11 are opinions or
21 legal conclusions that do not state allegations of fact calling for an answer from USC.
22 To the extent an answer is required, USC denies the remaining allegations in
23 Paragraph 11.

THE PARTIES

12. USC is without knowledge or information sufficient to form a belief as to the truth of the allegation in Paragraph 12 and, therefore, denies the same.

13. USC is without knowledge or information sufficient to form a belief as to the truth of the allegation in Paragraph 13 and, therefore, denies the same.

14. USC is without knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 14 and, therefore, denies the same.

15. USC is without knowledge or information sufficient to form a belief as to the truth of the allegation in Paragraph 15 and, therefore, denies the same.

16. USC admits the allegations in Paragraph 16.

17. As the allegations in Paragraph 17 are directed to 2U, no answer is required from USC. To the extent an answer is required, USC is without knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 17 and, therefore, denies the same.

18. USC admits that Plaintiffs use the term “Defendants” to refer to USC, Rossier, and 2U collectively, but USC denies that doing so is appropriate.

19. To the extent allegations in Paragraph 19 are directed to 2U, no answer to such allegations is required from USC. To the extent an answer is required regarding allegations directed at 2U, USC is without knowledge or information sufficient to form a belief as to the truth of such allegations, and, therefore, denies the same. The remaining allegations in Paragraph 19 are legal conclusions that do not state allegations of fact calling for an answer from USC. To the extent an answer is required, USC denies the remaining allegations in Paragraph 19.

20. To the extent allegations in Paragraph 20 are directed to 2U, no answer to such allegations is required from USC. To the extent an answer is required regarding allegations directed at 2U, USC is without knowledge or information sufficient to form a belief as to the truth of such allegations, and, therefore, denies the same. The

1 remaining allegations in Paragraph 20 are legal conclusions that do not state allegations
2 of fact calling for an answer from USC. To the extent an answer is required, USC denies
3 the remaining allegations in Paragraph 20.

4 **JURISDICTION AND VENUE**

5 21. To the extent allegations in Paragraph 21 are directed to 2U, no answer to
6 such allegations is required from USC. To the extent an answer is required regarding
7 allegations directed at 2U, USC is without knowledge or information sufficient to form
8 a belief as to the truth of such allegations, and, therefore, denies the same. The
9 remaining allegations in Paragraph 21 are legal conclusions that do not state allegations
10 of fact calling for an answer from USC. To the extent an answer is required, USC
11 admits that jurisdiction and venue are proper in this Court with respect to the named
12 Plaintiffs' claims against USC.

13 22. USC admits that this action was originally filed in Los Angeles County
14 Superior Court, that 2U removed this action to this Court, that Plaintiffs filed an
15 amended complaint in this action seeking only damages and dismissing their equitable
16 causes of action, and that those dismissed equitable causes of action, with the exception
17 of unjust enrichment, are the basis of Plaintiffs' second filed action (Case No. 2:23-CV-
18 03389), which 2U also removed to this Court. The remaining allegations in
19 Paragraph 22 are legal conclusions that do not state allegations of fact calling for an
20 answer from USC. To the extent an answer is required, USC denies the remaining
21 allegations in Paragraph 22.

22 **FACTUAL ALLEGATIONS COMMON TO ALL CLAIMS**

23 **A. At the Heart of USC and 2U's Relationship....**

24 23. USC admits the allegations in Paragraph 23.

25 24. To the extent allegations in Paragraph 24 are directed to 2U, no answer to
26 such allegations is required from USC. To the extent an answer is required regarding
27 allegations directed at 2U, USC is without knowledge or information sufficient to form
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1 a belief as to the truth of such allegations, and, therefore, denies the same. USC admits
2 that 2U and USC entered into a services agreement that included developing an online
3 Master of Arts in Teaching (“MAT”) program for Rossier, which began in 2009. The
4 remaining allegations in Paragraph 24 are opinions or legal conclusions that do not state
5 allegations of fact calling for an answer from USC. To the extent an answer is required,
6 USC denies the remaining allegations in Paragraph 24.

7 25. To the extent allegations in Paragraph 25 are directed to 2U, no answer to
8 such allegations is required from USC. To the extent an answer is required regarding
9 allegations directed at 2U, USC is without knowledge or information sufficient to form
10 a belief as to the truth of such allegations, and, therefore, denies the same. To the extent
11 allegations in Paragraph 25 refer to statements in the cited statute, USC states that such
12 statute speaks for itself. The remaining allegations in Paragraph 25 are argumentative
13 characterizations, opinions, or legal conclusions that do not state allegations of fact
14 calling for an answer from USC. To the extent an answer is required, USC denies the
15 remaining allegations in Paragraph 25.

16 26. To the extent allegations in Paragraph 26 are directed to 2U, no answer to
17 such allegations is required from USC. To the extent an answer is required regarding
18 allegations directed at 2U, USC is without knowledge or information sufficient to form
19 a belief as to the truth of such allegations, and, therefore, denies the same. The
20 remaining allegations in Paragraph 26 are argumentative characterizations, opinions, or
21 legal conclusions that do not state allegations of fact calling for an answer from USC.
22 To the extent an answer is required, USC denies the remaining allegations in
23 Paragraph 26.

24 **1. USC Financially Incentivized....**

25 27. To the extent allegations in Paragraph 27 are directed to 2U, no answer to
26 such allegations is required from USC. To the extent an answer is required regarding
27 allegations directed at 2U, USC is without knowledge or information sufficient to form
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1 a belief as to the truth of such allegations, and, therefore, denies the same. USC admits
2 that 2U and USC entered into a services agreement with respect to Rossier on October
3 29, 2008, following the development and announcement of Rossier's first online MAT
4 program and before the MAT program began, that a version of this services agreement
5 is still in effect, and that it was previously amended when Rossier began offering a new
6 online EdD program. The remaining allegations in Paragraph 27 are argumentative
7 characterizations, opinions, or legal conclusions that do not state allegations of fact
8 calling for an answer from USC. To the extent an answer is required, USC denies the
9 remaining allegations in Paragraph 27.

10 28. To the extent allegations in Paragraph 28 are directed to 2U, no answer to
11 such allegations is required from USC. To the extent an answer is required regarding
12 allegations directed at 2U, USC is without knowledge or information sufficient to form
13 a belief as to the truth of such allegations, and, therefore, denies the same. To the extent
14 allegations in Paragraph 28 refer to statements in the cited 2U prospectus, USC states
15 that such prospectus speaks for itself. The remaining allegations in Paragraph 28 are
16 legal conclusions that do not state allegations of fact calling for an answer from USC.
17 To the extent an answer is required, USC denies the remaining allegations in
18 Paragraph 28.

19 29. To the extent allegations in Paragraph 29 are directed to 2U, no answer to
20 such allegations is required from USC. To the extent an answer is required regarding
21 allegations directed at 2U, USC is without knowledge or information sufficient to form
22 a belief as to the truth of such allegations, and, therefore, denies the same. To the extent
23 allegations in Paragraph 29 refer to statements in the cited letter or Wall Street Journal
24 report, USC states that such letter and report speak for themselves. The remaining
25 allegations in Paragraph 29 are argumentative characterizations, opinions, or legal
26 conclusions that do not state allegations of fact calling for an answer from USC. To the
27 extent an answer is required, USC denies the remaining allegations in Paragraph 29.

1 30. To the extent allegations in Paragraph 30 are directed to 2U, no answer to
2 such allegations is required from USC. To the extent an answer is required regarding
3 allegations directed at 2U, USC is without knowledge or information sufficient to form
4 a belief as to the truth of such allegations, and, therefore, denies the same. The
5 remaining allegations in Paragraph 30 are argumentative characterizations, opinions, or
6 legal conclusions that do not state allegations of fact calling for an answer from USC.
7 To the extent an answer is required, USC denies the remaining allegations in
8 Paragraph 30.

9 31. To the extent allegations in Paragraph 31 are directed to 2U, no answer to
10 such allegations is required from USC. To the extent an answer is required regarding
11 allegations directed at 2U, USC is without knowledge or information sufficient to form
12 a belief as to the truth of such allegations, and, therefore, denies the same. To the extent
13 allegations in Paragraph 31 refer to statements in the cited letter or Wall Street Journal
14 report, USC states that such letter and report speak for themselves. The remaining
15 allegations in Paragraph 31 are argumentative characterizations, opinions, or legal
16 conclusions that do not state allegations of fact calling for an answer from USC. To the
17 extent an answer is required, USC denies the remaining allegations in Paragraph 31.

18 32. To the extent allegations in Paragraph 32 are directed to 2U, no answer to
19 such allegations is required from USC. To the extent an answer is required regarding
20 allegations directed at 2U, USC is without knowledge or information sufficient to form
21 a belief as to the truth of such allegations, and, therefore, denies the same. To the extent
22 allegations in Paragraph 32 refer to statements in the cited webpages, USC states that
23 such webpages speak for themselves. The remaining allegations in Paragraph 32 are
24 argumentative characterizations or opinions that do not state allegations of fact calling
25 for an answer from USC. To the extent an answer is required, USC denies the remaining
26 allegations in Paragraph 32.

1 33. To the extent allegations in Paragraph 33 are directed to 2U, no answer to
2 such allegations is required from USC. To the extent an answer is required regarding
3 allegations directed at 2U, USC is without knowledge or information sufficient to form
4 a belief as to the truth of such allegations, and, therefore, denies the same. To the extent
5 allegations in Paragraph 33 refer to statements in the cited letter or webpage, USC states
6 that such letter and webpage speak for themselves. The remaining allegations in
7 Paragraph 33 are argumentative characterizations, opinions, or legal conclusions that
8 do not state allegations of fact calling for an answer from USC. To the extent an answer
9 is required, USC denies the remaining allegations in Paragraph 33.

10 **2. Defendants' Contract Lacked....**

11 34. USC admits the Department of Education published a Dear Colleague
12 letter in 2011 providing guidance on the Incentive Compensation Ban, including the
13 bundled services exception. To the extent allegations in Paragraph 34 refer to
14 statements in the Dear Colleague letter, USC states that such letter speaks for itself. The
15 remaining allegations in Paragraph 34 are opinions or legal conclusions that do not state
16 allegations of fact calling for an answer from USC. To the extent an answer is required,
17 USC denies the remaining allegations in Paragraph 34.

18 35. To the extent allegations in Paragraph 35 are directed to 2U, no answer to
19 such allegations is required from USC. To the extent an answer is required regarding
20 allegations directed at 2U, USC is without knowledge or information sufficient to form
21 a belief as to the truth of such allegations, and, therefore, denies the same. To the extent
22 allegations in Paragraph 35 refer to statements in the cited contract, USC states that
23 such contract speaks for itself. The remaining allegations in Paragraph 35 are opinions
24 or legal conclusions that do not state allegations of fact calling for an answer from USC.
25 To the extent an answer is required, USC denies the remaining allegations in
26 Paragraph 35.

1 36. USC admits that the referenced contract gives USC the right and
2 discretion to set admissions standards and determine which qualified students shall be
3 accepted. To the extent allegations in Paragraph 36 refer to statements in the cited
4 contract, USC states that such contract speaks for itself. The remaining allegations in
5 Paragraph 36 are opinions or legal conclusions that do not state allegations of fact
6 calling for an answer from USC. To the extent an answer is required, USC denies the
7 remaining allegations in Paragraph 36.

8 37. To the extent allegations in Paragraph 37 are directed to 2U, no answer to
9 such allegations is required from USC. To the extent an answer is required regarding
10 allegations directed at 2U, USC is without knowledge or information sufficient to form
11 a belief as to the truth of such allegations, and, therefore, denies the same. To the extent
12 allegations in Paragraph 37 refer to statements in the cited 2U prospectus, USC states
13 that such prospectus speaks for itself. The remaining allegations in Paragraph 37 are
14 argumentative characterizations, opinions, or legal conclusions that do not state
15 allegations of fact calling for an answer from USC. To the extent an answer is required,
16 USC denies the remaining allegations in Paragraph 37.

17 38. To the extent allegations in Paragraph 38 are directed to 2U, no answer to
18 such allegations is required from USC. To the extent an answer is required regarding
19 allegations directed at 2U, USC is without knowledge or information sufficient to form
20 a belief as to the truth of such allegations, and, therefore, denies the same. To the extent
21 allegations in Paragraph 38 refer to statements in the cited 2U prospectus, USC states
22 that such prospectus speaks for itself. The remaining allegations in Paragraph 38 are
23 argumentative characterizations, opinions, or legal conclusions that do not state
24 allegations of fact calling for an answer from USC. To the extent an answer is required,
25 USC denies the remaining allegations in Paragraph 38.

26 39. To the extent allegations in Paragraph 39 are directed to 2U, no answer to
27 such allegations is required from USC. To the extent an answer is required regarding
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1 allegations directed at 2U, USC is without knowledge or information sufficient to form
2 a belief as to the truth of such allegations, and, therefore, denies the same. USC admits
3 that some online classes were live, that, at times, Rossier used pre-recorded or other
4 asynchronous instruction, and that interest in the Rossier programs was not limited to
5 only those who wanted to live in Los Angeles. USC denies any implication that pre-
6 recorded or other asynchronous instruction is pedagogically inappropriate. The
7 remaining allegations in Paragraph 39 are argumentative characterizations, opinions, or
8 legal conclusions that do not state allegations of fact calling for an answer from USC.
9 To the extent an answer is required, USC denies the remaining allegations in
10 Paragraph 39.

11 40. To the extent allegations in Paragraph 40 are directed to 2U, no answer to
12 such allegations is required from USC. To the extent an answer is required regarding
13 allegations directed at 2U, USC is without knowledge or information sufficient to form
14 a belief as to the truth of such allegations, and, therefore, denies the same. To the extent
15 allegations in Paragraph 40 refer to statements in the cited transcript, USC states that
16 such transcript speaks for itself. The remaining allegations in Paragraph 40 are
17 argumentative characteristics, opinions, or legal conclusions that do not state allegations
18 of fact calling for an answer from USC. To the extent an answer is required, USC is
19 without knowledge or information sufficient to form a belief as to the truth of the
20 remaining allegations in Paragraph 40, and, therefore, denies the same.

21 41. To the extent allegations in Paragraph 41 are directed to 2U, no answer to
22 such allegations is required from USC. To the extent an answer is required regarding
23 allegations directed at 2U, USC is without knowledge or information sufficient to form
24 a belief as to the truth of such allegations, and, therefore, denies the same. The
25 remaining allegations in Paragraph 41 are argumentative characterizations or opinions
26 that do not state allegations of fact calling for an answer from USC. To the extent an
27 answer is required, USC denies the remaining allegations in Paragraph 41.

1 42. To the extent allegations in Paragraph 42 are directed to 2U, no answer to
2 such allegations is required from USC. To the extent an answer is required regarding
3 allegations directed at 2U, USC is without knowledge or information sufficient to form
4 a belief as to the truth of such allegations, and, therefore, denies the same. USC admits
5 that hundreds of students enroll every year at Rossier. The remaining allegations in
6 Paragraph 42 are argumentative characterizations, opinions, or legal conclusions that
7 do not state allegations of fact calling for an answer from USC. To the extent an answer
8 is required, USC denies the remaining allegations in Paragraph 42.

9 **3. To Ensure the Success....**

10 43. To the extent allegations in Paragraph 43 are directed to 2U, no answer to
11 such allegations is required from USC. To the extent an answer is required regarding
12 allegations directed at 2U, USC is without knowledge or information sufficient to form
13 a belief as to the truth of such allegations, and, therefore, denies the same. To the extent
14 allegations in Paragraph 43 refer to statements in the cited 2U prospectus, USC states
15 that such prospectus speaks for itself. USC admits that USC and 2U entered into a
16 services agreement with respect to Rossier in 2008. The remaining allegations in
17 Paragraph 43 are argumentative characterizations, opinions, or legal conclusions that
18 do not state allegations of fact calling for an answer from USC. To the extent an answer
19 is required, USC denies the remaining allegations in Paragraph 43.

20 44. To the extent allegations in Paragraph 44 are directed to 2U, no answer to
21 such allegations is required from USC. To the extent an answer is required regarding
22 allegations directed at 2U, USC is without knowledge or information sufficient to form
23 a belief as to the truth of such allegations, and, therefore, denies the same. To the extent
24 allegations in Paragraph 44 refer to statements in the cited contract, USC states that
25 such contract speaks for itself. The remaining allegations in Paragraph 44 are
26 argumentative characterizations, opinions, or legal conclusions that do not state
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1 allegations of fact calling for an answer from USC. To the extent an answer is required,
2 USC denies the remaining allegations in Paragraph 44.

3 45. To the extent allegations in Paragraph 45 refer to statements in the cited
4 contract or webpage, USC states that such contract and webpage speak for themselves.
5 The remaining allegations in Paragraph 45 are argumentative characterizations,
6 opinions, or legal conclusions that do not state allegations of fact calling for an answer
7 from USC. To the extent an answer is required, USC denies the remaining allegations
8 in Paragraph 45.

9 46. To the extent allegations in Paragraph 46 are directed to 2U, no answer to
10 such allegations is required from USC. To the extent an answer is required regarding
11 allegations directed at 2U, USC is without knowledge or information sufficient to form
12 a belief as to the truth of such allegations, and, therefore, denies the same. USC admits
13 that it is a non-profit university, that Rossier's on-campus programs are exclusively
14 delivered and administered by Rossier, and that Rossier's programs with on-campus
15 and online counterparts are equivalent. The remaining allegations in Paragraph 46 are
16 argumentative characterizations, opinions, or legal conclusions that do not state
17 allegations of fact calling for an answer from USC. To the extent an answer is required,
18 USC denies the remaining allegations in Paragraph 46.

19 47. USC admits that it maintained the Rossier website (located at
20 rossier.usc.edu) and that USC and 2U shared responsibility for managing the Rossier
21 website specific to online programs (located at rossieronline.usc.edu). To the extent
22 allegations in Paragraph 47 refer to statements in the cited webpages, such webpages
23 speak for themselves. The remaining allegations in Paragraph 47 are argumentative
24 characterizations, opinions, or legal conclusions that do not state allegations of fact
25 calling for an answer from USC. To the extent an answer is required, USC denies the
26 remaining allegations in Paragraph 47.

1 48. To the extent allegations in Paragraph 48 are directed to 2U, no answer to
2 such allegations is required from USC. To the extent an answer is required regarding
3 allegations directed at 2U, USC is without knowledge or information sufficient to form
4 a belief as to the truth of such allegations, and, therefore, denies the same. USC denies
5 the allegation that application advisors employed by 2U used “rossieronline.edu” email
6 addresses. The remaining allegations in Paragraph 48 are argumentative
7 characterizations, opinions, or legal conclusions that do not state allegations of fact
8 calling for an answer from USC. To the extent an answer is required, USC denies the
9 remaining allegations in Paragraph 48.

10 **B. Throughout the Class Period....**

11 49. To the extent allegations in Paragraph 49 are directed to 2U, no answer to
12 such allegations is required from USC. To the extent an answer is required regarding
13 allegations directed at 2U, USC is without knowledge or information sufficient to form
14 a belief as to the truth of such allegations, and, therefore, denies the same. To the extent
15 allegations in Paragraph 49 refer to a statement in a U.S. News publication, USC states
16 that such publication speaks for itself. USC admits that the doctoral selectivity data
17 Rossier submitted to U.S. News for the Subject Rankings included only PhD students
18 and excluded EdD students. The remaining allegations in Paragraph 49 are
19 argumentative characterizations, opinions, or legal conclusions that do not state
20 allegations of fact calling for an answer from USC. To the extent an answer is required,
21 USC denies the remaining allegations in Paragraph 49.

22 50. To the extent allegations in Paragraph 50 refer to statements in U.S. News
23 publications, USC states that such publications speak for themselves. USC admits that
24 Rossier reported a doctoral acceptance rate of 50.7% for the 2009 edition and a doctoral
25 acceptance rate of 10.5% for the 2010 edition of the Subject Rankings. USC further
26 states that Rossier did not offer an online doctoral program until 2015. The remaining
27 allegations in Paragraph 50 are argumentative characterizations, opinions, or legal
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1 conclusions that do not state allegations of fact calling for an answer from USC. To the
2 extent an answer is required, USC denies the remaining allegations in Paragraph 50.

3 51. To the extent allegations in Paragraph 51 are directed to 2U, no answer to
4 such allegations is required from USC. To the extent an answer is required regarding
5 allegations directed at 2U, USC is without knowledge or information sufficient to form
6 a belief as to the truth of such allegations, and, therefore, denies the same. USC denies
7 any allegation or implication that selectivity data was reported or omitted on the basis
8 of whether programs were online or on-campus. The remaining allegations in
9 Paragraph 51 are argumentative characterizations or opinions that do not state
10 allegations of fact calling for an answer from USC. To the extent an answer is required,
11 USC denies the remaining allegations in Paragraph 51.

12 **1. The US News Annual School Rankings...**

13 52. To the extent allegations in Paragraph 52 refer to statements in U.S. News
14 publications, USC states that such publications speak for themselves. USC is without
15 knowledge or information sufficient to form a belief as to the truth of the allegations
16 regarding the referenced study and its speculative application to Rossier's situation and,
17 therefore, denies the same. The remaining allegations in Paragraph 52 are opinions that
18 do not state allegations of fact calling for an answer from USC. To the extent an answer
19 is required, USC denies the remaining allegations in Paragraph 52.

20 53. The allegations in Paragraph 53 are opinions or legal conclusions that do
21 not state allegations of fact calling for an answer from USC. To the extent an answer
22 is required, USC denies the allegations in Paragraph 53.

23 54. USC admits that participation in U.S. News's rankings is voluntary. To
24 the extent allegations in Paragraph 54 refer to statements in the cited webpage, USC
25 states that the webpage speaks for itself. USC is without knowledge or information
26 sufficient to form a belief as to the truth of the allegations regarding Robert Morse's
27 role or experiences with U.S. News, and, therefore, denies the same. The remaining
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1 allegations in Paragraph 54 are opinions or legal conclusions that do not state allegations
2 of fact calling for an answer from USC. To the extent an answer is required, USC denies
3 the remaining allegations in Paragraph 54.

4 55. To the extent allegations in Paragraph 55 refer to statements in U.S. News
5 publications or the Jones Day report, USC states that such publications and report speak
6 for themselves. USC is without knowledge or information sufficient to form a belief as
7 to the truth of the remaining allegations in Paragraph 55, and, therefore, denies the same.

8 56. To the extent allegations in Paragraph 56 refer to statements in U.S. News
9 publications or the Jones Day report, USC states that such publications and report speak
10 for themselves. USC is without knowledge or information sufficient to form a belief as
11 to the truth of the remaining allegations in Paragraph 56, and, therefore, denies the same.

12 57. To the extent allegations in Paragraph 57 refer to statements in U.S. News
13 publications or the Jones Day report, USC states that such publications and report speak
14 for themselves. USC is without knowledge or information sufficient to form a belief as
15 to the truth of the remaining allegations in Paragraph 57, and, therefore, denies the same.

16 **2. For Years, USC Provided....**

17 58. To the extent allegations in Paragraph 58 refer to statements in U.S. News
18 publications, USC states that such publications speak for themselves. USC admits that,
19 in fall 2008, USC and 2U entered into a services agreement with respect to Rossier, and
20 that Rossier gathered data for students enrolled in the 2007-2008 academic year for the
21 2009 edition of the Subject Rankings. The remaining allegations in Paragraph 58 are
22 argumentative characterizations or opinions that do not state allegations of fact calling
23 for an answer from USC. To the extent an answer is required, USC denies the remaining
24 allegations in Paragraph 58.

25 59. To the extent allegations in Paragraph 59 refer to statements in U.S. News
26 publications or the Jones Day report, USC states that such publications and report speak
27 for themselves. USC admits that Rossier withdrew from the Subject Rankings in 2022.

1 The remaining allegations in Paragraph 59 are argumentative characterizations,
2 opinions, or legal conclusions that do not state allegations of fact calling for an answer
3 from USC. To the extent an answer is required, USC denies the remaining allegations
4 in Paragraph 59.

5 60. To the extent allegations in Paragraph 60 refer to statements in U.S. News
6 publications or the Jones Day report, USC states that such publications and report speak
7 for themselves. USC is without knowledge or information sufficient to form a belief as
8 to the truth of the remaining allegations in Paragraph 60, and, therefore, denies the same.

9 61. To the extent allegations in Paragraph 61 refer to statements in the Jones
10 Day report, USC states that such report speaks for itself. The remaining allegations in
11 Paragraph 61 are argumentative characterizations, opinions, or legal conclusions that
12 do not state allegations of fact calling for an answer from USC. To the extent an answer
13 is required, USC denies the remaining allegations in Paragraph 61.

14 62. USC admits that Rossier's EdD programs have higher admission rates than
15 Rossier's PhD program. USC is without knowledge or information sufficient to form a
16 belief as to the truth of the speculative allegation in Paragraph 62 regarding Rossier's
17 rank if data from EdD programs had been reported to U.S. News, and, therefore, denies
18 the same.

19 63. To the extent allegations in Paragraph 63 refer to statements in the Jones
20 Day report, USC states that such report speaks for itself. The remaining allegations in
21 Paragraph 63 are argumentative characterizations, opinions, or legal conclusions that
22 do not state allegations of fact calling for an answer from USC. To the extent an answer
23 is required, USC denies the remaining allegations in Paragraph 63.

24 64. To the extent allegations in Paragraph 64 are directed to 2U, no answer to
25 such allegations is required from USC. To the extent an answer is required regarding
26 allegations directed at 2U, USC is without knowledge or information sufficient to form
27 a belief as to the truth of such allegations, and, therefore, denies the same. To the extent
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1 allegations in Paragraph 64 refer to statements in the cited 2U prospectus, USC states
2 that such prospectus speaks for itself.

3 65. To the extent allegations in Paragraph 65 are directed to 2U, no answer to
4 such allegations is required from USC. To the extent an answer is required regarding
5 allegations directed at 2U, USC is without knowledge or information sufficient to form
6 a belief as to the truth of such allegations, and, therefore, denies the same. USC admits
7 that Rossier began offering a 2U-supported online EdD program in 2015. The
8 remaining allegations in Paragraph 65 are argumentative characterizations or opinions
9 that do not state allegations of fact calling for an answer from USC. To the extent an
10 answer is required, USC denies the remaining allegations in Paragraph 65.

11 66. The allegations in Paragraph 66 are argumentative characterizations or
12 opinions that do not state allegations of fact calling for an answer from USC. To the
13 extent an answer is required, USC denies the allegations in Paragraph 66.

14 67. To the extent allegations in Paragraph 67 are directed to 2U, no answer to
15 such allegations is required from USC. To the extent an answer is required regarding
16 allegations directed at 2U, USC is without knowledge or information sufficient to form
17 a belief as to the truth of such allegations, and, therefore, denies the same. To the extent
18 allegations in Paragraph 67 refer to statements in the Jones Day report, USC states that
19 such report speaks for itself. USC admits that Rossier began offering a 2U-supported
20 online Organizational Change and Leadership (“OCL”) EdD program in 2015, and that
21 Rossier did not report selectivity data for the OCL program to U.S. News for the 2017
22 edition of the Subject Rankings. The remaining allegations in Paragraph 67 are
23 argumentative characterizations or opinions that do not state allegations of fact calling
24 for an answer from USC. To the extent an answer is required, USC denies the remaining
25 allegations in Paragraph 67.

26 68. To the extent allegations in Paragraph 68 are directed to 2U, no answer to
27 such allegations is required from USC. To the extent an answer is required regarding
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1 allegations directed at 2U, USC is without knowledge or information sufficient to form
2 a belief as to the truth of such allegations, and, therefore, denies the same. To the extent
3 allegations in Paragraph 68 refer to statements in the Jones Day report, USC states that
4 such report speaks for itself. USC denies the allegation that Rossier did not report “any
5 selectivity data from its online programs” to U.S. News from 2016 onwards. The
6 remaining allegations in Paragraph 68 are argumentative characterizations or opinions
7 that do not state allegations of fact calling for an answer from USC. To the extent an
8 answer is required, USC denies the remaining allegations in Paragraph 68.

9 69. To the extent allegations in Paragraph 69 refer to statements in U.S. News
10 publications, USC states that such publications speak for themselves. The remaining
11 allegations in Paragraph 69 are argumentative characterizations or opinions that do not
12 state allegations of fact calling for an answer from USC. To the extent an answer is
13 required, USC denies the remaining allegations in Paragraph 69.

14 70. To the extent allegations in Paragraph 70 refer to statements in U.S. News
15 publications or the Jones Day report, USC states that such publications and report speak
16 for themselves. The remaining allegations in Paragraph 70 are argumentative
17 characterizations or opinions that do not state allegations of fact calling for an answer
18 from USC. To the extent an answer is required, USC denies the remaining allegations
19 in Paragraph 70.

20 71. To the extent allegations in Paragraph 71 refer to statements in the Jones
21 Day report, USC states that such report speaks for itself. The remaining allegations in
22 Paragraph 71 are argumentative characterizations, opinions, or legal conclusions that
23 do not state allegations of fact calling for an answer from USC. To the extent an answer
24 is required, USC denies the remaining allegations in Paragraph 71.

25 72. To the extent allegations in Paragraph 72 refer to statements in the Jones
26 Day report, USC states that such report speaks for itself. USC admits that Pedro
27 Noguera succeeded Karen Symms Gallagher as dean of Rossier in July 2020. The
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1 remaining allegations in Paragraph 72 are argumentative characterizations or opinions
2 that do not state allegations of fact calling for an answer from USC. To the extent an
3 answer is required, USC denies the remaining allegations in Paragraph 72.

4 73. To the extent allegations in Paragraph 73 refer to statements in the Jones
5 Day report, USC states that such report speaks for itself. The remaining allegations in
6 Paragraph 73 are argumentative characterizations or opinions that do not state
7 allegations of fact calling for an answer from USC. To the extent an answer is required,
8 USC denies the remaining allegations in Paragraph 73.

9 74. To the extent allegations in Paragraph 74 refer to statements in the Jones
10 Day report or cited letter, USC states that such report and letter speaks for themselves.
11 USC admits that Rossier withdrew from the Subject Rankings in 2022. The remaining
12 allegations in Paragraph 74 are argumentative characterizations or opinions that do not
13 state allegations of fact calling for an answer from USC. To the extent an answer is
14 required, USC denies the remaining allegations in Paragraph 74.

15 75. USC admits that, on December 15, 2022, it announced that Rossier would
16 no longer participate in the Subject Rankings. The remaining allegations in
17 Paragraph 75 are argumentative characterizations or opinions that do not state
18 allegations of fact calling for an answer from USC. To the extent an answer is required,
19 USC denies the remaining allegations in Paragraph 75.

20 **C. For Years, Defendants Marketed....**

21 76. To the extent allegations in Paragraph 76 are directed to 2U, no answer to
22 such allegations is required from USC. To the extent an answer is required regarding
23 allegations directed at 2U, USC is without knowledge or information sufficient to form
24 a belief as to the truth of such allegations, and, therefore, denies the same. The
25 remaining allegations in Paragraph 76 are argumentative characterizations, opinions, or
26 legal conclusions that do not state allegations of fact calling for an answer from USC.

1 To the extent an answer is required, USC denies the remaining allegations in
2 Paragraph 76.

3 77. To the extent allegations in Paragraph 77 are directed to 2U, no answer to
4 such allegations is required from USC. To the extent an answer is required regarding
5 allegations directed at 2U, USC is without knowledge or information sufficient to form
6 a belief as to the truth of such allegations, and, therefore, denies the same. The
7 remaining allegations in Paragraph 77 are argumentative characterizations, opinions, or
8 legal conclusions that do not state allegations of fact calling for an answer from USC.
9 To the extent an answer is required, USC denies the remaining allegations in
10 Paragraph 77.

11 78. To the extent allegations in Paragraph 78 are directed to 2U, no answer to
12 such allegations is required from USC. To the extent an answer is required regarding
13 allegations directed at 2U, USC is without knowledge or information sufficient to form
14 a belief as to the truth of such allegations, and, therefore, denies the same. The
15 remaining allegations in Paragraph 78 are argumentative characterizations, opinions, or
16 legal conclusions that do not state allegations of fact calling for an answer from USC.
17 To the extent an answer is required, USC denies the remaining allegations in
18 Paragraph 78.

19 79. As the allegations in Paragraph 79 are directed to 2U, no answer is required
20 from USC. To the extent an answer is required regarding allegations directed at 2U,
21 USC is without knowledge or information sufficient to form a belief as to the truth of
22 the allegations in Paragraph 79, and, therefore, denies the same.

23 80. As the allegations in Paragraph 80 are directed to 2U, no answer is required
24 from USC. To the extent an answer is required regarding allegations directed at 2U,
25 USC is without knowledge or information sufficient to form a belief as to the truth of
26 the allegations in Paragraph 80, and, therefore, denies the same.

1 81. As the allegations in Paragraph 81 are directed to 2U, no answer is required
2 from USC. To the extent an answer is required regarding allegations directed at 2U,
3 USC is without knowledge or information sufficient to form a belief as to the truth of
4 the allegations in Paragraph 81, and, therefore, denies the same.

5 82. As the allegations in Paragraph 82 are directed to 2U, no answer is required
6 from USC. To the extent an answer is required regarding allegations directed at 2U,
7 USC is without knowledge or information sufficient to form a belief as to the truth of
8 the allegations in Paragraph 82, and, therefore, denies the same.

9 83. To the extent allegations in Paragraph 83 and its subparagraphs refer to
10 statements in the cited press releases, USC states that such press releases speak for
11 themselves. USC admits that Rossier excluded data related to EdD students from the
12 doctoral selectivity data submitted to U.S. News, and states that Rossier did not offer
13 any online EdD programs until 2015. The remaining allegations in Paragraph 83 and
14 its subparagraphs are argumentative characterizations or opinions that do not state
15 allegations of fact calling for an answer from USC. To the extent an answer is required,
16 USC denies the remaining allegations in Paragraph 83.

17 84. To the extent allegations in Paragraph 84 refer to statements in the cited
18 tweets, USC states that such tweets speak for themselves. The remaining allegations in
19 Paragraph 84 are argumentative characterizations, opinions, or legal conclusions that
20 do not state allegations of fact calling for an answer from USC. To the extent an answer
21 is required, USC denies the remaining allegations in Paragraph 84.

22 85. To the extent allegations in Paragraph 85 refer to statements in the cited
23 tweet, USC states that such tweet speaks for itself. The remaining allegations in
24 Paragraph 85 are argumentative characterizations or opinions that do not state
25 allegations of fact calling for an answer from USC. To the extent an answer is required,
26 USC denies the remaining allegations in Paragraph 85.

1 86. To the extent allegations in Paragraph 86 are directed to 2U, no answer to
2 such allegations is required from USC. To the extent an answer is required regarding
3 allegations directed at 2U, USC is without knowledge or information sufficient to form
4 a belief as to the truth of such allegations, and, therefore, denies the same. To the extent
5 allegations in Paragraph 86 refer to statements in the cited webpage, USC states that
6 such webpage speaks for itself. The remaining allegations in Paragraph 86 are
7 argumentative characterizations or opinions that do not state allegations of fact calling
8 for an answer from USC. To the extent an answer is required, USC denies the remaining
9 allegations in Paragraph 86.

10 87. To the extent allegations in Paragraph 87 and its subparagraphs are
11 directed to 2U, no answer to such allegations is required from USC. To the extent an
12 answer is required regarding allegations directed at 2U, USC is without knowledge or
13 information sufficient to form a belief as to the truth of such allegations, and, therefore,
14 denies the same. To the extent allegations in Paragraph 87 and its subparagraphs refer
15 to statements in the cited webpage, USC states that such webpage speaks for itself. The
16 remaining allegations in Paragraph 87 and its subparagraphs are argumentative
17 characterizations, opinions, or legal conclusions that do not state allegations of fact
18 calling for an answer from USC. To the extent an answer is required, USC denies the
19 remaining allegations.

20 88. To the extent allegations in Paragraph 88 and its subparagraphs are
21 directed to 2U, no answer to such allegations is required from USC. To the extent an
22 answer is required regarding allegations directed at 2U, USC is without knowledge or
23 information sufficient to form a belief as to the truth of such allegations, and, therefore,
24 denies the same. To the extent allegations in Paragraph 88 and its subparagraphs refer
25 to statements in the cited webpages, USC states that such webpages speak for
26 themselves. The remaining allegations in Paragraph 88 and its subparagraphs are
27 argumentative characterizations, opinions, or legal conclusions that do not state
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1 allegations of fact calling for an answer from USC. To the extent an answer is required,
2 USC denies the remaining allegations in Paragraph 88.

3 89. To the extent allegations in Paragraph 89 are directed to 2U, no answer to
4 such allegations is required from USC. To the extent an answer is required regarding
5 allegations directed at 2U, USC is without knowledge or information sufficient to form
6 a belief as to the truth of such allegations, and, therefore, denies the same. To the extent
7 allegations in Paragraph 89 refer to statements or omissions in the cited advertisements,
8 USC states that such advertisements speak for themselves. The remaining allegations
9 in Paragraph 89 are argumentative characterizations, opinions, or legal conclusions that
10 do not state allegations of fact calling for an answer from USC. To the extent an answer
11 is required, USC denies the remaining allegations in Paragraph 89.

12 90. To the extent allegations in Paragraph 90 are directed to 2U, no answer to
13 such allegations is required from USC. To the extent an answer is required regarding
14 allegations directed at 2U, USC is without knowledge or information sufficient to form
15 a belief as to the truth of such allegations, and, therefore, denies the same. To the extent
16 allegations in Paragraph 90 refer to statements or omissions in the cited webpages, USC
17 states that such webpages speak for themselves. The remaining allegations in
18 Paragraph 90 are argumentative characterizations, opinions, or legal conclusions that
19 do not state allegations of fact calling for an answer from USC. To the extent an answer
20 is required, USC denies the remaining allegations in Paragraph 90.

21 91. To the extent allegations in Paragraph 91 are directed to 2U, no answer to
22 such allegations is required from USC. To the extent an answer is required regarding
23 allegations directed at 2U, USC is without knowledge or information sufficient to form
24 a belief as to the truth of such allegations, and, therefore, denies the same. To the extent
25 allegations in Paragraph 91 refer to statements in a U.S. News publication or the cited
26 Twitter page, USC states that such publication and Twitter page speak for themselves.
27 The remaining allegations in Paragraph 91 are argumentative characterizations,
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1 opinions, or legal conclusions that do not state allegations of fact calling for an answer
2 from USC. To the extent an answer is required, USC denies the remaining allegations
3 in Paragraph 91.

4 **D. 2U Knew or Should Have Known....**

5 92. To the extent allegations in Paragraph 92 are directed to 2U, no answer to
6 such allegations is required from USC. To the extent an answer is required regarding
7 allegations directed at 2U, USC is without knowledge or information sufficient to form
8 a belief as to the truth of such allegations, and, therefore, denies the same. To the extent
9 allegations in Paragraph 92 refer to statements in the Jones Day report, USC states that
10 such report speaks for itself. The remaining allegations in Paragraph 92 are
11 argumentative characterizations, opinions, or legal conclusions that do not state
12 allegations of fact calling for an answer from USC. To the extent an answer is required,
13 USC denies the remaining allegations in Paragraph 92.

14 93. To the extent allegations in Paragraph 93 are directed to 2U, no answer to
15 such allegations is required from USC. To the extent an answer is required regarding
16 allegations directed at 2U, USC is without knowledge or information sufficient to form
17 a belief as to the truth of such allegations, and, therefore, denies the same. The
18 remaining allegations in Paragraph 93 are argumentative characterizations, opinions, or
19 legal conclusions that do not state allegations of fact calling for an answer from USC.
20 To the extent an answer is required, USC denies the remaining allegations in
21 Paragraph 93.

22 94. To the extent allegations in Paragraph 94 are directed to 2U, no answer to
23 such allegations is required from USC. To the extent an answer is required regarding
24 allegations directed at 2U, USC is without knowledge or information sufficient to form
25 a belief as to the truth of such allegations, and, therefore, denies the same. The
26 remaining allegations in Paragraph 94 are argumentative characterizations, opinions, or
27 legal conclusions that do not state allegations of fact calling for an answer from USC.
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1 To the extent an answer is required, USC denies the remaining allegations in
2 Paragraph 94.

3 95. To the extent allegations in Paragraph 95 and its subparagraphs refer to
4 statements in the cited contract, USC states that such contract speaks for itself. The
5 remaining allegations in Paragraph 95 and its subparagraphs are opinions or legal
6 conclusions that do not state allegations of fact calling for an answer from USC. To the
7 extent an answer is required, USC denies the remaining allegations in Paragraph 95 and
8 its subparagraphs.

9 96. As the allegations in Paragraph 96 are directed to 2U, no answer is required
10 from USC. To the extent an answer is required regarding allegations directed at 2U,
11 USC is without knowledge or information sufficient to form a belief as to the truth of
12 the allegations in Paragraph 96, and, therefore, denies the same.

13 97. To the extent allegations in Paragraph 97 are directed to 2U, no answer to
14 such allegations is required from USC. To the extent an answer is required regarding
15 allegations directed at 2U, USC is without knowledge or information sufficient to form
16 a belief as to the truth of such allegations, and, therefore, denies the same. The
17 remaining allegations in Paragraph 97 are argumentative characterizations, opinions, or
18 legal conclusions that do not state allegations of fact calling for an answer from USC.
19 To the extent an answer is required, USC denies the remaining allegations in
20 Paragraph 97.

21 98. To the extent allegations in Paragraph 98 are directed to 2U, no answer to
22 such allegations is required from USC. To the extent an answer is required regarding
23 allegations directed at 2U, USC is without knowledge or information sufficient to form
24 a belief as to the truth of such allegations, and, therefore, denies the same. To the extent
25 allegations in Paragraph 98 refer to statements in the cited contract or U.S. News
26 publications, USC states that such contract and publications speak for themselves. USC
27 admits that the online OCL program began in 2015. USC denies the allegation that the
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1 online OCL program enrolled over 500 students per year. The remaining allegations in
2 Paragraph 98 are argumentative characterizations, opinions, or legal conclusions that
3 do not state allegations of fact calling for an answer from USC. To the extent an answer
4 is required, USC denies the remaining allegations in Paragraph 98.

5 99. To the extent allegations in Paragraph 99 are directed to 2U, no answer to
6 such allegations is required from USC. To the extent an answer is required regarding
7 allegations directed at 2U, USC is without knowledge or information sufficient to form
8 a belief as to the truth of such allegations, and, therefore, denies the same. To the extent
9 allegations in Paragraph 99 refer to statements in U.S. News publications, USC states
10 that such publications speak for themselves. The remaining allegations in Paragraph 99
11 are argumentative characterizations, opinions, or legal conclusions that do not state
12 allegations of fact calling for an answer from USC. To the extent an answer is required,
13 USC denies the remaining allegations in Paragraph 99.

14 100. As the allegations in Paragraph 100 are directed to 2U, no answer is
15 required from USC. To the extent an answer is required regarding allegations directed
16 at 2U, USC is without knowledge or information sufficient to form a belief as to the
17 truth of the allegations in Paragraph 100, and, therefore, denies the same.

18 **E. USC Carried Out the Rankings....**

19 101. To the extent allegations in Paragraph 101 are directed to 2U, no answer
20 to such allegations is required from USC. To the extent an answer is required regarding
21 allegations directed at 2U, USC is without knowledge or information sufficient to form
22 a belief as to the truth of such allegations, and, therefore, denies the same. To the extent
23 allegations in Paragraph 101 refer to statements in the cited transcript, USC states that
24 such transcript speaks for itself. The remaining allegations in Paragraph 101 are
25 argumentative characterizations, opinions, or legal conclusions that do not state
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1 allegations of fact calling for an answer from USC. To the extent an answer is required,
2 USC denies the remaining allegations in Paragraph 101.

3 102. To the extent allegations in Paragraph 102 refer to statements in the cited
4 2U prospectus, USC states that such prospectus speaks for itself. As the remaining
5 allegations in Paragraph 102 are directed to 2U, no answer is required from USC. To
6 the extent an answer is required regarding allegations directed at 2U, USC is without
7 knowledge or information sufficient to form a belief as to the truth of the remaining
8 allegations in Paragraph 102, and, therefore, denies the same.

9 103. As the allegations in Paragraph 103 are directed to 2U, no answer is
10 required from USC. To the extent an answer is required regarding allegations directed
11 at 2U, USC is without knowledge or information sufficient to form a belief as to the
12 truth of the allegations in Paragraph 103, and, therefore, denies the same.

13 104. To the extent allegations in Paragraph 104 are directed to 2U, no answer
14 to such allegations is required from USC. To the extent an answer is required regarding
15 allegations directed at 2U, USC is without knowledge or information sufficient to form
16 a belief as to the truth of such allegations, and, therefore, denies the same. To the extent
17 allegations in Paragraph 104 refer to statements in U.S. News publications or marketing
18 materials, USC states that such publications and marketing materials speak for
19 themselves. The remaining allegations in Paragraph 104 are argumentative
20 characterizations, opinions, or legal conclusions that do not state allegations of fact
21 calling for an answer from USC. To the extent an answer is required, USC denies the
22 remaining allegations in Paragraph 104.

23 105. To the extent allegations in Paragraph 105 are directed to 2U, no answer
24 to such allegations is required from USC. To the extent an answer is required regarding
25 allegations directed at 2U, USC is without knowledge or information sufficient to form
26 a belief as to the truth of such allegations, and, therefore, denies the same. The
27 remaining allegations in Paragraph 105 are argumentative characterizations, opinions,
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1 or legal conclusions that do not state allegations of fact calling for an answer from USC.
2 To the extent an answer is required, USC denies the remaining allegations in
3 Paragraph 105.

4 106. USC admits that participation in the Subject Rankings is voluntary. The
5 remaining allegations in Paragraph 106 are argumentative characterizations, opinions,
6 or legal conclusions that do not state allegations of fact calling for an answer from USC.
7 To the extent an answer is required, USC denies the remaining allegations in
8 Paragraph 106.

9 107. USC admits that Rossier excluded certain EdD data from its survey
10 responses to U.S. News for the Subject Rankings for over ten years, that the former
11 dean of Rossier stated that including the omitted EdD data could negatively impact
12 Rossier's ranking in the Subject Rankings, and that Rossier excluded EdD data after
13 U.S. News revised its survey instructions to clarify, for several questions, that the term
14 "doctoral" "should include both Ph.D and Ed.D students." The remaining allegations
15 in Paragraph 107 are argumentative characterizations, opinions, or legal conclusions
16 that do not state allegations of fact calling for an answer from USC. To the extent an
17 answer is required, USC denies the remaining allegations in Paragraph 107.

18 108. To the extent allegations in Paragraph 108 are directed to 2U, no answer
19 to such allegations is required from USC. To the extent an answer is required regarding
20 allegations directed at 2U, USC is without knowledge or information sufficient to form
21 a belief as to the truth of such allegations, and, therefore, denies the same. To the extent
22 allegations in Paragraph 108 refer to statements in the cited webpage, USC states that
23 such webpage speaks for itself. The remaining allegations in Paragraph 108 are
24 argumentative characterizations, opinions, or legal conclusions that do not state
25 allegations of fact calling for an answer from USC. To the extent an answer is required,
26 USC denies the remaining allegations in Paragraph 108.

1 109. To the extent allegations in Paragraph 109 are directed to 2U or related to
2 entities other than USC, no answer to such allegations is required from USC. To the
3 extent an answer is required, USC is without knowledge or information sufficient to
4 form a belief as to the truth of such allegations, and, therefore, denies the same. To the
5 extent allegations in Paragraph 109 refer to statements in the cited webpages, USC
6 states that such webpages speak for themselves. USC admits it published the referenced
7 Jones Day report in April 2022. The remaining allegations in Paragraph 109 are
8 argumentative characterizations, opinions, or legal conclusions that do not state
9 allegations of fact calling for an answer from USC. To the extent an answer is required,
10 USC denies the remaining allegations in Paragraph 109.

11 **F. Students Were Harmed....**

12 110. To the extent allegations in Paragraph 110 are directed to 2U, no answer
13 to such allegations is required from USC. To the extent an answer is required regarding
14 allegations directed at 2U, USC is without knowledge or information sufficient to form
15 a belief as to the truth of such allegations, and, therefore, denies the same. The
16 remaining allegations in Paragraph 110 are argumentative characterizations, opinions,
17 or legal conclusions that do not state allegations of fact calling for an answer from USC.
18 To the extent an answer is required, USC denies the remaining allegations in
19 Paragraph 110.

20 111. The allegations in Paragraph 111 are argumentative characterizations,
21 opinions, or legal conclusions that do not state allegations of fact calling for an answer
22 from USC. To the extent an answer is required, USC denies the allegations in
23 Paragraph 111.

24 112. To the extent allegations in Paragraph 112 are directed to 2U, no answer
25 to such allegations is required from USC. To the extent an answer is required regarding
26 allegations directed at 2U, USC is without knowledge or information sufficient to form
27 a belief as to the truth of such allegations, and, therefore, denies the same. The
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1 remaining allegations in Paragraph 112 are argumentative characterizations, opinions,
2 or legal conclusions that do not state allegations of fact calling for an answer from USC.
3 To the extent an answer is required, USC denies the remaining allegations in
4 Paragraph 112.

5 113. As the allegations in Paragraph 113 are directed to 2U, no answer is
6 required from USC. To the extent an answer is required, USC is without knowledge or
7 information sufficient to form a belief as to the truth of the allegations in Paragraph 113,
8 and, therefore, denies the same.

9 114. To the extent allegations in Paragraph 114 refer to statements in the cited
10 2U report, USC states that such report speaks for itself. As the remaining allegations
11 in Paragraph 114 are directed to 2U, no answer is required from USC. To the extent an
12 answer is required, USC is without knowledge or information sufficient to form a belief
13 as to the truth of the remaining allegations in Paragraph 114, and, therefore, denies the
14 same.

15 115. USC denies the allegation that the number of people enrolled was left to
16 2U's discretion. The remaining allegations in Paragraph 115 are argumentative
17 characterizations, opinions, or legal conclusions that do not state allegations of fact
18 calling for an answer from USC. To the extent an answer is required, USC denies the
19 remaining allegations in Paragraph 115.

20 116. To the extent allegations in Paragraph 116 are directed to 2U, no answer
21 to such allegations is required from USC. To the extent an answer is required regarding
22 allegations directed at 2U, USC is without knowledge or information sufficient to form
23 a belief as to the truth of such allegations, and, therefore, denies the same. USC denies
24 the allegation that U.S. News did not require reporting of selectivity data for online
25 MAT students. The remaining allegations in Paragraph 116 are opinions that do not
26 state allegations of fact calling for an answer from USC. To the extent an answer is
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1 required, USC is without knowledge or information sufficient to form a belief as to the
2 truth of the remaining allegations in Paragraph 116, and, therefore, denies the same.

3 **EXPERIENCES OF THE NAMED PLAINTIFFS**

4 **A. Iola Favell**

5 117. USC admits Ms. Favell received her undergraduate degree in 2019 from
6 the University of Alabama. USC is without knowledge or information sufficient to
7 form a belief as to the truth of the remaining allegations in Paragraph 117, and,
8 therefore, denies the same.

9 118. USC is without knowledge or information sufficient to form a belief as to
10 the truth of the allegations in Paragraph 118, and, therefore, denies the same.

11 119. USC is without knowledge or information sufficient to form a belief as to
12 the truth of the allegations in Paragraph 119, and, therefore, denies the same.

13 120. USC is without knowledge or information sufficient to form a belief as to
14 the truth of the allegations in Paragraph 120, and, therefore, denies the same.

15 121. To the extent allegations in Paragraph 121 refer to statements in the cited
16 webpage, USC states that such webpage speaks for itself. USC is without knowledge
17 or information sufficient to form a belief as to the truth of the remaining allegations in
18 Paragraph 121, and, therefore, denies the same.

19 122. USC is without knowledge or information sufficient to form a belief as to
20 the truth of the allegations in Paragraph 122, and, therefore, denies the same.

21 123. USC admits that Ms. Favell received an application fee waiver. USC is
22 without knowledge or information sufficient to form a belief as to the truth of the
23 remaining allegations in Paragraph 123, and, therefore, denies the same.

24 124. USC admits that Ms. Favell was accepted to Rossier's MAT program in
25 May 2020. USC is without knowledge or information sufficient to form a belief as to
26 the truth of the remaining allegation in Paragraph 124, and, therefore, denies the same.

1 125. USC admits that Ms. Favell began her MAT coursework in August 2020,
2 but denies that she graduated in May 2021. USC is without knowledge or information
3 sufficient to form a belief as to the truth of the remaining allegation in Paragraph 125,
4 and, therefore, denies the same.

5 126. USC is without knowledge or information sufficient to form a belief as to
6 the truth of the allegations in Paragraph 126, and, therefore, denies the same.

7 127. The allegations in Paragraph 127 are opinions or legal conclusions that do
8 not state allegations of fact calling for an answer from USC, and/or statements for which
9 USC is without knowledge or information sufficient to form a belief as to their truth.
10 USC, therefore, denies the allegations in Paragraph 127.

11 **B. Sue Zarnowski**

12 128. USC admits that Ms. Zarnowski received her undergraduate degrees from
13 Southern Connecticut State University in 2011 and her master's degree from the
14 University of New Haven in 2012. USC is without knowledge or information sufficient
15 to form a belief as to the truth of the remaining allegation in Paragraph 128 and,
16 therefore, denies the same.

17 129. USC is without knowledge or information sufficient to form a belief as to
18 the truth of the allegations in Paragraph 129 and, therefore, denies the same.

19 130. To the extent allegations in Paragraph 130 are directed to 2U, no answer
20 to such allegations is required from USC. To the extent an answer is required regarding
21 allegations directed at 2U, USC is without knowledge or information sufficient to form
22 a belief as to the truth of such allegations, and, therefore, denies the same. USC is
23 without knowledge or information sufficient to form a belief as to the truth of the
24 remaining allegations in Paragraph 130 and, therefore, denies the same.

25 131. To the extent allegations in Paragraph 131 are directed to 2U, no answer
26 to such allegations is required from USC. To the extent an answer is required regarding
27 allegations directed at 2U, USC is without knowledge or information sufficient to form
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1 a belief as to the truth of such allegations, and, therefore, denies the same. USC is
2 without knowledge or information sufficient to form a belief as to the truth of the
3 remaining allegations in Paragraph 131 and, therefore, denies the same.

4 132. To the extent allegations in Paragraph 132 refer to statements in the cited
5 webpage, USC states that such webpage speaks for itself. USC is without knowledge
6 or information sufficient to form a belief as to the truth of the remaining allegations in
7 Paragraph 132 and, therefore, denies the same.

8 133. To the extent allegations in Paragraph 133 are directed to 2U, no answer
9 to such allegations is required from USC. To the extent an answer is required regarding
10 allegations directed at 2U, USC is without knowledge or information sufficient to form
11 a belief as to the truth of such allegations, and, therefore, denies the same. USC is
12 without knowledge or information sufficient to form a belief as to the truth of the
13 remaining allegations in Paragraph 133 and, therefore, denies the same.

14 134. USC is without knowledge or information sufficient to form a belief as to
15 the truth of the allegations in Paragraph 134 and, therefore, denies the same.

16 135. USC admits Ms. Zarnowski applied to the OCL program in June 2018.
17 USC is without knowledge or information sufficient to form a belief as to the truth of
18 the remaining allegations in Paragraph 135 and, therefore, denies the same.

19 136. USC is without knowledge or information sufficient to form a belief as to
20 the truth of the allegations in Paragraph 136 and, therefore, denies the same.

21 137. USC admits Ms. Zarnowski was accepted into the OCL program in
22 July 2018 and started classes in August 2018. USC is without knowledge or
23 information sufficient to form a belief as to the truth of the remaining allegations in
24 Paragraph 137 and, therefore, denies the same.

25 138. USC admits Ms. Zarnowski graduated from USC with her Doctor of
26 Education degree in 2021. USC is without knowledge or information sufficient to form
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1 a belief as to the truth of the remaining allegations in Paragraph 138 and, therefore,
2 denies the same.

3 139. The allegations in Paragraph 139 are opinions or legal conclusions that do
4 not state allegations of fact calling for an answer from USC, and/or statements for which
5 USC is without knowledge or information sufficient to form a belief as to their truth.
6 USC, therefore, denies the allegations in Paragraph 139.

7 140. USC is without knowledge or information sufficient to form a belief as to
8 the truth of the allegations in Paragraph 140, and, therefore, denies the same.

9 **C. Mariah Cummings**

10 141. USC admits that Ms. Cummings received her undergraduate degree from
11 San Francisco State University in 2018. USC is without knowledge or information
12 sufficient to form a belief as to the truth of the remaining allegation in Paragraph 141,
13 and, therefore, denies the same.

14 142. USC is without knowledge or information sufficient to form a belief as to
15 the truth of the allegations in Paragraph 142, and, therefore, denies the same.

16 143. USC is without knowledge or information sufficient to form a belief as to
17 the truth of the allegations in Paragraph 143, and, therefore, denies the same.

18 144. USC is without knowledge or information sufficient to form a belief as to
19 the truth of the allegations in Paragraph 144, and, therefore, denies the same.

20 145. To the extent allegations in Paragraph 145 refer to statements in the cited
21 webpage, USC states that such webpage speaks for itself. USC is without knowledge
22 or information sufficient to form a belief as to the truth of the remaining allegations in
23 Paragraph 145, and, therefore, denies the same.

24 146. To the extent allegations in Paragraph 146 are directed to 2U, no answer
25 to such allegations is required from USC. To the extent an answer is required regarding
26 allegations directed at 2U, USC is without knowledge or information sufficient to form
27 a belief as to the truth of such allegations, and, therefore, denies the same. USC is
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1 without knowledge or information sufficient to form a belief as to the truth of the
2 remaining allegations in Paragraph 146 and, therefore, denies the same.

3 147. To the extent allegations in Paragraph 147 are directed to 2U, no answer
4 to such allegations is required from USC. To the extent an answer is required regarding
5 allegations directed at 2U, USC is without knowledge or information sufficient to form
6 a belief as to the truth of such allegations, and, therefore, denies the same. USC is
7 without knowledge or information sufficient to form a belief as to the truth of the
8 remaining allegations in Paragraph 147 and, therefore, denies the same.

9 148. USC admits that Ms. Cummings began her MAT coursework in May 2019
10 and that she graduated in May 2021. USC is without knowledge or information
11 sufficient to form a belief as to the truth of the remaining allegation in Paragraph 148,
12 and, therefore, denies the same.

13 149. The allegations in Paragraph 149 are opinions or legal conclusions that do
14 not state allegations of fact calling for an answer from USC, and/or statements for which
15 USC is without knowledge or information sufficient to form a belief as to their truth.
16 USC, therefore, denies the allegations in Paragraph 149.

17 **D. Ahmad Murtada**

18 150. USC admits that Ahmad Murtada received his undergraduate degree from
19 California State Polytechnic University, Pomona, and received his master's degree from
20 California State University, San Bernardino. USC is without knowledge or information
21 sufficient to form a belief as to the truth of the remaining allegation in Paragraph 150,
22 and, therefore, denies the same.

23 151. USC is without knowledge or information sufficient to form a belief as to
24 the truth of the allegations in Paragraph 151, and, therefore, denies the same.

25 152. USC is without knowledge or information sufficient to form a belief as to
26 the truth of the allegations in Paragraph 152, and, therefore, denies the same.

1 153. To the extent allegations in Paragraph 153 refer to statements in the cited
2 webpage, USC states that such webpage speaks for itself. USC is without knowledge
3 or information sufficient to form a belief as to the truth of the remaining allegations in
4 Paragraph 153, and, therefore, denies the same.

5 154. USC is without knowledge or information sufficient to form a belief as to
6 the truth of the allegations in Paragraph 154, and, therefore, denies the same.

7 155. USC denies that Mr. Murtada applied to the OCL program in January
8 2019. USC is without knowledge or information sufficient to form a belief as to the
9 truth of the remaining allegations in Paragraph 155, and, therefore, denies the same.

10 156. USC admits the allegations in Paragraph 156.

11 157. The allegations in Paragraph 157 are opinions or legal conclusions that do
12 not state allegations of fact calling for an answer from USC, and/or statements for which
13 USC is without knowledge or information sufficient to form a belief as to their truth.
14 USC, therefore, denies the allegations in Paragraph 157.

15 158. USC is without knowledge or information sufficient to form a belief as to
16 the truth of the allegation in Paragraph 158, and, therefore, denies the same.

17 **CLASS ACTION ALLEGATIONS**

18 159. USC admits that Plaintiffs bring this lawsuit on their own behalf and that
19 they purport to represent a class, but USC denies that this is a class action, denies that
20 a class action is appropriate, and denies that the proposed class in Paragraph 159 is
21 appropriate.

22 160. USC denies the allegations in Paragraph 160 regarding the number of
23 students in Rossier's online programs. The remaining allegations in Paragraph 160 are
24 opinions or legal conclusions that do not state allegations of fact calling for an answer
25 from USC. To the extent an answer is required, USC denies the remaining allegations
26 in Paragraph 160.

1 161. The allegations in Paragraph 161 and its subparagraphs are opinions or
2 legal conclusions that do not state allegations of fact calling for an answer from USC.
3 To the extent an answer is required, USC denies the allegations in Paragraph 161 and
4 its subparagraphs.

5 162. The allegations in Paragraph 162 are opinions or legal conclusions that do
6 not state allegations of fact calling for an answer from USC. To the extent an answer
7 is required, USC denies the allegations in Paragraph 162.

8 163. The allegations in Paragraph 163 are opinions or legal conclusions that do
9 not state allegations of fact calling for an answer from USC. To the extent an answer
10 is required, USC denies the allegations in Paragraph 163.

11 164. The allegations in Paragraph 164 are opinions or legal conclusions that do
12 not state allegations of fact calling for an answer from USC. To the extent an answer
13 is required, USC denies the allegations in Paragraph 164.

14 165. The allegations in Paragraph 165 are opinions or legal conclusions that do
15 not state allegations of fact calling for an answer from USC. To the extent an answer
16 is required, USC denies the allegations in Paragraph 165.

17 166. The allegations in Paragraph 166 are opinions or legal conclusions that do
18 not state allegations of fact calling for an answer from USC. To the extent an answer
19 is required, USC denies the allegations in Paragraph 166.

20 **DISCOVERY RULE AND FRAUDULENT CONCEALMENT TOLLING**

21 167. The allegations in Paragraph 167 are argumentative characterizations,
22 opinions, or legal conclusions that do not state allegations of fact calling for an answer
23 from USC. To the extent an answer is required, USC denies the allegations in
24 Paragraph 167.

25 168. To the extent allegations in Paragraph 168 refer to statements in the Jones
26 Day report, USC states that such report speaks for itself. USC denies that Rossier
27 withdrew from the Subject Rankings on December 15, 2022. The remaining allegations
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1 in Paragraph 168 are opinions or legal conclusions that do not state allegations of fact
2 calling for an answer from USC. To the extent an answer is required, USC denies the
3 remaining allegations in Paragraph 168.

4 169. The allegations in Paragraph 169 are opinions or legal conclusions that do
5 not state allegations of fact calling for an answer from USC. To the extent an answer
6 is required, USC denies the allegations in Paragraph 169.

7 170. The allegations in Paragraph 170 are opinions or legal conclusions that do
8 not state allegations of fact calling for an answer from USC. To the extent an answer
9 is required, USC denies the allegations in Paragraph 170.

10 **FIRST CAUSE OF ACTION**

11 171. USC restates and incorporates by reference its answers to Paragraphs 1
12 through 170.

13 172. The allegations in Paragraph 172 are opinions or legal conclusions that do
14 not state allegations of fact calling for an answer from USC. To the extent an answer
15 is required, USC denies the allegations in Paragraph 172.

16 173. USC admits that, in 2008, USC and 2U entered into a services agreement
17 with respect to Rossier and that such agreement was amended in 2015. The remaining
18 allegations in Paragraph 173 are opinions or legal conclusions that do not state
19 allegations of fact calling for an answer from USC. To the extent an answer is required,
20 USC denies the remaining allegations in Paragraph 173.

21 174. The allegations in Paragraph 174 are opinions or legal conclusions that do
22 not state allegations of fact calling for an answer from USC. To the extent an answer
23 is required, USC denies the allegations in Paragraph 174.

24 175. The allegations in Paragraph 175 and its subparagraphs are opinions or
25 legal conclusions that do not state allegations of fact calling for an answer from USC.
26 To the extent an answer is required, USC denies the allegations in Paragraph 175 and
27 its subparagraphs.

1 176. The allegations in Paragraph 176 and its subparagraphs are opinions or
2 legal conclusions that do not state allegations of fact calling for an answer from USC.
3 To the extent an answer is required, USC denies the allegations in Paragraph 176 and
4 its subparagraphs.

5 177. The allegations in Paragraph 177 are opinions or legal conclusions that do
6 not state allegations of fact calling for an answer from USC. To the extent an answer
7 is required, USC denies the allegations in Paragraph 177.

8 178. The allegations in Paragraph 178 and its subparagraphs are opinions or
9 legal conclusions that do not state allegations of fact calling for an answer from USC.
10 To the extent an answer is required, USC denies the allegations in Paragraph 178 and
11 its subparagraphs.

12 179. To the extent allegations in Paragraph 179 refer to statements in the cited
13 letters or receipts, USC states that such letters and receipts speak for themselves. The
14 remaining allegations in Paragraph 179 are opinions or legal conclusions that do not
15 state allegations of fact calling for an answer from USC. To the extent an answer is
16 required, USC denies the remaining allegations in Paragraph 179.

17 180. The allegations in Paragraph 180 are opinions or legal conclusions that do
18 not state allegations of fact calling for an answer from USC. To the extent an answer
19 is required, USC denies the allegations in Paragraph 180.

20 **PRAYER FOR RELIEF**

21 USC denies that Plaintiffs are entitled to any of the relief requested in their Prayer
22 for Relief and its subparagraphs.

23 **USC'S AFFIRMATIVE DEFENSES**

24 USC's affirmative defenses to Plaintiffs' Second Amended Complaint are set
25 forth below. By setting forth the following allegations and defenses, however, USC
26 does not assume the burden of proof on matters and issues other than those on which
27 USC has the burden of proof as a matter of law.

1 **FIRST AFFIRMATIVE DEFENSE**

2 Plaintiffs' Second Amended Complaint fails to state any claim upon which relief
3 can be granted.

4 **SECOND AFFIRMATIVE DEFENSE**

5 The Court lacks personal jurisdiction over some or all of the claims asserted on
6 behalf of absent class members.

7 **THIRD AFFIRMATIVE DEFENSE**

8 Plaintiffs' claims fail because they lack Article III standing, statutory standing,
9 or any cognizable injury.

10 **FOURTH AFFIRMATIVE DEFENSE**

11 Plaintiffs' claims are moot.

12 **FIFTH AFFIRMATIVE DEFENSE**

13 Any claim under Cal. Civ. Code § 1770 et seq. is barred pursuant to the durational
14 limits set forth in Cal. Civ. Code § 1783.

15 **SIXTH AFFIRMATIVE DEFENSE**

16 If any person or entities claiming to be members of the proposed class have
17 settled or released their claims, they may be barred from recovery, in whole or in part,
18 by such settlements or releases.

19 **SEVENTH AFFIRMATIVE DEFENSE**

20 If any persons claiming to be members of the proposed class have resolved
21 similar or the same claims as those alleged in the Second Amended Complaint, they
22 may be barred from recovery, in whole or in part, on the ground that they are subject to
23 the defense of accord and satisfaction.

24 **EIGHTH AFFIRMATIVE DEFENSE**

25 Plaintiffs' claims are time-barred under the applicable statutes of limitations.
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NINTH AFFIRMATIVE DEFENSE

Plaintiffs' claims are barred, in whole or in part, based on the doctrines of waiver, estoppel and/or laches.

TENTH AFFIRMATIVE DEFENSE

Plaintiffs' claims are barred, in whole or in part, to the extent they engaged in unlawful, inequitable, or improper conduct.

ELEVENTH AFFIRMATIVE DEFENSE

Plaintiffs' claims are barred, in whole or in part, to the extent they have failed to mitigate damages and/or have caused some or all of the alleged damage of which they now complain.

TWELFTH AFFIRMATIVE DEFENSE

Plaintiffs' claims fail because they cannot meet their burden of showing that any acts, conduct, statements, or omissions on the part of USC were likely to mislead a reasonable consumer.

THIRTEENTH AFFIRMATIVE DEFENSE

Plaintiffs' action cannot be properly maintained as a class action because the requirements under federal law for class certification are not met and because certification of the proposed class would result in a denial of due process to USC as well as to the proposed class.

FOURTEENTH AFFIRMATIVE DEFENSE

Plaintiffs' claims are barred by the educational malpractice doctrine.

FIFTEENTH AFFIRMATIVE DEFENSE

Plaintiffs' claims for equitable remedies are barred because Plaintiffs and members of the proposed putative class have an adequate remedy at law.

SIXTEENTH AFFIRMATIVE DEFENSE

Plaintiffs' claims are barred based on the doctrine of primary jurisdiction.

1 **SEVENTEENTH AFFIRMATIVE DEFENSE**

2 Plaintiffs' claims are barred by USC's complete or substantial performance of
3 any contractual agreement with Plaintiffs.

4 **EIGHTEENTH AFFIRMATIVE DEFENSE**

5 Plaintiffs' claims fail because USC did not promise Rossier would have any
6 particular ranking in the Subject Rankings during Plaintiffs' attendance.

7 **NINETEENTH AFFIRMATIVE DEFENSE**

8 Plaintiffs' claims fail because Plaintiffs did not pay any tuition or fee in exchange
9 for Rossier having any particular ranking in the Subject Rankings during Plaintiffs'
10 attendance.

11 **TWENTIETH AFFIRMATIVE DEFENSE**

12 Plaintiffs' claims fail because Rossier's rankings in the Subject Rankings, and
13 any display of such, are non-actionable opinions or puffery.

14 **TWENTY-FIRST AFFIRMATIVE DEFENSE**

15 Plaintiffs' claims fail because the Subject Rankings on which they allegedly
16 relied are only backward looking, not forward looking, and thus inapplicable to
17 Plaintiffs' attendance at Rossier.

18 **TWENTY-SECOND AFFIRMATIVE DEFENSE**

19 Plaintiffs' claims fail because they continued to pay tuition and fees even when
20 Rossier did not maintain the same ranking in the Subject Rankings that Plaintiffs
21 allegedly relied on.

22 **TWENTY-THIRD AFFIRMATIVE DEFENSE**

23 Plaintiffs' claims are contractually barred.
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TWENTY-FOURTH AFFIRMATIVE DEFENSE

Any injury Plaintiffs suffered was not caused or attributable to USC's acts, practices, or conduct, but were caused by or attributable to Plaintiffs' own conduct or that of third parties.

TWENTY-FIFTH AFFIRMATIVE DEFENSE

Plaintiffs' claims are barred by the doctrine of claim-splitting.

TWENTY-SIXTH AFFIRMATIVE DEFENSE

Plaintiffs' claims fail because USC and 2U complied with the bundled services exception referenced in the Department of Education's 2011 Dear Colleague letter.

RESERVATION AS TO ANY ADDITIONAL AFFIRMATIVE DEFENSE

USC has insufficient knowledge or information upon which to form a belief as to whether it may have additional affirmative defenses that govern the claims asserted by Plaintiffs and on behalf of persons claimed to be members of the proposed class. USC, therefore, reserves the right to raise additional defenses as appropriate.

WHEREFORE, USC prays Plaintiffs' Second Amended Complaint be dismissed and that USC be granted its costs incurred and any further relief this Court deems just and proper under the circumstances.

Dated: August 31, 2023

Respectfully submitted,

SHOOK HARDY & BACON L.L.P.

By: /s/ Michael L. Mallow
Michael L. Mallow

Attorney for Defendant
University of Southern California