

2016-CI-18306

20180118308 -P0000

A08TH JUDICIAL DISTRICT COURT CHRISTOPHER KINNA ET AL US DICKSON OF S DATE FILED: 10/20/2016

§

§

CHRISTOPHER KINNA, BRITTANY LEE, DONNA WEST MELODY SILVERSTEIN, SARA LANGSTO ELIZABETH HERNANDEZ, JENNIFER ALVAREZ, IGNACIO AGUIRRE JR. ANEESHA BETTS, STEPHANIE DELGADO JACQUELYN WHITE, NAKITA ADAMS CHRISTOPHER KINNA, NORMA MENDEZ ERIKA LINDSEY, STEFFANNY BARRERA CAROLYN RODRIGUEZ, CLAUDIA TATARIAN JENNIFER MESA, DEREK BEDELL ANNETTE SALAZAR, CHRISTINA GARCIA STEPHANIE LAMBERT, LU AGUILERA STEPHANIE SOLIS, ISABEL PALMA YVONNE MARQUEZ, ROBERT HERNANDEZ MARIANA PEREZ, JESSICA SELVERA CRYSTAL GARZA, LEONISIA GARZA JOSHUA BOTCHWAY, NICOLE PARKHURST TANYA MARTINEZ, JESSICA YTUARTE BLAKE HERNANDEZ, MICHAEL DELEON VERONICA FABELA, STEPHANIE GARZA HILDA ALTAMIRANO, LAURA SEPULVEDA JOYCE TELLO, KIMBERLY WILLIAMS OLIVIA GARCIA, MONICA CASTRO HEATHER CEDILLO, STEPHANIE CASTORENO CYNNA LOMAS, TONY SILVA, SHANICE GIVHAN, VALERIE PLACIDO, NICOLE ARNECE, KATHERINE LOZANO, LIZZA WALLACE **Plaintiffs**

٧.

DICKINSON OF SAN ANTONIO, INC.,
DICKINSON OF AUSTIN, INC., and
DICKINSON OF SPENCER LANE, INC.
d/b/a CAREER POINT COLLEGE
ACADEMIC FINANCIAL SOLUTIONS LLC,
SAN ANTONIO MULTI-MEDIA, INC.
LAWRENCE D. EARLE,
CAROL B. KENDALL
Defendants

IN THE DISTRICT COURT



JUDICIAL DISTRICT

BEXAR COUNTY, TEXAS

PLAINTIFFS' ORIGINAL PETITION APPLICATION FOR EX PARTE TEMPORARY RESTRAINING ORDER AND REQUEST FOR DISCLOSURE

TO THE HONORABLE JUDGE OF THE COURT:

NOW COMES CHRISTOPHER KINNA, BRITTANY LEE, DONNA WEST, MELODY SILVERSTEIN, SARA LANGSTO, ELIZABETH HERNANDEZ, JENNIFER ALVAREZ, IGNACIO AGUIRRE JR., ANEESHA BETTS, STEPHANIE DELGADO, JACQUELYN WHITE, NAKITA ADAMS, CHRISTOPHER KINNA, NORMA MENDEZ, ERIKA LINDSEY, STEFFANNY BARRERA, CAROLYN RODRIGUEZ, CLAUDIA TATARIAN, JENNIFER MESA, DEREK BEDELL, ANNETTE SALAZAR, CHRISTINA GARCIA, STEPHANIE LAMBERT, LU AGUILERA, STEPHANIE SOLIS, ISABEL PALMA, YVONNE MARQUEZ, ROBERT HERNANDEZ, MARIANA PEREZ, JESSICA SELVERA, CRYSTAL GARZA, LEONISIA GARZA, JOSHUA BOTCHWAY,, NICOLE PARKHURST, TANYA MARTINEZ, JESSICA YTUARTE, BLAKE HERNANDEZ, MICHAEL DELEON, VERONICA FABELA, STEPHANIE GARZA, HILDA ALTAMIRANO, LAURA SEPULVEDA, JOYCE TELLO, KIMBERLY WILLIAMS, OLIVIA GARCIA, MONICA CASTRO, HEATHER CEDILLO, STEPHANIE CASTORENO, CYNNA LOMAS, TONY SILVA, SHANICE GIVHAN, VALERIE PLACIDO, NICOLE ARNECE, KATHERINE LOZANO, and LIZZA WALLACE, Plaintiffs, and file this Original Petition and Application for Ex Parte Restraining Temporary Order, complaining of DICKINSON OF SAN ANTONIO, INC., DICKINSON OF AUSTIN, INC., DICKINSON OF SPENCER LANE, INC. d/b/a CAREER POINT COLLEGE, ACADEMIC FINANCIAL SOLUTIONS LLC, SAN ANTONIO MULTI-MEDIA, INC., LAWRENCE D. EARLE and CAROL B. KENDALL, Defendants, and for cause would show the Court as follows:

I. <u>DISCOVERY CONTROL PLAN</u>

Plaintiffs intend that discovery be conducted under Discovery Level 3, and will file a motion to order that discovery be conducted with a discovery control plan tailored to the circumstances of this specific suit. Tex. R. Civ. P. 190.4.

II. CLAIM FOR RELIEF

Pursuant to TEX. R. Civ. P 47(c)(5), Plaintiffs seek monetary relief in excess of \$1,000,000.

III. PARTIES AND SERVICE

Plaintiff Christopher Kinna is an individual who resides in Bexar County, Texas.

Plaintiff Valerie Placido is an individual who resides in Bexar County, Texas.

Plaintiff Donna West is an individual who resides in Bexar County, Texas.

Plaintiff Tony Silva is an individual who resides in Bexar County, Texas.

Plaintiff Shanice Givhan is an individual who resides in Bexar County, Texas.

Plaintiff Nicole Arnece is an individual who resides in Bexar County, Texas.

Plaintiff Katherine Lozano is an individual who resides in Bexar County, Texas.

Plaintiff Lizza Wallace is an individual who resides in Bexar County, Texas.

Plaintiff Jennifer Alvarez is an individual who resides in Bexar County, Texas.

Plaintiff Brittany Lee is an individual who resides in Bexar County, Texas.

Plaintiff Melody Silverstein is an individual who resides in Bexar County, Texas.

Plaintiff Sara Langsto is an individual who resides in Bexar County, Texas.

Plaintiff Elizabeth Hernandez is an individual who resides in Bexar County, Texas.

Plaintiff Aneesha Betts is an individual who resides in Bexar County, Texas. Plaintiff Stephanie Delgado is an individual who resides in Bexar County, Texas. Plaintiff Jacquelyn White is an individual who resides in Bexar County, Texas. Plaintiff Nakita Adams is an individual who resides in Bexar County, Texas. Plaintiff Norma Mendez is an individual who resides in Bexar County, Texas. Plaintiff Erika Lindsey is an individual who resides in Bexar County, Texas. Plaintiff Steffanny Barrera is an individual who resides in Bexar County, Texas. Plaintiff Carolyn Rodriguez is an individual who resides in Bexar County, Texas. Plaintiff Claudia Tatarian is an individual who resides in Bexar County, Texas. Plaintiff Jennifer Mesa is an individual who resides in Bexar County, Texas. Plaintiff Derek Bedell is an individual who resides in Bexar County, Texas. Plaintiff Annette Salazar is an individual who resides in Bexar County, Texas. Plaintiff Christina Garcia is an individual who resides in Bexar County, Texas. Plaintiff Stephanie Lambert is an individual who resides in Bexar County, Texas. Plaintiff Lu Aguilera is an individual who resides in Bexar County, Texas. Plaintiff Stephanie Solis is an individual who resides in Bexar County, Texas. Plaintiff Isabel Palma is an individual who resides in Bexar County, Texas. Plaintiff Yvonne Marquez is an individual who resides in Bexar County, Texas. Plaintiff Robert Hernandez is an individual who resides in Bexar County, Texas. Plaintiff Mariana Perez is an individual who resides in Bexar County, Texas. Plaintiff Jessica Selvera is an individual who resides in Bexar County, Texas. Plaintiff Crystal Garza is an individual who resides in Bexar County, Texas. Plaintiff Leonisia Garza is an individual who resides in Bexar County, Texas.

Plaintiff Joshua Botchway is an individual who resides in Bexar County, Texas. Plaintiff Nicole Parkhurst is an individual who resides in Bexar County, Texas. Plaintiff Tanya Martinez is an individual who resides in Bexar County, Texas. Plaintiff Jessica Ytuarte is an individual who resides in Bexar County, Texas. Plaintiff Blake Hernandez is an individual who resides in Bexar County, Texas. Plaintiff Michael DeLeon is an individual who resides in Bexar County, Texas. Plaintiff Veronica Fabela is an individual who resides in Bexar County, Texas. Plaintiff Stephanie Garza is an individual who resides in Bexar County, Texas. Plaintiff Hilda Altamirano is an individual who resides in Bexar County, Texas. Plaintiff Laura Sepulveda is an individual who resides in Bexar County, Texas. Plaintiff Joyce Tello is an individual who resides in Bexar County, Texas. Plaintiff Kimberly Williams is an individual who resides in Bexar County, Texas. Plaintiff Olivia Garcia is an individual who resides in Bexar County, Texas. Plaintiff Monica Castro is an individual who resides in Bexar County, Texas. Plaintiff Heather Cedillo is an individual who resides in Bexar County, Texas. Plaintiff Stephanie Castoreno is an individual who resides in Bexar County, Texas. Plaintiff Cynna Lomas is an individual who resides in Bexar County, Texas.

Defendant DICKINSON OF SAN ANTONIO, INC. is a foreign for-profit corporation formed in the State of Kansas. Defendant may be served with process by serving its agent for service of process CAROL B. KENDALL at 4522 Fredericksburg Rd. A-22, San Antonio, Texas 78201, or wherever she may be found.

Defendant DICKINSON OF AUSTIN, INC. is a foreign for-profit corporation formed in the State of Delaware. Defendant may be served with process by serving its agent for service of process CAROL B. KENDALL at 4903 Casa Oro, San Antonio, Texas 78233, or wherever she may be found.

Defendant DICKINSON OF SPENCER LANE, INC. is a foreign for-profit corporation formed in the State of Delaware. Defendant may be served with process by serving its agent for service of process CAROL B. KENDALL at 485 Spencer Lane, San Antonio, Texas 78201, or wherever she may be found.

Defendant ACADEMIC FINANCIAL SOLUTIONS LLC is a foreign for-profit corporation formed in the State of Delaware. Defendant may be served with process by serving its agent for service of process CAROL B. KENDALL at 485 Spencer Lane, San Antonio, Texas 78201, or wherever she may be found.

Defendant SAN ANTONIO MULTI-MEDIA, INC. is a foreign for-profit corporation formed in the State of Delaware. Defendant may be served with process by serving its agent for service of process DICKINSON OF SAN ANTONIO, INC. at 4522 Fredericksburg Rd. A-18, San Antonio, Texas 78201, or wherever it may be found.

Defendant LAWRENCE D. EARLE is an individual resident of Bexar County, Texas and may be served with process at 15610 Cloud Top, San Antonio, Texas 78248.

Defendant CAROL B. KENDALL is a resident of Bexar County, Texas and may be served with process at 4903 Casa Oro, San Antonio, Texas 78233, or wherever she may be found.

IV. JURISDICTION AND VENUE

The subject matter in controversy is within the jurisdictional limits of this court.

Venue is proper in Bexar County, Texas because all or a substantial part of the events or omissions giving rise to this lawsuit occurred in Bexar County, Texas.

V. STATEMENT OF FACTS

Plaintiffs assert claims against Defendants arising from its acts and omissions relating to the administration of its education programs in Bexar County, Texas and Travis County, Texas. Plaintiffs were all enrolled as students of Defendants' colleges in San Antonio and Austin until October 16, 2016 when Career Point College closed suddenly and without reasonable notice. Some of the Plaintiffs are instructor/employees of Defendants' colleges. Defendants are owners or operators of the colleges, or worked in concert with the owners or operators of the college.

Plaintiffs have all either paid for education services directly with their own funds, or have incurred a substantial amount of debt from Career Point College or from third party lenders to advance their education at Defendants' campuses. Most have incurred between \$5,000 and \$30,000 in debt to pay for their education at Career Point, and to sustain their living expenses while attending Defendants' colleges. Many expected to matriculate in November 4, 2016.

Upon learning that Defendants' colleges were closed, students attempted to communicate with staff or faculty to obtain information about the status of their funding, obtain education records (including transcripts and other information necessary to effectuate a "teach out" or transfer to another campus), and to learn about the status regarding final completion of their programs. Defendants failed to provide any such information or documents.

In fact, Defendants have maintained silence concerning the closure, except for information posted on its website directing students to make email requests for information, none of which have been honored.

Additionally, Plaintiffs have learned from third party lenders that unauthorized loans have been taken out in their names to pay for education services to Defendants. Plaintiffs have

been told that they are still required to pay back such loans even though they were unauthorized, and apparently procured fraudulently.

In an email to students informing them of the abrupt closure of its campuses, Defendants' sole shareholder and chief executive officer Lawrence D. Earle stated that the basis of the closure was the activities of three (3) employees that resulted in the forfeiture of funding by the United States Department of Education:

Two months ago, the Career Point College management team discovered that three long-term employees had collaborated to violate the rules related to student aid funds. After conducting a full investigation, the president of the College self-reported the inappropriate activity to the Department of Education, and provided the Department of Education with a plan to repay all funds taken.

Even though no money was stolen and even though the College had self-report the violation and agreed to repay all inappropriately received funds, the plan was not accepted. Instead, the Department of Education severely restricted government funds going to the College making it impossible for the College to continue operations. Finally, after exhausting all available resources, the College's management has been forced to discontinue operations.

Therefore, effective immediately, Career Point College is closed.

Literally, hundreds of students have been thunderstruck by the hasty and stealthy manner in which the colleges have ceased operations and communications. After seeking transfer options to complete their degree programs and salvage credits to be used at other institutions, Plaintiffs have yet to receive any information or documents from Defendants' colleges. Such information is critical in order to allow students to enter into other institutions, or to be allowed to take licensure examinations for which registration is a time sensitive matter. The failure of Defendants to act on behalf of its students has led not only to frustration and confusion, but also additional damages to the aspiring careers of each Plaintiff.

VI. <u>DECEPTIVE TRADE PRACTICES</u>

Plaintiffs would show that Defendants engaged in certain false, misleading and deceptive acts, practices and/or omissions actionable under the Texas Deceptive Trade Practices-Consumer Protection Act (Texas Business and Commerce Code, Chapter 17.41, et seq.), as alleged herein below.

False, Misleading, Deceptive Acts. Defendants engaged in false, misleading and deceptive acts by representing to Plaintiffs that they would be eligible to obtain education services and matriculate if they met all curriculum and financial requirements.

Violations of Section 17.46(b). Defendants' conduct violated the following provisions of Section 17.46(b) of the Texas Business and Commerce Code:

- (2) Defendants caused, by act and/or omission, confusion or misunderstanding as to the approval, accreditation and legitimacy of its educational services;
- (5) Defendants represented that its education services had sponsorship or approval that it did not have;
- (9) By falsely stating that Plaintiffs would complete all curriculum requirements and matriculate as long as all educational and financial obligations were met, when in actuality the such programs were untenable without the knowledge of Plaintiffs, Defendants advertised its services with intent not to sell them as advertised; and
- (24) Defendants failed to disclose that its programs were untenable financially, a fact which was known by Defendants at the time of Plaintiffs' enrollment. This failure to disclose such information was intended to induce Plaintiffs into Defendants' programs that Plaintiffs would not have entered had the information been disclosed.

Producing Cause. Plaintiffs would show that the acts, practices and/or omissions complained of were the producing cause of Plaintiffs' damages.

Reliance. Plaintiffs would further show the acts, practices and/or omissions complained of under Section 17.46(b) of the Texas Business and Commerce Code were relied upon by Plaintiffs to Plaintiffs' detriment. Specifically, Plaintiffs relied on statements contained in Defendants literature and advertising, which was undertaken by Defendant San Antonio Multi-Media, Inc.

Unconscionable Action or Course of Action. Defendants engaged in an "unconscionable action or course of action" to the detriment of Plaintiffs as that term is defined by Section 17.45(5) of the Texas Business and Commerce Code, by taking advantage of the lack Plaintiffs' knowledge, ability, experience, or capacity of Plaintiffs and the resulting unfairness was glaringly noticeable, flagrant, complete and unmitigated.

Written Notice Impracticable. Plaintiffs would show that the giving of 60 days' written notice was rendered impracticable by reason of the necessity of filing suit in order to seek injunctive relief as specified herein.

VII. COMMON LAW FRAUD; FRAUD IN THE INDUCEMENT

Plaintiffs further show that Defendants made material false representations to Plaintiffs with the knowledge of their falsity or with reckless disregard of the truth with the intention that such representations be acted upon by Plaintiffs, and that Plaintiffs relied on these representations to their detriment.

Plaintiffs would further show that Defendants concealed or failed to disclose material facts within the knowledge of Defendant, that Defendants knew that Plaintiffs did not have knowledge of the same and did not have equal opportunity to discover the truth, and that

Defendants intended to induce Plaintiffs to enter into the transaction made the basis of this suit by such concealment or failure to disclose. As a proximate result of such fraud, Plaintiffs sustained the damages described more fully below.

VIII. NEGLIGENT MISREPRESENTATION

Plaintiffs would show that Defendants supplied false information in the course of its business, or in the course of a transaction in which Defendants had a pecuniary interest, and that such information was supplied by Defendants for the guidance of Plaintiffs in the transactions described above. Defendants failed to exercise reasonable care or competence in obtaining or communicating such information. Plaintiffs allege that they suffered pecuniary loss, described more fully below, which was proximately caused by Plaintiffs' justifiable reliance on such information.

Plaintiffs therefore assert a cause of action for negligent misrepresentation against Defendants.

IX. NEGLIGENT HIRING, SUPERVISION, AND/OR MANAGEMENT

Plaintiffs would show that Defendants owed a duty to Plaintiffs to exercise ordinary care in the hiring of competent employees, and in the supervision and management of its employees.

Plaintiffs would further show that Defendants failed to use ordinary care in these respects, including but not limited to failing to properly supervise their personnel, failing to implement adequate safeguards to prevent the situation that resulted in Plaintiffs' damages, and failing to provide adequate oversight for such employees. These conditions created an environment in which misrepresentations to Plaintiffs were likely and reasonably foreseeable to occur, and which in fact did occur in the course of the transactions involving Plaintiffs described

above, which proximately caused the damages sustained by Plaintiffs, and for which Plaintiffs sue.

X. AGENCY

At and during the time of the acts and/or omissions complained of herein, any acts and/or omissions committed by an agent, representative or employee of Defendants, occurred within the scope of the actual or apparent authority of such person on behalf of Defendants.

Defendants are therefore liable to Plaintiffs for the acts and/or omissions of any such agent, representative or employee complained of herein by virtue of such agency relationship.

XI. RESPONDEAT SUPERIOR

At and during the time of the acts and/or omissions complained of herein, said acts and/or omissions of any employee of Defendants, occurred within the scope of the general authority and for the accomplishment of the objectives for which such employee was employed.

Defendants are therefore liable to Plaintiffs for the acts and/or omissions of any such employee complained of herein under the doctrine of respondent superior.

XII. BREACH OF CONTRACT

Plaintiffs would further show that each student Plaintiff entered into an agreement with Defendants for the performance of educations services for which consideration was received.

The actions and/or omissions of Defendants described herein, specifically the closing of Defendants' college campuses, constitute breach of contract, which proximately caused the direct and consequential damages of Plaintiffs described below, and for which Plaintiffs sue.

XIII. CONVERSION; THEFT LIABILITY ACT CLAIM

Plaintiffs would further show that each student Plaintiff owned, possessed, or had the right to immediate possession of personal property. Defendants intentionally exercised dominion and control over such property when it misappropriated, misused or otherwise stole Plaintiffs' financial aid.

The actions and/or omissions of Defendants described herein constitute conversion and claims under the Texas Theft Liability Act. Plaintiffs seek damages exemplary damages, court costs and attorney's fees for such claims.

XIV. <u>DAMAGES</u>

Mental Anguish. Plaintiffs would further show that the false, misleading and deceptive acts, practices and/or omissions described hereinabove were committed "knowingly," as provided by Section 17.45(9) of the Texas Business and Commerce Code, in that Defendant had actual awareness of the falsity, deception, or unfairness of such acts, practices, and/or omissions.

As a result of such acts, practices and/or omissions, Plaintiffs sustained a high degree of mental pain and distress of such nature, duration and severity that would permit the recovery of damages for mental anguish pursuant to Section 17.50(b) of the Texas Business and Commerce Code.

Multiple Damages. Plaintiffs would show that the false, misleading and deceptive acts, practices and/or omissions complained of herein were committed "knowingly" in that Defendant had actual awareness of the falsity, deception, or unfairness of such acts, practices, and/or omissions.

Plaintiffs further state that such acts, practices, and/or omissions were committed "intentionally" in that Defendant specifically intended that Plaintiffs act in detrimental reliance on the falsity or deception or in detrimental ignorance of the unfairness.

Therefore, Plaintiffs are entitled to recover multiple damages as provided by 17.50(b)(1) of the Texas Business and Commerce Code.

Exemplary Damages. Plaintiffs would further show that the acts and omissions of Defendant complained of herein were committed knowingly, willfully, intentionally, with actual awareness, and with the specific and predetermined intention of enriching said Defendant at the expense of Plaintiffs. In order to punish said Defendant for such unconscionable overreaching and to deter such actions and/or omissions in the future, Plaintiffs also seek recovery from Defendant for exemplary damages as provided by Section 41.003(1) of the Texas Civil Practice and Remedies Code and by Section 27.01 of the Texas Business and Commerce Code.

Unliquidated damages. Plaintiffs seek recovery of unliquidated damages that are within the jurisdictional limits of this court.

Attorney's Fees. Request is made for all costs and reasonable and necessary attorney's fees incurred by or on behalf of Plaintiffs herein, including all fees necessary in the event of an appeal of this cause to the Court of Appeals and the Supreme Court of Texas, as the Court deems equitable and just as provided by: (a) Section 17.50(d) of the Texas Business and Commerce Code; (b) Chapter 38 of the Texas Civil Practice and Remedies Code; (c) The Texas Theft Liability Act; and (d) common law.

XV. CONDITIONS PRECEDENT

All conditions precedent to Plaintiffs' claim for relief have been performed or have occurred, or have been waived or excused by the performance of Defendants.

XVI. REQUEST FOR DISCLOSURE

Under Texas Rule of Civil Procedure 194, Plaintiffs requests that Defendants disclose, within 50 days of the service of this request, the information or material described in Rule 194.2.

XVII. <u>APPLICATION FOR TEMPORARY RESTRAINING ORDER</u> <u>AND TEMPORARY INJUNCTION</u>

Plaintiffs repeat and incorporate the facts and allegations stated above for all purposes.

Plaintiffs request that the Court enter a temporary restraining order and a temporary injunction enjoining Defendants from:

- 1. destroying any documents (including electronically stored information) relating to Plaintiffs, Employees, the investigation conducted by the U.S. Department of Education concerning the activities specified in the email by Lawrence D. Earle, the accreditation of Defendants' colleges by the Accrediting Council for Independent Colleges and Schools (ACICS), and communications by and between each Defendant concerning the events leading to the closure of Defendants' college campuses;
- 2. altering, damaging, destroying or transferring any education records or financial information of Plaintiffs;
- 3. abandoning the management of Defendants' business entities, the entities of Lawrence D. Earle, or making any expenditures regarding the operation these enterprises outside of the ordinary course of business;
- 4. making any payments of transfers to any of the Defendants or any insiders of the Defendant; and
- 5. hiding, secreting, or transferring any assets of Defendants to any other person or entity.

Plaintiffs also request that the Court affirmatively order Defendants to turn over to Plaintiffs their academic transcripts, diplomas, affidavits of completion and certificates within forty-eight (48) hours from the date of the Order.

Pursuant to Texas Civil Practice and Remedies Code Section 65.011(1), Plaintiffs are entitled to the relief demanded and all or part of the relief requires the restraint of an act prejudicial to Plaintiffs.

Further, pursuant to Texas Civil Practice and Remedies Code Section 65.011(2), Defendants are performing and/or about to perform an act relating to the subject of this litigation in violation of Plaintiffs' rights, and this act would tend to render the judgment in this litigation ineffectual.

Additionally, pursuant to Texas Civil Practice and Remedies Code Section 65.011(5), irreparable injury to the personal property of Plaintiffs is threatened.

Probable Right to Relief

Plaintiffs will likely prevail on their claims stated in this Petition.

Probable Injury

Unless the Court enjoins Defendants from engaging in the above acts, it is probable that Plaintiffs will suffer injury for which there is no adequate remedy at law.

If Defendants engage in any of the enjoined acts, it is likely that Plaintiffs will be unable to obtain any education or financial records relating to their agreements with Defendants, thus precluding Plaintiffs from pursing the completion of their programs.

If Defendants completely abandon its management or continues to destroy its documents, Plaintiffs will have absolutely no recourse in obtaining information that will be crucial to any hope that they have in completing their programs, or information on the loans that they obtained at the direction of Defendants' colleges. It is also likely that the ongoing investigations by the U.S. Department of Education regarding the closure of Defendants' campuses, and the fraud leading to such closure, will be disrupted to an incurable degree.

Imminent Harm

The harm to Plaintiffs is imminent in that it is believed that Defendants have already begun to shred important documents.

Irreparable Injury

The injury to Plaintiffs if the Court does not enjoin Defendants from engaging in the above acts, is irreparable. Plaintiffs will have no adequate remedy at law because if Defendants continue to destroy important documents related to Plaintiffs and/or this litigation, it is likely that Plaintiffs will be unable to obtain any records of their agreements with Defendants, the credits that they have gained at Career Point College, and their loans with Defendants.

Further, Plaintiffs will not be able to be adequately compensated if Defendant destroys these records.

Inadequate Remedy

Finally, there is no adequate remedy at law because the damages that will result to Plaintiffs due to Defendants' actions cannot readily be calculated.

Bond

Pursuant to Texas Rule of Civil Procedure 684, Plaintiffs are willing to post bond.

Relief Requested

Plaintiffs respectfully request that the Court grant Plaintiffs 'Application for Temporary Restraining Order and Temporary Injunction, set a hearing for temporary injunction and award them other relief, both at law and at equity, to which they are entitled.

PRAYER

WHEREFORE, PREMISES CONSIDERED, Plaintiffs respectfully pray that Defendants be cited to appear and answer, and that upon a final hearing of the cause, judgment be entered for the Plaintiffs against Defendants for the following:

- a. Actual damages.
- b. Treble damages.
- c. Prejudgment and post-judgment interest.
- d. Court costs.
- e. Attorney fees.
- f. A temporary restraining order and temporary injunction.
- g. All other and further relief to which the Plaintiffs may be entitled at law or in equity, whether pled or unpled.

Respectfully Submitted,

LAW OFFICES OF ARIC J. GARZA
PROFESSIONAL LIMITED LIABILITY COMPANY
115 E. Travis St., Suite 1039
San Antonio, Texas 78205
Tel. (210) 225-2961
Fax (210) 225-2962
aric@sabusinessattorney.com

By:

ARIC J. GARZA

State Bar No. 50511848 Attorney for Plaintiffs STATE OF TEXAS
COUNTY OF BEXAR

VERIFICATION

Before me, the undersigned notary public, on this day personally appeared CHRISTOPHER KINNA, the affiant, a person whose identity is known to me. After I administered an oath to affiant, affiant testified:

"My name is CHRISTOPHER KINNA. I am capable of making this verification. I have read the Original Petition, and Application for Ex Parte Temporary Restraining Order and Temporary Injunction. The facts stated in it are within my personal knowledge and are true and correct. Specifically, that Plaintiffs allege numerous causes of action, that Plaintiffs have a probable right to the relief sought, and that if a temporary restraining does not issue, probable, irreparable and imminent harm will result to Plaintiffs in the interim.

"Further affiant sayeth not."

CHRISTOPHER KINNA, Affiant

SWORN TO AND SUBSCRIBED before me by CHRISTOPHER KINNA on Character 20, 2016.



Notary Public In and For the State of Texas