

Trump University Lawsuits Settle on \$25 Million



Summary: The three lawsuits against Donald Trump and his Trump University finally came to a settlement for \$25 million.

President Donald Trump has one less lawsuit to worry about now. Judge Gonzalo Curiel approved a \$25 million settlement, providing thousands of former Trump University students with most of their money back. Curiel said, "The settlement is fair, adequate, and reasonable."

Roughly 4,000 students submitted claims and will be eligible to get back about 90 percent of their money. The settlement was reached back in November before Trump won the election but was waiting for court approval. Only one student opposed the settlement.

The organization was created in 2005 with the promise to teach investing techniques that could be used to get rich in real estate like Trump did. There was a "one-year apprenticeship" for \$1,495, a "membership" for \$10,000 and a "Gold Elite" seminar for \$35,000. Trump University closed just five years later in 2010 when the New York Department of Education forced the organization to stop operating without a license.

The settlement was reached for three lawsuits brought together. There were two federal class-actions filed in San Diego and a civil lawsuit filed by New York Attorney General Eric Schneiderman. Former student Sherri B. Simpson opposed the settlement because she was looking to get more money by going to trial. She claims to have spent around \$35,000 on Trump University courses in 2010. Curiel rejected her objection, stating, "That only one procedurally valid objection was filed... is indicative of the fairness, adequacy, and reasonableness of the Settlement."

Trump claimed he "hand-picked" the instructors but could not recall a single one during a deposition. The legal battles regarding the failed organization have lasted nearly seven years. Trump vowed to never settle before he won the presidential election, after he changed his position, stating he didn't have time for a trial. Under the terms of the settlement, Trump admits of no wrongdoing.

Schneiderman believes the settlement will give relief and "hopefully much-needed closure" to the "victims of Donald Trump's fraudulent university." He continued by saying the former students "waited years for compensation while President Trump refused to settle and fought us every step of the way – until his stunning reversal last fall."

The plaintiffs were upset that the organization offered seminars that were supposed to teach them about investing in real estate and other related things but were more like infomercials that pressured them to spend more money but did not deliver results.

The settlement affected around 6,000 former students of the "university," with about 3,730 claims submitted. Included in the settlement is a \$1 million penalty paid to New York State for violating education laws. Trump University called itself a "university" but provided no degrees. A preliminary settlement approval was granted by Curiel in December until he could look over Simpson's complaint.

Simpson wanted Trump to admit that his program failed. She said, "I would like an admission that he was wrong, an admission that, 'Oops, maybe I didn't handle it as well as I should have, I didn't set it up as well as I should have, that I didn't maintain it or oversee it as well as I should have.'" She reports that she paid for the "elite" program for \$35,000, which includes a mentor that would teach her Trump's secret real estate investment strategies. She claims all the material was old and could be found online for free plus she could never get her mentor to return emails or phone calls.

Do you think Trump University students should be responsible for falling for such an obvious sales pitch? Tell us in the comments below.

To learn more about the Trump University lawsuit, read these articles:

- Trump Forced to Be Witness in Trump University Civil Case
- Trump University Testimonies from Former Employees are on Attack
- Did Trump University Tell Its Students to Break the Law?

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