

WHITE HOUSE

# Federal court approves \$25 million Trump University settlement

A federal court approved a \$25 million settlement with students who said they were duped by Donald Trump and his now-defunct Trump University.

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By Tom Winter and Dartunorro Clark

A federal [court](#) approved a \$25 million [settlement](#) on Tuesday with students who said they were duped by Donald Trump and his now-defunct Trump University, which promised to teach them the "secrets of success" in the real estate industry.

The 9th Circuit Court of Appeals in San Francisco finalized the settlement after it was [first approved by a judge](#) last March following an appeal by Sherri Simpson, a Florida woman who said she spent roughly \$19,000 on Trump University workshops. Simpson had wanted to opt out of a class action suit in order to pursue a separate suit against Trump, but the court rejected that.

## Judge Approves \$25 Million Settlement for Trump University Lawsuit

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Students had alleged that Trump University, which was open from 2005 to 2010, used false advertising and high-pressure sales techniques to lure them to free investor workshops at which they were sold expensive seminars and told they would be mentored by real estate gurus, leading to the loss of thousands of dollars in tuition.

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A "one-year apprenticeship" at the educational institute cost \$1,495; a "membership" over \$10,000; and "Gold Elite" classes ran \$35,000.

Trump faced two lawsuits in California and one in New York, brought by New York Attorney General Eric Schneiderman. They were folded into one class action suit after Trump was elected, according to court documents.

Trump paid the \$25 million in January of last year, but it was held in escrow until the court upheld the settlement, according to [The Associated Press](#).

Schneiderman applauded the settlement in a statement.

"For years, President Trump refused to compensate the victims of his sham university. His reversal in 2016 –and the large-scale settlement that resulted – opened the door for student victims to finally obtain the restitution they deserve," he said. "My office will continue to hold those who commit fraud accountable, no matter how rich or powerful they may be."

The court said in its ruling that plaintiffs are expected receive 80 percent to 90 percent of what they paid for Trump University programs.

Trump, who has boasted about his real-estate and investing acumen, rebuffed the claims of fraud during his 2016 presidential campaign and vowed to fight them until the end.

However, he quickly settled after the election.

"We are pleased to announce the complete resolution of all litigation involving Trump University," said a Trump University spokesperson when the settlement was announced in November 2016.