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**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA**

KARENA FENG, TAMMY MO,
CANDICE HENTHORN, individually and
on behalf of all others similarly situated,

Plaintiff,

-vs.-

COURSERA, INC.,

Defendant.

CASE NO. 3:23-cv-449

CLASS ACTION COMPLAINT
JURY TRIAL DEMANDED

Plaintiffs Karena Feng (“Ms. Feng”) and Tammy Mo (“Ms. Mo”) bring this action individually and on behalf of all others similarly situated against Defendant Coursera, Inc. (“Coursera” or “Defendant”). Plaintiffs make the following allegations pursuant to the investigation of their counsel and based upon information and belief, except as to allegations specifically pertaining to themselves and their counsel, which are based on personal knowledge.

INTRODUCTION

1. This is a putative class action lawsuit against Defendant based on its failure to provide the requisite disclosures and authorizations required to be made to and obtained from California consumers under California’s Automatic Renewal Law (“CA ARL”).

1 2. In addition, on a nationwide basis, Defendant violated the Electronic Funds
2 Transfer Act (“EFTA”) by uniformly and routinely initiating preauthorized electronic fund
3 transfers taking money from the bank accounts of Plaintiff and members of the Nationwide EFTA
4 Subclass without obtaining their written authorization for the transfers and routinely failing to
5 provide a copy of any such written authorization to Plaintiff and the Nationwide EFTA Subclass
6 members from whose bank accounts Defendant took preauthorized electronic fund transfers for
7 fees.

8 3. Founded in 2012, Coursera describes itself as a global online learning platform that
9 offers anyone, anywhere, access to online courses and degrees from leading universities and
10 companies.

11 4. Coursera received B Corp certification in February 2021, which means that it has a
12 legal duty not only to their shareholders, but to also “make a positive impact on society more
13 broadly.”¹

14 5. Defendant is based in Mountain View, CA and is allegedly partnered with more
15 than 275 universities to provide online learning to individual and organizations worldwide.

16 6. Through its Website, Defendant markets, advertises, and sells to consumers in
17 California and throughout the United States.

18 7. Coursera has developed a proprietary platform (“*Platform*”) to host multi-media
19 courses (“*Courses*”) for consumption by end users via Coursera’s properties (e.g., the Coursera
20 website, mobile apps, and APIs; collectively, the “*Coursera Properties*”);

21 8. Coursera offers a variety of payment plans, from completely “free” to paying for
22 an individual course or via a monthly or annual subscription (collectively, the “*Subscriptions*”).

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¹ <https://about.coursera.org/> (last visited on January 31, 2023).

9. To sign up for one of Defendant's Subscriptions through the Coursera's Website, customers must provide Defendant with their billing information and Defendant then automatically charges customers' on monthly or yearly basis.

10. At the check-out screen, Plaintiff and customers were misled into believing that they signed up for a free service only to incur a charge.

11. Defendant is also able to unilaterally charge its customers' renewal fees without their consent, as Defendant is in possession of its customers' billing information.

12. Many users of the Coursera Properties believe they are purchasing one course when they sign you up and then they discover that they are being charged for recurring payments. A \$49 fee for a single course quickly turns into several hundred dollars of fees.

13. Still other end users do not realize until there so called "7-day Free Trial" is over that they are going to be incurring a monthly subscription fee.

14. The Federal Trade Commission (FTC) Act's Section 5 is the primary federal statute that governs the use of ARL provisions. The FTC's guidance on negative option features advises businesses to adhere to five fundamental principles for compliance. (See Negative Options – A Report by the staff of the FTC's Division of Enforcement attached hereto as Exhibit "1"). The five principles are as follows:

Principle 1. Disclose material terms, including existence, total cost, third-party billing terms, and how to cancel payment (See Id. at p.8);

Principle 2. Make disclosures visible by placing them in prominent locations (See Exhibit Id. at p.7);

Principle 3. Disclose material terms of the offer to consumers before payment (See Id.);

Principle 4. Obtain consumers' affirmative consent to the offer rather than relying on a pre-checked box (See Exhibit "1"p.7); and

Principle 5. Avoid impeding the effective operation of promised cancellation procedures (See Exhibit “1”p.7).

CALIFORNIA AUTOMATED RENEWAL LAW

15. Pursuant to the CA ARL, online retailers who offer automatically renewing subscriptions to California consumers must: (a) obtain affirmative consent prior to the consumer’s purchase. It is generally accepted that a checkbox to agree next to the automatic renewal clause may suffice. However, the checkbox should not be “pre-checked” and if the consumer is also agreeing to other terms and conditions of the purchase, that consent should be separate from the automatic renewal consent; (b) provide the complete auto-renewal terms in a clear and conspicuous manner and in visual proximity to the request for consent prior to the purchase; (c) provide an acknowledgement identifying an easy and efficient mechanism for consumers to cancel their subscriptions; and (d) as of July 1, 2022, if the automatically renewing offer includes an initial term that lasts for one year or longer, then the business must provide notice between 15 days and 45 days before the date of renewal.

16. Defendant violated the CA ARL by: (i) failing to present the automatic renewal offer terms in a clear and conspicuous manner and in visual proximity to the request for consent to the offer before the subscription or purchasing agreement is fulfilled, in violation of Section 17602(a)(1); (ii) charging consumers’ Payment Method without first obtaining their affirmative consent to the agreement containing the automatic renewal offer terms, in violation of Section 17602(a)(2); and (iii) failing to provide an acknowledgment that includes the automatic renewal offer terms, cancellation policy, and information regarding how to cancel in a manner that is capable of being retained by the consumer, in direct violation of Sections 17602(a)(3) and 17602(b). Cal. Bus. & Prof. Code §§ 17602(a)(1), (a)(2), (a)(3), (b).

1 24. Plaintiff CANDICE HENTHORN (hereinafter referred to as “Henthorn”) is a
2 citizen of California, residing in San Francisco, California.

3 25. In or around 2016, Ms. Henthorn signed up for a free trial of Defendant’s online
4 learning platform to while in California.

5 26. At the time of enrollment, Mo, Feng and Henthorn were not aware that, upon the
6 expiration of their free trial subscription, Defendant would automatically convert their free trial
7 into a paid, automatically renewing subscription.

8 27. During the enrollment process, but before finally consenting to Defendant’s
9 subscription offering, Mo, Feng and Henthorn provided their Payment Method information
10 directly to Defendant. At the time Mo, Feng and Henthorn enrolled in Coursera’s online learning
11 platform, Defendant did not disclose to Mo, Feng and Henthorn all required automatic renewal
12 offer terms associated with the subscription program or obtain Mo’s, Feng’s and Henthorn’s
13 affirmative consent to those terms.

14 28. Further, after Mo, Feng and Henthorn completed their initial order, Defendant sent
15 Mo, Feng and Henthorn an acknowledgment email that failed to provide Mo, Feng and Henthorn
16 with the complete automatic renewal terms that applied to Defendant’s offer, a description of
17 Defendant’s full cancellation policy, or information regarding how to cancel Mo’s, Feng’s and
18 Henthorn’s Coursera’s subscriptions in a manner capable of being retained by them.

19 29. Mo, Feng and Henthorn did not receive any other acknowledgment that contained
20 the required information.

21 30. After Mo first signed up for her subscription on a free trial basis, Defendant
22 automatically renewed Mo’s Subscription and tried on several occasion to charge Mo’s Payment
23
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1 Method the full standard monthly rate associated with the Coursera's monthly subscription –
2 approximately \$49.00.

3 31. After Feng first signed up for her subscription on a free trial basis, Defendant
4 automatically renewed Feng's Subscription.

5 32. Feng's Payment Method was charged an annual Subscription fee of \$399.00 on
6 July 13, 2020 and another annual Subscription fee of \$399.00 on July 13, 2021.

7 33. Ultimately, Feng notified Defendant several times that she did not authorize these
8 charges and to request a refund. However, Defendant denied Feng's refund request.

9 34. Henthorn first signed up for her subscription on a free trial basis, Defendant
10 automatically renewed Henthorn's Subscription.

11 35. Upon information and belief, Henthorn's Payment Method was charged a monthly
12 Subscription fee.

13 36. However, because Henthorn is out-of-work, Defendant was unable to process the
14 monthly fees from July 2023 through October 2023.

15 37. Mo, Feng and Henthorn have lost sleep due to the stress and anxiety caused by
16 Defendant's unauthorized automated renewal fees.

17 38. Mo, Feng and Henthorn have also wasted their time in dealing with these
18 unauthorized charges.

19 39. Defendant's inadequate disclosures and refusal to issue a refund are contrary to the
20 ARL, which deems products provided in violation of the statute to be a gift to consumers. Cal.
21 Bus. & Prof. Code § 17603.

22 40. Had Defendant complied with the ARL, Mo, Feng and Henthorn would have been
23 able to read and review the pertinent automatic renewal terms prior to enrollment and purchase,
24
25

1 and they would cancelled her Subscription earlier, i.e., prior to the expiration of the initial free trial
2 period.

3 41. As a direct result of Defendant's violations of the ARL, Mo, Feng and Henthorn
4 suffered, and continue to suffer, injury.

5 42. Defendant Coursera Inc. ("Cousera" or "Defendant") is a U.S.-based massive open
6 online course provider founded in 2012 by Stanford University computer science professors
7 Andrew Ng and Daphne Koller.

8 43. Coursera works with universities and other organizations to offer online courses.

9 44. Coursera went public in or about March 2021 and is now traded on the New York
10 Stock exchange under the ticker symbol "COUR" .

11 45. According to Coursera's CEO, Jeff Maggioncalda, Coursera went into the IPO
12 with \$275 million in the bank and it will have approximately three-quarters of \$1 billion in cash
13 post-IPO.

14 46. Coursera's principal place of business is located at 381 E. Evelyn Ave., Mountain
15 View, California 94041.

16 47. Coursera works with universities and other organizations to offer online courses,
17 certifications, and degrees in a variety of subjects.

18 48. Defendant also promotes, advertises, and/or markets its automatic renewing
19 subscription plans which provides the end users with access to the online courses.

20 49. Defendant sells Subscriptions in California and has done business throughout
21 California and throughout the United States at all times during the Class Period.

22 50. Defendant also made automatic renewal or continuous service offers to consumers
23 in California and throughout the United States via the Coursera Properties.

GENENERAL FACTUAL ALLEGATIONS

A. The History of the Subscription e-Commerce Market

57. The e-commerce subscription model is a business model in which retailers provide ongoing goods or services “in exchange for regular payments from the customer.”²

58. Subscription e-commerce services target a wide range of customers and cater to a variety of specific interests. Given the prevalence of online and e-commerce retailers, subscription e-commerce has grown rapidly in popularity in recent years. Indeed, the “subscription economy has grown more than 400% over the last 8.5 years as consumers have demonstrated a growing preference for access to subscription services[.]”³

59. Analysts at UBS predict that the subscription economy will expand into a \$1.5 trillion market by 2025, up from \$650 billion in 2020.⁴ That constitutes an average annual growth rate of 18%, which makes the subscription economy “one of the fastest-growing industries globally.”⁵

² See <https://www.coredna.com/blogs/ecommerce-subscription-services>.

³ Business Insider, Taco Bell’s taco subscription is rolling out nationwide — here’s how to get it (January 6, 2022), <https://www.businessinsider.com/taco-bell-subscription-launching-across-the-country-2022-1> (internal quotation marks omitted).

⁴ See UBS, Investing in digital subscriptions (March 10, 2021), <https://www.ubs.com/global/en/wealth-management/our-approach/marketnews/article.1525238.html> (“[A]t close to USD 650 billion in 2020, we expect the subscription economy to expand into a USD 1.5 trillion market by 2025, implying an average annual growth rate of 18%.”). See also Subscribed, UBS Declares: It’s Worth Investing in the Subscription Economy (April 17, 2021), <https://www.subscribed.com/read/news-and-editorial/ubs-declares-its-worth-investing-in-the-subscription-economy>; Business 2 Community, The Subscription Economy Is Booming Right Now. But Are You Reaping the Full Benefits? (October 7, 2021), <https://www.business2community.com/ecommerce/the-subscription-economy-is-booming-right-now-but-are-you-reaping-the-full-benefits-02434851>.

⁵ UBS, Investing in digital subscriptions (Mar. 10, 2021), *supra* (“[Growth] was seen across many areas, including e-commerce, video streaming, gaming, cloud-based applications, etc.”); see also Juniper Research, Subscriptions For Physical Goods To Overtake Digital Subscriptions By 2025; Growing To Over \$263bn Globally (Oct. 12, 2020), <https://www.juniperresearch.com/press/subscriptions-for-physical-goods-to-overtake>

60. As noted above, the production, sale, and distribution of subscription-based products and services is a booming industry that has exploded in popularity over the past few years. According to Forbes, “[t]he subscription e-commerce market has grown by more than 100% percent a year over the past five years, with the largest retailers generating more than \$2.6B in sales in 2016, up from \$57.0M in 2011.”⁶ Following 2016, market growth within the industry increased exponentially, reaching \$650 billion in 2020.⁷ “As such, the financials of companies with subscription business models[] ... improved dramatically in 2020 thanks to limited revenue volatility and strong cash flow generation.”⁸ Thus, “[t]he share prices of most subscription companies have performed well in recent years.”⁹

61. The expansion of the subscription e-commerce market shows no signs of slowing. “We’re now in the subscriptions era, and the pandemic is accelerating its takeover. During the COVID-19 lockdowns, many digital-based subscription business models fared well due to their promise of convenience and strong business continuity.”¹⁰ According to The Washington Post, “[s]ubscriptions boomed during the coronavirus pandemic as Americans largely stuck in shutdown mode flocked to digital entertainment[.] ... The subscription economy was on the rise before the

(acknowledging “the significant lead the digital sector has had in th[e] area[of digital service subscriptions]”).

⁶ The State Of The Subscription Economy, 2018, Forbes (Mar. 4, 2018), <https://www.forbes.com/sites/louiscolombus/2018/03/04/the-state-of-the-subscription-economy-2018/#6ad8251a53ef>.

⁷ See UBS, Investing in digital subscriptions (Mar. 10, 2021), available at <https://www.ubs.com/global/en/wealth-management/our-approach/marketnews/article.1525238.html>.

⁸ Id.

⁹ Id.

¹⁰ UBS, Investing in digital subscriptions (Mar. 10, 2021), <https://www.ubs.com/global/en/wealth-management/our-approach/marketnews/article.1525238.html>.

1 pandemic, but its wider and deeper reach in nearly every industry is expected to last, even after
 2 the pandemic subsides in the United States.”¹¹

3 62. However, as The Washington Post has noted, there are downsides associated with
 4 the subscription-based business model. While the subscription e-commerce market has low
 5 barriers and is thus easy to enter, it is considerably more difficult for retailers to dominate the
 6 market due to the “highly competitive prices and broad similarities among the leading players.”¹²
 7 In particular, retailers struggle with the fact that “[c]hurn rates are high, [] and consumers quickly
 8 cancel services that don’t deliver superior end-to-end experiences.”¹³ Yet, retailers have also
 9 recognized that, where the recurring nature of the service, billing practices, or cancellation process
 10 is unclear or complicated, “consumers may lose interest but be too harried to take the extra step of
 11 canceling their membership[s].”¹⁴ As these companies have realized, “[t]he real money is in the
 12 inertia.”¹⁵ As a result, “[m]any e-commerce sites work with third-party vendors to implement
 13 more manipulative designs.”¹⁶ That is, to facilitate consumer inertia, a number of subscription e-
 14 commerce companies, including Defendant, “are now taking advantage of subscriptions in order
 15

16 ¹¹ The Washington Post, Everything’s becoming a subscription, and the pandemic is partly to
 17 blame (June 1, 2021), [https://www.washingtonpost.com/business/2021/06/01/subscription-boom-](https://www.washingtonpost.com/business/2021/06/01/subscription-boom-pandemic/)
 18 pandemic/ (noting that “e-commerce and entertainment subscriptions to sites such as Netflix,
 19 Hulu and Disney Plus made headlines during the pandemic for soaring growth”).

18 ¹² McKinsey & Company, Thinking inside the subscription box: New research on e-commerce
 19 consumers, (February 2018), [https://www.mckinsey.com/industries/technology-media-and-](https://www.mckinsey.com/industries/technology-media-and-telecommunications/our-insights/thinking-inside-the-subscription-box-new-research-on-e-commerce-consumers#0)
 20 telecommunications/our-insights/thinking-inside-the-subscription-box-new-research-on-

20 ¹³ Id.

21 ¹⁴ Washington Post, Little-box retailing: Subscription services offer new possibilities to
 22 consumers, major outlets (April 7, 2014),
[https://www.washingtonpost.com/business/economy/tktktktk/2014/04/07/f68135b6-a92b-11e3-](https://www.washingtonpost.com/business/economy/tktktktk/2014/04/07/f68135b6-a92b-11e3-8d62-419db477a0e6_story.html)
 22 8d62-419db477a0e6_story.html.

23 ¹⁵ Id.

24 ¹⁶ Business Insider, A new study from Princeton reveals how shopping websites use 'dark
 25 patterns' to trick you into buying things you didn't actually want (June 25, 2019),
<https://www.businessinsider.com/dark-patterns-online-shopping-princeton-2019-6>.

1 to trick users into signing up for expensive and recurring plans. They do this by intentionally
 2 confusing users with their app’s design and flow, ... and other misleading tactics[,]” such as failure
 3 to fully disclose the terms of its automatic-renewal programs.¹⁷

4 63. To make matters worse, once enrolled in the subscription, “[o]ne of the biggest
 5 complaints consumers have about brand/retailers is that it’s often difficult to discontinue a
 6 subscription marketing plan.”¹⁸ Moreover, “the rapid growth of subscriptions has created a host of
 7 challenges for the economy, far outpacing the government’s ability to scrutinize aggressive
 8 marketing practices and ensure that consumers are being treated fairly, consumer advocates say.”¹⁹
 9 Thus, although “Federal Trade Commission regulators are looking at ways to make it harder for
 10 companies to trap consumers into monthly subscriptions that drain their bank accounts [and]
 11 attempting to respond to a proliferation of abuses by some companies over the past few years[,]”²⁰
 12 widespread utilization of these misleading dark patterns and deliberate omissions persist.

13 64. Defendant has successfully engaged these practices. According to The
 14 report, Coursera is maintaining its pace, adding 5 million learners per quarter.²¹ In April 2022,
 15 Coursera crossed 100 million registered learners.²²

18 ¹⁷ TechCrunch, Sneaky subscriptions are plaguing the App Store (October 15, 2018),
 19 <https://techcrunch.com/2018/10/15/sneaky-subscriptions-are-plaguing-the-app-store/>.

20 ¹⁸ The Washington Post, Everything’s becoming a subscription, and the pandemic is partly to
 21 blame (June 1, 2021), [https://www.washingtonpost.com/business/2021/06/01/subscription-boom-](https://www.washingtonpost.com/business/2021/06/01/subscription-boom-pandemic/)
 22 [pandemic/](https://www.washingtonpost.com/business/2021/06/01/subscription-boom-pandemic/) (“‘Subscription services are a sneaky wallet drain,’ said Angela Myers, 29, of
 Pittsburgh. ‘You keep signing up for things and they make it really hard to cancel.’”); see also
 New Media and Marketing, The problem with subscription marketing (Mar. 17, 2019),
<https://www.newmediaandmarketing.com/the-problem-with-subscription-marketing/>.

23 ¹⁹ Id.

24 ²⁰ Id.

²¹ <https://www.classcentral.com/report/coursera-q1-2022/>.

²² Id.

B. Defendant's Online Complaints are Indicative of its Unlawful Subscription Practices

65. Consumers have complained on social media outlets both about Defendant's misleading enrollment process as well as its unclear cancellation process.

66. Consumers complain about being charged a "one-time" fee for watching an event to then discover they had been charged for a year membership.

67. Also, consumers complained about being misled into believing they were enrolling in a free trial membership only to find out later that they were incurring monthly charges.

68. Many other users of Coursera believe they are purchasing one course when they sign you up and then they discover that they are being charged for recurring payments. A \$49 fee for a single course quickly turns into several hundred dollars of fees.

69. Other users were unable to cancel their monthly subscription fees.

70. There over 333 reviews of the Defendant on Trustpilot, many of which involve these same issues.²³ As of November 12, 2022, 68 percent were 1-star reviews and 9 percent were 2-star reviews with 1-star being the lowest rating and 5-star the highest in regarding to customer satisfaction.²⁴ Defendant's average rating is 1.7-star.²⁵

71. Below is just a sampling of those reviews:

²³ <https://www.trustpilot.com/review/coursera.org?page=2>

²⁴ Id.

²⁵ Id.

ZF **z fei**
1 review 📍 VN



Jan 6, 2023

I was charged for 39\$ just to register...

I was charged for 39\$ just to register for a free course. They dont send any reminder about free periods and charge it and not refundable.

I didnt follow that free course and not know that until I reveive notification that my account has been charged.

Date of experience: January 05, 2023

BR **Brad**
1 review 📍 MA



Jan 16, 2023

Coursera Plus "Free" Upgrade is a total...

Coursera Plus "Free" Upgrade is a total scam. I purchased a course to have it forever and was tricked into changing this purchase into a Coursera Plus subscription, with the website stating it was the same exact thing except one gets more courses. It was not a free add-on after all, the course I originally purchased disappeared after a month unless I continued with my subscription. Very disappointing sales tactics for a company with otherwise good quality material overall.

Date of experience: January 14, 2023

MM **Mahmoud Moustafa**
1 review 📍 SA



6 days ago

i subscribed only once for a course

i subscribed only once for a course, and they keep charging me every month, also they are hiding the contact us form in the website, they are fake and unethical in business!

Date of experience: January 22, 2023



teresa mosley

1 review 📍 US



4 days ago

Unable to cancel free trial

I signed up for a free trial, and wasn't impressed with them. The website is difficult to navigate and the help section isn't actually very helpful.

I tried to cancel by free trial, but the instructions to do so were incorrect. There was no free trial ever listed under my subscriptions, so I couldn't cancel.

Now I am having to hash it out with them to get my money back when it seems this is a common issue from them.

Date of experience: December 15, 2022



Roman Sparks

1 review 📍 GB



Dec 16, 2022

Signed up for a 7 day trial

Signed up for a 7 day trial, I went to cancel as the app wasn't for me but it gave and me no option to cancel anything, i have a screenshot on the app saying there's no subscriptions but yet £51 still came out my account this morning

Date of experience: December 15, 2022

**Sani**

5 reviews

📍 GB



Dec 6, 2022

Useless courses

Bad quality courses, annoying spam letters(spam button doesn't work for them), useless diploma(my friend finished their courses). Don't recommend. I gave it a try with 30 day - free trial period. After that automatically paid £42. Unsuccessfully tried to get money back with PayPal help. Because I didn't spend there an hour. After I got what that's not what I'm looking for.

Date of experience: December 04, 2022**Nadia d**

2 reviews

📍 CA



Dec 3, 2022

Difficult to cancel subscription: here's how to do it

Hi from canada - Do NOT sign up. If you do and what to cancel, the only way to do so is to go to your email receipt and access the course from there - then go to My Account- My Purchases and voila! The course cancel subscription button is suddenly available. It wasn't available by going directly to either the app or the website. All I saw under My Account and My Purchases, in that case, were the months they were able to successfully cheffe me for - NO cancellation button. And no easy way to contact you.

Date of experience: December 02, 2022



Manisha Pankhania

2 reviews 📍 GB



Nov 21, 2022

Subscription Payments wont stop!!

Hi all

I signed up for a free month, post the free trial I cancelled my subscription however 2 months of payments have still been direct debited from my bank account. There is no way to speak to anyone to resolve the issue, the help page on the website is useless as its all automated and I am at a loss as to what to do.

This company looks fraudulent. Am at a loss as to how to stop the payments coming out.

Date of experience: November 20, 2022



krzysztof obiedzinski

7 reviews 📍 GB



Nov 28, 2022

Cant access any courses anymore

Cant access any courses anymore. Despite my subscription running out on 3rd of February 2023, I can't enroll to any courses anymore. Avoid the place, there are many more other training providers who dont cheat their customers.

Date of experience: November 27, 2022

**Rita Dorsett**

1 review 📍 US



7 days ago

I have no subscriptions or purchases

I have no subscriptions or purchases, yet I am being charged \$78 per month. I cannot get a contact email, name, or number to complain. As for chat, I was told they do not have a record of my account. I am charged \$39 on Paypal and \$39 on Citibank.

Date of experience: November 04, 2022**James Au**

1 review 📍 TH



Nov 2, 2022

Kept billing me for months after I quit...

Kept billing me for months after I quit the service.

Date of experience: November 01, 2022**Patrick The rock**

1 review 📍 AU



Oct 31, 2022

Steal money from my pocket without any...

Steal money from my pocket without any notification!!!

At least you should send me an email in advance so that I can decide if I would like to pay!!!

And more when I try to have a refund, they told me it is non-refundable. Ridiculous!!!

Date of experience: October 30, 2022

**Phillipp Tugend**

1 review DE



Oct 31, 2022

It WAS good, but know it is scam

I really don't get it... I bought the program for 37€. Suddenly Coursera introduced a "Plus" program and now I am not able to work on any course that I used previously. I was not aware that PLUS is even more expensive then the 37€...

For me that's a huge scam, because now all google and IBM courses are only included in the BIG membership.

I've canceled my subscription and I would not recommend to use this page, since they are changing the pricing models and suddenly you need to pay much more then before.

Date of experience: October 30, 2022**Gloria Kennedy**

1 review US



Updated Oct 3, 2022

They are charging me \$39 twice for one course!

They are charging me twice monthly for a single course. Since I signed up two months ago, I have two \$39 dollar charges each month. Two August 24 and two September 24. I have repeatedly tried to communicate with them however it's impossible. They don't reply to any means of communication. Are they involved in fraudulent activity????

Date of experience: September 27, 2022

**Evelyn Huang**

1 review AU



Sep 2, 2022

\$54 keeps being deducted but cannot finish course!!!!

I purchased Google Data Analytics Professional Certificate, but due to Coursera system errors, I cannot finish my course, I tried to post in the forum. I contacted the help center (ticket number: 03303598) for 2 months but nothing is working out. Coursera keeps deducting A\$54 from my bank monthly. It is a such bad experience and a waste of money!!!

Date of experience: September 01, 2022**Marwen Trabelsi**

18 reviews TN



Oct 2, 2022

"Enroll for free " but then you click...

"Enroll for free " but then you click and its free trial and require a credit card.

that was a lie, greedy and scammy im happy did not buy any sub from you!

Date of experience: October 01, 2022**Il Chil Illias**

1 review CH



Aug 3, 2022

Complete scam with no refund

To explain:

- I tried "free course" for first 7 days.
- While I created account it was obligatory to fill credit-card info.
- I was debited for 39\$.
- Even subscription is cancelled you will be never refunded.

To avoid: any web-site asking credit card credentials while creating account.

Date of experience: August 03, 2022



Erin

1 review

📍 US



Jul 29, 2022

VERY Shady Billing Practices

I have proof that I canceled my subscription in December of last year and provided this to Coursera support, but I continue to get charged. I have been trying to get the charges to stop for the past 7 months. Each time I contact support, they respond up until the point where I provide them with evidence of my subscription cancellation and charges. I have never experienced anything so shady in my entire life. Don't subscribe to this company; even if you cancel, they will continue to charge you and refuse to answer any emails no matter how often you follow-up. The charges are fraudulent at this point.

Date of experience: July 29, 2022



teresa mosley

1 review

📍 US



Dec 22, 2022

Unable to cancel free trial

I signed up for a free trial, and wasn't impressed with them. The website is difficult to navigate and the help section isn't actually very helpful.

I tried to cancel by free trial, but the instructions to do so were incorrect. There was no free trial ever listed under my subscriptions, so I couldn't cancel.

Now I am having to hash it out with them to get my money back when it seems this is a common issue from them.

Date of experience: December 15, 2022

72. Coursera also has an "F" rating on the Better Business Bureau ("BBB").²⁶ The following are some example of the complaints filed with the BBB:

²⁶ <https://www.bbb.org/us/ca/mountain-view/profile/online-education/coursera-inc-1216-355709>



Initial Complaint
11/10/2022

Complaint Type: Problems with Product/Service
Status: Answered ?

I signed up and never used services. I tried to cancel my subscription since May/June 2022 and continue to be charged. I have gotten no response. I would like a credit since when I canceled and to not be charged further. The website makes it extremely difficult to contact customer service.



Initial Complaint
11/02/2022

Complaint Type: Billing/Collection Issues
Status: Answered ?

I purchased the ***** for my sister *****), through ***** . ***** has had several issues with logging in and is locked out of the program. She has not been able to get a live person to help her or even respond to emails. I have reached out to ***** to stop monthly payment being charged to my credit card. I have not received a response to my email and there is no phone number to speak with a live agent. We are disappointed that Coursea does not provide the proper customer service so that users/students/payors can contact them for course info, account issues or payment issues.



Initial Complaint
11/01/2022

Complaint Type: Billing/Collection Issues
Status: Answered ?

I signed up for a Google Professional Certificate program via Coursera. I finished the course and received my certificate yet I was still charged the following month. Why is there an automatic charge if I had completed the course in its entirety? This feels dishonest and I expect better from a company that is in the business of education. I had a great experience with Coursera and was planning on taking additional courses but this shady billing policy is holding me back. Get rid of this ridiculous policy. My refund request was denied by the business and I'd like to be refunded.



Initial Complaint
10/24/2022

Complaint Type: Billing/Collection Issues
Status: Answered ?

I attempted to cancel a recurring subscription yet when I log-in to do so as outlined in email to manage the subscription and as outlined in the "Help" section - the subscription does not appear nor does the course in the mycourse section. I want the charges to stop immediately and for ***** to make it clear and straightforward to cancel subscriptions. Order Number XXXXXXXXXX Payment Method XXXX-XXXX-XXXX-**** ***** Subtotal (USD) ***** Sales Tax (USD) **** Total (USD) *****



Initial Complaint
10/24/2022

Complaint Type: Billing/Collection Issues
Status: Answered ?

I took a class through my Community College ***** Central ***** and paid the charges that I assumed would apply during the course of the class period. When the school year ended they continued to charge the monthly fee of ***** for 5 months afterwards without permission to deduct this from my card. There is no way to contact them via phone where anyone is responsive, there is no response if you leave a message. I have been charged a total of \$ ***** without them ever contacting me with information that any subscription was still active. This is a very questionable business practice. I would like the unauthorized charges returned to my account.



Initial Complaint
10/18/2022

Complaint Type: Problems with Product/Service
Status: Answered ?

I've tried everything to cancel my subscription and to even get in contact with someone on the website but ***** makes it impossible to do either. There is no "manage my subscriptions" tab on my account so I cannot manage it. I want to cancel!! No, I don't have multiple accounts; just one. I feel like they do this so they can continue taking money from you in hopes you give up on trying to cancel.



Initial Complaint
09/28/2022

Complaint Type: Problems with Product/Service
Status: Resolved ?

I have canceled a ***** Plus subscription and received the following email confirming that. Forwarded message From: ***** Date: Fri, Sep 2, 2022 at 9:47 PM Subject: ***** Plus Cancellation Confirmation To: ***** " We're sad to see you go Hi, We've successfully canceled your ***** Plus subscription, and you'll no longer be charged. You have access to all courses in the ***** Plus catalog until September 02, 2023 ***** We hope to see you back on ***** soon! " Then I found out that I have not received the refund 20 days later.



Initial Complaint
08/26/2022

Complaint Type: Problems with Product/Service
Status: Unanswered ?

I passed my class on Coursera so I was no longer in need of their services. So I tried canceling my subscription but it appeared like "you have no purchase history" so I assumed my account got canceled after I passed my classes. I tried contacting them by the number provided on the website and it just sent me to consumer affairs, I tried finding their email and I couldn't find an email, I also tried to contact them through the chat and it wouldn't let me. They just make it extremely difficult to contact them which also makes it extremely difficult to get my subscription canceled and refunded. I think this website really needs to upgrade their communication skills because they are basically stealing money by making it extremely difficult to contact them for any problems. I recently emailed them today which I finally found the chat log because of someone on YouTube that showed you how to find it, not because the website made it accessible or easy to do it. And they find it extremely unfair for the consumer to have to deal with this. Please have them contact me immediately so I could get my subscription canceled, a refund, and so they could fix their communication. I am lucky to have the time and the knowledge to be able to contact you and some are not lucky and it is not fair for them to just accept the fact that they're gonna get charged and they can't do anything about it.

C. California's Automatic Renewal Law

73. In 2010, the California Legislature enacted the Automatic Renewal Law ("ARL"), Cal. Bus. & Prof. Code §§ 17600, et seq., with the intent to "end the practice of ongoing charging of consumer credit or debit cards or third party payment accounts without the consumers' explicit consent for ongoing shipments of a product or ongoing deliveries of service." Cal. Bus. & Prof. Code § 17600 (statement of legislative intent).

74. More recently, in 2018, California's Senate Bill 313 amended Section 17602 of the ARL, adding new requirements meant to increase consumer protections for, among other things, orders that contain free trial and promotional pricing, and subscription agreements entered into online.

75. The ARL makes it "unlawful for any business making an automatic renewal or continuous service offer to a consumer in this state to do any of the following:"

- (1) Fail to present the automatic renewal offer terms or continuous service offer terms in a clear and conspicuous manner before the subscription or purchasing agreement is fulfilled and in visual proximity, or in the case of an offer conveyed by voice, in temporal proximity, to the request for consent to the offer. If the offer also includes a free gift or trial, the offer shall include a clear and conspicuous explanation of the price that will be charged after the trial ends or the manner in which the subscription or purchasing agreement pricing will change upon conclusion of the trial.
- (2) Charge the consumer's credit or debit card, or the consumer's account with a third party, for an automatic renewal or continuous service without first obtaining the consumer's affirmative consent to the agreement containing the automatic renewal offer terms or continuous service offer terms, including the terms of an automatic renewal offer or continuous service offer that is made at a promotional or discounted price for a limited period of time.
- (3) Fail to provide an acknowledgment that includes the automatic renewal offer terms or continuous service offer terms, cancellation policy, and information regarding how to cancel in a manner that is capable of being retained by the consumer. If the automatic renewal offer or continuous service offer includes a free gift or trial, the business shall also disclose in the acknowledgment how to cancel, and allow the consumer to cancel, the automatic renewal or continuous service before the consumer pays for the goods or services.

Cal. Bus. & Prof. Code § 17602(a)(1)-(3).

76. Section 17602(b) of the ARL further provides:

A business that makes an automatic renewal offer or continuous service offer shall provide another cost-effective, timely, and easy-to-use mechanism for cancellation that shall be described in the acknowledgment specified in paragraph (3) of subdivision (a).

Cal. Bus. & Prof. Code § 17602(b).

77. Additionally, following the 2018 amendment to the ARL, the updated law requires e-commerce sellers doing business in California to allow online cancellation of auto-renewing memberships or recurring purchases that were initiated online. Specifically, Section 17602(c) provides:

[A]consumer who accepts an automatic renewal or continuous service offer online shall be allowed to terminate the automatic renewal or continuous service exclusively online, which may include a termination email formatted and provided by the business that a consumer can send to the business without additional information.

Cal. Bus. & Prof. Code § 17602(c) (emphasis added).

78. The updated ARL also requires a seller who provides an automatic offer that includes a free gift, trial, or promotional pricing to notify consumers about how to cancel the auto-renewal before they are charged. Sellers must also explain the price to be charged when the promotion or free trial ends. If the initial offer is at a promotional price that is only for a limited time and will increase later, the seller must obtain consumer consent to the non-discounted price prior to billing. *Id.*

79. Section 17601(a) of the ARL defines the term “Automatic renewal” as a “plan or arrangement in which a paid subscription or purchasing agreement is automatically renewed at the end of a definite term for a subsequent term.” Cal. Bus. & Prof. Code § 17601(a).

80. Section 17601(b) of the ARL defines the term “Automatic renewal offer terms” as “the following clear and conspicuous disclosures: (1) That the subscription or purchasing agreement will continue until the consumer cancels. (2) The description of the cancellation policy that applies to the offer. (3) The recurring charges that will be charged to the consumer’s credit or debit card or payment account with a third party as part of the automatic renewal plan or

1 arrangement, and that the amount of the charge may change, if that is the case, and the amount to
2 which the charge will change, if known. (4) The length of the automatic renewal term or that the
3 service is continuous, unless the length of the term is chosen by the consumer. (5) The minimum
4 purchase obligation, if any.” Cal. Bus. & Prof. Code § 17601(b).

5 81. Pursuant to Section 17601(c) of the ARL, “clear and conspicuous” or “clearly and
6 conspicuously” means “in larger type than the surrounding text, or in contrasting type, font, or
7 color to the surrounding text of the same size, or set off from the surrounding text of the same size
8 by symbol ls or other marks, in a manner that clearly calls attention to the language.” Cal. Bus. &
9 Prof. Code § 17601(c).

10 82. Finally, Section 17603 of the ARL provides that where a “business sends any
11 goods, wares, merchandise, or products to a consumer, under a continuous service agreement or
12 automatic renewal of a purchase, without first obtaining the consumer’s affirmative consent,” the
13 material sent will be deemed “an unconditional gift to the consumer, who may use or dispose of
14 the same in any manner he or she sees fit without any obligation whatsoever on the consumer’s
15 part to the business.” Cal. Bus. & Prof. Code § 17603.

16 83. As alleged below, Coursera’s website, mobile apps, and APIs systematically
17 violate Sections 17602(a)(1), 17602(a)(2), and 17602(a)(3) of the ARL.

18 **D. Coursera’s Subscription Enrollment Process**

19 84. At all relevant times, Defendant offered various subscriptions plans on a recurring
20 basis monthly basis, and all plans automatically renew at the end of the defined renewal term
21 unless the subscriber cancels. Defendant’s monthly subscriptions plans constitute automatic
22 renewal and/or continuous service plans or arrangements for the purposes of Cal. Bus. & Prof.
23 Code § 17601.

1 85. The enrollment process for each Coursera subscription is substantially the same,
2 regardless of the medium used. Consumers can “join” Coursera for fee by providing full name,
3 email address and creating a password. After these steps, consumers are able to browse Coursera’s
4 course offerings.

5 86. After a course is selected, whether it be offered via a “free trial” or require
6 immediate payment, the prospective subscribers is invited to complete the purchase. For the
7 purposes of the ARL and this Complaint, the “relevant portion of the Checkout Page” refers to the
8 text of that portion of the Checkout Page that appears “in visual proximity to the request for consent
9 to the offer[,]” which in this case pertains to the latter block of text located immediately above the
10 final red “Start Free Trial” button that customers must press in order to complete the checkout
11 process.

12 87. By way of example, at least as of November 2022, when a consumer signed up for
13 a Coursera “free subscription” via his or her computer web browser, the “relevant portion of the
14 Checkout Page” refers to the disclosures in the block of text above the red “Start Free Trial” button
15 (i.e., the “request for consent”), which contains the following language and appearance:
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17
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Confirm

1,201,634 already enrolled!



NAME ON CARD ⓘ

Enter the name on your card

CARD NUMBER

Enter your card number



EXPIRATION DATE

MM / YY

CVV

CVV

COUNTRY

Select your country

Your subscription starts today with a 7-day free trial. If you do not cancel during the free trial period, you will be charged \$39 USD (plus applicable taxes) on November 20, 2022 and monthly thereafter until you cancel. You may [cancel](#) any time to avoid future charges.

By clicking "Start Free Trial," you agree to the [subscription terms above](#) and [Refund Policy](#).

Start Free Trial

You won't be charged today



Google Data Analytics
Professional Certificate
by Google
[Remove from cart](#)

No commitment. Cancel anytime.

Monthly Subscription

7-Day Free Trial
then \$39 USD/mo

Today's Total:

\$0 USD

Coursera has been a source of intellectual enrichment and practical professional development for me.

— Tamir L.



100 Million+
Learners




7,000+
Courses

coursera


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88. Regardless of how the consumer subscribes (via the Coursera Website on its mobile or desktop format), and irrespective of which particular subscription plan the consumer selects, Defendant fails to disclose the full terms of its auto-renewal program either before or after checkout, and it never requires the individual to read or affirmatively agree to any terms of service, i.e., by requiring consumers to click a checkbox next to the automatic renewal offer terms before consumers complete the checkout process and submit their orders for Defendant's "free" trial subscriptions. Defendant uniformly fails to obtain any form of consent from – or even provide effective notice to – its subscribers before charging consumers' Payment Methods on a recurring basis.




**Get Coursera Plus free for
a month
and learn without limits**
**Try multiple courses at no
additional cost**

**Get your first month of Coursera Plus
for \$39, then \$49 monthly.**
You can cancel anytime.



Access thousands of courses
Get thousands of learning programs at no
additional cost with this monthly subscription.



Learn exactly what you need
Create the learning path that's right for your
goals. Learn what you want, when you want.

By claiming this offer, you are starting a Coursera Plus
subscription with the first 7 days free. **Your Coursera
Plus subscription starts today**, which includes this
Specialization. If you do not cancel during your trial
period **you will be charged \$39 plus applicable taxes**

89. The free trial above offered by Coursera seems to indicate that the customer will get access for Coursera for 30-days for free.

1 90. However, in that area of the advertisement containing the terms of the automated
2 renewal, it sets forth that the free trial is 7- days, not 30-days.

3 **E. Defendant Violates California’s Automatic Renewal Law**

4 91. At all relevant times, Defendant failed to comply with the ARL in three ways: (i)
5 Defendant failed to present the automatic renewal offer terms in a clear and conspicuous manner
6 and in visual proximity to the request for consent to the offer before the subscription or purchasing
7 agreement was fulfilled, in violation of Cal. Bus. & Prof. Code § 17602(a)(1); (ii) Defendant
8 charged Plaintiff’s and the proposed class members’ Payment Methods without first obtaining their
9 affirmative consent to the agreement containing the automatic renewal offer terms, in violation of
10 Cal. Bus. & Prof. Code § 17602(a)(2); and (iii) Defendant failed to provide an acknowledgment
11 that included the automatic renewal offer terms, cancellation policy, and information regarding
12 how to cancel in a manner that is capable of being retained by the consumer, in violation of
13 Cal.Bus. & Prof. Code §§ 17602(a)(3).

14 i. **Defendant Fails To Clearly And Conspicuously Present Coursera’s**
15 **Subscription Terms Before The Subscription Agreement Is Fulfilled**
 And In Visual Proximity To The Request For Consent To The Offer.

16 92. The relevant portion of Defendant’s Checkout Page does not clearly and
17 conspicuously present the complete “automatic renewal offer terms[,]” as defined by Cal. Bus. &
18 Prof. Code §17601(b).

19 93. Specifically, Defendant fails to present a complete “description of the cancellation
20 policy that applies to the offer.” Cal. Bus. & Prof. Code § 17601(b)(2). With respect to
21 cancellation, the relevant portion of the Checkout Page states: “You may cancel at any to avoid
22 future charges”. The Checkout Page contains no explanation of how to cancel. For example, the
23 Checkout Page does not mention that subscribers cancel their Coursera subscription by visiting
24
25

the Coursera website and clicking on the “Individual” tab²⁷ where you then must the scroll the bottom of the page and click the “Help” link.²⁸ You then click the “Cancel a free trial” link.²⁹ There are then additional instructions to follow to cancel.

94. Additionally, the Checkout Page does not state that a subscriber who cancels after the 7-day free trial will not be eligible for a refund after his or her payment method is charged.³⁰

95. Defendant therefore failed to place consumers on notice of these aspects of Defendant’s cancellation policy in accordance with statute because the ARL requires that companies provide such information “in visual proximity to the request for consent to the [automatic renewal] offer,” and in this case Defendant has failed to do so. Cal. Bus. & Prof. Code § 17602(a)(1).

96. Pursuant to Section 17601(c) of the ARL, “clear and conspicuous” or “clearly and conspicuously” means “in larger type than the surrounding text, or in contrasting type, font, or color to the surrounding text of the same size, or set off from the surrounding text of the same size by symbols or other marks, in a manner that clearly calls attention to the language.” Cal. Bus. & Prof. Code § 17601(c).

97. Defendant’s inadequate “automatic renewal terms” fall well short of the mark from being conspicuous as defined under the ARL.

²⁷

https://www.coursera.org/courseraplus/?utm_source=gg&utm_medium=sem&utm_campaign=04-CourseraPlus-US&utm_content=B2C&campaignid=9777751587&adgroupid=100171642259&device=c&keyword=coursera%20%2B&matchtype=b&network=g&devicemodel=&adpostion=&creativeid=442114125114&hide_mobile_promo&gclid=Cj0KCQiAyMKbBhD1ARIsANs7rEG7tKWh7bU3p8y-ThxpwzVtAfkoWHl1JNZyq8j0uPeQ1LFxgfGkaOkaAiSKEALw_wcB

²⁸ <https://www.coursera.support/s/learner-help-center>

²⁹ <https://www.coursera.support/s/article/115004991443-Cancel-a-free-trial?>

³⁰ https://www.coursera.support/s/article/115001278026-Free-trials-for-subscriptions?language=en_US

1 98. Specifically, the terms are not “clear and conspicuous” because they are smaller
2 than the text featured in and under the payment information. Additionally, the terms, which appear
3 below the payment information are in a size that is less than 10-point and are illegible to the naked
4 eye without increasing the zoom level even on a large computer screen.

5 99. At the same time, the illegible terms are much less obvious or noticeable than the
6 text in the middle of the Checkout Page with a large font size and with parts that are in bold and
7 red type.

8 100. Finally, the terms are clearly overshadowed by the large call-to-action button which
9 is in a large blue, rectangular box containing the words “Start Free Trial” in white letters with the
10 sentence “You won’t be charged today” to the right and outside of the large blue, rectangular box.

11 101. It is clear from the design of Defendant’s Checkout Page that Defendant intends to
12 mislead prospective consumers, and has misled consumers, into purchasing its Coursera’s
13 subscriptions.

14 102. Just as confusing is Coursera Plus’ monthly free trial offer which states the first
15 month is \$39.00, then \$49,00 monthly. However, if you read further down Coursera it states that
16 the first 7- days are free.

17 103. Based on the above, Defendant’s deceptive Checkout Page does not “clearly call
18 attention” to its otherwise inadequate “automatic renewal terms” in violation of Cal. Bus. & Prof.
19 Code § 17602(1).

20 104. Defendant therefore fails to present pertinent information regarding cancellation
21 “before the subscription or purchasing agreement is fulfilled and in visual proximity[] ... to the
22 request for consent to the offer,” as the ARL requires. Cal. Bus. & Prof. Code § 17602(a)(1).
23
24
25

1 ii. **Defendant Fails To Obtain Consumers’ Affirmative Consent To The**
2 **Automatic Renewal Terms Associated With The Coursera Subscriptions.**

3 105. Defendant does not require consumers to read or affirmatively agree to any terms
4 of service associated with the Coursera subscriptions, i.e., by requiring consumers to select or click
5 a “checkbox” next to the automatic renewal offer terms to complete the checkout process. In fact,
6 Defendant does not at any point during the checkout process require consumers to read or
7 affirmatively agree to any terms of service associated with their subscription. Accordingly, when
8 Defendant automatically renews customers’ Coursera subscriptions, Defendant charges consumers’
9 Payment Methods without first obtaining their affirmative consent to the agreement containing the
10 automatic renewal offer terms, in violation of Cal. Bus. & Prof. Code § 17602(a)(2).

11 106. Specifically, Defendant does not at any point during the checkout process require
12 consumers to read or affirmatively agree to any terms of service associated with their Coursera
13 Subscriptions, e.g., by requiring consumers to select or click a “checkbox” next to the automatic
14 renewal offer terms to complete the checkout process.

15 107. At all relevant times, Defendant has been well aware that its subscriptions fail to
16 comply with California’s ARL as evidenced by the number of complaints lodged against it on
17 Trustpilot’s website. The facts giving rise to Plaintiff’s claims are materially the same as the Class
18 he seeks to represent.

19 108. By and through these actions, Defendant has charged Plaintiff’s and Class
20 members’ Payment Methods in direct violation of the ARL. As a result, all goods, wares,
21 merchandise, or products sent to Plaintiff and the Class under the automatic renewal of continuous
22 service agreements are deemed to be “unconditional gifts” pursuant to Cal. Bus. & Prof. Code §
23 17603.
24
25

CLASS ACTION ALLEGATIONS

109. **Class Definition:** Plaintiff brings this action pursuant to Rule 23(a) of the Federal Rules of Civil Procedure on behalf of a class of similarly situated individuals, defined as follows (the “Class”): The Two Classes defined as follows:

- a. The National Class, preliminarily defined as all Coursera customers in the United States who were automatically enrolled into and charged for at least one month of Coursera’s membership by Defendant at any time from [applicable statute of limitations period] to the date of judgment.
- b. The California Class, preliminarily defined as all persons in California who, within the applicable statute of limitations period, up to and including the date of final judgment in this action, incurred renewal fee(s) in connection with Defendant’s subscription offerings.

110. Specifically excluded from the Class are Defendant and any entities in which Defendant has a controlling interest, Defendant’s agents and employees, the judge to whom this action is assigned, members of the judge’s staff, and the judge’s immediate family.

111. Plaintiffs reserve the right to amend the definition of the Class if discovery or further investigation reveals that the Class should be expanded or otherwise modified.

112. **Numerosity.** Members of the Class are so numerous that their individual joinder herein is impracticable. On information and belief, the Class comprises at least thousands of consumers throughout California. The precise number of Class members and their identities are unknown to Plaintiffs at this time but may be determined through discovery. Class members may be notified of the pendency of this action by mail and/or publication through the distribution records of Defendant.

113. **Commonality and Predominance.** Common questions of law and fact exist as to all Class members and predominate over questions affecting only individual Class members. Common legal and factual questions include, but are not limited to: (a) whether Defendant’s Subscriptions constitute “Automatic renewal[s]” within the meaning of Cal. Bus. & Prof. Code §

17601(a); (b) whether Defendant failed to present the automatic renewal offer terms, or continuous service offer terms, in a clear and conspicuous manner before the subscription or purchasing agreement was fulfilled and in visual proximity to the request for consent to the offer, in violation of Cal. Bus. & Prof. Code § 17602(a)(1); (c) whether Defendant charged Plaintiffs' and Class members' Payment Method for an automatic renewal service without first obtaining their affirmative consent to the automatic renewal offer terms in violation of Cal. Bus. & Prof. Code § 17602(a)(2); (d) whether Defendant failed to provide an acknowledgment that included the automatic renewal or continuous service offer terms, cancellation policy, and information on how to cancel in a manner that is capable of being retained by Plaintiffs and the Class, in violation of Cal. Bus. & Prof. Code § 17602(a)(3); (e) whether the goods and services provided by Defendant are deemed an "unconditional gift" in accordance with Cal. Bus. & Prof. Code § 17603; (f) whether Defendant's conduct alleged herein violated California's False Advertising Law ("FAL"), Cal. Bus. & Prof. Code §§ 17500, *et seq.*, California's Consumers Legal Remedies Act ("CLRA"), Cal. Civ. Code §§ 1750, *et seq.*, and/or California's Unfair Competition Law ("UCL"), Cal. Bus. & Prof. Code §§ 17200, *et seq.*; (g) whether Defendant's conduct alleged herein constitutes conversion and/or unjust enrichment; (h) whether Plaintiffs and the Class are entitled to damages and/or restitution; (i) whether Defendant should be enjoined from further engaging in the misconduct alleged herein; and (j) whether Plaintiffs and the Class are entitled to attorneys' fees and costs under California Code of Civil Procedure § 1021.5.

114. **Typicality.** The claims of Plaintiffs are typical of the claims of the Class in that Plaintiffs and the Class sustained damages as a result of Defendant's uniform wrongful conduct, based upon Defendant's failure to obtain Plaintiffs' and the Class' affirmative consent to the

1 automatic renewal offer terms or continuous service offer terms associated with the Coursera
2 Subscriptions before charging their Payment Methods.

3 115. **Adequacy.** Plaintiffs will fairly and adequately protect Class members' interests.
4 Plaintiffs has no interests antagonistic to Class members' interests, and Plaintiffs have retained
5 counsel that have considerable experience and success in prosecuting complex class-actions and
6 consumer-protection cases.

7 116. **Superiority.** A class action is superior to all other available methods for the fair
8 and efficient adjudication of this controversy for, *inter alia*, the following reasons: prosecutions of
9 individual actions are economically impractical for members of the Class; the Class is readily
10 definable; prosecution as a class action avoids repetitious litigation and duplicative litigation costs,
11 conserves judicial resources, and ensures uniformity of decisions; and prosecution as a class action
12 permits claims to be handled in an orderly and expeditious manner.

13 **COUNT I**
14 **Violation of the Electronic Funds Transfer Act**
15 **15 U.S.C. 1693, et seq.**

16 **(On behalf of Plaintiffs and Nationwide EFTA Subclass)**

17 117. Plaintiffs incorporate the previous allegations as though fully set forth herein.

18 118. Plaintiffs seek to recover for Coursera's violations of the Electronic Funds Transfer
19 Act on behalf of herself and the Nationwide EFTA Subclass.

20 119. The EFTA provides a basic framework establishing the rights, liabilities, and
21 responsibilities of participants in an electronic fund transfer system. 15 U.S.C. §§ 1693 et seq. The
22 "primary objective" of the EFTA "is the provision of individual consumer rights." Id. § 1693(b).

23 120. Any waiver of EFTA rights is void. "No writing or other agreement between a
24 consumer and any other person may contain any provision which constitutes a waiver of any right
25 conferred or cause of action created by this subchapter." 15 U.S.C. § 1693l.

1 121. Coursera’s transfers of money from the bank accounts of Plaintiffs and members
2 of the Nationwide EFTA Subclass, via their debit cards, as alleged herein, are “electronic fund
3 transfers” within the meaning of the EFTA and the EFTA’s implementing regulations, known as
4 Regulation E and codified at 12 C.F.R. §§ 205 et seq. An “electronic fund transfer” means “any
5 transfer of funds, other than a transaction originated by check, draft, or similar paper instrument,
6 which is initiated through an electronic terminal, telephonic instrument, or computer or magnetic
7 tape so as to order, instruct, or authorize a financial institution to debit or credit an account.” 15
8 U.S.C. § 1693a(7). The term is expressly defined to include “[t]ransfers resulting from debit card
9 transactions, whether or not initiated through an electronic terminal.” 12 C.F.R. § 205.3(b)(v).

10 122. The EFTA defines the term “preauthorized electronic transfer” as “an electronic
11 fund transfer authorized in advance to recur at substantially regular intervals.” 15 U.S.C. §
12 1693a(9). The Official Staff Interpretation of Regulation E describes a “preauthorized electronic
13 transfer” as “one authorized by the consumer in advance of a transfer that will take place on a
14 recurring basis, at substantially regular intervals, and will require no further action by the consumer
15 to initiate the transfer.” 12 C.F.R. Part 205, Supp. I, § 205.2(k), cmt. 1.

16 123. Section 1693e(a) of the EFTA prohibits preauthorized electronic transfers without
17 written authorization: “A preauthorized electronic fund transfer from a consumer’s account may
18 be authorized by the consumer only in writing, and a copy of such authorization shall be provided
19 to the consumer when made.” 15 U.S.C. § 1693e(a). Similarly, Regulation E provides:
20 “Preauthorized electronic fund transfers from a consumer’s account may be authorized only by a
21 writing signed or similarly authenticated by the consumer. The person that obtains the
22 authorization shall provide a copy to the consumer.” 12 C.F.R. § 205.10(b).

1 124. Plaintiffs and members of the Nationwide EFTA Subclass each maintained an
2 “account” as that term is defined in 15 U.S.C § 1693a(2) and are “consumers” within the meaning
3 of 15 U.S.C. § 1693a(5).

4 125. Coursera uniformly and routinely initiated preauthorized electronic fund transfers
5 and took money from the bank accounts of the Plaintiffs and members of the Nationwide EFTA
6 Subclass without obtaining their written authorization for the transfers, as required by the EFTA
7 and Regulation E. Coursera also uniformly and routinely failed to provide a copy of any such
8 written authorization to Plaintiffs and the Nationwide EFTA Subclass members from whose bank
9 accounts Coursera took preauthorized electronic fund transfers for monthly membership fees.

10 126. Coursera took funds from bank accounts managed by Plaintiffs via debit card. In
11 none of these instances did Coursera obtain Plaintiffs’ written authorization, nor did Coursera
12 provide Plaintiffs with copies of any such written authorizations.

13 127. The Official Staff Interpretation of Regulation E explains, “when a third-party
14 payee,” such as Coursera, “fails to obtain the authorization in writing or fails to give a copy to the
15 consumer ... it is the third-party payee that is in violation of the regulation.” 12 C.F.R. Part 205,
16 Supp. I, § 205.10(b), cmt. 2.

17 128. As a direct and proximate result of Coursera’s violations of the EFTA and
18 Regulation E, Plaintiffs and class members have suffered damages in the amount of the
19 unauthorized debits taken by Coursera. 15 U.S.C. § 1693m. As a further direct and proximate
20 result of Coursera’s violations of the EFTA and Regulation E, Plaintiffs and the Nationwide EFTA
21 Subclass members are entitled to recover statutory damages in the amount of “the lesser of
22 \$500,000 or 1 per centum of the net worth of the defendant.” Id. § 1983m(a)(2)(B).
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1 134. Additionally, at all relevant times, Defendant has violated, and continues to violate,
2 the UCL's proscription against engaging in unlawful and/or unfair conduct as a result of its
3 violations of the ARL, Cal. Bus. & Prof. Code §§ 17600, *et seq.*

4 135. Specifically, Defendant failed, and continues to fail, to: (a) provide the auto-
5 renewal terms associated with its Coursera Subscription "in a clear and conspicuous manner before
6 the subscription or purchasing agreement is fulfilled and in visual proximity[] ... to the request for
7 consent to the offer," in violation of Cal. Bus. & Prof. Code § 17602(a)(1); (b) obtain the
8 affirmative consent of Plaintiffs and the Class to those terms before charging their Payment
9 Method, in violation of Cal. Bus. & Prof. Code § 17602(a)(2); and (c) provide an acknowledgment
10 that includes the automatic renewal or continuous service offer terms, cancellation policy, and
11 information regarding how to cancel in a manner that is capable of being retained by the consumer,
12 in violation of Cal. Bus. & Prof. Code §§ 17602(a)(3).

13 136. Defendant also makes it exceedingly difficult and unnecessarily confusing for
14 consumers to cancel their Coursera Subscriptions, in violation of Cal. Bus. & Prof. Code §
15 17602(b).

16 137. Each of these acts and practices constitutes an independent violation of the ARL,
17 and thus an independent violation of the UCL.

18 138. All products received from Defendant in violation of the ARL, Cal. Bus. Prof. Code
19 §§ 17602, *et seq.*, constitute "unconditional gifts." *See* Cal. Bus. Prof. Code § 17603.

20 139. As a direct and proximate result of Defendant's unlawful and/or unfair practices
21 described herein, Defendant has received, and continues to hold, unlawfully obtained property and
22 money belonging to Plaintiffs and the Class in the form of payments made by Plaintiffs and the
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1 Class for their Coursera Subscriptions. Defendant has profited from its unlawful and/or unfair acts
2 and practices in the amount of those business expenses and interest accrued thereon.

3 140. Defendant's acts and omissions as alleged herein violate obligations imposed by
4 statute, are substantially injurious to consumers, offend public policy, and are immoral, unethical,
5 oppressive, and unscrupulous as the gravity of the conduct outweighs any alleged benefits
6 attributable to such conduct.

7 141. There were reasonably available alternatives to further Defendant's legitimate
8 business interests, other than the conduct described herein.

9 142. Defendant's acts, omissions, nondisclosures, and misleading statements as alleged
10 herein were and are false, misleading, and/or likely to deceive the consuming public.

11 143. Plaintiffs and the members of the Class have suffered a substantial injury in fact
12 and lost money by virtue Defendant's acts of unfair competition, which caused them to purchase
13 the Coursera Subscriptions. Had Defendant complied with its disclosure obligations under the
14 ARL, Plaintiffs and members of the Class would not have purchased their Coursera Subscriptions
15 or would have cancelled their Coursera Subscriptions prior to the renewal of the subscriptions, so
16 as not to incur additional fees. Thus, Plaintiffs and members of the Class were damaged and have
17 suffered economic injuries as a direct and proximate result of Defendant's unlawful and/or unfair
18 business practices.

19 144. Defendant's violations have continuing and adverse effects because Defendant's
20 unlawful conduct is continuing, with no indication that Defendant intends to cease this unlawful
21 course of conduct. The public and the Class are subject to ongoing harm because the unlawful
22 and/or unfair business practices associated with the Coursera Subscriptions are still used by
23 Defendant today.

1 145. Plaintiffs and the Class seek restitution pursuant to Cal. Bus. & Prof. Code § 17203
 2 of all amounts that Defendant charged or caused to be charged to Plaintiffs' and the Class's
 3 Payment Method in connection with their Coursera Subscriptions during the four years preceding
 4 the filing of this Complaint. Defendant should be required to disgorge all the profits and gains it
 5 has reaped and restore such profits and gains to Plaintiffs and the Class, from whom they were
 6 unlawfully taken.

7 146. Pursuant to Cal. Bus. & Prof. Code § 17203, Plaintiffs and members of the Class
 8 seek a court order enjoining Defendant from such future misconduct, and any other such orders
 9 that may be necessary to rectify the unlawful business practices of Defendant.

10 147. Plaintiffs bring this action as private attorneys general and to vindicate and enforce
 11 an important right affecting the public interest. Plaintiffs and the Class are therefore entitled to an
 12 award of attorneys' fees under Code of Civil Proc. § 1021.5 for bringing this action.

COUNT III Conversion

(On behalf of Plaintiff and California Class)

13 148. Plaintiffs re-allege and incorporates by reference every allegation set forth in the
 14 preceding paragraphs as though alleged in this Count.
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16 149. Plaintiff brings this claim individually and on behalf of the members of the
 17 proposed Class against Defendant.
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19 150. As a result of charges made by Defendant to Plaintiff's and Class members'
 20 Payment Methods without authorization and in violation of California law, Defendant has taken
 21 money that belongs to Plaintiff and the Class.

22 151. The amount of money wrongfully taken by Defendant is capable of identification.

23 152. Defendant engaged in this conduct knowingly, willfully, and with oppression,
 24 fraud, and/or malice within the meaning of Cal. Civil Code § 3294(c).
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1 153. As a result of Defendant's actions, Plaintiff and the Class have suffered damages.

2 **COUNT IV**
3 **Violations of California's False Advertising Law ("FAL"),**
4 **Cal. Bus. & Prof. Code §§ 17500, *et seq.***
5 **(On behalf of Plaintiff and California Class)**

6 154. Plaintiffs re-allege and incorporate by reference every allegation set forth in the
7 preceding paragraphs as though alleged in this Count.

8 155. Plaintiffs bring this claim individually and on behalf of the members of the
9 proposed Class against Defendant.

10 156. California's False Advertising Law, Cal. Bus. & Prof. Code §§ 17500, *et seq.*,
11 makes it "unlawful for any person to make or disseminate or cause to be made or disseminated
12 before the public in this state, ... in any advertising device ... or in any other manner or means
13 whatever, including over the Internet, any statement, concerning ... personal property or services,
14 professional or otherwise, or performance or disposition thereof, which is untrue or misleading
15 and which is known, or which by the exercise of reasonable care should be known, to be untrue or
16 misleading.

17 157. Defendant committed acts of false advertising, as defined by § 17500, by
18 intentionally making and disseminating statements to consumers in California and the general
19 public concerning Defendant's products and services, as well as circumstances and facts connected
20 to such products and services, which are untrue and misleading on their face and by omission, and
21 which are known (or which by the exercise of reasonable care should be known) by Defendant to
22 be untrue or misleading.

23 158. Defendant has also intentionally made or disseminated such untrue or misleading
24 statements and material omissions to consumers in California and to the public as part of a plan or
25 scheme with intent not to sell those services as advertised.

1 159. Defendant's statements include but are not limited to representations and omissions
2 made to consumers before and after enrollment in Defendant's Coursera Subscriptions regarding
3 the terms of payment for and cancellation of a consumer's automatic payments. Such
4 representations and omissions on the Checkout Page constitute false and deceptive advertisements.

5 160. Defendant's actions in violation of § 17500, as described herein, were false and
6 misleading such that the general public is and was likely to be deceived. Plaintiffs and the members
7 of the Class were deceived by Defendant's statements and omissions made online when they
8 signed up and started paying for their Coursera Subscriptions, and there is a strong probability that
9 other California consumers and members of the public were also or are likely to be deceived as
10 well.

11 161. Any reasonable consumer would be misled by Defendant's false and misleading
12 statements and material omissions. Plaintiffs and other members of the Class did not learn of
13 Defendant's cancellation and automatic payment policies until after they had already signed up
14 and started paying for Defendant's Coursera Subscription. They relied on Defendant's statements
15 and omissions to their detriment.

16 162. Plaintiffs and the Class lost money or property as a result of Defendant's FAL
17 violations because they would not have purchased the Coursera Subscriptions on the same terms
18 if the true facts were known about the product and the Coursera Subscriptions do not have the
19 characteristics as promised by Defendant. Plaintiffs, individually and on behalf of all similarly
20 situated California consumers, seeks individual, representative, and public injunctive relief and
21 any other necessary orders or judgments that will prevent Defendant from continuing with its false
22 and deceptive advertisements and omissions; restitution that will restore the full amount of their
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1 money or property; disgorgement of Defendant's relevant profits and proceeds; and an award of
 2 costs and reasonable attorneys' fees.

3 **COUNT V**
 4 **Violations of California's Consumers Legal Remedies Act ("CLRA"),**
 5 **Cal. Civ. Code §§ 1750, *et seq.***
 6 **(On behalf of Plaintiff and California Class)**

7 163. Plaintiffs re-allege and incorporate by reference every allegation set forth in the
 8 preceding paragraphs as though alleged in this Count.

9 164. Plaintiffs bring this claim individually and on behalf of the members of the
 10 proposed Class against Defendant.

11 165. Plaintiffs and the members of the Class are "consumers" within the meaning of Cal.
 12 Civil Code § 1761(d) in that Plaintiffs and the Class sought or acquired Defendant's goods and/or
 13 services for personal, family, or household purposes.

14 166. Defendant's selection and/or subscription offers are "goods" and/or "services"
 15 within the meaning of Cal. Civil Code § 1761(a) and (b). The purchases by Plaintiff and the Class
 16 are "transactions" within the meaning of Cal. Civil Code § 1761(e).

17 167. The acts and practices of Defendant as described above were intended to deceive
 18 Plaintiffs and the Class as described herein, and have resulted, and will result, in damages to
 19 Plaintiffs and the Class. These actions violated, and continue to violate, the CLRA in at least the
 20 following respects: (a) Defendant's acts and practices constitute representations or omissions
 21 deceiving that the Coursera Subscriptions have characteristics, uses, and/or benefits, which they
 22 do not, in violation of Cal. Civil Code § 1770(a)(5); and (b) Defendant's acts and practices
 23 constitute the advertisement of the goods in question without the intent to sell them as advertised,
 24 in violation of Cal. Civil Code § 1770(a)(9).
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Class because they would not have purchased the Coursera Subscriptions at all, or on the same terms, if the true facts were known.

PRAYER

WHEREFORE, Plaintiffs pray for judgment against Defendants as follows:

(a) Issue an order certifying the Classes defined above, appointing the Plaintiff as Class representative, and designating Milberg LLP as Class Counsel;

(b) Find that Defendant has committed the violations of law alleged herein;

(c) Determine that Defendant has been unjustly enriched as a result of its wrongful conduct, and enter an appropriate order awarding restitution and monetary damages to the Nationwide Class or, alternatively, the State Classes;

(e) Enter an order granting all appropriate relief including injunctive relief on behalf of the State Classes under the applicable state laws;

(f) Render an award of compensatory damages, the exact amount of which is to be determined at trial;

(g) Render an award of punitive damages;

(h) Enter judgment including interest, costs, reasonable attorneys' fees, costs, and expenses; and

(i) Grant all such other relief as the Court deems appropriate.

Dated January 31, 2023.

Respectfully submitted,

**MILBERG COLEMAN BRYSON
PHILLIPS GROSSMAN, PLLC**

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*Attorney for Plaintiffs and the
Putative Classes*

ClassAction.org

This complaint is part of ClassAction.org's searchable class action lawsuit database and can be found in this post: [Coursera Under Fire Over Alleged Subscription Auto-Renewal Practices](#)
