

IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF FLORIDA
FORT LAUDERDALE DIVISION

NICHOLAS GUASTO, individually and)	
on behalf of all others similarly situated)	
)	
)	Case No.
Plaintiff,)	
)	
v.)	
)	
PROPEL HOLDINGS, INC. D/B/A)	
CREDITFRESH)	
)	
Defendant.)	

**NOTICE OF REMOVAL OF
PROPEL HOLDINGS INC.**

Pursuant to 28 U.S.C. §§ 1332, 1441, 1446 and 1453, Defendant Propel Holdings Inc. (“Propel”), by and through its counsel, hereby gives notice of removal of this action from the Circuit Court of the 17th Judicial Circuit in and for Broward County, Florida to the United States District Court for the Southern District of Florida:

I. FACTUAL BACKGROUND

1. On or about March 17, 2022, Plaintiff Nicholas Guasto (“Plaintiff”) filed a Complaint in the Circuit Court of the 17th Judicial Circuit in and for Broward County, Florida captioned *Guasto v. Propel Holdings, Inc. d/b/a CreditFresh*, Case No. CACE-22-004034. A copy of the Complaint is attached hereto as Exhibit 1.¹ Plaintiff purports to have served the

¹ The Complaint incorrectly alleges that Propel is doing business as CreditFresh. See Compl. (Ex. 1) at 1. Propel is a separate corporate entity from any CreditFresh entity and is not doing business as CreditFresh, and it reserves all rights in that regard, including, without limitation, the right to assert that Plaintiff did not effectuate service on Propel, that there is no personal jurisdiction over Propel, and that Plaintiff lacks standing to sue Propel.

Complaint on Propel on April 14, 2022, although Plaintiff has not yet actually effectuated proper service on Propel.

2. Plaintiff alleges that he is a “citizen and resident of Broward County, Florida.” Compl. (Ex. 1) ¶ 14.

3. Plaintiff alleges that Propel is “a Delaware corporation with its principal place of business in Newark, [Delaware].” *Id.* ¶ 15. In fact, however, Propel is an Ontario corporation with its principal place of business in Toronto, Ontario, Canada.

4. The allegations in the Complaint arise out of an alleged “Data Breach Incident” that Plaintiff alleges took place “on or around February or March 2022.” *Id.* ¶¶ 5-6. Plaintiff alleges that Propel “provides consumer lines of credit,” *id.* ¶ 2, and that in the process of applying for such lines of credit, Plaintiff and the members of the proposed class “entrusted and provided to Defendant” certain personally identifiable information (“PII”). *See id.* ¶ 3. The Complaint alleges that during the Data Breach Incident, the PII of Plaintiff and members of the proposed class “was compromised due to Defendant’s negligent and/or careless acts and omissions and the failure to protect Plaintiff’s and the Class member’s PII.” *Id.* ¶ 8.

5. Plaintiff seeks to represent a proposed class of “[a]ll persons whose PII was accessed and/or exfiltrated during the Data Breach Incident.” *See id.* ¶ 49. Plaintiff purports to state claims for negligence and breach of fiduciary duty on behalf of himself and the proposed class. *See id.* ¶¶ 59-101.

II. GROUNDS FOR REMOVAL

6. This case is removable, and this Court has jurisdiction over this action under the Class Action Fairness Act (“CAFA”), 28 U.S.C. §§ 1332(d), 1441, and 1453, because (1) this case is a putative class action with more than 100 members in the proposed class, (2) there is minimal diversity because Propel and at least one member of the proposed class are citizens of

different states and/or foreign countries and (3) the Complaint places in controversy an amount that exceeds \$5 million in the aggregate.

A. The Proposed Class Readily Exceeds 100 Members

7. For purposes of removal, CAFA requires that the proposed class consist of at least 100 members. *See* 28 U.S.C. § 1332(d)(5). Plaintiff defines the proposed class as “[a]ll persons whose PII was accessed and/or exfiltrated during the Data Breach Incident.” Compl. (Ex. 1) ¶ 49. Plaintiff further alleges that such persons provided PII to Propel during the application process to obtain lines of credit. *See id.* ¶ 20.

8. On information and belief, and for purposes of removal, the proposed class of persons described in the Complaint includes more than 100 persons who may have been impacted by the alleged Data Breach Incident. *See also* disc. *infra* at ¶ 15. Accordingly, the requirement of 28 U.S.C. § 1332(d)(5) is satisfied.

B. There Is Clearly Minimal Diversity Among the Parties

9. For purposes of establishing federal jurisdiction, CAFA requires only minimal diversity, and a defendant need only show that “any member of a class of plaintiffs is a citizen of a State different from any defendant,” 28 U.S.C. § 1332(d)(2)(A), or that “any member of a class of plaintiffs is citizen of a State and any defendant is a foreign state or a citizen or subject of a foreign state.” 28 U.S.C. § 1332(d)(2)(C).

10. According to the Complaint, Plaintiff alleges that he is a “citizen and resident of Broward County, Florida.” Compl. (Ex. 1) ¶ 14. Accordingly, Plaintiff is a citizen of Florida for purposes of diversity jurisdiction. *See* 28 U.S.C. § 1332(c)(1). In addition, Plaintiff seeks to represent a class that, on information and belief, includes citizens of Florida and other U.S. states. Compl. (Ex. 1) ¶ 49.

11. Plaintiff alleges that Propel is a Delaware corporation with its principal place of business in Delaware. *See* Compl. (Ex. 1) ¶ 15. As alleged, Propel is thus a citizen of the State of Delaware for purposes of diversity jurisdiction. *See* 28 U.S.C. § 1332(c)(1). In fact, however, Propel is an Ontario corporation with its principal place of business in Toronto, Ontario, Canada. Propel is therefore a citizen of Ontario, Canada for purposes of diversity jurisdiction. *See id.*

12. Diversity of citizenship thus exists between Plaintiff and Propel or, alternatively, between at least one other member of the proposed class and Propel, and removal is proper. *See* 28 U.S.C. § 1332(d)(2)(A).

C. The Amount In Controversy Exceeds \$5 Million

13. CAFA provides that “[i]n any class action, the claims of the individual class members shall be aggregated to determine whether the matter in controversy exceeds the sum or value of \$5,000,000, exclusive of interests and costs.” 28 U.S.C. § 1332(d)(6). Unlike in other removal actions, there is “no antiremoval presumption” in cases invoking CAFA. *Dudley v. Eli Lilly and Co.*, 778 F.3d 909, 912 (11th Cir. 2014). Where a complaint does not state a dollar amount, a defendant’s notice of removal under CAFA need include “only a plausible allegation that the amount in controversy exceeds the jurisdictional threshold.” *Dart Cherokee Basin Operating Co., LLC v. Owens*, 574 U.S. 81, 89 (2014). The pertinent question is “what is in controversy in the case, not how much the plaintiffs are ultimately likely to recover,” and the amount in controversy is inclusive of injunctive and declaratory relief. *Anderson v. Wilco Life Ins. Co.*, 943 F.3d 917, 924 (11th Cir. 2019). The value of injunctive relief is measured by the “monetary value of the benefit that would flow to the plaintiff if the injunction were granted.” *Morrison v. Allstate Indem. Co.*, 228 F.3d 1255, 1268 (11th Cir. 2000).

14. Plaintiff does not expressly plead his damages, but he does allege that the “aggregate damages sustained by the Class are in the millions of dollars.” *See* Compl. (Ex. 1) ¶

57. The Complaint also alleges that members of the proposed class obtained lines of credit ranging from \$500 to \$5,000. *See* Compl. (Ex. 1) ¶ 2. The Complaint further alleges that the Data Breach Incident caused extensive financial harm to members of the proposed class, including damages caused by the theft of PII, costs associated with the detection and prevention of identity theft, costs associated with time spent attempting to mitigate the consequences of the Data Breach Incident, invasion of privacy, injury resulting from any fraud and identity theft posed by the Data Breach Incident, and diminution in the value of their personal data entrusted to Propel. *See id.* ¶ 12. The Complaint also seeks “restitution as result of Defendant’s wrongful conduct.” *Id.* ¶ 53.

15. If only the amounts available to Plaintiff and members of the proposed class through the alleged lines of credit were at issue, and conservatively assuming that each line of credit is only \$500 (i.e., the low end of the alleged \$500 to \$5,000 range), the proposed class would need to consist of at least 10,000 members. On information and belief, the proposed class here likely consists of at least 10,000 members. The myriad other damages that Plaintiff alleges, as set forth above, only add to the amount in controversy. *See, e.g., In re Equifax Inc. Customer Data Sec. Breach Litig.*, 999 F.3d 1247, 1258 (11th Cir. 2021) (affirming approval of data breach settlement that, *inter alia*, offered claimants thousands of dollars in documented, out-of-pocket losses and up to \$500 in compensation for time spent taking preventative measures or dealing with alleged identity theft), *cert. denied sub nom. Huang v. Spector*, 142 S. Ct. 431, 211 L. Ed. 2d 254 (2021), and *cert. denied sub nom. Watkins v. Spector*, 142 S. Ct. 765, 211 L. Ed. 2d 479 (2022). Thus, on the face of the Complaint, it is plausible that the amount in controversy exceeds \$5 million, even before considering Plaintiff’s requested injunctive relief.

16. Plaintiff further seeks extensive injunctive relief consisting of sixteen distinct demands, including requiring Propel to “implement and maintain a comprehensive Information Security Program”; “engage independent third-party security auditors/penetration testers as well as internal security personnel to conduct testing”; and “for a period of 10 years, appoint[] a qualified an independent third party assessor to conduct attestation on an annual basis to evaluate Defendant’s compliance with the terms of the Court’s final judgment.” *See* Compl. (Ex. 1) at 19-20. Plaintiff alleges that injunctive relief will provide substantial financial benefit to the Plaintiff and Class Members because of the “continued risk to their PII, which remains in the possession Defendant, and which is subject to further breaches so long as defendant fails to undertake the appropriate measures to protect Plaintiff’s and Class members PII” *Id.* ¶ 12.

17. Propel denies any and all liability and contends that Plaintiff’s allegations are entirely without merit. For purposes of this Notice of Removal, however, taking Plaintiff’s factual and legal allegations as true, the amount-in-controversy exceeds \$5,000,000, exclusive of interest and costs, and satisfies the amount-in-controversy requirement of CAFA. *See* 28 U.S.C. § 1332(d)(2).²

III. COMPLIANCE WITH THE REMOVAL STATUTE

18. This notice of removal was properly filed in the United States District Court for the Southern District of Florida because the Circuit Court of the 17th Judicial Circuit in and for Broward County, Florida is located in this federal judicial district and division. *See* 28 U.S.C. § 1441(a); 28 U.S.C. § 90(c).

² Should Plaintiff challenge the amount in controversy in a motion to remand, Propel reserves the right to further substantiate that the amount in controversy is met.

19. This notice of removal is signed pursuant to Rule 11 of the Federal Rules of Civil Procedure. *See* 28 U.S.C. § 1446(a).

20. The Complaint was filed on March 17, 2022, and Plaintiff has not yet actually served Propel. Although Plaintiff purports to have served the Complaint on Propel on April 14, 2022, this notice of removal is still timely filed in accordance with 28 U.S.C. § 1446(b), as it is filed within 30 days of April 14, 2022.

21. Pursuant to 28 U.S.C. § 1446(d), true and correct copies of the Complaint and Summons are attached as Exhibit 1. A true and correct copy of the docket, all process, pleadings, orders, and other documents purported to be served upon Propel, exclusive of the Complaint and Summons, is attached hereto as Exhibit 2. Propel has not filed an answer or other response to the Complaint in the 17th Judicial Circuit in and for Broward County, Florida prior to removal.

22. Pursuant to 28 U.S.C. § 1446(d), a copy of this notice of removal is being served on Plaintiff's counsel, and a copy, along with a notice of filing of the notice of removal, is being filed with the Clerk of the 17th Judicial Circuit in and for Broward County, Florida.

23. Propel reserves the right to amend or supplement this Notice of Removal. Propel further reserves all rights and defenses, including those available under the Federal Rule of Civil Procedure and including all rights to move to compel arbitration, to enforce a class waiver provision, and to move to dismiss for improper service, lack of personal jurisdiction, and lack of standing. By filing this Notice of Removal, Propel does not waive any defenses, including any defenses available to it under Federal Rule of Civil Procedure 12(b). *See Kostelac v. Allianz Global*, 517 Fed.Appx. 670, 676 n.6 (11th Cir. 2013) ("The removal of an action from state to federal court does not waive any Rule 12(b) defenses,") (citation omitted).

IV. CONCLUSION

24. Propel respectfully requests that this Court exercise jurisdiction over this action and enter orders and grant relief as may be necessary to secure removal and to prevent further proceedings in this matter in the 17th Judicial Circuit in and for Broward County, Florida.

Dated: May 6, 2022

Respectfully submitted,

/s/ Martin B. Goldberg

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Attorneys for Propel Holdings Inc.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on May 6, 2022, I electronically filed the foregoing document with the Clerk of the Court using CM/ECF and further certify that the foregoing is also being served via electronic mail as addressed below.

Manuel S. Hiraldo, Esq.
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Counsel for Plaintiff

Dated: May 6, 2022

By: /s/ Martin B. Goldberg
Martin B. Goldberg

Attorney for Propel Holdings Inc.

CIVIL COVER SHEET

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.) NOTICE: Attorneys MUST Indicate All Re-filed Cases Below.

I. (a) PLAINTIFFS

Nicholas Guasto, individually and on behalf of all others similarly situated

DEFENDANTS

Propel Holdings, Inc.

(b) County of Residence of First Listed Plaintiff Broward County, FL (EXCEPT IN U.S. PLAINTIFF CASES)

County of Residence of First Listed Defendant (IN U.S. PLAINTIFF CASES ONLY)

NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.

(c) Attorneys (Firm Name, Address, and Telephone Number)

Manuel S. Hiraldo, Esq., 401 E. Las Olas Boulevard Suite 1400, Ft. Lauderdale, Florida 33301, Telephone: 954.400.4713

Attorneys (If Known)

Martin B. Goldberg, Lash & Goldberg, 2500 Weston Road, Suite 220, Ft. Lauderdale, Florida 33331, Telephone 954.384.2500

(d) Check County Where Action Arose: MIAMI-DADE MONROE BROWARD PALM BEACH MARTIN ST. LUCIE INDIAN RIVER OKEECHOBEE HIGHLANDS

II. BASIS OF JURISDICTION (Place an "X" in One Box Only)

- 1 U.S. Government Plaintiff
2 U.S. Government Defendant
3 Federal Question (U.S. Government Not a Party)
4 Diversity (Indicate Citizenship of Parties in Item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES (Place an "X" in One Box for Plaintiff and One Box for Defendant)

- Citizen of This State
Citizen of Another State
Citizen or Subject of a Foreign Country
PTF DEF
1 1 Incorporated or Principal Place of Business In This State
2 2 Incorporated and Principal Place of Business In Another State
3 3 Foreign Nation
4 4
5 5
6 6

IV. NATURE OF SUIT (Place an "X" in One Box Only)

Grid of categories: CONTRACT, REAL PROPERTY, CIVIL RIGHTS, CIVIL RIGHTS, PRISONER PETITIONS, LABOR, IMMIGRATION, FORFEITURE/PENALTY, SOCIAL SECURITY, FEDERAL TAX SUITS, BANKRUPTCY, OTHER STATUTES. Includes items like 110 Insurance, 210 Land Condemnation, 440 Other Civil Rights, 530 General, 870 Taxes, etc.

V. ORIGIN (Place an "X" in One Box Only)

- 1 Original Proceeding
2 Removed from State Court
3 Re-filed (See VI below)
4 Reinstated or Reopened
5 Transferred from another district (specify)
6 Multidistrict Litigation Transfer
7 Appeal to District Judge or Magistrate Judgment
8 Multidistrict Litigation - Direct File
9 Remanded from Appellate Court

VI. RELATED/ RE-FILED CASE(S)

(See instructions): a) Re-filed Case YES NO b) Related Cases YES NO

JUDGE:

DOCKET NUMBER:

VII. CAUSE OF ACTION

Cite the U.S. Civil Statute under which you are filing and Write a Brief Statement of Cause (Do not cite jurisdictional statutes unless diversity): 28 USC 1332, 1453. Putative class action alleging negligence and breach of fiduciary duty claims

LENGTH OF TRIAL via days estimated (for both sides to try entire case)

VIII. REQUESTED IN COMPLAINT:

CHECK IF THIS IS A CLASS ACTION UNDER F.R.C.P. 23 DEMAND \$ CHECK YES only if demanded in complaint: JURY DEMAND: Yes No

ABOVE INFORMATION IS TRUE & CORRECT TO THE BEST OF MY KNOWLEDGE DATE SIGNATURE OF ATTORNEY OF RECORD

5/6/2022

/s/ Martin B. Goldberg

Exhibit 1

Case Number: CACE-22-004034 Division: 04
Filing # 145875077 E-Filed 03/17/2022 07:08:25 AM

**IN THE CIRCUIT COURT OF THE SEVENTEENTH JUDICIAL CIRCUIT
IN AND FOR BROWARD COUNTY, FLORIDA**

CASE NO.

NICHOLAS GUASTO, individually and
on behalf of all others similarly situated,

CLASS ACTION

Plaintiff,

JURY TRIAL DEMANDED

v.

PROPEL HOLDINGS, INC. d/b/a
CREDITFRESH,

Defendant.

_____ /

CLASS ACTION COMPLAINT

Plaintiff Nicholas Guasto brings this class action against Defendant Propel Holdings, Inc. d/b/a CreditFresh, and alleges as follows upon personal knowledge as to Plaintiff and Plaintiff's own acts and experiences, and, as to all other matters, upon information and belief, including investigation conducted by Plaintiff's attorneys.

NATURE OF THE ACTION

1. Plaintiff brings this class action against Defendant for its failure to properly secure and safeguard personally identifiable and financial information ("PII") of Plaintiff and the Class members, including, without limitation: names, dates of birth, home addresses, phone numbers, routing/account bank and financial information, Social Security numbers, and email addresses.
2. Defendant, through its partner financial institutions, including CBW Bank and First Electronic Bank, provides consumer lines of credit ranging from \$500 - \$5,000.
3. In the process of applying for and/or obtaining lines of credit, Plaintiff and the Class members entrusted and provided to Defendant an extensive amount of PII.

*** FILED: BROWARD COUNTY, FL BRENDA D. FORMAN, CLERK 03/17/2022 07:08:23 AM.***

Unique Code : CAA-FAA-BCABB-FIJEHJ-DIDFJB-I Page 1 of 22



4. By obtaining, collecting, using, and deriving a benefit from Plaintiff's and Class Members' PII, Defendant assumed legal and equitable duties to those individuals.

5. On or around February or March 2022, an intruder gained entry to Defendant's web interface, accessed Plaintiff's and the Class members' PII, and exfiltrated information from Defendant's systems (the "Data Breach Incident").

6. On March 15, 2022, Defendant notified Plaintiff and the Class members of the Data Breach Incident.

7. Plaintiff's and the Class members' PII that was acquired in the Data Breach Incident can be sold on the dark web. Hackers can access and then offer for sale the unencrypted, unredacted PII to criminals. Plaintiff and the Class members face a lifetime risk of identity theft, which is heightened here by the loss of Social Security numbers.

8. Plaintiff's and the Class members' PII was compromised due to Defendant's negligent and/or careless acts and omissions and the failure to protect Plaintiff's and the Class members' PII.

9. Until notified of the Data Breach Incident, Plaintiff and Class Members had no idea their PII had been stolen, and that they were, and continue to be, at significant risk of identity theft and various other forms of personal, social, and financial harm. The risk will remain for their respective lifetimes.

10. Defendant disregarded the rights of Plaintiff and the Class members by intentionally, willfully, recklessly, or negligently failing to take and implement adequate and reasonable measures to ensure their PII was safeguarded, failing to take available steps to prevent an unauthorized disclosure of data, and failing to follow applicable, required and appropriate protocols, policies and procedures regarding the encryption of data, even for internal use. As a

result, the PII of Plaintiff and Class Members was compromised through access to and exfiltration by an unknown and unauthorized third party.

11. Plaintiff brings this action on behalf of all persons whose PII was compromised because of Defendant's failure to: (i) adequately protect their PII; (ii) warn of Defendant's inadequate information security practices; and (iii) effectively secure equipment and the database containing protected PII using reasonable and effective security procedures free of vulnerabilities and incidents. Defendant's conduct amounts to negligence and violates federal and state statutes.

12. Plaintiff and Class members have suffered actual and imminent injuries as a direct result of the Data Breach, including: (a) theft of their PII; (b) costs associated with the detection and prevention of identity theft; (c) costs associated with time spent and the loss of productivity from taking time to address and attempt to ameliorate, mitigate, and deal with the consequences of the Data Breach Incident; (d) invasion of privacy; (e) the emotional distress, stress, nuisance, and annoyance of responding to, and resulting from, the Data Breach Incident; (f) the actual and/or imminent injury arising from actual and/or potential fraud and identity theft posed by their personal data being placed in the hands of the ill-intentioned hackers and/or criminals; (g) damages to and diminution in value of their personal data entrusted to Defendant with the mutual understanding that Defendant would safeguard Plaintiff's and Class Members' PII against theft and not allow access and misuse of their personal data by others; and (h) the continued risk to their PII, which remains in the possession of Defendant, and which is subject to further breaches, so long as Defendant fails to undertake appropriate and adequate measures to protect Plaintiff's and Class Members' PII, and, at the very least, are entitled to nominal damages.

13. Plaintiff and Class members have a continuing interest in ensuring that their information is and remains safe, and they should be entitled to injunctive and other equitable relief.

PARTIES

14. Plaintiff is, and at all times relevant hereto was, a citizen and resident of Broward County, Florida.

15. Defendant is, and at all times relevant hereto was, a Delaware corporation with its principal place of business in Newark, DE.

JURISDICTION AND VENUE

16. This Court has subject matter jurisdiction pursuant to Florida Rule of Civil Procedure 1.220 and Fla. Stat. § 26.012(2). The matter in controversy exceeds the sum or value of \$30,000 exclusive of interest, costs, and attorney's fees.

17. This Court has personal jurisdiction over Defendant under Florida Stat. § 48.193, because Defendant personally or through its agents operated, conducted, engaged in, or carried on a business or business venture in Florida; had offices in Florida; committed tortious acts in Florida; and/or breached a contract in Florida by failing to perform acts required by the contract to be performed in Florida.

18. Additionally, this Court has personal jurisdiction over Defendant because Defendant directs, markets, and provides its business activities throughout the State of Florida, and makes its active commercial website available to residents of Florida for those interested in entering into contracts over the Internet with Defendant. Indeed, Defendant's website allows residents of Florida to enter into transactions utilizing the website. During the relevant time frame, Defendant entered into contracts with residents of Florida that involved the knowing and repeated transmission of computer data over the Internet. This resulted in Defendant generating revenue from sales to residents of Florida, as well accepting payments from Florida residents through the

site and ultimately shipping products to Florida. Plaintiff's and the Class members' claims arise directly from Defendant's operation of its website.

19. Venue for this action is proper in this Court pursuant to Fla. Stat. § 47.051 because the cause of action accrued in this County.

FACTS

20. Plaintiff previously submitted a credit application to Defendant for a line of credit.

21. As part of the application process, Defendant required Plaintiff to provide and entrust his PII, including but not limited to his name, date of birth, address, phone number, financial or bank account information, Social Security number, and email address.

22. Similarly, Defendant required the Class members to provide and entrust their PII, including but not limited to their name, date of birth, address, phone number, financial or bank account information, Social Security number, and email address.

23. Plaintiff and the Class members were required to entrust some of their most sensitive and confidential information. This includes information that is static, does not change, and can be used to commit myriad financial crimes.

24. At the time of the Data Breach Incident, Defendant maintained Plaintiff's and the Class members PII in its database and systems.

25. By obtaining, collecting, and storing Plaintiff's and Class members' PII, Defendant assumed legal and equitable duties and knew or should have known that it was responsible for protecting Plaintiff's and Class Members' PII from disclosure.

26. Plaintiff and Class members relied on Defendant to keep their PII confidential and securely maintained, to use this information for business purposes only, and to make only authorized disclosures of this information.

27. Defendant had a duty to adopt reasonable measures to protect Plaintiff's and Class members' PII from involuntary disclosure to third parties.

28. Prior to the Data Breach Incident, Defendant should have (i) encrypted or tokenized the sensitive PII of Plaintiff and the Class members, (ii) deleted such PII that it no longer had reason to maintain, (iii) eliminated the potential accessibility of the PII from the internet and its website where such accessibility was not justified, and (iv) otherwise reviewed and improved the security of its network system that contained the PII.

29. Prior to the Data Breach Incident, Defendant did not (i) encrypt or tokenize the sensitive PII of Plaintiff and the Class members, (ii) delete such PII that it no longer had reason to maintain, (iii) eliminate the potential accessibility of the PII from the internet and its website where such accessibility was not justified, and (iv) otherwise review and improve the security of its network system that contained the PII.

30. On or around February or March 2022, an intruder gained unauthorized access to Defendant's web interface.

31. On March 15, 2022, Defendant e-mailed Plaintiff and the Class members a form notice attempting to minimize the Data Breach Event, while admitting that sensitive PII had been compromised and stolen.

32. Contrary to the self-serving narrative in Defendant's form notice, Plaintiff's and Class members' unencrypted information may end up for sale on the dark web and/or fall into the hands of companies that will use the detailed PII for targeted marketing without the approval.

33. Defendant failed to use reasonable security procedures and practices appropriate to the nature of the sensitive, unencrypted information it was maintaining for Plaintiff and the Class members.

34. Plaintiff and the Class members have taken reasonable steps to maintain the confidentiality of their PII, relied on Defendant to keep their PII confidential and securely maintained, to use this information for business purposes only, and to make only authorized disclosures of this information.

35. Defendant could have prevented the Data Breach Incident by properly securing and encrypting Plaintiff's and Class members' PII, or Defendant could have destroyed the data, especially old data from former inquiries and/or customers that Defendant had no legal right or responsibility to retain.

36. Defendant's negligence in safeguarding Plaintiff's and the Class members' PII is exacerbated by the repeated warnings and alerts directed to protecting and securing sensitive data, especially in the financial sector.

37. Despite the prevalence of public announcements and knowledge of data breach and data security compromises, Defendant failed to take appropriate steps to protect the PII of Plaintiff and the Class members from being compromised.

38. The ramifications of Defendant's failure to keep secure Plaintiff's and the Class members' PII are long lasting and severe. Once PII is stolen, particularly Social Security numbers, fraudulent use of that information and damage to victims may continue for years.

39. Social Security numbers, for example, are among the most sensitive kind of personal information to have stolen because they may be put to a variety of fraudulent uses and are difficult for an individual to change.

40. Even more problematic, it is no easy task to change or cancel a stolen Social Security number. An individual cannot obtain a new Social Security number without significant paperwork and evidence of actual misuse. In other words, preventive action to defend against the

possibility of misuse of a Social Security number is not permitted; an individual must show evidence of actual, ongoing fraud activity to obtain a new number.

41. The PII of Plaintiff and the Class Members was stolen to engage in identity theft and/or to sell it to criminals who will purchase the PII for that purpose.

42. Moreover, there may be a time lag between when harm occurs versus when it is discovered, and also between when PII is stolen and when it is used.

43. At all relevant times, Defendant knew, or reasonably should have known, of the importance of safeguarding Plaintiff's and the Class members' PII, and of the foreseeable consequences that would occur if Defendant's data security system was breached, including, specifically, the significant costs that would be imposed on Plaintiff and the Class members as a result of a breach.

44. Plaintiff and Class members now face years of constant surveillance of their financial and personal records, monitoring, and loss of rights. Plaintiff and Class members are incurring and will continue to incur such damages in addition to any fraudulent use of their PII.

45. Defendant was, or should have been, fully aware of the unique type and the significant volume of data on Defendant's network, potentially amounting to millions of individuals' detailed and confidential personal information and thus, the significant number of individuals who would be harmed by the exposure of the unencrypted data.

46. The injuries to Plaintiff and the Class members were directly and proximately caused by Defendant's failure to implement or maintain adequate data security measures for the Plaintiff's and the Class members' PII.

47. Plaintiff has suffered and will continue to suffer injury arising from the substantially increased risk of fraud, identity theft, and misuse resulting from his PII being placed in the hands of unauthorized third-parties and criminals.

48. Plaintiff has a continuing interest in ensuring that his PII, which, upon information and belief, remains backed up in Defendant's possession, is protected and safeguarded from future breaches.

CLASS ALLEGATIONS

PROPOSED CLASS

49. Plaintiff brings this lawsuit as a class action on behalf of himself individually and on behalf of all other similarly situated persons as a class action pursuant to Florida Rule of Civil Procedure 1.220(b)(2) and (b)(3). The "Class" that Plaintiff seeks to represent is defined as:

All persons whose PII was accessed and/or exfiltrated during the Data Breach Incident.

50. Defendant and its employees or agents are excluded from the Class.

NUMEROSITY

51. Upon information and belief, the Data Breach Incident has impacted at least 50 persons. The members of the Class, therefore, are believed to be so numerous that joinder of all members is impracticable.

52. The exact number and identities of the Class members are unknown at this time and can be ascertained only through discovery. Identification of the Class members is a matter capable of ministerial determination from Defendant's records.

COMMON QUESTIONS OF LAW AND FACT

53. There are numerous questions of law and fact common to the Class which predominate over any questions affecting only individual members of the Class. Among the questions of law and fact common to the Class are: [1] Whether and to what extent Defendant had a duty to protect the PII Plaintiff and Class members; [2] Whether Defendant failed to adequately safeguard the PII of Plaintiff and Class Members; [3] When Defendant actually learned of the Data Incident; [4] Whether Defendant adequately, promptly, and accurately informed Plaintiff and Class members that their PII had been compromised; [4] Whether Defendant failed to implement and maintain reasonable security procedures and practices appropriate to the nature and scope of the information compromised in the Data Breach Incident; [5] Whether Defendant adequately addressed and fixed the vulnerabilities which permitted the Data Breach Incident to occur; [6] Whether Plaintiff and the Class Members are entitled to actual, consequential, and/or nominal damages as a result of Defendant's wrongful conduct; [7] Whether Plaintiff and the Class members are entitled to restitution as a result of Defendant's wrongful conduct; and [8] Whether Plaintiff and Class members are entitled to injunctive relief to redress the imminent and currently ongoing harm faced as a result of the Data Breach Incident.

54. The common questions in this case are capable of having common answers. Plaintiff and the Class members will have identical claims capable of being efficiently adjudicated and administered in this case.

TYPICALITY

55. Plaintiff's claims are typical of the claims of the Class members, as they are all based on the same factual and legal theories.

PROTECTING THE INTERESTS OF THE CLASS MEMBERS

56. Plaintiff is a representative who will fully and adequately assert and protect the interests of the Class and has retained competent counsel. Accordingly, Plaintiff is an adequate representative and will fairly and adequately protect the interests of the Class.

SUPERIORITY

57. A class action is superior to all other available methods for the fair and efficient adjudication of this lawsuit because individual litigation of the claims of all members of the Class is economically unfeasible and procedurally impracticable. While the aggregate damages sustained by the Class are in the millions of dollars, the individual damages incurred by each member of the Class resulting from Defendant's wrongful conduct are too small to warrant the expense of individual lawsuits. The likelihood of individual Class members prosecuting their own separate claims is remote, and, even if every member of the Class could afford individual litigation, the court system would be unduly burdened by individual litigation of such cases.

58. The prosecution of separate actions by members of the Class would create a risk of establishing inconsistent rulings and/or incompatible standards of conduct for Defendant. For example, one court might enjoin Defendant from performing the challenged acts, whereas another may not. Additionally, individual actions may be dispositive of the interests of the Class, although certain class members are not parties to such actions.

COUNT I
Negligence
(On Behalf of Plaintiff and the Class)

59. Plaintiff re-alleges and incorporates the allegations contained in paragraphs 1-58 as if fully set forth herein.

60. As a condition to apply and/or secure lines of credit from Defendant, Plaintiff and the Class members were obligated to provide and entrust Defendant with certain PII, including their names, dates of birth, addresses, phone numbers, financial or bank account information, Social Security numbers, driver's license numbers, and email addresses.

61. Plaintiff and the Class members entrusted their PII to Defendant on the premise and with the understanding that Defendant would safeguard their information, use their PII for business purposes only, and/or not disclose their PII to unauthorized third parties.

62. Defendant has full knowledge of the sensitivity of the PII and the types of harm that Plaintiff and the Class members could and would suffer if the PII were wrongfully disclosed.

63. Defendant knew or reasonably should have known that the failure to exercise due care in the collecting, storing, and using of Plaintiff's and the Class members' PII involved an unreasonable risk of harm to Plaintiff and the Class members, even if the harm occurred through the criminal acts of a third party.

64. Defendant had a duty to exercise reasonable care in safeguarding, securing, and protecting such information from being compromised, lost, stolen, misused, and/or disclosed to unauthorized parties. This duty includes, among other things, designing, maintaining, and testing Defendant's security protocols to ensure that Plaintiff's and the Class members' information in Defendant's possession was adequately secured and protected.

65. Defendant also had a duty to exercise appropriate clearinghouse practices to remove PII it was no longer required to retain.

66. Defendant also had a duty to have procedures in place to detect and prevent the improper access and misuse of Plaintiff's and the Class members' PII.

67. Defendant's duty to use reasonable security measures arose as a result of the special relationship that existed between Defendant and Plaintiff and the Class members. That special relationship arose because Plaintiff and the Class members entrusted Defendant with their confidential PII, a necessary part of obtaining treatment or employment from Defendant.

68. Defendant was subject to an independent duty, untethered to any contract between Defendant and Plaintiff and the Class members.

69. A breach of security, unauthorized access, and resulting injury to Plaintiff and the Class members was reasonably foreseeable, particularly in light of Defendant's inadequate security practices.

70. Plaintiff and the Class members were the foreseeable and probable victims of any inadequate security practices and procedures. Defendant knew or should have known of the inherent risks in collecting and storing the PII of Plaintiff and the Class members, the critical importance of providing adequate security of that PII, and the necessity for encrypting PII stored on Defendant's systems.

71. Defendant's own conduct created a foreseeable risk of harm to Plaintiff and the Class members. Defendant's misconduct included, but was not limited to, its failure to take the steps and opportunities to prevent the Data Breach Incident as set forth herein. Defendant's misconduct also included its decision not to comply with industry standards for the safekeeping of

Plaintiff's and the Class members' PII, including basic encryption techniques freely available to Defendant.

72. Plaintiff and the Class members had no ability to protect their PII that was in, and remains in, Defendant's possession.

73. Defendant was in a position to protect against the harm suffered by Plaintiff and the Class members as a result of the Data Breach Incident.

74. Defendant had and continues to have a duty to adequately disclose that the PIIA of Plaintiff and the Class members within Defendant's possession might have been compromised, how it was compromised, and precisely the types of data that were compromised and when. Such notice was necessary to allow Plaintiff and the Class members to take steps to prevent, mitigate, and repair any identity theft and the fraudulent use of their PII by third parties.

75. Defendant had a duty to employ proper procedures to prevent the unauthorized dissemination of the PII of Plaintiff and the Class members.

76. Defendant has admitted that the PII of Plaintiff and the Class members was wrongfully accessed by and exfiltrated by unauthorized third persons.

77. Defendant, through its actions and/or omissions, unlawfully breached its duties to Plaintiff and the Class members by failing to implement industry protocols and exercise reasonable care in protecting and safeguarding the PII of Plaintiff and the Class members during the time the PII was within Defendant's possession or control.

78. Defendant improperly and inadequately safeguarded the PII of Plaintiff and the Class members in deviation of standard industry rules, regulations, and practices at the time of the Data Breach Incident.

79. Defendant failed to heed industry warnings and alerts to provide adequate safeguards to protect Plaintiff's and the Class members' PII in the face of increased risk of theft.

80. Defendant, through its actions and/or omissions, unlawfully breached its duty to Plaintiff and the Class members by failing to have appropriate procedures in place to detect and prevent dissemination of their PII.

81. Defendant breached its duty to exercise appropriate clearinghouse practices by failing to remove Plaintiff's and the Class members' PII it was no longer required to retain.

82. Defendant, through its actions and/or omissions, unlawfully breached its duty to adequately and timely disclose to Plaintiff and the Class members the existence and scope of the Data Breach Incident.

83. But for Defendant's wrongful and negligent breach of duties owed to Plaintiff and the Class members, the PII of Plaintiff and the Class members would not have been compromised.

84. There is a close causal connection between Defendant's failure to implement security measures to protect the PII of Plaintiff and the Class members and the harm suffered or risk of imminent harm suffered by Plaintiff and the Class members. Plaintiff's and the Class members' PII was accessed and exfiltrated as the proximate result of Defendant's failure to exercise reasonable care in safeguarding such PII by adopting, implementing, and maintaining appropriate security measures.

85. Additionally, Section 5 of the FTC Act prohibits "unfair . . . practices in or affecting commerce," including, as interpreted and enforced by the FTC, the unfair act or practice by businesses, such as Defendant, of failing to use reasonable measures to protect PII. The FTC publications and orders described above also form part of the basis of Defendant's duty in this regard.

86. Defendant violated Section 5 of the FTC Act by failing to use reasonable measures to protect PII and not complying with applicable industry standards, as described in detail herein. Defendant's conduct was particularly unreasonable given the nature and amount of PII it obtained and stored and the foreseeable consequences of the immense damages that would result to Plaintiff and the Class members.

87. Defendant's violation of Section 5 of the FTC Act constitutes negligence *per se*.

88. Plaintiff and the Class members are within the class of persons that the FTC Act was intended to protect.

89. The harm that occurred as a result of the Data Breach Incident is the type of harm the FTC Act was intended to guard against. The FTC has pursued enforcement actions against businesses, which, as a result of its failure to employ reasonable data security measures and avoid unfair and deceptive practices, caused the same harm as that suffered by Plaintiff and the Class members.

90. As a direct and proximate result of Defendant's negligence and negligence *per se*, Plaintiff and the Class members have suffered and will suffer injury, including but not limited to: (i) threat of identity theft; (ii) the compromise, publication, and/or theft of their PII; (iii) out-of-pocket expenses associated with the prevention, detection, and recovery from identity theft, tax fraud, and/or unauthorized use of their PII; (iv) lost opportunity costs associated with effort expended and the loss of productivity addressing and attempting to mitigate the present and future consequences of the Data Breach Incident, including but not limited to efforts spent researching how to prevent, detect, contest, and recover from tax fraud and identity theft; (v) costs associated with placing freezes on bank accounts and credit reports; (vi) the continued risk to their PII, which remain in Defendant's possession and is subject to further unauthorized disclosures so long as

Defendant fail to undertake appropriate and adequate measures to protect Plaintiff's and the Class members' PII; and (viii) present and future costs in terms of time, effort, and money that will be expended to prevent, detect, contest, and repair the impact of the PII compromised as a result of the Data Breach Incident for the remainder of the lives of Plaintiff and the Class members.

91. As a direct and proximate result of Defendant's negligence and negligence *per se*, Plaintiff and the Class members have suffered and will continue to suffer other forms of injury and/or harm, including, but not limited to, anxiety, emotional distress, loss of privacy, and other economic and non-economic losses.

92. Additionally, as a direct and proximate result of Defendant's negligence and negligence *per se*, Plaintiff and the Class members have suffered and will suffer the continued risks of exposure of their PII, which remain in Defendant's possession and is subject to further unauthorized disclosures so long as Defendant fail to undertake appropriate and adequate measures to protect the PII in its continued possession.

93. As a direct and proximate result of Defendant's negligence and negligence *per se*, Plaintiff and the Class members are at an increased risk of identity theft or fraud.

94. As a direct and proximate result of Defendant's negligence and negligence *per se*, Plaintiff and the Class members are entitled to and demand actual consequential, and nominal damages and injunctive relief.

COUNT II
Breach of Fiduciary Duty
(On Behalf of Plaintiff and the Class)

95. Plaintiff re-alleges and incorporates the allegations contained in paragraphs 1-58 as if fully set forth herein.

96. A relationship existed between Plaintiff and the Class members and Defendant in which Plaintiff and the Class members put their trust in Defendant to protect their private information and Defendant accepted that trust.

97. Defendant breached the fiduciary duty that it owed to Plaintiff and the Class members by failing to protect Plaintiff's and the Class members' PII.

98. Defendant's breach of fiduciary duty was a legal cause of damage to Plaintiff and the Class members.

99. But for Defendant's breach of fiduciary duty, the damage to Plaintiff and the Class members would not have occurred.

100. Defendant's breach of fiduciary duty contributed substantially to producing the damage to Plaintiff and the Class members.

101. As a direct and proximate result of Defendant's breach of fiduciary duty, Plaintiff and the Class members are entitled to and demand actual, consequential, and nominal damages and injunctive relief.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff, individually and on behalf of the Class, prays for the following relief:

- a) An order certifying this case as a class action on behalf of the Class as defined above, and appointing Plaintiff as the representative of the Class and Plaintiff's counsel as Class Counsel;
- b) Equitable relief enjoining Defendant from engaging in the wrongful conduct complained of herein pertaining to the misuse and/or disclosure of Plaintiff's and the Class members' PII, and from refusing to issue prompt, complete, and accurate disclosures to Plaintiff and the Class members;
- c) Injunctive relief, including but not limited to, injunctive and other equitable relief as is necessary to protect the interests of Plaintiff and Class members, including but not limited to an order: (1) requiring Defendant to protect, including through encryption, all data collected through the course of its business in accordance with all applicable regulations, industry standards, and federal, state or local laws; (2) requiring Defendant to delete, destroy, and purge the personal identifying information of Plaintiff and Class Members unless Defendant can provide to the Court reasonable justification for the retention and use of such information when weighed against the privacy interests of Plaintiff and Class Members; (3) requiring Defendant to implement and maintain a comprehensive Information Security Program designed to protect the confidentiality and integrity of the personal identifying information of Plaintiff and Class Member's personal identifying information; (4) prohibiting Defendant from maintaining Plaintiff's and Class Members' personal identifying information on a cloud-based database; (5)

requiring Defendant to engage independent third-party security auditors/penetration testers as well as internal security personnel to conduct testing, including simulated attacks, penetration tests, and audits on Defendant's systems on a periodic basis, and ordering Defendant to promptly correct any problems or issues detected by such third-party security auditors; (6) requiring Defendant to engage independent third-party security auditors and internal personnel to run automated security monitoring; (7) requiring Defendant to audit, test, and train its security personnel regarding any new or modified procedures; (8) requiring Defendant to segment data by, among other things, creating firewalls and access controls so that if one area of Defendant's network is compromised, hackers cannot gain access to other portions of Defendant's systems; (9) requiring Defendant to conduct regular database scanning and securing checks; (10) requiring Defendant to establish an information security training program that includes at least annual information security training for all employees, with additional training to be provided as appropriate based upon the employees' respective responsibilities with handling personal identifying information, as well as protecting the personal identifying information of Plaintiffs and Class Members; (11) requiring Defendant to routinely and continually conduct internal training and education, and on an annual basis to inform internal security personnel how to identify and contain a breach when it occurs and what to do in response to a breach; (12) requiring Defendant to implement a system of tests to assess its respective employees' knowledge of the education programs discussed in the preceding subparagraphs, as well as randomly and periodically testing employees compliance with Defendant's policies,

programs, and systems for protecting personal identifying information; (13) requiring Defendant to implement, maintain, regularly review, and revise as necessary a threat management program designed to appropriately monitor Defendant's information networks for threats, both internal and external, and assess whether monitoring tools are appropriately configured, tested, and updated; (14) requiring Defendant to meaningfully educate all Class members about the threats that they face as a result of the loss of their confidential personal identifying information to third parties, as well as the steps affected individuals must take to protect themselves; (15) requiring Defendant to implement logging and monitoring programs sufficient to track traffic to and from Defendant's servers; and (16) for a period of 10 years, appointing a qualified and independent third party assessor to conduct attestation on an annual basis to evaluate Defendant's compliance with the terms of the Court's final judgment, to provide such report to the Court and to counsel for the class, and to report any deficiencies with compliance of the Court's final judgment;

- d) For an award of damages, including actual, consequential, and nominal damages, as allowed by law in an amount to be determined;
- e) For an award of attorneys' fees, costs, and litigation expenses, as allowed by law;
- f) For prejudgment interest on all amounts awarded; and
- g) Such other and further relief as this Court may deem just and proper.

JURY DEMAND

Plaintiff, individually and on behalf of the Class, hereby demand a trial by jury.

DATED: March 17, 2022

Respectfully Submitted,

HIRALDO P.A.

/s/ Manuel S. Hiraldo

Manuel S. Hiraldo, Esq.

Florida Bar No. 030380

401 E. Las Olas Boulevard

Suite 1400

Ft. Lauderdale, Florida 33301

Email: mhiraldo@hirdolaw.com

Telephone: 954.400.4713

Counsel for Plaintiff

Case Number: CACE-22-004034 Division: 04
Filing # 145875077 E-Filed 03/17/2022 07:08:25 AM

**IN THE CIRCUIT COURT OF THE SEVENTEENTH JUDICIAL CIRCUIT
IN AND FOR BROWARD COUNTY, FLORIDA**

CASE NO.

NICHOLAS GUASTO, individually and
on behalf of all others similarly situated,

CLASS ACTION

Plaintiff,

JURY TRIAL DEMANDED

v.

PROPEL HOLDINGS, INC. d/b/a
CREDITFRESH,

Defendant.

To Each Sheriff of the State:

YOU ARE COMMANDED to serve this Summons and a copy of the complaint or petition in
this action on defendant:

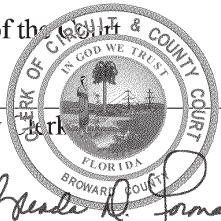
PROPEL HOLDINGS, INC. d/b/a CREDITFRESH
Registered Agent: C T Corporation System
CORPORATION TRUST CENTER 1209 ORANGE ST
WILMINGTON, DE 19801

Each defendant is required to serve written defenses to the complaint or petition on **MANUEL S. HIRALDO, HIRALDO P.A., Plaintiff's attorney, whose address is 401 E. Las Olas Blvd., Ste. 1400, Fort Lauderdale, FL 33301, Tel: (954) 400-4713**, within twenty (20) days after service of this summons on that defendant, exclusive of the day of service, and to file the original of the defenses with the clerk of this court either before service on plaintiff's attorney or immediately thereafter. If a defendant fails to do so, a default will be entered against that defendant for the relief demanded in the complaint or petition.

DATED on MAR 18 2022

As Clerk of the Court

BY: _____
As Deputy Clerk


Brenda D. Forman
BRENDA D. FORMAN

*** FILED: BROWARD COUNTY, FL BRENDA D. FORMAN, CLERK 03/17/2022 07:08:23 AM.***

Unique Code : CAA-FAA-BCABB-FIJEIB-DIDFJC-C Page 1 of 1



Exhibit 2

Nicholas Guasto Plaintiff vs. Propel Holdings Inc Defendant

Broward County Case Number: CACE22004034
State Reporting Number: 062022CA004034AXXXCE
Court Type: Civil
Case Type: Neg - Business Tort
Incident Date: N/A
Filing Date: 03/17/2022
Court Location: Central Courthouse
Case Status: Pending
Magistrate Id / Name: N/A
Judge ID / Name: 04 Perlman, Sandra

- Party(ies)

Total: 2

Party Type	Party Name	? Address	? Attorneys / Address ★ Denotes Lead Attorney
Plaintiff	Guasto, Nicholas		★ Hiraldo, Manuel S Retained Bar ID: 30380 HIRALDO, PA 401 E. Las Olas Blvd Suite 1400 Fort Lauderdale, FL 33301 Status: Active
Defendant	Propel Holdings Inc <i>Doing Business As</i> Creditfresh		

- Disposition(s)

Total: 0

Date	Statistical Closure(s)		
Date	Disposition(s)	View	Page(s)

- Event(s) & Document(s)

Total: 6

Date	Description	Additional Text	View	Pages
03/29/2022	Notice	OF NON-SERVICE Party: <i>Plaintiff</i> Guasto, Nicholas		2
03/18/2022	Clerk's Certificate of Compliance W-2020-73CIV/2020-74-UFC	NONE		1
03/17/2022	Per AOSC20-23 Amd12, Case is determined General			
03/17/2022	Civil Cover Sheet	Amount: \$100,001.00		3
03/17/2022	Complaint (eFiled)	CLASS ACTION COMPLAINT Party: <i>Plaintiff</i> Guasto, Nicholas		22
03/17/2022	eSummons Issuance	Party: <i>Defendant</i> Propel Holdings Inc		1

- Hearing(s)

Total: 0

There is no Disposition information available for this case.

- Related Case(s)

Total: 0

There is no related case information available for this case.

Case Number: CACE-22-004034 Division: 04
Filing # 145875077 E-Filed 03/17/2022 07:08:25 AM

FORM 1.997. CIVIL COVER SHEET

The civil cover sheet and the information contained in it neither replace nor supplement the filing and service of pleadings or other documents as required by law. This form must be filed by the plaintiff or petitioner with the Clerk of Court for the purpose of reporting uniform data pursuant to section 25.075, Florida Statutes. (See instructions for completion.)

I. CASE STYLE

IN THE CIRCUIT/COUNTY COURT OF THE SEVENTEENTH JUDICIAL CIRCUIT,
IN AND FOR BROWARD COUNTY, FLORIDA

Nicholas Guasto
Plaintiff

Case # _____
Judge _____

vs.
Propel Holdings Inc dba CreditFresh
Defendant

II. AMOUNT OF CLAIM

Please indicate the estimated amount of the claim, rounded to the nearest dollar. The estimated amount of the claim is requested for data collection and clerical processing purposes only. The amount of the claim shall not be used for any other purpose.

- \$8,000 or less
- \$8,001 - \$30,000
- \$30,001- \$50,000
- \$50,001- \$75,000
- \$75,001 - \$100,000
- over \$100,000.00

III. TYPE OF CASE (If the case fits more than one type of case, select the most definitive category.) If the most descriptive label is a subcategory (is indented under a broader category), place an x on both the main category and subcategory lines.

*** FILED: BROWARD COUNTY, FL BRENDA D. FORMAN, CLERK 03/17/2022 07:08:23 AM.***



Unique Code : CAA-FAA-BCABB-FIJEHE-DIDFJA-B Page 1 of 3

CIRCUIT CIVIL

- Condominium
- Contracts and indebtedness
- Eminent domain
- Auto negligence
- Negligence—other
 - Business governance
 - Business torts
 - Environmental/Toxic tort
 - Third party indemnification
 - Construction defect
 - Mass tort
 - Negligent security
 - Nursing home negligence
 - Premises liability—commercial
 - Premises liability—residential
- Products liability
- Real Property/Mortgage foreclosure
 - Commercial foreclosure
 - Homestead residential foreclosure
 - Non-homestead residential foreclosure
 - Other real property actions
- Professional malpractice
 - Malpractice—business
 - Malpractice—medical
 - Malpractice—other professional
- Other
 - Antitrust/Trade regulation
 - Business transactions
 - Constitutional challenge—statute or ordinance
 - Constitutional challenge—proposed amendment
 - Corporate trusts
 - Discrimination—employment or other
 - Insurance claims
 - Intellectual property
 - Libel/Slander
 - Shareholder derivative action
 - Securities litigation
 - Trade secrets
 - Trust litigation

COUNTY CIVIL

- Small Claims up to \$8,000
- Civil
- Real property/Mortgage foreclosure

- Replevins
- Evictions
 - Residential Evictions
 - Non-residential Evictions
- Other civil (non-monetary)

COMPLEX BUSINESS COURT

This action is appropriate for assignment to Complex Business Court as delineated and mandated by the Administrative Order. Yes No

- IV. REMEDIES SOUGHT** (check all that apply):
- Monetary;
 - Nonmonetary declaratory or injunctive relief;
 - Punitive

V. NUMBER OF CAUSES OF ACTION: [1]
(Specify)

VI. IS THIS CASE A CLASS ACTION LAWSUIT?

- yes
- no

VII. HAS NOTICE OF ANY KNOWN RELATED CASE BEEN FILED?

- no
- yes If “yes,” list all related cases by name, case number, and court.

VIII. IS JURY TRIAL DEMANDED IN COMPLAINT?

- yes
- no

I CERTIFY that the information I have provided in this cover sheet is accurate to the best of my knowledge and belief, and that I have read and will comply with the requirements of Florida Rule of Judicial Administration 2.425.

Signature: s/ Manuel S Hiraldo
Attorney or party

Fla. Bar # 30380
(Bar # if attorney)

Manuel S Hiraldo
(type or print name)

03/17/2022
Date

**** FILED: BROWARD COUNTY, FL Brenda D. Forman, CLERK 3/18/2022 4:30:00 PM.****

IN THE CIRCUIT COURT OF THE 17TH JUDICIAL CIRCUIT IN
AND FOR BROWARD COUNTY, FLORIDA

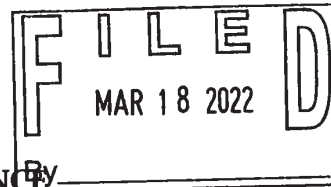
Nicholas Guasto
Plaintiff

Case No: Case 22-4034

Judge Division: 04

VS

Propel Holdings, Inc
Defendant



CLERK'S CERTIFICATE OF COMPLIANCE

I hereby certify that pursuant to Administrative Order, No. 2020-73Civ/2020-74-UFC: "ADMINISTRATIVE ORDER DIRECTING CLERK OF COURTS WITH REGARD TO DISMISSED CIVIL OR FAMILY CASES",

The Clerk has conducted a search for all previous existing civil cases related to these two parties.

Listed below are all the aforementioned related cases:

NONE

Brenda D. Forman
Circuit and County Courts

By: [Signature]
Deputy Clerk

Unique Code : CAA-FAA-BCABB-FIJHBIGG-DIDFJD-C Page 1 of 1



Filing # 146597498 E-Filed 03/29/2022 10:23:08 AM

**IN THE COUNTY COURT OF THE SEVENTEENTH JUDICIAL CIRCUIT
IN AND FOR BROWARD COUNTY, FLORIDA**

Case No.: CACE22004034

NICHOLAS GUASTO, individually and on
behalf of all others similarly situated,

Plaintiff,

v.

PROPEL HOLDINGS, INC. D/B/A
CREDITFRESH

Defendant.

_____ /

NOTICE OF NON-SERVICE

Plaintiff Nicholas Guasto files this Notice and states that service of process on the above-captioned Defendant cannot be effectuated, whereby Plaintiff shall be seeking an alias summons.

Dated: March 29, 2022

/s/ Thomas J. Patti
THOMAS J. PATTI, ESQ.
Florida Bar No.: 118377
E-mail: tom@jibraellaw.com
The Law Offices of Jibrael S. Hindi
110 SE 6th Street, Suite 1744
Fort Lauderdale, Florida 33301
Phone: 954-907-1136
Fax: 855-529-9540

COUNSEL FOR PLAINTIFF



Unique Code : CAA-FAA-BCABB-FJCFBCCI-DIDFJE-A Page 1 of 2

Unique Code : CAA-FAA-BCABB-FJCFFBCI-DIDFJE-A Page 2 of 2

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on March 29, 2022, the foregoing was electronically filed with the Clerk of the Court using the Florida e-Filing portal, of which will send a notice of electronic filing to all counsel of record.

/s/ Thomas J. Patti
THOMAS J. PATTI, ESQ.
Florida Bar No.: 118377

ClassAction.org

This complaint is part of ClassAction.org's searchable class action lawsuit database and can be found in this post: [CreditFresh Hit with Class Action Following 2022 Data Breach](#)
