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9
10 UNITED STATES DISTRICT COURT
11 NORTHERN DISTRICT OF CALIFORNIA

12 MALIKA MICKEY,
13 for herself,
14 as a private attorney general,
and on behalf of all others similarly situated,

15
16 Plaintiff,

17 v.

18 SEEL, INC.,
19

20 Defendant.
21

Case No. 3:26-cv-01336

CLASS ACTION

**COMPLAINT FOR VIOLATION OF
CAL. BUSINESS & PROFESSIONS
CODE § 17200 *et seq.***

JURY TRIAL DEMANDED

1 Plaintiff Malika Mickey (“Ms. Mickey” or “Plaintiff”), individually, as a private
2 attorney general, and on behalf of all others similarly situated, alleges as follows, on personal
3 knowledge and the investigation of her counsel, against Defendant Seel, Inc. (“Seel” or
4 “Defendant”):

5 **I. INTRODUCTION AND SUMMARY**

6 1. Seel is an “AI-powered insurance company” founded in 2019, and first started
7 offering insurance products in 2021.¹ Seel is funded primarily by venture capital and finances
8 its growth and operations from such funds.

9 2. For years, Seel has engaged in a massive and consistent unlawful shipping
10 insurance scheme as an unadmitted insurer. Seel partners with more than 2,000 global
11 ecommerce retailers to provide its shipping insurance.²

12 3. When consumers go through the online checkout process on a partner retailer’s
13 website, they are presented with the option to purchase Seel’s shipping insurance (which is
14 labeled as “Worry-Free Delivery”) for an additional fee, purportedly to ensure that they can
15 recover the cost of the item in the event that their purchase is lost, damaged, or stolen.

16 4. Seel’s “Worry-Free Delivery” service meets the definition of “insurance” under
17 California law and is subject to the California Insurance Code. Seel’s “Worry-Free Delivery”
18 shipping insurance product is hereinafter referred to as “shipping insurance.”

19 5. Seel’s unlawful provision of shipping insurance violates California’s Unfair
20 Competition Law (UCL), California Business & Professions Code § 17200 *et seq.*, in numerous
21 ways, as detailed in this Complaint.

22 6. Unadmitted insurers such as Seel are not “subject to contributions [to state
23 guaranty associations], nor would they be readily susceptible to other California regulatory
24 controls which promote fiscal responsibility.” *Nowlon v. Koram Ins. Ctr., Inc.*, 1 Cal. App. 4th
25 1437, 1445 (1991).

26 _____
27 ¹ See “Exclusive: Seel Raises \$17M Series A to Unlock ‘High-Frequency, Low-Premium’
Insurance with AI,” Seel, at <https://www.seel.com/news/seel-raises-17m-series-a>.

28 ² See “GoodwillFinds Expands Partnership With Seel to Offer an Integrated Worry-Free
Shopping Experience,” Seel, at <https://www.seel.com/news/goodwillfinds>.

1 7. Violations of the California Insurance Code affect important public policies in
2 California. *See People v. United Nat. Life Ins. Co.*, 427 P.2d 199, 210 (1967) (“It is settled that
3 ‘the business of insurance is affected with a public interest.’”) (internal citations omitted).

4 8. Seel is not an admitted insurer in the state of California, as is required under the
5 California Insurance Code. The unlawful shipping insurance purchased by Plaintiff and Class
6 members was not worth the price they paid. If Plaintiff and Class members had been aware that
7 Seel’s shipping insurance was unlicensed and unlawful, they would not have purchased it at all.

8 9. Plaintiff brings this lawsuit individually and on behalf of a nationwide class of
9 consumers who purchased Seel’s shipping insurance. Plaintiff seeks recovery of all money paid
10 to Seel for the shipping insurance. Additionally, Plaintiff, acting as a private attorney general,
11 seeks public injunctive relief to protect the general public by enjoining Seel from engaging in
12 its unauthorized shipping insurance scheme as alleged herein.

13 **II. THE PARTIES**

14 10. Plaintiff Malika Mickey is a citizen and resident of the city of Midlothian, in
15 Chesterfield County, Virginia, and is an unsophisticated consumer party.

16 11. Defendant Seel, Inc. is a Delaware corporation with its principal place of
17 business at 566 Brannan Street, San Francisco, California 94107. Seel is registered to do
18 business in California and provides unauthorized and illegal shipping insurance to consumers
19 nationwide. When a consumer purchases Seel shipping insurance while completing his or her
20 order on a partner retailer’s website, the retailer collects the money and is later billed by Seel
21 from California for the revenue from shipping insurance fees. If a consumer needs to file a
22 claim, Seel evaluates and pays on the claim from its California headquarters. Seel also makes
23 decisions on and sets the shipping insurance rates from its California headquarters.

24 **III. JURISDICTION AND VENUE**

25 12. **Subject Matter Jurisdiction.** This Court has original jurisdiction over this
26 action pursuant to 28 U.S.C. § 1332(d)(2) because the amount in controversy, exclusive of
27 interest and costs, exceeds \$5,000,000, and this is a proposed class action in which there are
28 members of the proposed Class who are citizens of a state different from Seel.

1 13. **Personal Jurisdiction.** This Court has personal jurisdiction over Defendant
2 because, without limitation: (1) Defendant is authorized to do business and regularly conducts
3 business in California; (2) the claims alleged herein took place in California; and/or (3)
4 Defendant has committed tortious acts within California or has committed tortious acts outside
5 California which had an impact within California (as alleged, without limitation, throughout
6 this Complaint). Defendant has sufficient minimum contacts with California to render the
7 exercise of jurisdiction by this Court permissible.

8 14. **Venue.** Venue is proper pursuant to 28 U.S.C. §1391 because Defendant is a
9 California citizen who resides in this District (specifically, in San Francisco County).

10 **IV. SEEL’S UNLAWFUL SHIPPING INSURANCE SCHEME**

11 15. Seel provides shipping insurance to consumers nationwide primarily through the
12 websites of its partner retailers.

13 16. Seel is an unadmitted insurer in violation of the California Insurance Code. The
14 unlawful shipping insurance purchased by Plaintiff and Class members was not worth what
15 they paid. If Plaintiff and Class members had been aware that Seel’s shipping insurance was
16 unlawful, they wouldn’t have purchased it at all.

17 17. On its website, Seel describes its insurance products as “Worry-Free Purchase®”
18 and “Shipping Protection.” Both insurance products cover loss and damage. See the below
19 screenshots of the FAQ pages from Seel’s website regarding Seel’s “Worry-Free Purchase®”
20 and “Shipping Protection” products.

See FAQ Webpage For “Worry-Free Purchase®”

<p>Delay</p>  <p>\$5 USD compensation for delay</p>	<p>Loss</p>  <p>Cover the Actual Item(s) Value Paid</p>	<p>Damage</p>  <p>Cover the Actual Item(s) Value Paid</p>
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Learn more about Worry-Free Purchase®

01 What does Worry-Free Purchase® cover?

- Delay:** Domestic packages not delivered **10 days** after order fulfillment (i.e., the date when the order is shipped by the merchant) are considered delayed. (**30 days** for international packages.) Delayed packages will be compensated for **\$5 USD**.
- Loss:** Domestic packages not delivered **30 days** after order fulfillment (i.e., the date when the order is shipped by the merchant) are considered lost. (**60 days** for international packages.) Lost packages will be compensated for **the actual item(s) value paid**.
- Damage:** Worry-Free Purchase® covers item damages to the point that the item(s) are unusable, clearly fractured, shattered, bent (if not bendable), crushed, etc., but does not cover cosmetic damage (scratches, dents, etc.), manufacturing damages, packaging errors, or unsealed items. Damaged item(s) will be compensated up to **the actual item(s) value paid**.

Worry-Free Purchase® also covers **carbon-neutral shipment for all domestic shipments**.

Note: Total compensation for one cover is up to the item(s) value actually paid.

See FAQ Webpage For “Shipping Protection”

<p>Loss</p>  <p>Cover the Actual Item(s) Value Paid</p>	<p>Damage</p>  <p>Cover the Actual Item(s) Value Paid</p>	<p>Theft</p>  <p>Cover the Actual Item(s) Value Paid</p>
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Learn more about Shipping Protection

01 What does Shipping Protection cover?

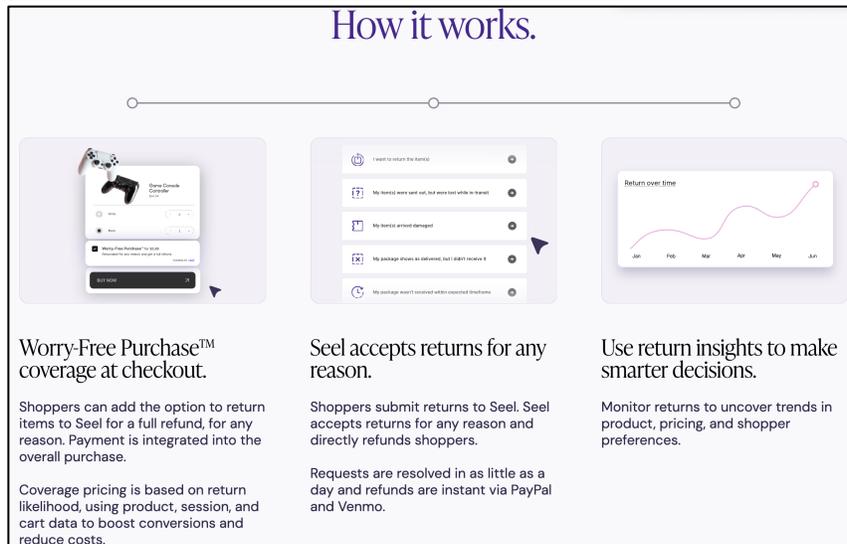
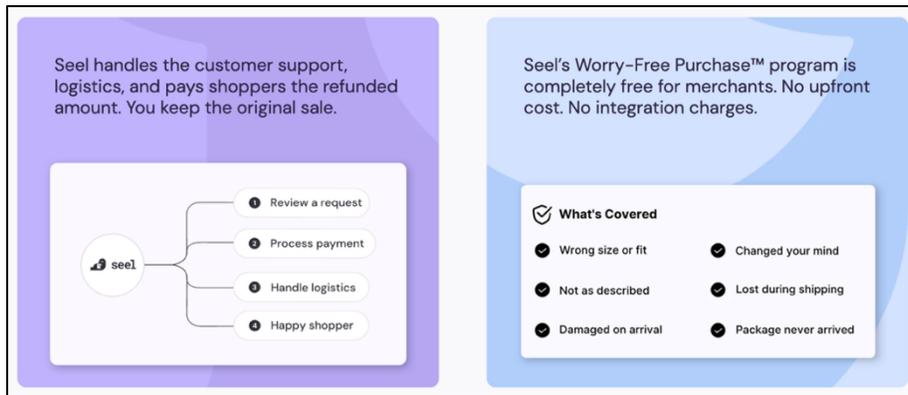
See Shipping Protection covers package loss, damage, and theft that meet the following criteria.

- Loss:** Domestic packages not delivered before the 30th day following order fulfillment (i.e., the date when the order is shipped by the merchant) or international packages not delivered before the 60th day following order fulfillment are considered lost. The compensation for lost packages is the value paid for the purchased item(s).
- Theft:** Packages marked “delivered” yet not received are considered a “theft”, though this may be due to some mishaps that are not criminal in nature. To qualify as a case of theft, supporting documents, such as a police report, may be required. (See “What Supporting Docs are Required for a Claim of Theft?”) The compensation for a verified case of theft is the value paid for the purchased item(s).
- Damage:** Shipping Protection covers item damages to the point that the item(s) are unusable, clearly fractured, shattered, bent (if not bendable), crushed, etc., but does not cover cosmetic damage (scratches, dents, etc.), manufacturing damages, packaging errors, or unsealed items. The compensation for damaged items is up to the value paid for the purchased item(s).

Note: Total compensation for one Shipping Protection coverage is up to the value actually paid for the item(s).

1 18. Seel further states that for retailers who join Seel’s Worry-Free Purchase™
 2 program, Seel will handle all customer support relating to its shipping insurance, including
 3 reviewing requests from consumers, processing payments, and handling logistics. Seel
 4 represents that customer can add its Worry-Free Purchase™ during checkout and Seel will
 5 cover packages that are “Damaged on arrival” or “Lost during shipping.” Seel further promises
 6 that it can review requests “in as little as a day” and handle refunds instantaneously. See the
 7 following screenshots taken from Seel’s Worry-Free Purchase™ webpage.

8 **Seel Website – Worry-Free Purchase™**



1 19. As of October 2024, Seel is partnered with “more than 2,000 global e-commerce
2 businesses.” See “GoodwillFinds Expands Partnership With Seel to Offer an Integrated Worry-
3 Free Shopping Experience,” Seel, at <https://www.seel.com/news/goodwillfinds>.

4 20. Seel’s partner retailers act as Seel’s agents, where Seel provides its shipping
5 insurance through those retailers’ websites. After consumers purchase Seel’s shipping
6 insurance, the retailers then submit the insurance premiums to Seel.

7 21. When a consumer checks out on a partner retailer’s website, Seel’s shipping
8 insurance typically appears alongside the consumer’s order as an additional product.

9 22. Seel represents that consumers can “[g]et a full refund if the order doesn’t arrive
10 as described, including loss & damage in transit.” Seel provides this language to its partner
11 retailers and its representations are uniform across all of its partner retailers’ websites.

12 23. By clicking on the question mark next to Seel’s “Worry-Free Delivery” during
13 checkout, consumers can see an additional information popup about Seel’s shipping insurance.
14 Seel there states that its coverage includes packages that are “Lost in transit,” “damaged/non-
15 functional upon arrival,” or “stolen or missing after delivery.” This additional information
16 popup is designed, written, and provided by Seel to all of its partner retailers and is also
17 uniform across all of Seel’s partner retailers’ websites.

18 24. In the final step of the transaction, Seel sends consumers an email which
19 confirms the consumer’s purchase of Seel’s shipping insurance and provides the details of the
20 protection plan. Although the email includes details of the consumer’s order from the partner
21 retailer’s website, the confirmation email is sent by Seel, not the retailer (specifically, it is sent
22 from the email address support@seel.com).

23 25. In this confirmation email, Seel lists the covered items, states the covered
24 monetary value, and gives instructions on how to report an issue with the order. Seel also
25 reiterates that its coverage extends to packages that are “damaged in transit,” “Lost in-transit,”
26 or “stolen or missing after delivery.” See the screenshots below showing the confirmation email
27 received by Plaintiff Malika Mickey, which is typical and representative of the shipping
28 insurance confirmation emails sent by Seel to its consumer customers.

Seel Confirmation Email For Worry-Free Delivery Purchase

Enjoy peace of mind with your Worry-Free Delivery protection for order **HBB03820446**
 1 message

Seel <support@seel.com> Tue, Sep 9, 2025 at 1:44 PM
 To: [REDACTED]

Don't need protection?

[Click here](#) within 24 hours of your purchase to cancel your Worry-Free Delivery protection, no questions asked.

Important: This action cannot be undone. Once canceled, your order will no longer be protected.



Hi Malika,

Thank you for adding Worry-Free Delivery powered by Seel to your order **HBB03820446** with Stylewe. Below are the details of your protection plan:

Worry-Free Delivery Details

ORDER NUMBER	PROTECTION ID	PROTECTION COST
HBB03820446	2025090923300066387947004	Protection Fee: \$3.52 USD Tax : \$0.19 USD

Coverage



Elegant Color Block Split Sleeves Stand Collar Midi Dress
~~\$89.00 USD~~ - \$75.66 USD × 1 \$75.66 USD
[Seel covers Fulfillment Risk](#)



Urban Printing Striped Bodycon Skirt
~~\$35.00 USD~~ - \$24.64 USD × 1 \$24.64 USD
[Seel covers Fulfillment Risk](#)

Item(s) subtotal	\$100.30 USD
Tax	\$0.00 USD
Shipping fee	\$16.99 USD
Covered value	\$117.29 USD

Your Order is Protected Against

- Shipment significantly delayed
- Item damaged in transit
- Lost in-transit
- Package stolen or missing after delivery

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How to Use Your Protection

If you experience any issues with your order, simply click the button below:

[Report an Issue](#)

Guideline for Reporting Seel-Covered Issues

Important Things to Know

- Valid tracking information from **Stylewe** is required
- If you don't have tracking info, contact **Stylewe** first
- Check if your issue falls under Seel coverage (see below)

What Seel Does NOT Cover

- Order never sent/shipped
- Incorrect item(s) sent including wrong item, wrong color/style, wrong size or imitation products
- Address issues resulting in misdelivery

For the above issues, please contact the merchant you purchased from directly.



Delayed in Receiving

- If your package is delayed in delivery, not arriving within 10 days after shipping (30 days for international orders), you can report it as delayed and received a payout if qualified.



Lost Packages Not Delivered

- If your package hasn't arrived after 10 days (30 days for international orders), you can report it as lost starting at day 11 through day 90 when your coverage window will expire.



Stolen or Missing Packages While Tracking Shows Delivered

- Report within 7 days of tracking showing "delivered" if you never received it.



Damaged During Shipping

- Report within 7 days of delivery.

1 26. Although Seel sometimes refers to its shipping insurance as “shipping
2 protection,” “worry-free delivery,” “worry-free purchase,” or other similar terms, Seel’s
3 product for the purposes of this Complaint will be referred to as “shipping insurance” except
4 when directly citing representations by Seel. All mentions of “shipping protection,” “worry-
5 free delivery,” “worry-free purchase,” or other similar terms are synonymous with “shipping
6 insurance.”

7 **V. SEEL’S SHIPPING INSURANCE IS “INSURANCE” AS DEFINED UNDER**
8 **THE CALIFORNIA INSURANCE CODE**

9 27. Under the California Insurance Code, “insurance” refers to “a contract whereby
10 one undertakes to indemnify another against loss, damage, or liability arising from a contingent
11 or unknown event.” Cal. Ins. Code § 22.

12 28. Additionally, “marine insurance” refers to “insurance against any and all kinds
13 of loss of or damage to” goods or merchandise “in connection with any and all risks or perils of
14 navigation, transit, or transportation.” Cal. Ins. Code § 103(a).

15 29. By Seel’s own description, its shipping insurance purports to cover the cost of
16 packages that are lost, damaged, or stolen during the course of shipment.

17 30. Furthermore, Seel refers to its products as “insurance policies” on its website.

18 31. Notably, an article posted on Seel’s own website refers to Seel as an “insurance
19 company.” *See* “Exclusive: Seel Raises \$17M Series A to Unlock “High-Frequency, Low-
20 Premium” Insurance with AI,” Seel, <https://www.seel.com/news/seel-raises-17m-series-a>
21 (referring to Seel as “an AI-powered insurance company focused on the North American
22 market”).

23 32. Seel’s business model is to offer its shipping insurance product on the websites
24 of its partner retailers, who act as contracted agents through whose websites Seel provides its
25 shipping insurance to consumers. As Seel explains on its website, Seel automatically bills its
26 merchants on a daily basis for the previous day’s transactions. *See* “What’s the billing &
27 invoicing cycle with Seel?”, Seel, at [https://kover2618.zendesk.com/hc/en-](https://kover2618.zendesk.com/hc/en-us/articles/17540558313883-What-s-the-billing-invoicing-cycle-with-Seel)
28 [us/articles/17540558313883-What-s-the-billing-invoicing-cycle-with-Seel](https://kover2618.zendesk.com/hc/en-us/articles/17540558313883-What-s-the-billing-invoicing-cycle-with-Seel).

1 33. The language which Seel has all of its partner retailers display during the
2 checkout process likewise demonstrates that Seel’s shipping insurance is marine insurance
3 under the California Insurance Code. Seel states that its shipping insurance is meant to cover
4 packages that are “Lost in transit,” “damaged/non-functional upon arrival,” or “stolen or
5 missing after delivery.” Seel also represents that consumers can “[g]et a full refund if the order
6 doesn’t arrive as described, including loss & damage in transit.”

7 34. Seel makes these same representations in the confirmation email it sends to its
8 consumer customers immediately after they purchase Seel shipping insurance on partner
9 retailer websites. Seel’s confirmation email states that the package is covered in case it is
10 “damaged in transit,” “Lost in-transit,” or “stolen or missing after delivery.”

11 35. Seel’s process for customers to submit a “claim” also closely resembles that of a
12 legitimate insurance company. When an issue occurs with their shipment, customers can file a
13 claim via the Seel Claim Portal, which they gain access to after purchasing Seel’s shipping
14 insurance. Seel will then assess the claim to determine if it qualifies for a payout. If it does,
15 Seel will issue a refund through a prepaid credit card via email. If the claim does not qualify,
16 Seel will send an email notifying customers of the denial and explaining the reason. *See* “Learn
17 more about Worry-Free Purchase[®],” Seel, at [https://www.seel.com/faq/learn-more-about-seel-](https://www.seel.com/faq/learn-more-about-seel-worry-free-purchase)
18 [worry-free-purchase](https://www.seel.com/faq/learn-more-about-seel-worry-free-purchase).

19 36. Based on counsel’s investigation, Seel has complete and unfettered control over
20 setting the insurance rates it charges to consumers. Contrary to the law, Seel does not provide
21 information about or seek or receive approval of the rates for its shipping insurance from any
22 state insurance departments—neither in its home state of California nor in any other state.

23 37. Notably, Seel’s policy summary for its shipping insurance warns consumers
24 against making false insurance claims, even going so far as to cite the insurance fraud statutes
25 for each state, furthering the impression that the insurance provided by Seel is legitimate. *See*
26 “POLICY SUMMARY: Worry-Free Purchase Association,” Seel,
27 <https://www.seel.com/terms/insurance>.

1 38. Although the shipping insurance is purchased on partner retailer websites, these
2 retailers pass the insurance premiums they collect to Seel on a daily basis, and Seel remains
3 fully involved throughout the transaction. For instance, when a customer places an order which
4 includes Seel’s shipping insurance, the customer will receive an email directly from Seel with
5 their “Worry-Free Purchase[®] cover details, as well as instructions on how to report an issue.”
6 See “Learn more about Worry-Free Purchase[®],” Seel, at [https://www.seel.com/faq/learn-more-
7 about-seel-worry-free-purchase](https://www.seel.com/faq/learn-more-about-seel-worry-free-purchase).

8 39. If a customer chooses to return a damaged item covered by Seel’s shipping
9 insurance in exchange for a refund, the customer will return the item to Seel and receive the
10 payout from Seel, not from the partner retailer.

11 40. Seel’s shipping insurance is “insurance” under the California Insurance Code
12 because it functions as insurance and is “a contract whereby [Seel] undertakes to indemnify
13 [consumers who purchase Seel’s shipping insurance] against loss, damage, or liability arising
14 from [issues that occur during shipment].” Cal. Ins. Code § 22.

15 41. Specifically, Seel’s shipping insurance is “marine insurance” as it is “insurance
16 against any and all kinds of loss of or damage to” packages that consumers order from Seel’s
17 partnered retailers “in connection with any and all risks or perils of [transit or delivery].” Cal.
18 Ins. Code § 103(a).

19 **VI. SEEL’S UNLAWFUL SHIPPING INSURANCE SCHEME HARMS**
20 **CONSUMERS AND VIOLATES CALIFORNIA LAW**

21 42. Under the California Insurance Code, insurers “shall not transact any class of
22 insurance business in this state without first being admitted for that class.” Cal. Ins. Code §
23 700(a).

24 43. A “nonadmitted insurer” is “an insurer not licensed or admitted to engage in the
25 business of insurance in this state in conformity with Section 700.” Cal. Ins. Code § 1760.1(n).

26 44. Seel is not an admitted insurer to provide marine insurance in the state of
27 California and thus cannot legally provide its shipping insurance, a marine insurance product,
28 to consumers anywhere in the United States.

1 45. Seel’s insurance product, “Worry-Free Purchase,” is a service provided by the
2 Worry-Free Purchase Association, which purports to—but does not actually—extend the
3 protections of this product to consumers through an insurance policy secured through Seel
4 Insurance Services, Inc.

5 46. In the policy summary for its “Worry-Free Purchase” product, Seel states that
6 the policy was written “for the account of Worry-Free Purchase Association, produced by Seel
7 Insurance Services, [I]nc[.] and underwritten by Seel Insurance, Inc.” *See* “POLICY
8 SUMMARY: Worry-Free Purchase Association,” Seel, at
9 <https://www.seel.com/terms/insurance>. This is the only insurance policy ever referenced by
10 Seel.

11 47. Based on counsel’s investigation, Seel has simply provided self-insurance to
12 itself. Seel Insurance, Inc. is merely a wholly owned subsidiary of Seel and is a captive
13 insurance company that only provides insurance to Seel, not to consumers. Neither Seel nor any
14 of its wholly owned subsidiaries are licensed or admitted insurance companies with a licensed
15 insurance product that can be provided to consumers.

16 48. Therefore, contrary to Seel’s representations, what Seel consumer customers
17 receive is an insurance policy of Seel’s own invention that is unauthorized and is completely
18 separate from the policy that Seel has secured for itself.

19 49. In reality, Seel is a nonadmitted insurer providing unlawful and unauthorized
20 insurance in violation of the California Insurance Code. *See* Cal. Ins. Code § 1760.1(n); Cal.
21 Ins. Code § 700(a)

22 50. Despite this, Seel continues to represent to consumers that its shipping insurance
23 is an authorized insurance product that provides protection for lost, damaged, and stolen
24 packages.

25 51. Reasonable consumers would not know that Seel is an unadmitted and
26 unauthorized insurer, nor would they have any reason to suspect that Seel is an unadmitted and
27 unauthorized insurer. Reasonable consumers would not know that Seel’s actions are illegal and
28

1 in violation of the California Insurance Code. Instead, any reasonable consumer would believe
2 that they are receiving legitimate, legal insurance from an admitted insurer.

3 52. As a direct and proximate result of Seel’s unauthorized provision of shipping
4 insurance as an unadmitted insurer, Plaintiff and Class members were harmed and lost money
5 or property.

6 53. The unlawful shipping insurance purchased by Plaintiff and Class members was
7 not worth the price they paid. If Plaintiff and Class members had been aware that Seel’s
8 shipping insurance was unlawful, they would not have purchased it at all.

9 54. Plaintiff and Class members believed that Seel provided its shipping insurance
10 as an admitted insurer, and that the shipping insurance thus had all the benefits and protections
11 of legitimate insurance products provided by admitted insurers.

12 55. By law, legitimate, insurance companies are required to be members of the
13 guaranty association in the states where they are licensed to do business. See “Guaranty
14 Associations,” ACLI, <https://www.acli.com/about-the-industry/guaranty-associations>. Like
15 most other states in the United States, California has two types of guaranty associations: one for
16 life and health insurance and one for property and casualty insurance. *Id.*

17 56. Specifically, California has the California Insurance Guarantee Association³ for
18 property and casualty insurance and the California Life & Health Insurance Guarantee
19 Association⁴ for life and health insurance.

20 57. These guaranty associations are funded by the licensed insurance companies,
21 who are all required to pay a certain percentage, typically two percent, of their net direct
22 written premium to the association. *See* “Supporting a System of Policyholder Protection,”
23 National Conference of Insurance Guaranty Funds, <https://www.ncigf.org>.

24 58. When an insurance company becomes insolvent, all unresolved policyholder
25 claims are transferred to the state guaranty fund for assessment. *Id.* These claims are then paid
26 out to policyholders from the company’s remaining assets and the state guarantee fund. *Id.*

27 ³ See <https://www.ciga.org>.

28 ⁴ See <https://www.califega.org>.

1 59. Insurance companies must pay into the guaranty fund for every state in which
2 they are licensed. *See* “State Guaranty Fund: What it is, How it Works,” Investopedia,
3 <https://www.investopedia.com/terms/s/stateguarantyfund.asp>.

4 60. Unlicensed insurance companies do not pay into the fund, and as such, there is
5 no way for policyholders to recover unpaid claims from such companies. *Id.*

6 61. If a consumer purchases insurance from an unlicensed insurer, the consumer will
7 have fewer or even no protections if that insurer becomes insolvent. Therefore, a consumer is
8 faced with substantially higher risks if they purchase from an unlicensed insurer rather than a
9 licensed one—especially when that unlicensed insurer is a startup company funded by venture
10 capital like Seel.

11 62. California law prohibits unadmitted insurers such as Seel from transacting in the
12 insurance business.

13 63. Violations of the California Insurance Code affect important public policies in
14 California. *See People v. United Nat. Life Ins. Co.*, 427 P.2d 199, 210 (1967) (“It is settled that
15 ‘the business of insurance is affected with a public interest.’”) (internal citations omitted).

16 64. California’s Unfair Competition Law (“UCL”) broadly bans all unlawful, unfair,
17 and deceptive business practices. Cal. Bus. & Prof. Code § 17200.

18 65. A UCL claim may be predicated on “[v]irtually any law” under the UCL’s
19 “unlawful” prong. *State Farm Fire & Cas. Co. v. Superior Ct.*, 45 Cal. App. 4th 1093, 1102
20 (1996). This is true “even if the underlying statute rendering the conduct unlawful does not
21 itself create an independent right of action.” *People v. Adir Int’l, LLC*, 114 Cal. App. 5th 275,
22 289 (2025).

23 66. Seel violates the California Insurance Code by transacting shipping insurance (a
24 form of marine insurance) “business in this state without first being admitted for that class.”
25 Cal. Ins. Code § 700(a).

26 67. Seel’s actions additionally violate the “unfair” prong of the UCL.

27 68. As described above, the purpose of California’s guaranty associations is to
28 protect the insured in the event that an insurance company becomes insolvent by ensuring that

1 the insured can still receive the payouts for their claims. Insurance companies that are licensed
2 in California are backed by one of California’s guaranty associations and are regulated under
3 the California Insurance Code.

4 69. By contrast, an unadmitted insurer such as Seel is not “subject to contributions
5 [to state guaranty associations], nor would [it] be readily susceptible to other California
6 regulatory controls which promote fiscal responsibility.” *Nowlon v. Koram Ins. Ctr., Inc.*, 1
7 Cal. App. 4th 1437, 1445 (1991).

8 70. Unlike a legitimate, admitted insurance company, Seel is a startup company that
9 only survives as a result of funds given by investors. There will be little to no protections for
10 Plaintiff and Class members who purchased Seel’s shipping insurance if Seel goes insolvent,
11 and as such Plaintiff and Class members are faced with much higher risks than consumers who
12 purchased insurance from admitted insurance companies offering legitimate insurance.

13 71. Plaintiff and Class members did not know that Seel was not an admitted
14 insurance company when they purchased Seel’s shipping insurance. Seel took advantage of this
15 lack of knowledge and as a result, Plaintiff and Class members—believing that the shipping
16 insurance they purchased had all the same benefits and protections as insurance sold by an
17 admitted insurer—paid more for Seel’s unlawful shipping insurance than it was worth.

18 72. It was unfair for Plaintiff and Class members to pay the prices they paid for
19 Seel’s shipping insurance because Seel is an unadmitted insurer and its shipping insurance is
20 not worth the prices they paid.

21 73. Seel should not be able to make money and profit from its unlawful insurance
22 product where Seel knowingly did not seek proper admittance under the California Insurance
23 Code and behaved in ways it knew violated the California Insurance Code.

24 74. As a direct and proximate result of Seel’s acts and omissions, all consumers who
25 purchased Seel’s shipping insurance have been harmed and have lost money or property.

26 75. Seel continues to provide shipping insurance as an unadmitted insurer to this
27 day. There is no reason to believe that Seel will voluntarily and permanently cease its unlawful
28

1 practices. Moreover, in the unlikely event that Seel was to cease its unlawful practices, Seel can
2 and is likely to recommence these unlawful practices.

3 76. In acting toward consumers and the general public in the manner alleged herein,
4 Seel acted with and was guilty of malice and oppression and acted in a manner with a strong
5 and negative impact upon Plaintiff, the Class, and the public.

6 **VII. PLAINTIFF MALIKA MICKEY’S PURCHASE OF SEEL’S SHIPPING**
7 **INSURANCE**

8 77. Plaintiff Malika Mickey is, and at all relevant times has been a citizen and
9 resident of the city of Midlothian, in Chesterfield County, Virginia.

10 78. Ms. Mickey is a victim of Seel’s unauthorized shipping insurance scheme.

11 79. Ms. Mickey made multiple purchases of Seel’s shipping insurance on multiple
12 retailer websites.

13 80. For example, on September 9, 2025, Ms. Mickey visited the StyleWe website,
14 www.StyleWe.com, to shop for clothing. After adding her desired items to her shopping cart,
15 Ms. Mickey then proceeded through the checkout process.

16 81. On the checkout page, Seel’s “Worry-Free Delivery” option appeared alongside
17 the rest of Ms. Mickey’s order in the manner described above at ¶¶ 21–23. Ms. Mickey
18 proceeded through the checkout process and completed her order, including for Seel shipping
19 insurance. Ms. Mickey was charged an additional \$3.52 plus \$0.19 in tax on her order for
20 Seel’s “Worry-Free Delivery” shipping insurance.

21 82. After completing her order, Ms. Mickey received an email from Seel confirming
22 her order and her purchase of Seel’s shipping insurance. As shown above at ¶ 25, the email was
23 sent by Seel and gave Ms. Mickey instructions on how to report an issue with her order. In the
24 email, Seel represented that the shipping insurance would cover packages that are “damaged in
25 transit,” “Lost in-transit,” or “stolen or missing after delivery.”

26 83. When Ms. Mickey made her purchase, she had no suspicion that Seel was not
27 admitted by the California Department of Insurance (nor by any other state department of
28

1 insurance) to provide shipping insurance. Ms. Mickey did not know that Seel was offering an
2 unlicensed and illegal insurance product.

3 84. Ms. Mickey would not have purchased Seel’s shipping insurance had she known
4 that Seel is an unadmitted insurer and that Seel was offering an unlicensed and illegal insurance
5 product.

6 85. As a direct and proximate result of Seel’s acts and omissions, Ms. Mickey was
7 harmed, suffered an injury-in-fact, and lost money or property.

8 86. When Ms. Mickey shopped on StyleWe and bought Seel’s shipping insurance,
9 she had no suspicion that there was any deceptive or unlawful conduct affecting her purchase.
10 StyleWe and Seel gave Ms. Mickey no reason to be suspicious. Ms. Mickey first learned of the
11 illegal nature of Seel’s shipping insurance in February 2026 when her attorneys told her about
12 Seel’s unlawful conduct and informed her that she was a victim of the scheme. Prior to this,
13 Ms. Mickey did not know or suspect that Seel was engaging in an unauthorized and illegal
14 shipping insurance scheme or that she had been a victim of the scheme.

15 87. Ms. Mickey has a legal right to now bring an action against Seel to recover any
16 and all of the money she paid for Seel’s shipping insurance.

17 88. The deceptive practices alleged herein, and experienced directly by Ms. Mickey,
18 are not limited to occurring on a single online retail website. Rather, Seel’s unauthorized and
19 illegal shipping insurance scheme continues to be systematic and pervasive across the
20 thousands of retailer websites where Seel’s shipping insurance is offered.

21 **CLASS ALLEGATIONS**

22 89. Plaintiff brings this class action on behalf of herself and the following class (the
23 “Class”):

24 **All consumers nationwide who, within the applicable limitations**
25 **period purchased Seel’s “Worry-Free Delivery” or other shipping**
26 **insurance products.**

27 90. Specifically excluded from the Class are Seel and any entities in which Seel has
28 a controlling interest, Seel’s agents and employees, the bench officers to whom this civil action
is assigned, and the members of each bench officer’s staff and immediate family.

1 91. **Application of the Discovery Rule.** This Court should apply the discovery rule
2 to extend any applicable limitations period and corresponding class period to August 1, 2021,
3 which is the date on which Seel first engaged in its unlawful shipping insurance scheme.

4 92. The discovery rule “postpones accrual of a cause of action until the plaintiff
5 discovers, or has reason to discover, the cause of action.” *E-Fab, Inc. v. Accts., Inc. Servs.*, 153
6 Cal. App. 4th 1308, 1318 (2007). Plaintiff and the members of the Class did not know, and
7 could not have reasonably known, about Seel’s unlawful conduct.

8 93. When Ms. Mickey bought Seel’s shipping insurance while shopping on the
9 StyleWe website, she had no suspicion that Seel was an unadmitted insurer under California
10 law or that the shipping insurance product provided by Seel was an unlicensed and unlawful
11 insurance product. Plaintiff did not know and did not have reason to know that Seel’s actions
12 violated the California Insurance Code. Seel gave Plaintiff no reason to be suspicious. Plaintiff
13 first learned of the illegal nature of Seel’s shipping insurance in February 2026 when her
14 attorneys told her about Seel’s unlawful conduct and informed her that she was a victim of the
15 scheme. Prior to this, Plaintiff did not know or suspect that Seel was offering unauthorized and
16 illegal shipping insurance or that she had been a victim of the scheme.

17 94. Likewise, class members would not have known or suspected that Seel was
18 engaging in this deceptive shipping insurance scheme. Reasonable consumers presume that
19 companies like Seel are not engaging in unlawful conduct. Reasonable consumers would
20 believe that Seel’s representations about its insurance products were true. Reasonable
21 consumers would believe that the shipping insurance they received was a legitimate insurance
22 contract from an authorized insurer that complied with the California Insurance Code.

23 95. Moreover, Plaintiff and the Class could not have, with the exercise of reasonable
24 diligence, discovered Seel’s shipping insurance scheme because, by design, its very nature is
25 hidden and impossible for a reasonable consumer to discover. Further, Seel made affirmative
26 misrepresentations on its website that its shipping insurance was legitimate, giving Plaintiff and
27 Class members even less ability to learn, or reason to suspect, that Seel was violating the
28 California Insurance Code.

1 96. Plaintiff's counsel only found evidence for Seel's deceptive scheme by
2 conducting an extensive investigation that no reasonable person would conduct.

3 97. **Numerosity.** The number of members of the Class are so numerous that joinder
4 of all members would be impracticable. Plaintiff does not know the exact number of Class
5 members prior to discovery. However, based on information and belief, the Class comprises
6 thousands of individuals. The exact number and identities of Class members are contained in
7 Seel's records and can be easily ascertained from those records.

8 98. **Commonality and Predominance.** This action involves multiple common legal
9 or factual questions which are capable of generating classwide answers that will drive the
10 resolution of this case. These common questions predominate over any questions affecting
11 individual Class members, if any. These common questions include, but are not limited to, the
12 following:

13 a. Whether the alleged conduct of Seel violates the California Unfair Competition
14 Law, California Business & Professions Code § 17200 *et seq.*;

15 b. Whether Plaintiff and the Class have suffered injury and have lost money or
16 property as a result of Seel's unlawful conduct;

17 c. Whether Seel should be ordered to pay back any and all money obtained from
18 Plaintiff and the Class for its unlawful shipping insurance; and

19 d. Whether Seel should be enjoined from engaging in the unlawful conduct alleged
20 herein.

21 99. **Typicality.** Plaintiff's claims are typical of Class members' claims. Plaintiff and
22 Class members all sustained injury as a direct result of Seel's standard practices and schemes,
23 bring the same claims, and face the same potential defenses.

24 100. **Adequacy.** Plaintiff and her counsel will fairly and adequately protect Class
25 members' interests. Plaintiff has no interests antagonistic to Class members' interests and is
26 committed to representing the best interests of Class members. Moreover, Plaintiff has retained
27 counsel with considerable experience and success in prosecuting complex class action and
28 consumer protection cases.

1 101. **Superiority.** A class action is superior to all other available methods for fairly
2 and efficiently adjudicating this controversy. Each Class member’s interests are small
3 compared to the burden and expense required to litigate each of his or her claims individually,
4 so it would be impractical and would not make economic sense for Class members to seek
5 individual redress for Seel’s conduct. Individual litigation would add administrative burden on
6 the courts, increasing the delay and expense to all parties and to the court system. Individual
7 litigation would also create the potential for inconsistent or contradictory judgments regarding
8 the same uniform conduct. A single adjudication would create economies of scale and
9 comprehensive supervision by a single judge. Moreover, Plaintiff does not anticipate any
10 difficulties in managing a class action trial.

11 102. By its conduct and omissions alleged herein, Seel has acted and refused to act on
12 grounds that apply generally to Class members, such that declaratory relief is appropriate
13 respecting the Class as a whole.

14 103. Seel is primarily engaged in the business of providing insurance. Each cause of
15 action brought by Plaintiff against Seel in this Complaint arises from and is limited to
16 statements or conduct by Seel that consist of representations of fact about Seel’s business
17 operations or insurance products that are or were made for the purpose of obtaining approval
18 for, promoting, or securing sales of or commercial transactions in, Seel’s insurance products.
19 Each cause of action brought by Plaintiff against Seel in this Complaint arises from and is
20 limited to statements or conduct by Seel for which the intended audience is an actual or
21 potential customer, or a person likely to repeat the statements to, or otherwise influence, an
22 actual or potential customer.

CAUSES OF ACTION

COUNT I

**Violation of the California’s Unfair Competition Law (“UCL”)
California Business & Professions Code § 17200 *et seq.***

104. Plaintiff realleges and incorporates by reference all paragraphs previously alleged herein.

105. Plaintiff brings this claim in her individual capacity, in her capacity as a private attorney general seeking the imposition of public injunctive relief, and as a representative of the Class.

106. California Business & Professions Code § 17200, *et seq.*, also known as California’s Unfair Competition Law (“UCL”), prohibits any unfair or unlawful business practice.

107. **“Unlawful” Prong.** Seel has violated the UCL by transacting shipping insurance, a form of marine insurance, “business in [California] without first being admitted for that class,” in violation of California Insurance Code § 700(a).

108. **“Unfair” Prong.** Seel has violated the UCL by providing shipping insurance as an unadmitted insurer that is not a member of or contributor to either of California’s guaranty associations.

109. With respect to omissions, Seel at all relevant times had a duty to disclose the information in question because, *inter alia*, Seel had exclusive knowledge of material information that was not known to Plaintiff and Class members.

110. As a direct and proximate result of Seel’s violations of the UCL, Plaintiff and Class members were harmed, suffered injury-in-fact, and lost money or property.

111. Seel is not an admitted insurer in the state of California, as is required under the California Insurance Code. The unlawful shipping insurance purchased by Plaintiff and Class members was not worth what they paid. If Plaintiff and Class members had been aware that Seel’s shipping insurance was unlawful, they wouldn’t have purchased it at all.

1 112. By its conduct and omissions alleged herein, Seel received more money from
2 Plaintiff and Class members than it should have received. Seel should be ordered to disgorge or
3 make restitution of all monies improperly accepted, received, or retained.

4 113. Seel’s conduct and omissions alleged herein are immoral, unethical, oppressive,
5 unscrupulous, unconscionable, and/or substantially injurious to Plaintiff and Class members.
6 Perpetrating a years-long scheme of providing unlawful shipping insurance is immoral,
7 unethical, and unscrupulous. Moreover, Seel’s conduct is oppressive and substantially injurious
8 to consumers. There is no utility to Seel’s conduct, and even if there were any utility, it would
9 be significantly outweighed by the gravity of the harm to consumers caused by Seel’s conduct
10 alleged herein.

11 114. Plaintiff seeks an order granting restitution to Plaintiff and Class members in an
12 amount to be proven at trial. Plaintiff further seeks an award of attorneys’ fees and costs under
13 Cal. Code Civ. Proc. § 1021.5.

14 115. **Permanent public injunctive relief.** Plaintiff, acting as a private attorney
15 general, seek public injunctive relief under the UCL to protect the general public from Seel’s
16 unlawful shipping insurance scheme.

17 116. Violations of the California Insurance Code affect important public policies in
18 California. *See People v. United Nat. Life Ins. Co.*, 427 P.2d 199, 210 (1967) (“It is settled that
19 ‘the business of insurance is affected with a public interest.’”) (internal citations omitted).

20 117. Seel’s misconduct which affects and harms the general public is ongoing in part
21 or in whole and even if such conduct were to cease, it is behavior that is capable of repetition or
22 re-occurrence by Seel absent a permanent public injunction. Accordingly, Plaintiff seeks an
23 order enjoining Seel from committing the unlawful practices alleged herein.

24 118. The balance of the equities favors the entry of permanent public injunctive relief
25 against Seel. Plaintiff, the members of the Class, honest and lawful competing businesses, and
26 the general public will be irreparably harmed from Seel’s unlawful shipping insurance scheme
27 absent the entry of permanent public injunctive relief against Seel.
28

1 119. Plaintiff lacks an adequate remedy at law to prevent Seel from engaging in the
2 unlawful practices alleged herein.

3 120. Monetary damages are not an adequate remedy at law for future harm. *Clark v.*
4 *Eddie Bauer LLC*, 2024 WL 177755, at *3 (9th Cir. Jan. 17, 2024). Monetary damages are
5 inadequate for future harm for the following reasons, without limitation: First, damages will not
6 prevent Seel from engaging in its unlawful conduct. Second, damages for future harm cannot
7 be calculated with certainty and thus cannot be awarded. Third, injunctive relief is necessary
8 (and monetary damages do not provide a plain, adequate and complete remedy) because,
9 without forward-looking injunctive relief enjoining the unlawful practices, the courts may be
10 flooded with future lawsuits by Class members, Plaintiff, and the general public for future
11 violations of the law by Seel.

12 **PRAYER FOR RELIEF**

13 Plaintiff Malika Mickey, on behalf of herself and the proposed class, requests that the
14 Court order relief and enter judgement against Defendant Seel, Inc. as follows:

15 1. Declare this action to be a proper class action, certify the proposed Class, and
16 appoint Plaintiff and her counsel to represent the Class;

17 2. Order that the discovery rule applies to extend any applicable limitations period
18 and the corresponding class period back to August 1, 2021 (the date Seel first engaged in the
19 unlawful conduct alleged herein);

20 3. Declare that Seel is providing insurance in violation Cal. Ins. Code § 700(a);

21 4. Declare that Seel's conduct alleged herein violates the UCL;

22 5. Order disgorgement and/or restitution, including, without limitation,
23 disgorgement of all revenues, profits and/or unjust enrichment that Seel obtained, directly or
24 indirectly, from Plaintiff and Class members as a result of the unlawful conduct alleged herein;

25 6. Permanently enjoin Seel from engaging in the unlawful conduct alleged herein;

26 7. Retain jurisdiction to monitor Seel's compliance with the permanent public
27 injunctive relief requested;

1 8. Order Seel to pay attorneys' fees, costs, and pre-judgment and post-judgment
2 interest to the extent allowed by law; and

3 9. Grant such other relief as this Court deems just and proper.

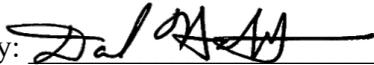
4 **DEMAND FOR JURY TRIAL**

5 Plaintiff demands a trial by jury on all issues so triable.

6
7 Date: February 12, 2026.

8
9 Presented by:

10 HATTIS LUKACS & CORRINGTON

11 By: 

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ClassAction.org

This complaint is part of ClassAction.org's searchable class action lawsuit database and can be found in this post: [Class Action Claims Seel Unlawfully Offers Shipping Insurance As An Unadmitted Insurer in California](#)
