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

MATTHEW PRICE, individually and on  
behalf of all others similarly situated,

Plaintiff,

v.

APPLE, INC., a California corporation,

Defendant.

Case No.: 21-cv-02846

**SECOND AMENDED  
CLASS ACTION COMPLAINT**

**JURY TRIAL DEMANDED**

1 Plaintiff, Matthew Price, by and through his undersigned counsel, Andrus Anderson, LLP,  
2 Shub Law Firm LLC, Frederick Law Group, PLLC, and Timoney Knox, LLP, on behalf of  
3 himself and all others similarly situated, brings this *Second Amended Class Action Complaint*  
4 against Apple, Inc. (hereinafter “Apple” or “Defendant”), and alleges as follows upon personal  
5 knowledge as to himself and his own acts and experiences and, as to all other matters, alleges,  
6 upon information and belief based upon, *inter alia*, investigations conducted by his attorneys:  
7

8 **NATURE OF THE CASE**

9 1. This is a class action lawsuit brought by Plaintiff, Matthew Price, individually and  
10 on behalf of similarly situated Classes of consumers against Apple.

11 2. Plaintiff and members of the Classes each had an Apple ID and purchased from  
12 Apple “Apps”<sup>1</sup> and “Content” including movies, music, games, media, books, Apps, and/or made  
13 in-app purchases of “Content” and/or “Services”<sup>2</sup> (collectively “Content”) through the use of an  
14 Apple ID<sup>3</sup> via either an Apple device, such as an iPhone, iPad, Mac, Apple Watch, and/or Apple  
15 TV, and/or a non-Apple manufactured device.  
16  
17

18 3. As set forth below, on information and belief, Apple has a uniform policy and  
19 practice of terminating Plaintiff’s and members of the Classes’ Apple IDs after they lawfully  
20  
21  
22

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23 <sup>1</sup> The Apple Media Service *Terms and Conditions* last updated September 16, 2020, attached  
24 hereto as “Exhibit A,” states that the term “App” “includes apps and app clips for any Apple  
25 platform and/or operating system, including any in-app purchases, extensions (such as  
26 keyboards), stickers, and subscriptions made available in such apps or app clips.”

26 <sup>2</sup> “This Agreement governs your use of Apple’s services (“Services”), through which you can buy,  
27 get, license, rent or subscribe to content, Apps [], and other in-app services (collectively,  
28 “Content”). Content may be offered through the Services by Apple or a third party.” (*See*  
“Exhibit A”).

<sup>3</sup> “An Apple ID is the account you use across Apple’s ecosystem.” (*See* “Exhibit A”). It consists  
of an email address and a password to log-in to access Content.

1 engage in chargebacks,<sup>4</sup> and then refuse to provide access to their apps, Services, Content and/or  
2 unspent money in their Apple accounts.

3 4. “Chargebacks are different from refunds, but both can result in [a customer]  
4 receiving a credit for an order that went wrong or a fraudulent charge on [a customer’s] account.  
5 [ ] Chargebacks are a consumer protection tool that allow consumers to get their money back for  
6 fraudulent charges or purchases that don’t live up to standards by submitting a dispute with their  
7 card issuer. [ ] A refund comes directly from a merchant, while a chargeback comes from [a  
8 customer’s] card issuer.”<sup>5</sup>

9  
10 5. As set forth below, on information and belief, Apple has a uniform policy and  
11 practice of retaining and not returning unspent money that Plaintiff’s and members of the Classes’  
12 had in their Apple accounts when Apple terminated their Apple IDs.

13  
14 6. Defendant’s conduct, as set forth herein, breaches its *Apple Media Services Terms*  
15 *and Conditions* (hereafter “*Apple’s Terms*” or “*Terms*”, *Exhibit A*).

16  
17 **BACKGROUND**

18 7. Apple designs, manufactures, and markets smartphones, personal computers,  
19 tablets, watches, and accessories, and sells, or otherwise makes available, related Content.

20 8. Apple consumers who want to obtain Content, iCloud storage, or make in-app  
21 purchases must do so through Apple using an Apple ID. Apple consumers must create an Apple  
22

23  
24 <sup>4</sup> A chargeback is a charge that is returned to a payment card after a customer successfully  
25 disputes an item on their account statement or transactions report. A chargeback may occur on  
26 debit cards (and the underlying bank account) or on credit cards. Chargebacks can be granted to  
27 a cardholder for a variety of reasons and are not considered refunds. Chargebacks are a lawful  
28 consumer tool that is regulated by Federal Law, specifically the Electronic Fund Transfer Act  
and the Truth in Lending Act. *See*

<https://www.investopedia.com/terms/c/chargeback.asp#:~:text=A%20chargeback%20is%20a%20charge,for%20a%20variety%20of%20reasons.>

<sup>5</sup> <https://www.cnbc.com/select/what-is-a-chargeback/>

1 ID and register a valid method of payment to make payments to Apple for any purchases made  
 2 through Apple. Even free Apps, Content, and Services obtained through Apple require an Apple  
 3 ID and valid method of payment. The following is a screen capture from Apple's website that  
 4 further explains this process:<sup>6</sup>

## 6 Payment methods that you can use with your 7 Apple ID

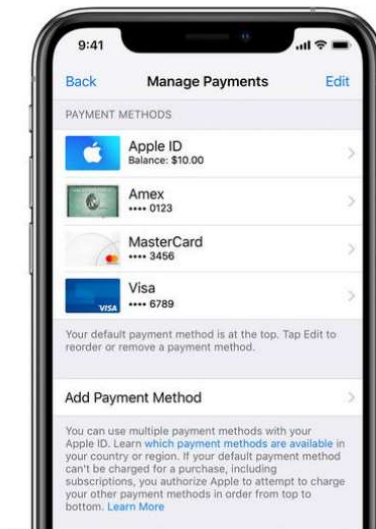
8 Learn what forms of payment you can use to buy music, movies, apps, books, iCloud  
 storage, and more.

9 To make purchases from the App Store, iTunes Store, or  
 10 Apple Books, or buy iCloud storage, you need an Apple  
 ID and a valid payment method.

11 You can typically use these methods with your Apple ID:

- 12 • Apple Pay (where available)
- 13 • Most credit and debit cards
- 14 • Store credit, from redeeming gift cards or from  
 adding funds to your Apple ID
- 15 • Country-specific or region-specific additional  
 methods

16 If you can't make purchases or update apps, including  
 17 free apps, you need to update your payment method or  
 add a new one. If you already verified that a payment  
 method is available in your country or region and you're  
 18 still having trouble, [learn more](#).



19 9. As part of the related content and services that it sells, Apple operates various  
 20 platforms, including its App Store. The App Store is a digital distribution platform for mobile  
 21 apps on its iOS & iPadOS operating systems. The App Store allows consumers to browse,  
 22 download, and/or purchase Apps developed with Apple's iOS Software Development Kit. Apps  
 23 can be downloaded on the devices that Apple manufactures and sells, such as iPhones, iPads,  
 24 Macs, Apple Watches, and/or Apple TVs.

25  
 26  
 27  
 28 <sup>6</sup> <https://support.apple.com/en-us/HT202631>

1           10. To purchase and/or access Services, Apps, and/or Content through Apple, one  
2 must do so using an Apple ID. The following are screen captures from Apple’s website which  
3 describe Apple IDs:<sup>7</sup>

## Where can I use my Apple ID?

You can sign in to all Apple services with a single Apple ID and password.



Your Apple ID is the account you use to access Apple services like the App Store, Apple Music, iCloud, iMessage, FaceTime, and more. It includes the email address and password you use to sign in as well as all the contact, payment, and security details you use across Apple services.

These are some of the most widely used services that you access with your Apple ID:

- App Store & Apple Arcade
- Apple Books
- Apple Fitness+
- Apple Music & music purchases
- Apple News
- Apple Online Store
- Apple Pay, Apple Card, and Apple Cash
- Apple Podcasts
- Apple Retail services and programs (Concierge, Joint Venture, workshops, and youth programs)
- Apple Store app
- [Apple Support Communities](#)
- Apple TV, Apple TV+, and Apple TV channels
- FaceTime
- Family Sharing
- Find My
- Game Center
- iCloud
- iMessage
- iTunes
- Sign in with Apple

<sup>7</sup> <https://support.apple.com/en-us/HT202659>

1           11. Apple acknowledges in its *Terms* that, “[u]sing our Services and accessing your  
2 Content may require an Apple ID. An Apple ID is the account you use across Apple’s ecosystem.  
3 Use of Game Center is subject to this Agreement and also requires a Game Center account. Your  
4 account is valuable, and you are responsible for maintaining its confidentiality and security.”

5  
6 *Exhibit A.*

7           12. By design, many of Apple’s apps and the Content it offers are essential to its users’  
8 everyday lives, including apps that act as or store its customers’ wallets, driver’s licenses<sup>8</sup>, car  
9 keys, airline boarding passes, public transit passes, provide safe directions, store their verifiable  
10 COVID-19 vaccination cards, monitor their health, and schedule doctors’ appointments. As such,  
11 Apple has purposefully created apps and content that are much more than mere “nonessential  
12 recreational activity”. For example, Apple released the following summary of its essential  
13 offerings:  
14

15           Apple also continues to deliver on its vision of replacing  
16 customers’ physical wallets with Wallet, an easy-to-use and secure  
17 digital wallet. Wallet helped customers access important  
18 information about their health in 2021, with the ability to add and  
19 view verifiable COVID-19 vaccination cards, and in Australia,  
20 health insurance cards. Digital tickets in Wallet helped venues and  
21 their guests create safe, contactless experiences, and last year,  
22 customers used 30 million NFC tickets in Wallet for events across  
23 music, sports, theater, and more across the US and Canada. The  
24 ability for customers to simply tap their iPhone or Apple Watch to  
25 pay and ride transit is now available in more than 200 cities across  
26 the globe after recently debuting in China (Nanchang and Foshan),  
Russia (Kazan), and Sweden (Malmo), as well as in San Francisco  
with the Clipper card. Student IDs in Wallet helped university  
students in the US and Canada safely and securely get around  
campus. And for travelers, Apple rolled out the first hotel room  
keys at select Hyatt properties in the US while also unlocking  
magical moments for Walt Disney World visitors with Disney

27  
28 <sup>8</sup> *Apple launches the first driver’s license and state ID in Wallet with Arizona,*  
<https://www.apple.com/newsroom/2022/03/apple-launches-the-first-drivers-license-and-state-id-in-wallet-with-arizona/>

1 MagicMobile passes in Wallet. Users can look forward to support  
2 for home keys and corporate badges, as well as state IDs and  
3 driver’s licenses, this year.

4 []

5 Maps also introduced an enhanced navigation experience with  
6 additional road details that help drivers navigate through cities  
7 more easily and safely; powerful transit updates that allow users to  
8 pin their favorite lines in Maps, and receive notifications on iPhone  
9 or Apple Watch when it’s time to disembark a selected route; and  
10 step-by-step walking guidance in augmented reality.<sup>9</sup>

11 13. Without an operable Apple ID, an Apple customer cannot access the Content and  
12 Services they purchased from and/or through Apple on the Apple platform or the money they  
13 have uploaded to their Apple accounts.

14 14. Upon information and belief, Apple has sold over 1.5 billion active Apple devices,  
15 and the vast majority of these devices are associated with an Apple ID.<sup>10</sup>

### 16 **JURISDICTION AND VENUE**

17 15. This Court has subject matter jurisdiction pursuant to the Class Action Fairness  
18 Act of 2005 (“CAFA”), 28 U.S.C. § 1332(d). The amount in controversy exceeds the aggregate  
19 sum of \$5,000,000 exclusive of interest and costs, there are over 100 putative class members, and  
20 minimal diversity exists because at least one member of the Class is a citizen of a different state  
21 than Defendant.

22 16. This Court has personal jurisdiction over Defendant because it is authorized to and  
23 regularly conducts business in California and its principal place of business is in California.

24  
25  
26  
27 <sup>9</sup> <https://www.apple.com/newsroom/2022/01/apple-services-enrich-peoples-lives-throughout-the-year/> (last accessed on April 19, 2022).

28 <sup>10</sup> <https://9to5mac.com/2020/01/28/apple-hits-1-5-billion-active-devices-with-80-of-recent-iphones-and-ipads-running-ios-13/> (last accessed on March 17, 2021).

1 17. Venue is proper in this District under 28 U.S.C. § 1391(b)(2) because Defendant  
2 resides in this District and a substantial part of the events or omissions giving rise to Plaintiff's  
3 claims occurred in this District.

4  
5 **INTRADISTRICT ASSIGNMENT**

6 18. Pursuant to Civil Local Rule 3-2(c-e), a substantial part of the events giving rise  
7 to the claims herein arose in Santa Clara County, California, and this action should be assigned  
8 to the San Jose Division.

9  
10 **THE PARTIES**

11 19. Plaintiff, Matthew Price, is an adult citizen and resident of Pennsylvania, residing  
12 in Cambria County, Pennsylvania.

13 20. Defendant Apple is a California corporation with its headquarters and principal  
14 place of business in Cupertino, California, which lies within this District. Apple is a citizen of  
15 California. In addition to being headquartered and having its principal place of business in  
16 Cupertino, California, Apple transacts substantial business throughout the State of California,  
17 through advertising, marketing, and ownership of numerous Apple retail stores throughout  
18 California, including several in this District. Further, substantially all of the misconduct alleged  
19 in this Complaint occurred in and/or emanated from this district in California.

20  
21 **FACTS**

22 21. At all times relevant hereto, Mr. Price had an Apple ID and was in a contract with  
23 Apple. *See Exhibit A.*

24 22. At no time did Mr. Price breach Apple's *Terms*.



1           23.     At all times relevant hereto, Mr. Price owned an iPhone, iPad, and MacBook Pro.  
2 Since January 8, 2015, he has used his Apple ID to buy Content and Services from Apple,  
3 spending \$24,590.05, for use on his Apple devices, doing so in a lawful manner at all times.  
4

5           24.     During his time as an Apple customer, Mr. Price made numerous in app game  
6 purchases through Apple, many of which did not work as advertised or at all.<sup>11</sup> When Mr. Price  
7 complained to Apple about these purchases that did not work, Apple advised him to contact the  
8 game/app developer for redress. When Mr. Price contacted the app/game developer about the  
9 items he purchased that did not work, the app/game developer advised him that they could not  
10 refund his money or do anything to help him since the purchases were made from Apple. When  
11 Mr. Price again contacted Apple for guidance on how he could be reimbursed for his purchases  
12 of products that did not work, Apple advised him to talk to his bank/credit card company to have  
13 them chargeback the money he spent on said purchases. As such, Mr. Price followed Apple's  
14 guidance and instituted chargebacks for purchases he made of products that did not work.  
15

16           25.     On or about October 27, 2020, as he had done before, as one of his final actions  
17 before Apple unlawfully terminated his Apple ID, Mr. Price deposited \$10.00 to his Apple  
18 account from his checking account.  
19

20           26.     On or about October 29, 2020, after Mr. Price followed Apple's advice and made  
21 multiple chargebacks, Apple terminated Mr. Price for breaching its terms by engaging in  
22 chargebacks.  
23

24           27.     On or around December 29, 2020, during one of Mr. Price's many telephone calls  
25 with Apple, an Apple representative specifically told Mr. Price that his Apple ID was terminated  
26

27           <sup>11</sup> An in app game purchase is a purchase made through Apple while using an app, typically for  
28 access or items that otherwise could not be obtained while playing the game or that could only be  
obtained after significantly more game play.

1 because he initiated chargebacks. Upon information and belief, Apple records all of its customer  
2 phone calls and Mr. Price expects that Apple has the content of this telephone call available.<sup>12</sup>

3 28. As such, upon information and belief, Apple terminated Mr. Price's Apple ID  
4 because he initiated lawful chargebacks, which are not prohibited by Apple's *Terms*.

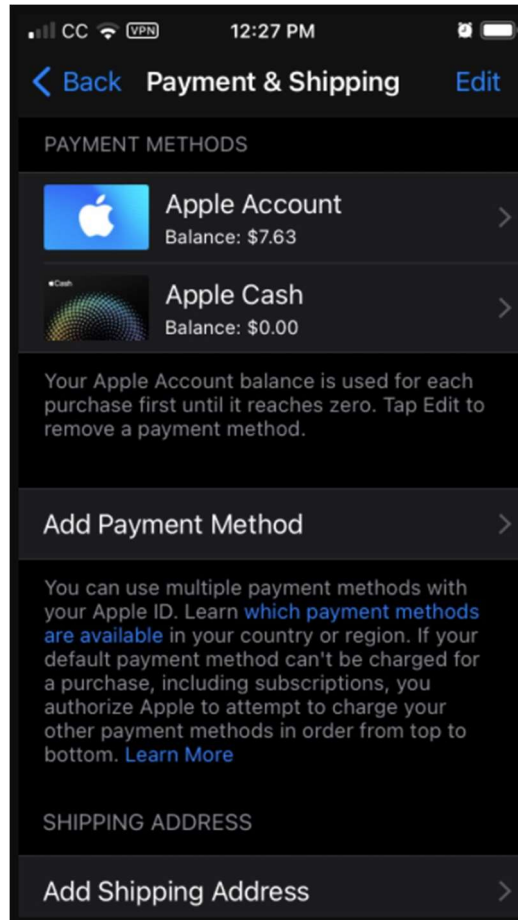
5 29. When Apple unlawfully terminated Mr. Price's Apple ID, it permanently deprived  
6 him of the \$24,590.05 worth of Services and Content he bought from Apple to be used on his  
7 Apple devices.  
8

9 30. In addition to losing access to his Apple ID Content on his Apple devices, Mr.  
10 Price also had an account balance of \$7.63 in unspent money in his Apple account when Apple  
11 terminated his Apple ID, which he can longer access and which Apple has refused to return to  
12 him.<sup>13</sup>  
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26 <sup>12</sup> To date, as a result of ongoing negotiations regarding Apple's requirement to have a  
27 confidentially order in place prior to production of documents, Plaintiff has not received any  
documents pursuant to Apple's obligations to produce under Fed. R. Civ. P. 26(a)(1).

28 <sup>13</sup> Please see the following Screen Capture of Mr. Price's Apple Account Balance Screen Shot  
taken on April 6, 2021.



31. After terminating his Apple ID, Apple representatives advised Mr. Price that he could immediately create a new Apple ID and re-purchase his content.

32. Regardless of why Apple terminated a customer’s Apple ID, Apple’s *Terms* do not give Apple the authority to retain or restrict unspent money in a customer’s Apple account if Apple terminates a customer’s Apple ID. *See Exhibit A.*

33. Despite Apple’s claim that chargeback “abuse” is prohibited by Section L of its *Terms*, Apple’s *Terms* do not prohibit or even address chargebacks, let alone define what abuse means in the context of a chargeback. *Exhibit A at § L & ECF 32 at 27-28 fn 9.*

**APPLE’S TERMS**

34. *Apple’s Terms* states:

TERMINATION AND SUSPENSION OF SERVICES

If you fail, or Apple suspects that you have failed, to comply with any of the provisions of this Agreement, *Apple may, without notice to you: (i) terminate this Agreement and/or your Apple ID, and you will remain liable for all amounts due under your Apple ID up to and including the date of termination; and/or (ii) terminate your license to the software; and/or (iii) preclude your access to the Services.*

Apple further reserves the right to modify, suspend, or discontinue the Services (or any part or Content thereof) at any time with or without notice to you, and Apple will not be liable to you or to any third party should it exercise such rights.

(Emphasis added) *Exhibit A*.

35. *Apple’s Terms* defines “Services” as follows, “[t]his Agreement governs your use of Apple’s services (‘Services’), through which you can buy, get, license, rent or subscribe to content, Apps (as defined below), and other in-app services (collectively, ‘Content’).” *Exhibit A* § A. As such, the unspent money remaining in their Apple accounts when Apple terminated Plaintiff’s and the Class’s Apple IDs is not “Services” under the *Terms. Id.*

36. However, *Apple’s Terms* do not prohibit chargebacks. *Exhibit A*. As such, Apple cannot determine that Plaintiff and the members of the Classes violated its *Terms* for engaging in chargebacks without breaching the controlling contract.

37. Further, *Apple’s Terms* do not permit it to seize and retain or restrict Plaintiff’s and the members of the Classes’ unspent money in their Apple accounts when it terminates their Apple IDs.

38. The following is a sampling of complaints regarding Apple’s unlawful practices:



NOes46

• Level 1 (4 points)

1  
2  
3  
4 **Q:** My account balance has been disabled for no reason

5 My account balance has been disabled for no reason. I made an order to get a new iPhone, but they  
6 canceled it and locked my account. when I talked with them, they said your account has been disabled  
7 permanently. all of this for no reason I did not do anything. right now my money is suspended in the account.  
8 Also, I cant use it.

Posted on Nov 1, 2021 3:04 PM

9 <https://discussions.apple.com/thread/253320013>



10 tao119

• Level 1 (18 points)

11 Dec 10, 2021 10:22 PM in response to NOes46

12 Same issue here, just redeemed \$100 apple gift card to my account balance yesterday, next day aka today, it  
13 shows my apple account balance is disabled. It happened before to my old Apple ID 1 year ago.

14 Apple gift card system is a complete mess and they trading gift card like credit card which is why they will disable  
15 it, if their system sees it doesn't match something. But they don't have the solution to unfreeze it. So they are like  
16 we are protecting you by block anyone including you the own from EVER use it to buy or pay anything every  
again.

17 [Edited by Moderator]

18 *Id.*  
19  
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1 **Q:** Apple permanently disabled my account for App Store and  
2 iTunes because I used eleven Apple gift cards

3 TL;DR: Apple flagged my account for fraud because I purchased eleven Apple gift cards in the past 60 days  
4 (legitimately). They've permanently disabled my Apple account for App Store and iTunes. I've lost access to all  
5 purchased apps, subscriptions, music, content, as well as my gift card balance, and will never get it back.  
6 According to them, the only option is to create a new Apple ID and start over.

7 ----

8 In the past two months, I purchased eleven Apple Gift cards from Amazon, Target, and apple.com, and added  
9 the amounts to my Apple account. The gift card amounts ranged from \$25 to \$150 each, totalling \$905. I have  
10 receipts to prove all the purchases are legitimate.

11 Two days ago, I noticed I was unable to update apps or play music from iTunes Match on my iPhone or  
12 MacBook Pro. The error was "Your account has been disabled in the App Store and iTunes". I chatted with  
13 support at apple.com, and they were able to unblock my account. The next day, my account was blocked again.  
14 Support unblocked my account again. Both times, they said they were unable to tell me why the account was  
15 blocked, except that I had violated the iTunes terms and conditions. I read the T&C, nothing I did violated any  
16 terms. Today, my account was blocked for a third time. I called Apple, and they said my account is now  
17 permanently blocked. I escalated to a senior advisor, who spoke with the iTunes fraud department, and  
18 confirmed my account was flagged for using too many gift cards on my account. I explained that the gift cards  
19 were purchased legitimately, and I could send receipts. They said there is nothing they can do, and suggested  
20 that I create a new Apple ID and start over. It is odd that my account was blocked repeatedly over a couple days,  
21 even though the last gift card I applied to my account was Nov 29.

22 I've lost access to thousands of dollars of apps that I have purchased through the App store, current app  
23 subscriptions, my App Store balance, and my music collection of thousands of CDs uploaded to iTunes Match.  
24 Not to mention the loss in productivity in my business dealing with this issue and the time I will have to spend  
25 recreating all that has been lost.

26 I've used Apple products since 1990, have owned more than 13 Macs, and always considered Apple a partner in  
27 my life. It's a grim reality that Apple's antifraud system can permanently ban an innocent person. I feel like I have  
28 been kicked in the stomach.

I've already escalated this as high as I could with Apple's phone support (I spoke with Craig with the media  
services department). He said *nobody at Apple can unlock my account*. This is Apple's fault, and it appears I  
have no recourse except to accept the loss.

Does anyone have any suggestions how to resolve this? Is anyone in Apple's Fraud Detection department  
reading this?

<https://discussions.apple.com/thread/25343023>



quinncom | • Level 1 (19 points)

★ Helpful

Dec 6, 2021 6:55 PM in response to quinncom

Hello everybody. I have a happy (and hopefully final) update to share: Apple unblocked my account.

I received a call from Isabela with Apple's Corporate Executive Relations, who explained that my account was blocked in error "because of a glitch" affecting more than a few users. She said they're working with engineering to fix the problem.

I suggested that, based on the stories I've heard of others who also had their accounts blocked, the problem appeared to be that the fraud-detection algorithm has been generating false positives. She said, "yes, something like that."

I would like to suggest that the real glitch is not the algorithm, but rather Apple Support's obstinance and the lack of recourse. I should not have had to email Tim or repeatedly debate with Apple's phone support or spam my story all over the internet to get this resolved. Apple should have passed my case to an internal investigation team with whom I could have disputed my case.


My App Store and iTunes is working again (for now). In the meantime, I'm going to download all my music from iTunes Match to save an offline copy, and from now on I will prefer buying apps outside the App Store whenever possible (at least on macOS; there is no alternative to the App Store for iOS).

Thank you all for your advice and support.

For those of you who still have your account blocked, I would recommend the following:

- Call Apple Support at 1-800-275-2273
- Tell them your account has been blocked in error. Explain how you've been in communication with others who have also been erroneously blocked including those like myself. You can say that we received confirmation from "Isabela at Corporate Executive Relations" that there is an acknowledged glitch that the engineering team is aware of and working to fix.
- If the support person isn't sympathetic to your case, gracefully get off the phone and call back later and speak to a different person.
- Post your story on social media, tag Apple.
- Continue lobbying for an alternative to the App Store and monopolistic walled gardens. 🙄

*Id.*


1  r/applehelp · Posted by u/EdwardDoheny 2 years ago

2 **Ramifications of an Apple ID suspension after chargeback?**

3 I talked to an Apple rep for about an hour after trying to get a refund for an automatic app  
4 renewal charge (\$40), which I canceled the day it was set to renew. They refused to refund me  
5 and refused to tell me why. I am contemplating filing a dispute with PayPal, but the Apple rep  
6 heavily implied that I'm going to be punished if I do that. So my question is, if my Apple ID gets  
7 suspended, does that mean I just have to change my ID to a different email and/or change my  
8 credit card? Or is this something more permanent?

9 If all else fails, I can live with the app for a year, but I'm kind of irritated because I don't really  
10 need it and I'll be reminded of my irritation with Apple every time I see it.

11 [https://www.reddit.com/r/applehelp/comments/enfza3/ramifications\\_of\\_an\\_apple\\_id\\_suspension\\_after/](https://www.reddit.com/r/applehelp/comments/enfza3/ramifications_of_an_apple_id_suspension_after/)

12  r/applehelp · Posted by u/spartanyogi 20 days ago

13 **Child made over \$100 in unauthorized purchases. Apple is telling me no  
14 refund. Am I really just out of luck?**

15 **iOS**

16 We try to use the "ask for permission" feature but it rarely works and actually asks for  
17 permission. My wife and I were outside working and my 8 YO daughter figured out if she lied  
18 about her DOB she could buy whatever she wanted. About \$110 of unauthorized purchases.

19 I submitted refund claims the day the purchases were made, and I appealed the decisions  
20 when they were first rejected. I called Apple Support today. And now I am honestly much  
21 angrier than I was before I called.

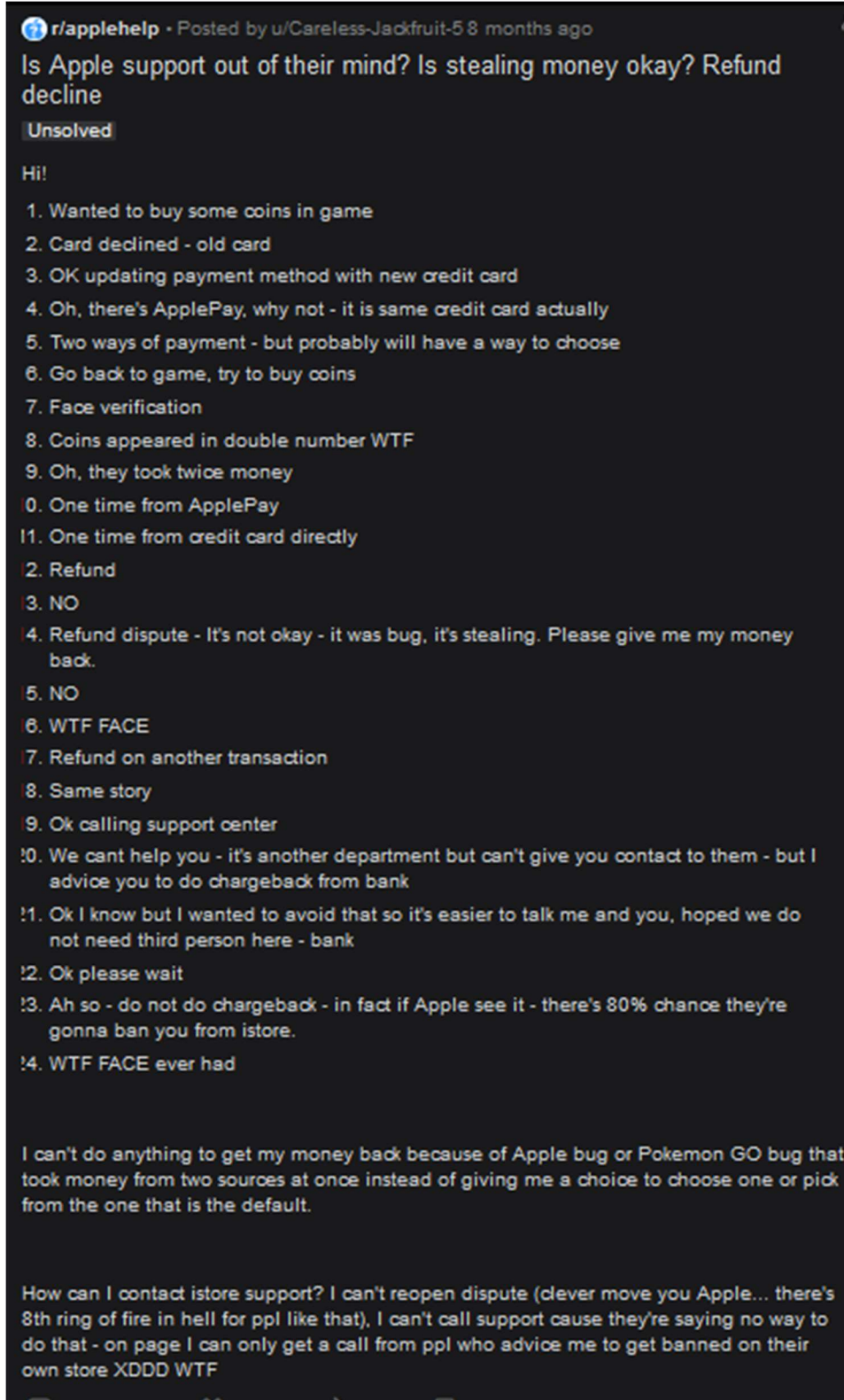
22 I've been using Apple stuff since before the iPod, currently use two iPhones, two iPads, an  
23 Apple TV, a MacBook, and the most expensive monthly subscription to all their services and this  
24 is the first time I've needed their help on this sort of thing. I've even owned Apple stock  
25 intermittently. I made one AppleCare claim on an iPhone 7+ I think? And they're not telling me  
26 anything or offering to help.

27 The advisors on the phone also gave me the most threatening corporate speak I've ever heard.  
28 It's "strongly advised" not to do a chargeback but they can't stop me. Wow. Threatening to kill  
my account?

Am I really supposed to just suck this up? Is there really no one at Apple that can help us?

[https://www.reddit.com/r/applehelp/comments/tu446f/child\\_made\\_over\\_100\\_in\\_unauthorized\\_purchases/](https://www.reddit.com/r/applehelp/comments/tu446f/child_made_over_100_in_unauthorized_purchases/)





[https://www.reddit.com/r/applehelp/comments/pj1n1b/is\\_apple\\_support\\_out\\_of\\_their\\_mind\\_is\\_stealing/](https://www.reddit.com/r/applehelp/comments/pj1n1b/is_apple_support_out_of_their_mind_is_stealing/)



isabbath

• Level 1 (4 points)



Apple ID

Q: Apple ID permanently disabled with little to no help at Apple Customer Support

I am a regular customer in purchasing apps and itunes musics. One day in January 2019, I received a purchase error message, so I contacted Apple customer support hoping to resolve this issue. The product I was purchasing is in app currency for a popular game "Epic Seven" which still remains in the app store as of 10/16/2019. This lead to a chain of discussing and apple permanently disabling my apple ID saying standard legal fluff like I am in violation of their terms of sales and services. I was always careful with Apple and had stored apple gift card balance into my apple account and made sure I have sufficient funds for the apps or products I was purchasing.

I called apple support numerous times, but they were no help. They told me everything I purchased and the funds I have in my apple account is permanently locked. Furthermore, apple support's only response was for me to open a new apple account... which is not solving or providing any relevant information to prevent the same problem from happening again.

Frustrated, I searched online for a similar situation and stumbled across this forum discussion:

<https://discussions.apple.com/thread/3660791>

In the post, user TehCount seem to have the same problem as me. I do believe my case is apple incorrectly flagging my purchase. At this point in time 10/16/2019, I am just tired and exhausted all the possible solution/phone calls.

Posted on Oct 16, 2019 11:14 AM

(Emphasis added) <https://discussions.apple.com/thread/250752046>



TehCount

• Level 1 (1 points)

**Q:** My Account Closed with Phony Explanation!

I haven't been this angry with a company in a long time. I've had my Apple ID for 4+ years, and I have bought hundreds of apps and songs with it. It's assigned to my only and primary email. Last year my account was hacked and somebody purchased Chinese apps using a (stolen?) credit card. My credit card and information on the account was completely changed. Apple disabled my account and I needed to reset my password and change everything back.

Last week I attempted to update my iPad2 apps and received a message, "Your Apple ID has been disabled". Thinking my account had again been hacked, I quickly checked my iTunes purchase history.. No issues there and everything looked legit. I changed my password, but my account was still disabled. I then filed a support ticket. I received this explanation:

"The owner of a credit card that was associated with your account has refuted iTunes Store charges, made with your account, with his or her credit card company."

I have not disputed or even talked to my credit card company in months. I have made purchases with the card every day, with no issue. I have nothing in my iTunes purchase history which is not accounted for on my credit card statement. Yet Apple claims that I have refuted an iTunes store charge, and just decided the best way to handle this was to permanently close a long standing account!

I have and will continue contacting Apple until I found out what is going on here. After spending probably close to \$1000 in apps I find it absolutely ridiculous that they are just going to kill my account, making it impossible for me to update any of my apps.

iPad 2, iOS 5.0.1

Posted on Jan 17, 2012 1:09 AM

(Emphasis added) <https://discussions.apple.com/thread/3660791>

Jsxyz

• Level 1 (6 points)

Feb 24, 2012 5:51 PM in response to TehCount

Same thing's happening to me,

What I am so disappointed, is I couldn't upgrade my apps both in iOS and Mac.

It would be understandable if Apple disallow me to purchase a new ones, but they should honor the past purchases.

Think about all the apps that I had been paid and all the games that had reach a certain levels that I have to replay from beginning again.

Jerry

(Emphasis added) *Id.*

1 Posted by u/nhat\_322 7 months ago 

## 2 Your account has been disabled in the App Store and iTunes

3 So this happened to my apple account last night,  
 4 Called the apple support with my phone,  
 5 the first time and the second time, they said it was the system ban it not them, they can't state the  
 6 specific reason that got me ban just that i violated the TOS, and nothing they can do about it.  
 7 Very frustrated with phone support so I tried to contact apple support through online chat, and they  
 8 said that i need to contact phone support cuz chat channel cant help me with this.  
 9 Im sure that I didnt violate any Tos like the support said, everything from my ID is real information,  
 10 name, phone number, billing address, I bought the itunes gift card at the supermarket so i dont think  
 11 that would be the problem, still have the physical card and bill.

12 Called the apple support for a third time, tried my luck with an english speaking one (Im not from an  
 13 english speaking country), he still said the same think as the previous one like a scripts. I told him how  
 14 frustrated and insecured I am about the sistuation, I told him that I need a specific reason how i got  
 15 ban to keep this from happening again, and he said that I should use credit card and not gift card LOL.  
 16 So if its like that so what the point of gift card if even legitimately buying one could lead to your  
 17 account suspension.

18 So in the result, nothing worked out, my account got banned along with the remaining itunes credit in  
 19 it, and they suggested that I create a brand new one cuz my appid is gone for good.

20 Lost my trust on apple now this makes me feel really insecure that this might happen again, if anyone  
 21 can tell me any way to resolve this or to prevent this from happening again please tell me.

22 (Emphasis added)

23 [https://www.reddit.com/r/apple/comments/hz8eko/your\\_account\\_has\\_been\\_disabled\\_in\\_the\\_app\\_store/](https://www.reddit.com/r/apple/comments/hz8eko/your_account_has_been_disabled_in_the_app_store/)

24 39. Accordingly, Plaintiff, on behalf of himself and the members of the first proposed  
 25 Class, seek to recover the money paid to Apple for Apps, music, movies, TV shows, services  
 26 and/or other Content they purchased but were prohibited from accessing when Apple erroneously  
 27 terminated their Apple IDs because they engaged in chargebacks.

28 40. If Apple has a policy regarding chargebacks and the termination of Apple IDs for  
 those customers who initiate chargebacks, Apple has not included that policy in its *Terms* or made  
 such policy available to its customers.

1           41.     When a consumer initiates a chargeback, the consumer’s financial institution goes  
2 through a process to verify that the chargeback request is valid while including the merchant in the  
3 process.

4           42.     At no time did Mr. Price breach the *Terms* and in fact was in compliance with the  
5 *Terms*.

6           43.     Additionally, Plaintiff, on behalf of himself and the members of the second  
7 proposed Class, seeks to recover the unspent money they had in their Apple accounts when Apple  
8 terminated their Apple IDs.  
9

10  
11  
12                                   **CLASS ACTION ALLEGATIONS**

13           44.     Pursuant to the provisions of *Federal Rules of Civil Procedure 23(a), (b), and (c)*,  
14 Plaintiff brings this action on behalf of himself and the following Nationwide Classes (the  
15 “Classes”):

16  
17                   **All persons in the United States who had an Apple ID and who**  
18 **had their Apple ID terminated for engaging in chargebacks and**  
19 **who were deprived access to the unspent money in their Apple**  
20 **account and the purchased Content and/or Services in their**  
21 **Apple account.**

22                   **And**

23                   **All persons in the United States who had an Apple ID which**  
24 **Apple terminated and who had unspent money in their Apple**  
25 **account when their Apple ID was terminated.**

26           45.     Excluded from the Classes are Apple itself, any entity in which Apple has  
27 controlling interests, and Apple’s officers, directors, legal representatives, successors,  
28 subsidiaries, and assigns; and any judicial officer presiding over this matter, members of their

1 immediate family, members of their judicial staff, and any judge sitting in the presiding court  
2 system who may hear an appeal of any judgment entered.

3 46. Certification of Plaintiff’s claims for classwide treatment is appropriate because  
4 Plaintiff can prove the elements of his claims on a classwide basis using the same evidence as  
5 would be used to prove those elements in individual actions asserting the same claims.  
6

7 47. This action has been brought and may be properly maintained on behalf of the  
8 Class proposed herein under *Rule 23* of the Federal Rule of Civil Procedure and satisfies the  
9 numerosity, commonality, typicality, adequacy, predominance, and superiority requirements of  
10 its provisions.  
11

12 48. Plaintiff reserves the right to amend the Class and/or Subclass definitions based  
13 on information learned through discovery.

14 49. **Numerosity - *Fed. R. Civ. P. 23(a)(1)***: Consistent with *Rule 23(a)(1)*, the  
15 members of the Class are so numerous and geographically dispersed that the joinder of all  
16 members is impractical. While the exact number of Class Members and Subclass Members  
17 (collectively, “Class Members”) is unknown to Plaintiff at this time, there are hundreds of  
18 thousands of Apple customers who have, or have had, an Apple ID, and: 1) who had Apple  
19 erroneously terminate their Apple IDs during the class period because of chargebacks and who  
20 have been prevented from accessing their Content and unspent money; and 2) who had Apple  
21 terminate their Apple IDs during the class period with unspent money in their Apple Accounts.  
22 The members of the Class can be readily identified through Apple’s records.  
23  
24

25 50. **Commonality and Predominance - *Fed. R. Civ. P. 23(a)(2)* and *(b)(3)***: This  
26 action involves common questions of law and fact that predominate over any questions affecting  
27 individual Class Members. The common questions include, but are not limited to:  
28

- 1 a. Whether Defendant engaged in the conduct alleged herein;
- 2 b. Whether Defendant and members of the classes entered into valid
- 3 contracts and, if so, the material terms of such contracts;
- 4 c. Whether Defendant materially breached its *Terms* with members of the
- 5 classes;
- 6 d. Whether any such material breach caused harm or injury to the members
- 7 of the classes;
- 8 e. Whether Defendant breached its *Terms* by terminating Plaintiff's and
- 9 Class's Apple IDs because they engaged in chargebacks when the *Terms*
- 10 do not prohibit chargebacks;
- 11 f. Whether Defendant breached its *Terms* by retaining and/or refusing to
- 12 return unspent money to its customers that remain in their Apple accounts
- 13 when Defendant terminated their Apple IDs;
- 14 g. Whether Plaintiff and the Classes are entitled to an award of reasonable
- 15 attorneys' fees, pre-judgment interest, and costs of this suit;
- 16 h. Whether Plaintiff and the Classes are entitled to recover monetary damages
- 17 for the services and Content they paid for and lost access to when
- 18 Defendant terminated their Apple IDs;
- 19 i. Whether Plaintiff and the Classes are entitled to recover the unspent money
- 20 that remained in their accounts when Defendant terminated their Apple
- 21 IDs;
- 22 j. Whether Plaintiff and the Classes have sustained financial loss and the
- 23 proper measure of any such financial loss;
- 24 k. Whether Plaintiff and the Classes are entitled to damages, and the proper
- 25 measure of any such damages; and
- 26 l. Such other common factual and legal issues as are apparent from the
- 27 allegations and causes of action asserted in this Complaint.

28

51. **Typicality - *Fed. R. Civ. P. 23(a)(3)***: Plaintiff's claims are typical of other Class Members' claims because Plaintiff and Class Members were, or may be, subjected to the same allegedly unlawful conduct and were, or may be, damaged in the same way.

1           52.     **Adequacy - *Fed. R. Civ. P. 23(a)(4)***: Consistent with *Rule 23(a)(4)*, Plaintiff will  
2 fairly and adequately represent the Classes. Plaintiff has the best interests of the members of the  
3 Classes in mind. Plaintiff has no conflicts of interest with the Classes. Plaintiff's counsel are  
4 competent and experienced in litigating class actions, including extensive experience in consumer  
5 protection claims. Plaintiff intends to vigorously prosecute this case.  
6

7           53.     **Superiority - *Fed. R. Civ. P. 23(b)(3)***: A class action is superior to other available  
8 methods for the fair and efficient adjudication of these claims because individual joinder of the  
9 claims of all members of the Classes is impracticable. Many members of the Classes are without  
10 the financial resources necessary to pursue this matter. Even if some could afford to litigate  
11 claims separately, such a result would be unduly burdensome to the courts in which the  
12 individualized cases would proceed. Individual litigation increases the time and expense of  
13 resolving a common dispute concerning Defendant's actions toward an entire group of individuals.  
14 Class action procedures allow for far fewer management difficulties in matters of this type and  
15 provide the unique benefits of unitary adjudication, economies of scale, and comprehensive  
16 supervision over the entire controversy by a single judge in a single court. The Classes may be  
17 certified pursuant to *F.R.C.P. 23(b)(2)* because Defendant has acted on grounds generally  
18 applicable to the Classes.  
19  
20

21           54.     The Classes may also be certified pursuant to *F.R.C.P. 23 (b)(3)* because questions  
22 of law and fact common to members of the Classes will predominate over questions affecting  
23 individual members, and a class action is superior to other methods for fairly and efficiently  
24 adjudicating the controversy and causes of action described in this Complaint.  
25

26           55.     The claims asserted herein are applicable to Plaintiff and members of the Classes.  
27  
28





1 Plaintiff's and the members of the Class's Apple IDs for allegedly violating its *Terms* because it  
2 is not a violation of its *Terms* for them to have engaged in chargebacks. *Id.*

3 63. *Apple's Terms* § L states in part:<sup>14</sup>

4 TERMINATION AND SUSPENSION OF SERVICES

5  
6 If you fail, or Apple suspects that you have failed, to comply with  
7 any of the provisions of this Agreement, Apple may, without notice  
8 to you: (i) terminate this Agreement and/or your Apple ID, and you  
9 will remain liable for all amounts due under your Apple ID up to  
10 and including the date of termination; and/or (ii) terminate your  
11 license to the software; and/or (iii) preclude your access to the  
12 Services.

13 Apple further reserves the right to modify, suspend, or discontinue  
14 the Services (or any part or Content thereof) at any time with or  
15 without notice to you, and Apple will not be liable to you or to any  
16 third party should it exercise such rights.

17 *Exhibit A* § L.

18 64. Apple materially breached its *Terms* with Plaintiff and the members of the Class  
19 by erroneously finding, or suspecting, that they violated its *Terms* because they engaged in  
20 chargebacks which are not prohibited by *Apple's Terms*. *Exhibit A*.

21 65. Apple's breach of contract, as set forth above, resulted in damages to Plaintiff and  
22 the members of the Class because once Defendant erroneously determined, or suspected, that  
23 Plaintiff and the members of the Classes breached its *Terms* by engaging in chargebacks, and  
24 terminated their Apple IDs, they lost all access to the unspent money in their Apple accounts as  
25 well as all access to the apps, Services, and Content they purchased from Defendant.

26 \_\_\_\_\_  
27 <sup>14</sup> Apple argued to this Court in its *Notice of Motion and Motion to Dismiss First Amended Class Action Complaint,*  
28 *and Memorandum of Points and Authorities in Support Thereof*, that “[t]o the extent Plaintiff intends to suggest that  
Apple breached the Terms by allegedly terminating his account due to chargebacks, the Terms allow for termination  
if chargebacks are abused. Terms § L.” *ECF 32* at 27-28 fn 9. It is clear that *Apple's Terms* § L in no way permit  
Apple to terminate its customers' Apple IDs due to Chargebacks, abused or otherwise, and Apple should be precluded  
from now attempting to create said authority in a different section of its *Terms*.

**Apple’s Second Breach of Contract**

66. *Apple’s Terms* § B states in part: “[y]ou can acquire Content on our Services for free or for a charge, either of which is referred to as a ‘[t]ransaction.’” *Exhibit A* § B.

67. Plaintiff and members of the Classes properly performed their duties pursuant to *Apple’s Terms* by acquiring apps, services, and/or Content from and/or through Apple by purchasing the same. *See Exhibit A* § B. As part of this performance, Plaintiff, as discussed above, and the members of the Classes transferred money to their Apple accounts to be utilized for purchases of Apple services and/or Content.

68. *Apple’s Terms* § L states in part:<sup>15</sup>

TERMINATION AND SUSPENSION OF SERVICES

If you fail, or Apple suspects that you have failed, to comply with any of the provisions of this Agreement, Apple may, without notice to you: (i) terminate this Agreement and/or your Apple ID, and you will remain liable for all amounts due under your Apple ID up to and including the date of termination; and/or (ii) terminate your license to the software; and/or (iii) *preclude your access to the Services*.

Apple further reserves the right to modify, suspend, or discontinue the Services (or any part or Content thereof) at any time with or without notice to you, and Apple will not be liable to you or to any third party should it exercise such rights.

(Emphasis added) *Exhibit A* § L.

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<sup>15</sup> Apple argued to this Court in its *Notice of Motion and Motion to Dismiss First Amended Class Action Complaint, and Memorandum of Points and Authorities in Support Thereof*, that “[t]o the extent Plaintiff intends to suggest that Apple breached the Terms by allegedly terminating his account due to chargebacks, the Terms allow for termination if chargebacks are abused. Terms § L.” *ECF 32* at 27-28 fn 9. It is clear that *Apple’s Terms* § L in no way permits Apple to terminate its customers’ Apple IDs due to Chargebacks, abused or otherwise, and Apple should be precluded from now attempting to find said authority in a different section of its *Terms*.



- 1 B. For damages according to proof;  
2 C. For punitive and/or treble damages;  
3 D. For costs of suit herein;  
4 E. For both pre- and post-judgment interest on any amounts awarded;  
5 F. For payment of reasonable attorneys' fees; and  
6 G. For such other and further relief as the Court may deem proper.  
7

8  
9 **DEMAND FOR JURY TRIAL**

10 Plaintiff hereby demands a trial by jury.

11 Dated: April 26, 2022

Respectfully submitted,

12  
13 /s/ Jonathan Shub

14 Jonathan Shub (C.A. Bar No. 237708)

Kevin Laukaitis \*

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*Attorneys for Plaintiff and  
the Proposed Classes*

*\*Counsel Admitted Pro Hac Vice*

**CLRA Venue Declaration Pursuant to California Civil Code Section 1780(d)**

I, Jonathan Shub, declare as follows:

1. I am an attorney at law licensed to practice in the State of California and a member of the bar of this Court. I am an attorney at Shub Law Firm LLC, counsel of record for Plaintiff in this action. I have personal knowledge of the facts set forth in this declaration and, if called as a witness, I could and would competently testify thereto under oath.

2. The Complaint filed in this action is filed in the proper place for trial under Civil Code Section 1780(d) in that a substantial portion of the events alleged in the Second Amended Complaint occurred in the Northern District of California. I declare under the penalty of perjury under the laws of the State of New Jersey and/or California and the United States that the foregoing is true and correct and that this declaration was executed in Haddonfield, New Jersey, this 26<sup>th</sup> day of April, 2022.

/s/ Jonathan Shub  
Jonathan Shub