	Case 4:18-cv-06139-PJH Document 1 F	Filed 10/05/18 Page 1 of 27
1 2 3 4 5 6 7 8	Benjamin Heikali (SBN 307466) Joshua Nassir (SBN 318344) <b>FARUQI &amp; FARUQI, LLP</b> 10866 Wilshire Boulevard, Suite 1470 Los Angeles, CA 90024 Telephone: (424) 256-2884 Facsimile: (424) 256-2885 E-mail: bheikali@faruqilaw.com jnassir@faruqilaw.com Attorneys for Plaintiffs Gabriela Zaragoza and Joseph Coyle <b>UNITED STATES DI</b>	STRICT COURT
9	NORTHERN DISTRICT	Γ OF CALIFORNIA
10	GABRIELA ZARAGOZA and JOSEPH COYLE,	Case No.:
11	individually and on behalf of all others similarly situated,	CLASS ACTION COMPLAINT
12	Situated,	1. Violation of California Civil Code §1750, <i>et seq</i> .
13 14	Plaintiffs,	2. Violation of California Business
14	v.	and Professions Code § 17200, <i>et seq</i> .
16	APPLE INC.,	3. Violation of California Business and Professions Code § 17500, <i>et</i> <i>seq</i> .
17	Defendant.	4. Breach of Express Warranty
18 19		5. Breach of Implied Warranty
20		6. Common Law Fraud
20		7. Quasi-Contract/Restitution
22		8. Violation of New York General
23		Business Law § 349
24		9. Violation of New York General Business Law § 350
25		JURY TRIAL DEMANDED
26		JUNI INIAL DEMANDED
27		]
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	CLASS ACTION	COMPLAINT

Plaintiffs Gabriela Zaragoza ("Plaintiff Zaragoza") and Joseph Coyle ("Plaintiff Coyle")
 (collectively, "Plaintiffs"), by and through their counsel, bring this Class Action Complaint against
 Defendant Apple Inc. ("Apple" or "Defendant"), on behalf of themselves and all others similarly
 situated, and allege upon personal knowledge as to their own actions, and upon information and belief
 as to counsel's investigations and all other matters, as follows:

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#### **NATURE OF THE ACTION**

Plaintiffs bring this consumer protection and false advertising class action lawsuit
against Apple, based on its false and misleading business practices with respect to the marketing and
sale of television show ("TV show(s)") season bundles offered on Apple's iTunes store on the Apple
TV 4 and 4k devices ("Apple TVs").<sup>1</sup>

Through Apple's iTunes store, consumers can browse a variety of TV shows on their
 Apple TVs. Each TV show offered on Apple's iTunes store has its own home page, providing
 consumers with general information regarding their selected TV show.

3. On the home page for each TV show on iTunes, Apple offers consumers three
purchasing options<sup>2</sup> at set prices. First, consumers may purchase episodes individually. Second,
consumers can purchase completed seasons ("Buy Season"). Third, if the TV show's season has
remaining episodes, a season pass can be purchased, offering all current and future episodes for the
season ("Season Pass") (collectively, with "Buy Season", the "Season Features").

4. On each home page, Apple conspicuously represents the number of episodes available
in the season. However, unbeknownst to consumers, many of the "episodes" offered by Apple are not
standard, plot-based episodes of the TV show, but promotional clips.<sup>3</sup>

5. Consumers purchase the Season Features, reasonably believing that each episode is a
standard, plot-based episode and that, by purchasing the Season Features, they are receiving a
significant discount over purchasing each episode individually. However, because many of the
episodes in the Season Features are promotional clips, consumers are not receiving the number of

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 $28 ||^{3} Id.$ 

<sup>,</sup>  $\|^1$  This action only concerns TV shows sold on Apple TV 4 and 4k.

<sup>&</sup>lt;sup>27</sup> Depicted *infra* in paragraphs 20, 24, and 28.

1 episodes and the discount they expected.

6. Had Plaintiffs and other consumers known that the Season Features provided fewer
 standard, plot-based episodes than Apple represented, they would not have purchased the Season
 Features or would have paid significantly less for them. Therefore, Plaintiffs and consumers have
 suffered injury in fact as a result of Apple's deceptive practices.

7. Plaintiffs bring this class action lawsuit on behalf of themselves and all others similarly
situated. Plaintiffs seek to represent a California Subclass, a California Consumer Subclass, a New
York Subclass, and a Nationwide Class (defined *infra* in paragraphs 44-48) (collectively referred to
as "Classes").

10 8. Plaintiffs, on behalf of themselves and other consumers, are seeking damages,
11 restitution, declaratory and injunctive relief, and all other remedies the court deems appropriate.

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#### JURISDICTION AND VENUE

9. This Court has subject matter jurisdiction pursuant to 28 U.S.C. § 1332(d)(2) because this case is a class action where the aggregate claims of all members of the proposed Classes are in excess of the amount in controversy requirement, exclusive of interests and costs, and Plaintiff Coyle, as well as most members of the proposed Classes, which total more than 100 class members, are citizens of states different from the state of Defendant.

18 10. This Court has personal and general jurisdiction over Defendant because Defendant is
incorporated in California and maintains its principal place of business, or "nerve center" at its
headquarters in Cupertino, California. Further, Defendant has sufficient minimum contacts in
California, or otherwise intentionally did avail itself of the markets within California, through its sale
of the TV shows and Season Features in California and to California consumers.

23 11. Venue is proper in this District pursuant to 28 U.S.C. 1391(b)(1) because Defendant
24 resides in Cupertino, California, which is located in this District.

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12. Plaintiff Gabriela Zaragoza is a citizen of California, residing in Davis. On May 31, 2017, Mrs. Zaragoza purchased a Season Pass for Season 1 of the TV show "Genius: Einstein" from

PARTIES

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1 Apple's iTunes store. Prior to purchasing the Season Pass, Mrs. Zaragoza saw the home screen for 2 "Genius: Einstein", which represented that Mrs. Zaragoza could purchase a Season Pass for the first season for a total price of \$24.99. According to the home screen for the TV show, the price for a 3 single episode of "Genius: Einstein" was \$2.99. Furthermore, at the time of Mrs. Zaragoza's purchase, 4 5 Apple represented that Season 1 had 13 episodes so far. For this reason, Mrs. Zaragoza believed that she would receive 13 standard, plot-based episodes, and that purchasing the Season Pass would result 6 7 in a significant discount over purchasing each episode separately. However, only 6 out of 13 8 "episodes" were standard plot-based episodes. The remaining 7 "episodes" were promotional clips. 9 Mrs. Zaragoza would not have purchased the Season Pass, or would have significantly less for it, had she known that 6 out of 13 "episodes" represented on the "Genius: Einstein" home screen were 10 promotional clips. Mrs. Zaragoza therefore suffered injury in fact and lost money as a result of 11 12 Defendant's misleading, false, unfair, and fraudulent practices, as described herein.

13 13. Plaintiff Joseph Coyle is a citizen of New York, residing in New York City. On May 20, 2018, Mr. Coyle purchased a Season Pass for Season 1 of the TV show "Killing Eve" from 14 Apple's iTunes store. Prior to purchasing the Season Pass, Mr. Coyle saw the home screen for "Killing 15 Eve", which represented that Mr. Coyle could purchase a Season Pass for the season for a total price 16 of \$19.99. According to the home screen for the TV show, the price for a single episode of "Killing" 17 18 Eve" was \$2.99. Furthermore, at the time of Mr. Coyle's purchase, Apple represented that Season 1 had 11 episodes so far. For this reason, Mr. Coyle believed that he would receive 11 standard, plot-19 20 based episodes, and that purchasing the Season Pass would result in a significant discount over 21 purchasing each episode separately. However, only 5 out of 11 "episodes" were standard plot-based episodes. The remaining 6 "episodes" were promotional clips. Mr. Coyle would not have purchased 22 23 the Season Pass, or would have significantly less for it, had he known that 6 out of 11 "episodes" 24 represented on the "Killing Eve" home screen were promotional clips. Mr. Coyle therefore suffered 25 injury in fact and lost money as a result of Defendant's misleading, false, unfair, and fraudulent practices, as described herein. 26

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14. Defendant Apple Inc. is incorporated in California with its principal place of business

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in Cupertino, California. Defendant, directly and/or through its agents, markets, advertises, and sells
 the Season Features nationwide, including in California and New York, throughout the class period.
 Defendant has maintained substantial sales in this District. Based on information and belief,
 Defendant maintains a portion of its marketing, including senior marketing managers in addition to
 the design and marketing of the Season Features, in California.

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#### **FACTUAL ALLEGATIONS**

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#### Defendant's False And Misleading Advertising Of The TV Shows

8 15. The Apple TV 4 and 4K are multi-media, entertainment devices which offer a wide9 range of media applications. The Apple TVs broadcast the media applications onto users' televisions.

16. Through the Apple TVs, consumers can browse through Apple's iTunes multi-media
store ("iTunes"), which offers users the ability to purchase, *inter alia*, movies, music, and television
shows.

13 17. Each TV show offered on iTunes has its own home page, providing consumers with
14 general information regarding their selected TV show.

15 18. When browsing the home pages for TV shows available on the iTunes store, 16 consumers are provided three purchasing options. First, consumers can purchase individual episodes 17 at a certain set price per episode (e.g., \$2.99). Second, if a TV show offers a completed season with 18 no episodes awaiting release, consumers may use the "Buy Season" feature and purchase the entire 19 season for a set total price. Third, if the season has released some episodes but is incomplete, 20 consumers may purchase a "Season Pass," giving them access to all current and future episodes for 21 the season at a set total price.

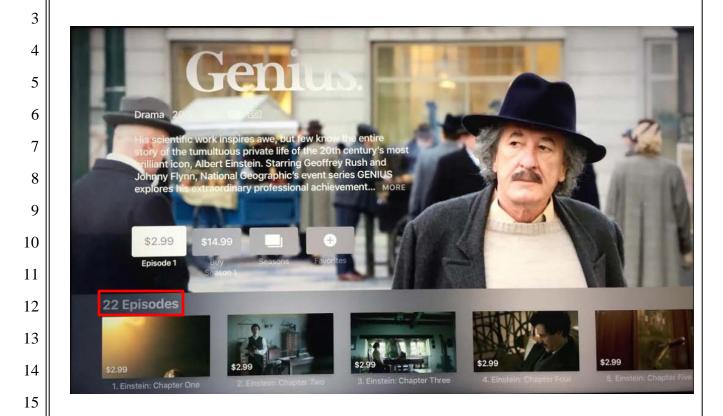
22	19.	At all relevant times, Apple conspicuously represents the number of total episodes
23	included in th	e Season Features.

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20. For example, Apple represents that the completed first season of "Genius: Einstein" has 22 episodes:

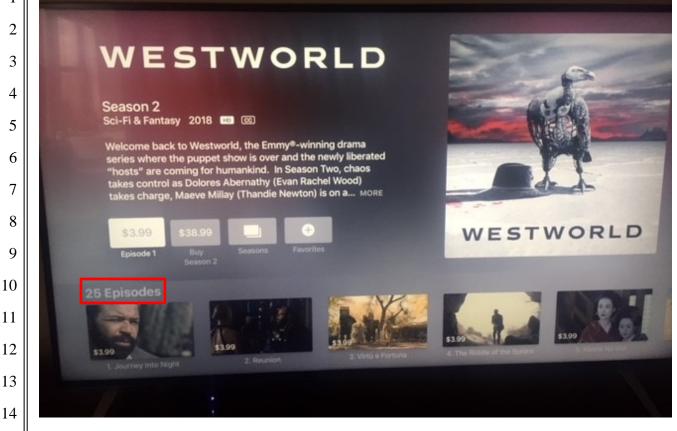


16 21. Therefore, the Buy Season feature allows consumers to purchase "22 episodes" of
17 "Genius: Einstein" for a set total price: \$14.99.

18 22. A reasonable consumer purchasing the Buy Season feature for the first season of
19 "Genius: Einstein" would believe he or she is receiving 22 standard, plot-based episodes of the show.
20 23. However, contrary to the representations made to Plaintiffs and other consumers, the
21 first season of "Genius: Einstein" only contains 10 standard, plot-based episodes. The remaining 12
22 episodes are promotional clips.

23 24. As with "Genius: Einstein", the same false and deceptive practice occurs with Apple's
24 representation that season two of "Westworld" has 25 episodes:

25 26 27 28 <u>5</u> CLASS ACTION COMPLAINT 1 2 4



15 25. As shown above, Apple represents that consumers may use the Buy Season feature to purchase the entire 25-episode season of "Westworld" for a set total price: \$38.99. 16

26. A reasonable consumer purchasing the Buy Season feature for the second season of 17 18 "Westworld" would believe he or she is receiving 25 standard, plot-based episodes of the show.

19 27. However, the second season of "Westworld" only has 10 standard, plot-based 20 episodes. The remaining 15 "episodes" are promotional clips.

21 28. These misrepresentations are consistent with Apple's Season Pass feature. For example, Apple represents the Season Pass for Season 6 of "The Americans" will provide consumers 22 23 with 11 episodes:

> 6 **CLASS ACTION COMPLAINT**

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34. Plaintiffs and other consumers reasonably interpret "episodes" to mean standard, plot based episodes of a show.

3 35. Therefore, when Apple represents that a consumer will receive a certain number of
4 episodes, Plaintiffs and other consumers reasonably believe they will receive that many standard,
5 plot-based episodes of a show.

36. Because the TV show seasons do not contain the full number of episodes as
represented on the iTunes home screens for the respective shows, as reasonably expected by Plaintiffs
and other consumers, Apple's uniform practice regarding the marketing and sale of the Season
Features was and continues to be misleading and deceptive.

37. Had Plaintiffs and other consumers known that they would receive fewer standard,
plot-based episodes than Apple represented they would receive in purchasing the Season Features,
they would not have paid for the Season Features, or would have paid significantly less for them.

38. Therefore, Plaintiffs and members of the Classes have been deceived by Apple's
representations and have suffered injury in fact as a result of Apple's improper and deceptive
practices.

39. Because Apple and/or its agents marketed and designed the iTunes store, the Season
Features, and the information regarding the episodes, Apple knew or should have known that the
representations regarding the number of episodes in a season were false and misleading.

40. Apple knew or should have known that Plaintiffs and other members of the Classes,
in purchasing the Season Features, would rely on Apple's representation regarding the number of
episodes in a season to mean that each episode was a standard, plot-based episode, not a promotional
clip.

41. Each class member has been exposed to the same or substantially similar deceptive
practice, as at all relevant times (1) Apple uniformly represents that its Season Features offer a certain
number of episodes; and (2) subsequent to class members' purchases, Apple provides the class
members with fewer episodes than previously represented.

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42. Despite being deceived by Apple, Plaintiffs wish and are likely to continue purchasing

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1 Apple's iTunes Season Features, but only if Apple accurately represents the number of episodes to 2 be included by the Season Features. Although Plaintiffs regularly visit Apple's iTunes store, where Apple's Season Features are sold, because Plaintiffs were deceived in the past by Apple, absent an 3 injunction, they will be unable to rely with confidence on Apple's representations in the future and 4 5 will therefore abstain from purchasing Season Features, even though they would like to purchase them. In addition, members of the proposed classes run the risk of continuing to purchase the Season 6 7 Features under the assumption that the number of episodes promised by the Season Features would actually be supplied subsequent to purchase. Until Apple redesigns its iTunes store, or Apple is 8 9 enjoined from making further false and misleading representations, Plaintiffs and other consumers 10 will continue to bear this ongoing injury.

43. As a result of its misleading business practice, and the harm caused to Plaintiffs and
other consumers, Apple should be required to pay for all damages caused to consumers, including
Plaintiffs. Furthermore, Apple should be enjoined from engaging in these deceptive practices.

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#### CLASS ACTION ALLEGATIONS

44. Plaintiffs bring this case as a class action that may be properly maintained under
Federal Rule of Civil Procedure 23 on behalf of themselves and all persons in the United States who,
within the relevant statute of limitations periods, purchased for personal, family, or household,
purposes any of the Season Features on Apple TV 4 or 4k, for TV shows containing fewer episodes
than represented at the time of purchase ("Nationwide Class").

45. Plaintiff Zaragoza also seeks to represent a subclass defined as all California citizens
who, within the relevant statute of limitations periods, purchased any of the Season Features on Apple
TV 4 or 4k, for TV shows containing fewer episodes than represented at the time of purchase
("California Subclass").

46. Plaintiff Zaragoza also seeks to represent a subclass defined as all California citizens
who, within the relevant statute of limitations periods, purchased, for personal, family, or household,
purposes any of the Season Features on Apple TV 4 or 4k, for TV shows containing fewer episodes
than represented at the time of purchase ("California Consumer Subclass").

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47. Plaintiff Coyle also seeks to represent a subclass defined as all New York citizens who,
 within the relevant statute of limitations periods, purchased any of the Season Features on Apple TV
 4 or 4k, for TV shows containing fewer episodes than represented at the time of purchase ("New York
 Subclass").

5 48. Excluded from the Classes are Defendant, the officers and directors of the Defendant 6 at all relevant times, members of its immediate families and its legal representatives, heirs, successors 7 or assigns and any entity in which Defendant has or had a controlling interest. Any judge and/or 8 magistrate judge to whom this action is assigned, and any members of such judges' staffs and 9 immediate families are also excluded from the Classes. Also excluded from the Classes are persons 10 or entities that purchased the Season Features for sole purposes of resale.

49. Plaintiffs hereby reserve the right to amend or modify the class definitions with greater
specificity or division after having had an opportunity to conduct discovery.

13 50. Plaintiff Zaragoza is a member of the Nationwide Class, California Subclass, and
14 California Consumer Subclass.

51. Plaintiff Coyle is a member of the Nationwide Class and the New York Subclass.

16 52. <u>Numerosity</u>: According to information and belief, Defendant has sold tens of
17 thousands of Season Features. The Season Features are sold online via Apple's iTunes store. Further,
18 members of the Classes are so numerous that their individual joinder herein is impractical. While the
19 precise number of class members and their identities are unknown to Plaintiffs at this time, the number
20 may be determined through discovery.

53. <u>Common Questions Predominate</u>: Common questions of law and fact exist as to all
members of the Classes and predominate over questions affecting only individual class members.
Common legal and factual questions include, but are not limited to, whether Apple's representations
regarding the number of episodes included in its Season Features are false and misleading, and
therefore violate various consumer protection statutes and common laws.

26 54. <u>Typicality</u>: Plaintiffs' claims are typical of the claims of the Classes they seek to
27 represent in that Plaintiffs and members of the Classes were all exposed to the same or substantially

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similar false and misleading representations, purchased the Season Features relying on the uniform
 false and misleading representations, and suffered losses as a result of such purchases.

55. <u>Adequacy</u>: Plaintiffs are adequate representatives of the Classes because their
interests do not conflict with the interests of the members of the Classes they seek to represent, they
have retained competent counsel experienced in prosecuting class actions, and they intend to
prosecute this action vigorously. The interests of the members of the Classes will be fairly and
adequately protected by the Plaintiffs and their counsel.

8 56. Superiority: A class action is superior to other available means for the fair and efficient adjudication of the claims of the members of the Classes. The size of each claim is too small to pursue 9 individually, and each individual Class member will lack the resources to undergo the burden and 10 expense of individual prosecution of the complex and extensive litigation necessary to establish 11 Defendant's liability. Individualized litigation increases the delay and expense to all parties and 12 13 multiplies the burden on the judicial system presented by the complex legal and factual issues of this case. Individualized litigation also presents a potential for inconsistent or contradictory judgments. 14 The class action mechanism is designed to remedy harms like this one that are too small in value, 15 although not insignificant, to file individual lawsuits for. 16

This lawsuit is maintainable as a class action under Federal Rule of Civil Procedure
23(b)(2) because Defendant has acted or refused to act on grounds that are generally applicable to the
class members, thereby making final injunctive relief appropriate with respect to all Classes.

58. This lawsuit is maintainable as a class action under Federal Rule of Civil Procedure
23(b)(3) because the questions of law and fact common to the members of the Classes predominate
over any questions that affect only individual members, and because the class action mechanism is
superior to other available methods for the fair and efficient adjudication of the controversy.

24 25 26 27 28 <u>11</u> CLASS ACTION COMPLAINT 1 2

#### FIRST CLAIM FOR RELIEF Violation of California's Consumers Legal Remedies Act ("CLRA"), California Civil Code §§ 1750, et seq.

(for the Nationwide Class; in the alternative, for the California Consumer Subclass)

3 59. Plaintiffs repeat the allegations contained in paragraphs 1-58 above as if fully set forth
4 herein.

60. Plaintiffs bring this claim individually and on behalf of the Nationwide Class, or in the
alternative, for the California Consumer Subclass, against Defendant.

7 61. The Season Features are "services" pursuant to California Civil Code ("Cal. Civ.
8 Code") § 1761(b), and the purchases of the Season Features by Plaintiffs and members of the
9 Nationwide and California Consumer Subclass constitute "transactions" pursuant to Cal. Civ. Code
10 § 1761(e). Further, Plaintiffs and members of the proposed Nationwide and California Consumer
11 Subclass are consumers within the meaning of Cal. Civ. Code § 1761(d).

12 62. Cal. Civ. Code § 1770(a)(5) prohibits "[r]epresenting that goods or services have 13 sponsorship, approval, characteristics, ingredients, uses, benefits, or quantities that they do not have ....." By representing that the Season Features offer a specific number of episodes with consumers' purchase, 14 Apple represents that the Season Features have a specific characteristic or quantity of episodes. However, 15 the Season Features provide fewer episodes than represented. Apple also represents that the episodes 16 included in the Season Features are standard, plot-based episodes and thereby are of a particular 17 18 characteristic. However, many of the episodes included in the Season Features are not standard, plot-based 19 episodes but promotional clips. Therefore, Defendant has violated section 1770(a)(5) of the CLRA.

Cal. Civ. Code § 1770(a)(7) prohibits "[r]epresenting that goods or services are of a 20 63. 21 particular standard, quality, or grade, or that goods are of a particular style or model, if they are of another." 22 By representing that the Season Features offer a specific number of episodes with consumers' purchase, 23 Apple represents that its services of are a particular standard or quality. Specifically, Apple represents that 24 the Season Features have the standard or quality of containing the same number of episodes as represented 25 to consumers prior to purchase. However, the Season Features provide fewer episodes than represented. 26 Apple also represents that the episodes included in the Season Features are standard, plot-based episodes 27 and thereby are of a particular standard, quality, and grade. However, many of the episodes included in

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the Season Features are not standard, plot-based episodes but promotional clips. Therefore, Defendant has
 violated section 1770(a)(7) of the CLRA.

- 64. Cal. Civ. Code § 1770(a)(9) prohibits "[a]dvertising goods or services with intent not
  to sell them as advertised." Apple represents that the Season Features offer a specific number of episodes
  with consumers' purchase. However, the Season Features provide fewer episodes than represented. By
  intentionally providing fewer episodes than represented to consumers, Apple has violated section
  1770(a)(9) of the CLRA.
- 65. At all relevant times, Apple knew or reasonably should have known that the Season
  Features did not supply all the episodes originally promised, and that Plaintiffs and other members of
  the Nationwide and California Consumer Subclass would reasonably and justifiably rely on the
  Season Features' representations as to the number of episodes in purchasing the Season Features.
- 12 66. Plaintiffs and members of the Nationwide and California Consumer Subclass
  13 reasonably and justifiably relied on Apple's misleading and fraudulent representations about the
  14 Season Features when purchasing them. Moreover, based on the very materiality of Apple's
  15 fraudulent and misleading conduct, reliance on such conduct as a material reason for the decision to
  16 purchase the Season Features may be presumed or inferred for Plaintiffs and members of the
  17 Nationwide and California Consumer Subclass.
- 18 67. Plaintiffs and members of the Nationwide and California Consumer Subclass suffered
  19 injuries caused by Apple because they would not have purchased the Season Features, or would have
  20 paid significantly less for the Season Features, had they known that Apple's conduct was misleading
  21 and fraudulent.
- 68. Under Cal. Civ. Code § 1780(a), Plaintiffs and members of the Nationwide and
  California Consumer Subclass seek damages, restitution, declaratory and injunctive relief, and all
  other remedies the Court deems appropriate for Apple's violations of the CLRA.
- 25 69. Pursuant to Cal. Civ. Code § 1782, on July 31, 2018, counsel for Plaintiffs mailed a
  26 notice and demand letter by certified mail, with return receipt requested, to Defendant.<sup>4</sup> Defendant
- <sup>27</sup> 4 See Exhibit "A".
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received the notice and demand letter on August 2, 2018.<sup>5</sup> Because Defendant has failed to fully
 rectify or remedy the damages caused within 30 days after receipt of the notice and demand letter,
 Plaintiffs timely filed the Class Action Complaint for a claim for damages under the CLRA.

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#### <u>SECOND CLAIM FOR RELIEF</u> <u>Violation of California's Unfair Competition Law ("UCL"),</u> <u>California Business & Professions Code §§ 17200, et seq.</u> (for the Nationwide Class; in the alternative, for the California Subclass)

7 70. Plaintiffs repeat the allegations contained in paragraphs 1-58 above as if fully set forth
8 herein.

9 71. Plaintiffs bring this claim individually and on behalf of the members of the proposed
10 Nationwide Class, or in the alternative, the California Subclass against Defendant.

11 72. UCL § 17200 provides, in pertinent part, that "unfair competition shall mean and
12 include any unlawful, unfair or fraudulent business act or practice and unfair, deceptive, untrue or
13 misleading advertising . . . . " California Business and Professional Code ("Cal. Bus. & Prof. Code")
14 §§ 17200.

15 73. Under the UCL, a business act or practice is "unlawful" if it violates any established
16 state or federal law.

17 74. Apple's false and misleading representations surrounding the number of episodes
18 offered by the Season Features therefore was and continues to be "unlawful" because it violates the
19 CLRA, California's False Advertising Law ("FAL"), and other applicable laws as described herein.

20 75. As a result of Apple's unlawful business acts and practices, Apple has and continues
21 to unlawfully obtain money from Plaintiffs and members of both the Nationwide Class and California
22 Subclass.

76. Under the UCL, a business act or practice is "unfair" if the defendant's conduct is
substantially injurious to consumers, offends public policy, and is immoral, unethical, oppressive,
and unscrupulous, as the benefits for committing such acts or practices are outweighed by the gravity
of the harm to the alleged victims.

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- $28 ||^{5} Id.$

77. Apple's conduct was and continues to be of no benefit to purchasers of the Season
 Features, as it is misleading, unfair, unlawful, and is injurious to consumers who rely on the
 representations about the Season Features but do not get what they were expecting. Deceiving
 consumers about the contents of the Season Features is of no benefit to the consumers. Therefore,
 Defendant's conduct was and continues to be "unfair."

6 78. As a result of Apple's unfair business acts and practices, Apple has and continues to
7 unfairly obtain money from Plaintiff, and members of both the Nationwide Class and California
8 Subclass.

9 79. Under the UCL, a business act or practice is "fraudulent" if it actually deceives or is
10 likely to deceive members of the consuming public.

80. Apple's conduct here was and continues to be fraudulent because it has and will
continue to likely deceive consumers into believing that the Season Features would provide the same
number of episodes as represented prior to purchase, when they do not. Because Apple misled and
will likely continue to mislead Plaintiffs and members of both the Nationwide Class and California
Subclass, Apple's conduct was "fraudulent."

16 81. As a result of Apple's fraudulent business acts and practices, Apple has and continues
17 to fraudulently obtain money from Plaintiffs, and members of both the Nationwide Class and
18 California Subclass.

19 82. Plaintiffs request that this Court cause Apple to restore this unlawfully, unfairly, and
20 fraudulently obtained money to Plaintiffs, and members of both the Nationwide Class and California
21 Subclass, to disgorge the profits Apple made on these transactions, and to enjoin Apple from violating
22 the UCL or violating it in the same fashion in the future as discussed herein. Otherwise, Plaintiff,
23 and members of both the Nationwide Class and California Subclass may be irreparably harmed and/or
24 denied an effective and complete remedy if such an order is not granted.

83. Monetary damages are an inadequate remedy at law because injunctive relief is
necessary to deter Defendant from continuing its false and deceptive conduct regarding the Season
Features.

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#### <u>THIRD CLAIM FOR RELIEF</u> <u>Violation of California's False Advertising Law ("FAL"),</u> <u>California Business & Professions Code §§ 17500, et seq.</u> (for the Nationwide Class; in the alternative, for the California Subclass)

84. Plaintiffs repeat the allegations contained in paragraphs 1-58 above as if fully set forth
herein.

85. Plaintiffs bring this claim individually and on behalf of the members of the proposed
Nationwide Class, or in the alternative, for the California Subclass against Apple.

86. California's FAL makes it "unlawful for any person . . . to make or disseminate or
cause to be made or disseminated before the public in . . . any advertising device . . . or in any other
manner or means whatever, including over the Internet, any statement, concerning . . . personal
property or . . . services, professional or otherwise . . . or performance or disposition thereof, which
is untrue or misleading, and which is known, or which by the exercise of reasonable care should be
known, to be untrue or misleading." Cal. Bus. & Prof. Code §§ 17500.

13 87. Apple has represented and continues to represent to the public, including Plaintiffs and members of both the Nationwide Class and California Subclass, that the Season Features contain a 14 specific number of standard episodes. Apple's representations are false and misleading because the 15 Season Features do not provide consumers with the full number of episodes represented prior to 16 purchase. Because Apple has disseminated false and misleading information regarding their Season 17 18 Features, and Apple knew or should have known, through the exercise of reasonable care, that the 19 information was and continues to be false and misleading, Apple has violated the FAL and continues 20 to do so.

88. As a result of Apple's false advertising, Apple has and continues to fraudulently obtain
money from Plaintiffs and members of both the Nationwide Class and California Subclass.

89. Plaintiffs request that this Court cause Apple to restore this fraudulently obtained
money to Plaintiffs and members of both the Nationwide Class and California Subclass, to disgorge
the profits Apple made on these transactions, and to enjoin Apple from violating the FAL or violating
it in the same fashion in the future as discussed herein. Otherwise, Plaintiffs and members of both
the Nationwide Class and California Subclass may be irreparably harmed and/or denied an effective

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1 and complete remedy if such an order is not granted.

2 90. Monetary damages are an inadequate remedy at law because injunctive relief is
3 necessary to deter Apple from continuing its false and deceptive conduct regarding the Season
4 Features.

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#### <u>FOURTH CLAIM FOR RELIEF</u> <u>Breach of Express Warranty</u> (for the Nationwide Class; in the alternative, for the California Subclass and New York Subclass)

7 91. Plaintiffs repeat the allegations contained in paragraphs 1-58 above as if fully set forth
8 herein.

9 92. Plaintiffs bring this claim individually and on behalf of the members of the proposed
10 Nationwide Class. In the alternative, Plaintiffs bring this claim individually and on behalf of the
11 proposed California Subclass and New York Subclass.

93. California Commercial Code ("Cal. Comm. Code") § 2313 provides that "(a) Any
affirmation of fact or promise made by the seller to the buyer which relates to the goods and becomes
part of the basis of the bargain creates an express warranty that the goods shall conform to the
affirmation or promise," and "(b) Any description of the goods which is made part of the basis of the
bargain creates an express warranty that the goods shall conform. Code § 2313. New York's express warranty law is identical. *See* New York Uniform Commercial
Code ("N.Y. U.C.C.") § 2-313.

19 94. Defendant has expressly warranted that the Season Features contain a specific number 20 of episodes, which consumers understand to mean standard, plot-based episodes. These 21 representations about the Season Features: (1) are affirmations of fact or promises made by Apple, to consumers, that the Season Features will provide a specific number of standard, content-based 22 23 episodes; (2) became part of the basis of the bargain to purchase the Season Features; and (3) created 24 an express warranty that the Season Features would conform to the affirmation of fact or promise. In 25 the alternative, the representations are descriptions of goods, which were made as part of the basis of the bargain to purchase the Season Features, and which created an express warranty that the Season 26 27 Features would conform to the Season Features' description.

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95. Plaintiffs and members of the Classes reasonably and justifiably relied on the
 foregoing express warranty in purchasing the Season Features, believing that that the Season Features
 did in fact conform to the warranty.

4 96. Apple has breached the express warranty made to Plaintiffs and members of the
5 Classes by failing to sell the Season Features to satisfy the warranty that the Season Features would
6 provide a specific number of standard, plot-based episodes.

97. Plaintiffs and members of the Classes did not obtain the full value of the Season
Features as represented. If Plaintiffs and members of the Classes had known of the true nature of the
Season Features, they would not have purchased the Season Features or would have paid less for
them.

11 98. As a result, Plaintiffs and members of the Classes have suffered injury and deserve to
12 recover all damages afforded under the law.

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#### <u>FIFTH CLAIM FOR RELIEF</u> <u>Breach of Implied Warranty</u> (for the Nationwide Class; in the alternative, for the California Subclass and New York Subclass)

99. Plaintiffs repeat the allegations contained in paragraphs 1-58 above as if fully set forth
herein.

18 100. Plaintiffs bring this claim individually and on behalf of the members of the proposed
19 Nationwide Class. In the alternative, Plaintiffs bring this claim individually and on behalf of the
20 proposed California Subclass and New York Subclass.

21 101. California Commercial Code § 2314(1) provides that "a warranty that the goods shall
22 be merchantable is implied in a contract for their sale if the seller is a merchant with respect to goods
23 of that kind." Cal. Comm. Code § 2314(1). New York implied warranty law is identical in this
24 respect. *See* N.Y. U.C.C. § 2-314(1).

102. Furthermore, California Commercial Code § 2314(2) provides that "[g]oods to be
merchantable must be at least such as . . . [c]onform to the promises or affirmations of fact made on
the container or label if any." Cal. Comm. Code § 2314(2)(f). New York implied warranty law is

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# Case 4:18-cv-06139-PJH Document 1 Filed 10/05/18 Page 20 of 27

1	identical in this respect. See N.Y. U.C.C. § 2-314(2)(f).							
2	103. Apple is a merchant with respect to the sale of TV shows and TV show season bundles,							
3	such as the Season Features in this action. Therefore, a warranty of merchantability is implied in							
4	every contract for sale of the Season Features to consumers.							
5	104. In representing on the home page of the TV shows that the Season Features contain a							
6	specific number of episodes, Apple has provided a promise or affirmation of fact to consumers that							
7	the Season Features would provide consumers with the same number of episodes.							
8	105. However, many of these "episodes" are not true episodes, but rather promotional clips							
9	which consumers do not interpret as episodes.							
10	106. Therefore, Apple has breached its implied warranty of merchantability regarding the							
11	Products.							
12	107. If Plaintiffs and members of both the Classes had known that the Season Features did							
13	not conform to Apple's promise or affirmation of fact, they would not have purchased the Season							
14	Features or would have paid less for them. Therefore, as a direct and/or indirect result of Defendant's							
15	breach, Plaintiffs and members of the Classes have suffered injury and deserve to recover all damages							
16	afforded under the law.							
17	SIXTH CLAIM FOR RELIEF Common Law Fraud							
18	(for the Nationwide Class; in the alternative, for the California Subclass and New York Subclass)							
19	108. Plaintiffs repeat the allegations contained in paragraphs 1-58 above as if fully set forth							
20	herein.							
21	109. Plaintiffs bring this claim individually and on behalf of the members of the Classes							
22	against Defendant.							
23	110. Apple has willfully, falsely, and knowingly over-represented the number of episodes							
24	included in the sale of its Season Features. Therefore, Apple has made knowing misrepresentations							
25	as to the Season Features.							
26	111. Apple's misrepresentations were material (i.e., the type of misrepresentations to which							
27	a reasonable person would attach importance and would be induced to act thereon in making purchase							
28								
	19 CLASS ACTION COMPLAINT							

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decisions), because they relate to the composition of the Season Features, the number of episodes
 included in the purchase.

3 112. Apple knew or recklessly disregarded the fact that the Season Features would provide
4 consumers with fewer episodes than what was represented to consumers before their purchase.

5 113. Apple intended that Plaintiffs and other consumers rely on these representations, as
6 the representations are made prominently on the home screen of TV shows sold on Apple's iTunes
7 store.

8 114. Plaintiffs and members of the Classes have reasonably and justifiably relied on
9 Defendant's misrepresentations when purchasing the Season Features and had the correct facts been
10 known, would not have purchased the Season Features or would not have purchased them at the prices
11 at which they were offered.

12 115. Therefore, as a direct and proximate result of Apple's fraud, Plaintiffs and members
13 of the Classes have suffered economic losses and other general and specific damages, including but
14 not limited to the amounts paid for the Products, and any interest that would have accrued on those
15 monies, all in an amount to be proven at trial.

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(for the Nationwide Class; in the alternative, for the California Subclass and New York Subclass)
116. Plaintiffs repeat the allegations contained in paragraphs 1-58 above as if fully set forth

SEVENTH CLAIM FOR RELIEF

**Ouasi-Contract/Restitution** 

20 herein.

21 117. Plaintiffs bring this claim individually and on behalf of the members of the Classes
22 against Defendant.

118. As alleged herein, Apple intentionally, recklessly, and/or negligently made a
misleading representation about the Season Features to Plaintiffs and members of the Classes to
induce them to purchase the Products. Plaintiffs and members of the Classes have reasonably relied
on the misleading representation and have not received all of the benefits promised by Apple.
Plaintiffs and members of the Classes therefore have been induced by Apple's misleading and false

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#### Case 4:18-cv-06139-PJH Document 1 Filed 10/05/18 Page 22 of 27

representations about the Season Features, and paid for them when they would and/or should not
 have, or paid more money to Apple for the Season Features than they otherwise would and/or should
 have paid.

4 119. Plaintiffs and members of the Classes have conferred a benefit upon Apple as Apple
5 have retained monies paid to them by Plaintiffs and members of the Classes.

120. The monies received were obtained under circumstances that were at the expense of
Plaintiffs and members of the Classes – i.e., Plaintiffs and members of the Classes did not receive the
full value of the benefit conferred upon Apple because Apple did not provide the same number of
episodes as originally represented to consumers.

10 121. Therefore, it is inequitable and unjust for Apple to retain the profit, benefit, or
11 compensation conferred upon them without paying Plaintiffs and the members of the Classes back
12 for the difference of the full value of the benefit compared to the value actually received.

13 122. As a direct and proximate result of Apple's unjust enrichment, Plaintiffs and members
14 of the Classes are entitled to restitution, disgorgement, and/or the imposition of a constructive trust
15 upon all profits, benefits, and other compensation obtained by Apple from its deceptive, misleading,
16 and unlawful conduct as alleged herein.

17 123. Monetary damages are an inadequate remedy at law because injunctive relief is
18 necessary to deter Apple from continuing its false and deceptive conduct regarding the Products.

19

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#### EIGHTH CLAIM FOR RELIEF Violation of New York's General Business Law ("GBL"), <u>New York Gen. Bus. Law § 349</u> (for the New York Subclass)

22 124. Plaintiff Coyle repeats the allegations contained in paragraphs 1-58 above as if fully
23 set forth herein.

24 125. Plaintiff Coyle brings this claim individually and on behalf of the members of the25 proposed New York Subclass against Defendant.

26 126. By the acts and conduct alleged herein, Defendant committed unfair or deceptive acts
27 and practices by making the material misrepresentations regarding the number of episodes included

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1	in the sale of its Sea	son Features.						
2	127. The f	foregoing deceptive acts and practices were directed at consumers.						
3	128. The f	Foregoing deceptive acts and practices are misleading in a material way because						
4	they fundamentally	misrepresent the number of episodes of the Season Features to induce consumers						
5	to purchase them.							
6	129. Plain	tiff Coyle and members of the New York Subclass were injured because they						
7	paid for the Season	Features, which they would not have done, or they would have paid less for had						
8	they known that the	Season Features carried fewer episodes than represented.						
9	130. On be	ehalf of himself and the members of the New York Subclass, Plaintiff Coyle seeks						
10	to enjoin the unlaw	ful acts and practices described herein, to recover their actual damages or fifty						
11	dollars, whichever is	s greater, three times actual damages, and reasonable attorneys' fees.						
12		NINTH CLAIM FOR RELIEF						
13		<u>Violation of New York's GBL,</u> <u>New York Gen. Bus. Law § 350</u>						
14		(for the New York Subclass)						
15	131. Plain	tiff Coyle repeats the allegations contained in paragraphs 1-58 above as if fully						
16	set forth herein.							
17	132. Plain	tiff Coyle brings this claim individually and on behalf of the members of the						
18	proposed New York	Subclass against Defendant.						
19	133. Based	d on the foregoing, Defendant has engaged in consumer-oriented conduct that is						
20	deceptive and misle	ading in a material way and which constitutes false advertising in violation of						
21	Section 350 of the C	BL.						
22	134. Defer	ndant's false, misleading, and deceptive representations of fact, including but not						
23	limited to the misrep	presentations regarding the Season Features, were and are directed to consumers.						
24	135. Defer	ndant's false, misleading, and deceptive representations of fact, including but not						
25	limited to the misre	presentations regarding the Season Features, were and are likely to mislead a						
26	reasonable consume	r acting reasonably under the circumstances.						
27	136. Defe	ndant's false, misleading, and deceptive representations of fact, including but not						
28		22						
	11	, ,						

#### Case 4:18-cv-06139-PJH Document 1 Filed 10/05/18 Page 24 of 27

limited to the misrepresentations regarding the Season Features, have resulted in consumer injury or
 harm to the public interest.

3 137. As a result of Defendant's false, misleading, and deceptive representations of fact,
4 including but not limited to the misrepresentation regarding the Season Features, Plaintiff Coyle and
5 members of the New York Subclass have suffered and continue to suffer economic injury.

6 138. Plaintiff Coyle and members of the New York Subclass suffered an ascertainable loss
7 caused by Defendant's misrepresentations because they paid for the Season Features when they would
8 not have done so, or would have paid less for them, had they known the Season Features had fewer
9 episodes than represented.

10 139. On behalf of himself and the members of the New York Subclass, Plaintiff Coyle seeks
11 to enjoin the unlawful acts and practices described herein, to recover their actual damages or five
12 hundred dollars, whichever is greater, three times actual damages, and reasonable attorneys' fees.

13

#### PRAYER FOR RELIEF

WHEREFORE, Plaintiffs, individually and on behalf of all others similarly situated, seek
judgment against Defendant as follows:

a) For an order certifying the Nationwide Class, the New York Subclass, the
California Subclass, and the California Consumer Subclass, under Rule 23 of the Federal Rules of
Civil Procedure; naming Plaintiffs as representatives of all Classes, and; naming Plaintiffs'
attorneys as Class Counsel to represent all Classes;

20 b) For an order declaring that Apple's conduct violates the statutes and laws
21 referenced herein;

22 c) For an order finding in favor of Plaintiffs, and all Classes, on all counts asserted
23 herein;

24 d) For an order awarding all damages in amounts to be determined by the Court and/or
25 jury;

26 e) For prejudgment interest on all amounts awarded;

27 f) For interest on the amount of any and all economic losses, at the prevailing legal

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1	rate;									
2	g)	For an order of restitution	and all other forms of equitable monetary relief;							
3	h) For injunctive relief as pleaded or as the Court may deem proper;									
4	i)	i) For an order awarding Plaintiffs and all Classes their reasonable attorneys' fees,								
5	expenses and costs of suit, including as provided by statute such as under Fed. R. Civ. P. 23(h),									
6	New York C	Gen. Bus. Law §§ 349 and 350	0, and California Code of Civil Procedure section 1021.5;							
7	and									
8	j)	For any other such relief a	s the Court deems just and proper.							
9		DEMAN	D FOR TRIAL BY JURY							
10	Plair	ntiffs demands a trial by jury	on all issues so triable.							
11										
12	Dated: Octo	ber 5, 2018	FARUQI & FARUQI, LLP							
13			By: <u>/s/ Benjamin Heikali</u>							
14			Benjamin Heikali, Bar No. 307466 Joshua Nassir, Bar No. 318344							
15			10866 Wilshire Blvd., Suite 1470 Los Angeles, CA 90024							
16			Telephone: 424.256.2884 Fax: 424.256.2885							
17			E-mail: bheikali@faruqilaw.com jnassir@faruqilaw.com							
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		CLASS	ACTION COMPLAINT							

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

I, Gabriela Zaragoza, declare as follows:

I am a Plaintiff in this action and a citizen of the State of California. I
have personal knowledge of the facts stated herein and, if called as a witness, I
could testify competently thereto.

2. This Class Action Complaint is filed in the proper place of trial because Defendant conducts a substantial amount of business in this District, Defendant is incorporated in California, and Defendant maintains its principal place of business in Cupertino, California, which is located in this District.

I declare under penalty of perjury under the laws of the State of California and the United States of America that the foregoing is true and correct, executed on October 4, 2017 at Davis, California.

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

I, Joseph Coyle, declare as follows:

1. I am a Plaintiff in this action and a citizen of the State of New York. I have personal knowledge of the facts stated herein and, if called as a witness, I could testify competently thereto.

2. This Class Action Complaint is filed in the proper place of trial because Defendant conducts a substantial amount of business in this District, Defendant is incorporated in California, and Defendant maintains its principal place of business in Cupertino, California, which is located in this District.

I declare under penalty of perjury under the laws of the State of New York and the United States of America that the foregoing is true and correct, executed on October  $\underline{4}$ , 2017 at New York City, New York.

Joseph Coyle

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# EXHIBIT A

#### Case 4:18-cv-06139-PJH Document 1-1 Filed 10/05/18 Page 2 of 8



NEW YORK CALIFOR

CALIFORNIA DELAWARE

PENNSYLVANIA

GEORGIA

Ben Heikali bheikali@faruqilaw.com

July 31, 2018

#### Via Certified U.S. Mail Return Receipt Requested

Apple Inc. 1 Infinite Loop Cupertino, California 95014

## Re: Class Action Notification and Pre-Lawsuit Demand Pursuant to California Civil Code Section 1782 and All Other Applicable Laws Requiring Pre-Suit Notice Concerning iTunes Season Feature Options

To Whom It May Concern:

Please be advised that Faruqi & Faruqi, LLP represents Gabriela Hidalgo Zaragoza and Joseph Coyle (together, "Clients"), purchasers of Apple iTunes Season Passes. Our Clients seek to represent a class of consumers ("Class") who, within the relevant time-period,<sup>1</sup> purchased any completed TV show season ("Buy Season") or Apple iTunes Season Pass ("Season Pass") (collectively, the "Season Features") on iTunes. All further communications intended for our Clients must be directed through this office. Furthermore, this demand and notice letter to Apple Inc. ("Apple") is meant to comply with the requirements of California Civil Code §1782, and all other laws requiring a pre-suit demand and notice prior to litigation, on behalf of our Clients and all others similarly situated should this matter proceed to litigation.

During the relevant time-period, Apple was, and continues to be, responsible for the marketing and sale of the Season Features, which can be purchased by consumers via iTunes on media platforms such as Apple TV or on consumers' personal computers. When browsing the home screen for any TV show available on the iTunes store, Apple gives consumers three purchase options. First, consumers may purchase individual episodes at a set cost per episode. Second, if Apple offers a completed season with no episodes remaining, consumers may use the "Buy Season" feature to purchase the entire season for a set total price. Third, if Apple offers an incomplete season, where future episodes will be released at a later date, consumers may purchase the "Season Pass" to receive all current and future episodes for the season at a set total price.

<sup>&</sup>lt;sup>1</sup> From four years prior to the date of a prospective complaint filed by our Clients.



FARUQI & FARUQI

Apple Inc. Page 2 July 31, 2018

On May 31, 2017, Ms. Zaragoza, a consumer residing in Davis, California, purchased a Season Pass for the show "Genius: Einstein" on her Apple TV. Based on Apple's representation that there were 13 episodes in the season so far, Ms. Zaragoza purchased the entire season at once reasonably believing that season had at least 13 standard episodes and that she was therefore going to receive at least 13 standard episodes for that season. Only after her purchase did Ms. Zaragoza find out that there were not 13 standard episodes included in her purchase at the time, but rather only 6 standard episodes and 7 "behind the scenes" clips. Moreover, once all the episodes were released, there were only 10 standard episodes.

On May 20, 2018, Mr. Coyle, a consumer residing in New York, New York, purchased a Season Pass for the show "Killing Eve" on his Apple TV. Mr. Coyle made his decision to purchase the Season Pass based on Apple's representation that there were 11 episodes in the season so far, believing that he was therefore going to receive at least 11 standard episodes for that season. Only after the purchase did Mr. Coyle find out that there were not 11 standard episodes included in his purchase at the time, but rather only 5 standard episodes and 6 "behind the scenes" clips. Moreover, once all the episodes were released, there were only a total of 8 standard episodes.

As an example, Apple represents that the Season Pass for Season 6 of "The Americans" will provide consumers with eleven episodes:





Apple Inc. Page 3 July 31, 2018

As shown above, Apple represents that consumers may purchase the Season Pass for season 6 of The Americans for \$24.99. Despite representing that this season contains "11 Episodes", the complete sixth season of The Americans only contains 10 standard episodes. Apple is thereby deceiving consumers who use the Season Features by providing them with fewer episodes than promised. Consequently, consumers who utilize the Season Features are not receiving the benefit of the bargain and have been injured as a result of Apple's false and misleading practices.

These misrepresentations are consistent with Apple's Buy Season feature as well. For example, Apple represents the Buy Season feature for Season 2 of "Westworld" will provide consumers with 25 episodes:



As shown above, Apple represents that consumers may purchase the Buy Season feature for season 2 of Westworld for \$38.99. Despite representing that this season contains "25 Episodes," the complete second season of Westworld only contains ten standard episodes.

These business practices violate several California consumer protection statutes and laws. Pursuant to California Civil Code §1782(a)(1), our Clients and the Class further provide notice that



Apple Inc. Page 4 July 31, 2018

they believe Apple has violated, and continues to violate, the California Consumers Legal Remedies Act ("CLRA"), and specifically California Civil Code §1770, in at least the following manner:

- 1. Representing that goods or services have sponsorship, approval, characteristics, ingredients, uses, benefits, or quantities which they do not have or that a person has a sponsorship, approval, status, affiliation, or connection which he or she does not have (Section 1770(a)(5));
- 2. Representing that goods or services are of a particular standard, quality, or grade, or that goods are of a particular style or model, if they are of another (Section 1770(a)(7)); and
- 3. Advertising goods or services with intent not to sell them as advertised (Section 1770(a)(9)).

Additionally, these business practices violate, *inter alia*, several New York statutes and laws. Pursuant to N.Y. U.C.C. § 2-607, our Clients and the Class further provide notice that they believe Apple has violated, and continues to violate, N.Y. U.C.C. §§ 2-313 and 2-314 in at least the following manner:

- 1. Breach of express warranty that the Season Features provide the number of episodes as represented on the home screens for TV shows sold on Apple's iTunes platform; and
- 2. Breach of implied warranty that the Season Features provide the number of episodes as represented on the home screens for TV shows sold on Apple's iTunes platform.

This letter not only serves as notification of Apple's alleged violations of California Civil Code § 1770, *et seq.* and N.Y. U.C.C. §§ 2-313 and 2-314 as outlined above, but also as our Clients' demand, and the demand of all others similarly situated, that Apple immediately correct, repair, refund and otherwise rectify the violations of Cal. Civ. Code § 1770, N.Y. U.C.C. §§ 2-313 and 2-314, and the other statutes and causes of action referenced above, on a class-wide basis.

It is also our opinion that Apple has also violated, and continues to violate, California Business and Professions Code §§ 17200 and 17500, the New York Consumer Protection From Deceptive Trade Practices Act, N.Y. Gen. Bus. § 349, *et seq.*, in addition to common law and other statutory violations.

To cure the harmful conduct noted herein, we demand that Apple: (1) cease and desist from advertising and selling of the Season Features in a false and misleading manner; and (2) make full restitution to the Class of all money obtained from the sales thereof.



FARUQI & FARUQI

Apple Inc. Page 5 July 31, 2018

We further demand that Apple preserve all documents, emails, other electronically stored information and other evidence which refer or relate to any of the above-described practices, including, but not limited to:

- 1. All documents concerning the Season Features;
- 2. All documents concerning the decision to promise a given number of episodes per season;
- 3. All documents concerning communications with purchasers of the Season Features;
- 4. All documents concerning the sales volume of the Season Features (in units and/or dollars), and the revenues derived therefrom; and
- 5. All documents concerning the identities and location of potential class members who purchased the Season Features.

Further, this letter serves as a thirty (30) day notice and demand requirement under §1782 for damages. Accordingly, should Apple fail to rectify the unfair and deceptive scheme within thirty (30) days of receipt of this letter, our Clients will file a class action complaint for actual damages, punitive damages, and all other damages permitted under the CLRA and the other statutes and causes of action available to them, along with interest, attorneys' fees and costs for Apple's violations.

We are willing to discuss an appropriate way to remedy the demands asserted in this letter. If Apple wishes to enter into such a discussion, please contact our firm immediately. If we do not hear from Apple promptly, we will conclude that Apple is not interested in resolving this dispute short of litigation in the form of a class action lawsuit. If Apple contends that any statement in this letter is inaccurate in any respect, please provide our firm with Apple's contentions and supporting documents promptly.

Please contact the undersigned if there are any questions or concerns.

Sincerely,

Ben Heikali, Esq.







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#### FAQs (http://faq.usps.com/?articleId=220900)

# JS-CAND 44 (Rev. 06/17) Case 4:18-cv-06139-Pit Document 1-2 Filed 10/05/18 Page 1 of 2

The JS-CAND 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved in its original form by the Judicial Conference of the United States in September 1974, is required for the Clerk of Court to initiate the civil docket sheet. (SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)

	<b>PLAINTIFFS</b> riela Zaragoza and Joseph Coyle, individually and on behalf of all c larly situated	others	DEFEN Apple In	DANTS ac.					
(b) County of Residence of First Listed Plaintiff Yolo (EXCEPT IN U.S. PLAINTIFF CASES)				Residence			Defendant Santa Clara		
			NOTE:	IN LAND CO THE TRACT	ONDEM Γ OF LA	NATION ND INVC	CASES, USE THE LOCATION O	F	
10866	Attorneys (Firm Name, Address, and Telephone Number) i & Faruqi, LLP 5 Wilshire Boulevard, Suite 1470, Los Angeles, CA 90024 24-256-2884		Attorneys	(If Known)					
II.	BASIS OF JURISDICTION (Place an "X" in One Box Only)		TIZENSHI r Diversity Case.		INCII	PAL PA	ARTIES (Place an "X" in One B and One Box for Defen		aintiff
					PTF	DEF		PTF	DEF
1	U.S. Government Plaintiff 3 Federal Question (U.S. Government Not a Party)	Citize	en of This State		<b>X</b> <sup>1</sup>	1	Incorporated <i>or</i> Principal Place of Business In This State	4	<b>×</b> 4
2	U.S. Government Defendant X 4 Diversity (Indicate Citizenship of Parties in Item III)		en of Another St	ate	<b>X</b> 2	2	Incorporated <i>and</i> Principal Place of Business In Another State	5	5
			en or Subject of a	a	3	3	Foreign Nation	6	6

IV. NATURE OF SUIT (Place an "X" in One Box Only)								
CONTRACT	ТО	RTS	FORFEITURE/PENALTY	BANKRUPTCY	OTHER STATUTES			
110 Insurance 120 Marine 130 Miller Act	PERSONAL INJURY 310 Airplane 315 Airplane Product Liability	PERSONAL INJURY 365 Personal Injury – Product Liability	625 Drug Related Seizure of Property 21 USC § 881 690 Other	422 Appeal 28 USC § 158 423 Withdrawal 28 USC § 157	375 False Claims Act 376 Qui Tam (31 USC § 3729(a))			
140 Negotiable Instrument	320 Assault, Libel & Slander	<ul> <li>367 Health Care/ Pharmaceutical Personal Injury Product Liability</li> <li>368 Asbestos Personal Injury Product Liability</li> <li>PERSONAL PROPERTY</li> <li>✗ 370 Other Fraud</li> <li>371 Truth in Lending</li> <li>380 Other Personal Property Damage</li> <li>385 Property Damage Product Liability</li> <li>PRISONER PETITIONS</li> <li>HABEAS CORPUS</li> </ul>	LABOR	PROPERTY RIGHTS	400 State Reapportionment			
<ul> <li>150 Recovery of Overpayment Of Veteran's Benefits</li> <li>151 Medicare Act</li> <li>152 Recovery of Defaulted Student Loans (Excludes Veterans)</li> <li>153 Recovery of Overpayment of Veteran's Benefits</li> <li>160 Stockholders' Suits</li> <li>190 Other Contract</li> <li>195 Contract Product Liability</li> <li>196 Franchise</li> </ul>	<ul> <li>330 Federal Employers' Liability</li> <li>340 Marine</li> <li>345 Marine Product Liability</li> <li>350 Motor Vehicle</li> <li>355 Motor Vehicle Product Liability</li> <li>360 Other Personal Injury</li> <li>362 Personal Injury -Medical Malpractice</li> </ul> CIVIL RIGHTS 440 Other Civil Rights		710 Fair Labor Standards Act         720 Labor/Management Relations         740 Railway Labor Act         751 Family and Medical Leave Act         790 Other Labor Litigation         791 Employee Retirement Income Security Act         IMMIGRATION         462 Naturalization Application         465 Other Immigration	820 Copyrights 830 Patent 835 Patent—Abbreviated New Drug Application 840 Trademark <b>SOCIAL SECURITY</b> 861 HIA (1395ff) 862 Black Lung (923) 863 DIWC/DIWW (405(g)) 864 SSID Title XVI 865 RSI (405(g)) FEDERAL TAX SUITS	<ul> <li>410 Antitrust</li> <li>430 Banks and Banking</li> <li>450 Commerce</li> <li>460 Deportation</li> <li>470 Racketeer Influenced &amp; Corrupt Organizations</li> <li>480 Consumer Credit</li> <li>490 Cable/Sat TV</li> <li>850 Securities/Commodities/ Exchange</li> <li>890 Other Statutory Actions</li> <li>891 Agricultural Acts</li> <li>893 Environmental Matters</li> <li>895 Freedom of Information Act</li> <li>896 Arbitration</li> <li>899 Administrative Procedure Act/Review or Appeal of Agency Decision</li> <li>950 Constitutionality of State Statutes</li> </ul>			
REAL PROPERTY         210 Land Condemnation         220 Foreclosure         230 Rent Lease & Ejectment         240 Torts to Land         245 Tort Product Liability         290 All Other Real Property		463 Alien Detainee 510 Motions to Vacate Sentence 530 General 535 Death Penalty OTHER 540 Mandamus & Other 550 Civil Rights 555 Prison Condition 560 Civil Detainee– Conditions of Confinement A Beingter	Actions	<ul> <li>870 Taxes (U.S. Plaintiff or Defendant)</li> <li>871 IRSThird Party 26 USC § 7609</li> </ul>				
X 1       Original Proceeding       2       Removed from State Court       3       Remanded from Appellate Court       4       Reinstated or Reopened       5       Transferred from Another District (specify)       6       Multidistrict       8       Multidistrict								
VI.       CAUSE OF ACTION       Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity): 28 U.S.C. § 1332(d)(2) Brief description of cause: Violation of California and New York state laws, breach of express warranty, breach of implied warranty, common law fraud, and quasi-contract/restitution.								
VII.       REQUESTED IN        CHECK IF THIS IS A CLASS ACTION UNDER RULE 23, Fed. R. Civ. P.       DEMAND \$ 5,000,000.00       CHECK YES only if demanded in complaint: JURY DEMAND: X Yes No								
VIII. RELATED CAS IF ANY (See instru	uctions):		DOCKET NUMBER					
IX. DIVISIONAL A (Place an "X" in One Box O	ASSIGNMENT (Civil L only) SAN FRA	ocal Rule 3-2) ANCISCO/OAKLAND	× SAN JOSI	E EUREKA-	MCKINLEYVILLE			

NATION OF CHIEF

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SIGNATURE OF ATTORNEY OF RECORD

/s/ Benjamin Heikali

#### **INSTRUCTIONS FOR ATTORNEYS COMPLETING CIVIL COVER SHEET FORM JS-CAND 44**

Authority For Civil Cover Sheet. The JS-CAND 44 civil cover sheet and the information contained herein neither replaces nor supplements the filings and service of pleading or other papers as required by law, except as provided by local rules of court. This form, approved in its original form by the Judicial Conference of the United States in September 1974, is required for the Clerk of Court to initiate the civil docket sheet. Consequently, a civil cover sheet is submitted to the Clerk of Court for each civil complaint filed. The attorney filing a case should complete the form as follows:

- **I. a) Plaintiffs-Defendants.** Enter names (last, first, middle initial) of plaintiff and defendant. If the plaintiff or defendant is a government agency, use only the full name or standard abbreviations. If the plaintiff or defendant is an official within a government agency, identify first the agency and then the official, giving both name and title.
- b) County of Residence. For each civil case filed, except U.S. plaintiff cases, enter the name of the county where the first listed plaintiff resides at the time of filing. In U.S. plaintiff cases, enter the name of the county in which the first listed defendant resides at the time of filing. (NOTE: In land condemnation cases, the county of residence of the "defendant" is the location of the tract of land involved.)
- c) Attorneys. Enter the firm name, address, telephone number, and attorney of record. If there are several attorneys, list them on an attachment, noting in this section "(see attachment)."
- **II. Jurisdiction.** The basis of jurisdiction is set forth under Federal Rule of Civil Procedure 8(a), which requires that jurisdictions be shown in pleadings. Place an "X" in one of the boxes. If there is more than one basis of jurisdiction, precedence is given in the order shown below.
  - (1) United States plaintiff. Jurisdiction based on 28 USC §§ 1345 and 1348. Suits by agencies and officers of the United States are included here.
  - (2) <u>United States defendant</u>. When the plaintiff is suing the United States, its officers or agencies, place an "X" in this box.
  - (3) Federal question. This refers to suits under 28 USC § 1331, where jurisdiction arises under the Constitution of the United States, an amendment to the Constitution, an act of Congress or a treaty of the United States. In cases where the U.S. is a party, the U.S. plaintiff or defendant code takes precedence, and box 1 or 2 should be marked.
  - (4) <u>Diversity of citizenship</u>. This refers to suits under 28 USC § 1332, where parties are citizens of different states. When Box 4 is checked, the citizenship of the different parties must be checked. (See Section III below; NOTE: federal question actions take precedence over diversity cases.)
- **III. Residence (citizenship) of Principal Parties.** This section of the JS-CAND 44 is to be completed if diversity of citizenship was indicated above. Mark this section for each principal party.
- **IV.** Nature of Suit. Place an "X" in the appropriate box. If the nature of suit cannot be determined, be sure the cause of action, in Section VI below, is sufficient to enable the deputy clerk or the statistical clerk(s) in the Administrative Office to determine the nature of suit. If the cause fits more than one nature of suit, select the most definitive.
- V. Origin. Place an "X" in one of the six boxes.
  - (1) Original Proceedings. Cases originating in the United States district courts.
  - (2) <u>Removed from State Court</u>. Proceedings initiated in state courts may be removed to the district courts under Title 28 USC § 1441. When the petition for removal is granted, check this box.
  - (3) <u>Remanded from Appellate Court</u>. Check this box for cases remanded to the district court for further action. Use the date of remand as the filing date.
  - (4) <u>Reinstated or Reopened</u>. Check this box for cases reinstated or reopened in the district court. Use the reopening date as the filing date.
  - (5) <u>Transferred from Another District</u>. For cases transferred under Title 28 USC § 1404(a). Do not use this for within district transfers or multidistrict litigation transfers.
  - (6) <u>Multidistrict Litigation Transfer</u>. Check this box when a multidistrict case is transferred into the district under authority of Title 28 USC § 1407. When this box is checked, do not check (5) above.
  - (8) <u>Multidistrict Litigation Direct File</u>. Check this box when a multidistrict litigation case is filed in the same district as the Master MDL docket.

Please note that there is no Origin Code 7. Origin Code 7 was used for historical records and is no longer relevant due to changes in statute.

- VI. Cause of Action. Report the civil statute directly related to the cause of action and give a brief description of the cause. Do not cite jurisdictional statutes unless diversity. Example: U.S. Civil Statute: 47 USC § 553. <u>Brief Description</u>: Unauthorized reception of cable service.
- VII. Requested in Complaint. Class Action. Place an "X" in this box if you are filing a class action under Federal Rule of Civil Procedure 23.

Demand. In this space enter the actual dollar amount being demanded or indicate other demand, such as a preliminary injunction.

Jury Demand. Check the appropriate box to indicate whether or not a jury is being demanded.

- VIII. Related Cases. This section of the JS-CAND 44 is used to identify related pending cases, if any. If there are related pending cases, insert the docket numbers and the corresponding judge names for such cases.
- IX. Divisional Assignment. If the Nature of Suit is under Property Rights or Prisoner Petitions or the matter is a Securities Class Action, leave this section blank. For all other cases, identify the divisional venue according to Civil Local Rule 3-2: "the county in which a substantial part of the events or omissions which give rise to the claim occurred or in which a substantial part of the property that is the subject of the action is situated."

Date and Attorney Signature. Date and sign the civil cover sheet.