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|---|---|---|
| 1<br>2<br>3<br>4<br>5<br>6<br>7<br>8<br>9<br>10<br>11<br>12 | ROBBINS GELLER RUDMAN<br>& DOWD LLP<br>SHAWN A. WILLIAMS (213113)<br>Post Montgomery Center<br>One Montgomery Street, Suite 1800<br>San Francisco, CA 94104<br>Telephone: 415/288-4545<br>415/288-4534 (fax)<br>shawnw@rgrdlaw.com<br>- and -<br>SAMUEL H. RUDMAN<br>MARK S. REICH<br>LAUREN E. KARALIS<br>58 South Service Road, Suite 200<br>Melville, NY 11747<br>Telephone: 631/367-7100<br>631/367-1173 (fax)<br>srudman@rgrdlaw.com<br>mreich@rgrdlaw.com |   |
| 13  | Attorneys for Plaintiff   |   |
| 14  | UNITED STATES   | DISTRICT COURT  |
| 15  | NORTHERN DISTRI   | CT OF CALIFORNIA  |
| 16  | DAVID YASTRAB, Individually and on  | Case No.  |
| 17  | Behalf of All Others Similarly Situated,<br>Plaintiff,  | <u>CLASS ACTION</u>   |
| 18  | vs.   | 1. Violations of the Consumers Legal  |
| 19  | APPLE INC.,   | Remedies Act, California Civil Code §1750 <i>et</i><br>seq.;  |
| 20  | Defendant.  | 2. Violations of the Unfair Competition Law,<br>California Business and Professions Code<br>§17200 <i>et seq.</i> ; |
| 21  | )   | <ul> <li>3. Breach of Express Warranty;</li> <li>4. Intentional Misrepresentation; and</li> </ul>                   |
| 22  |   | 5. Negligent Misrepresentation  |
| 23  |   | DEMAND FOR JURY TRIAL   |
| 24<br>25  |   |   |
| 25<br>26  |   |   |
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|   |   |   |

Plaintiff David Yastrab ("Plaintiff"), individually and on behalf of all others similarly
 situated, brings this Class Action Complaint against defendant Apple Inc. ("Apple" or "Defendant"),
 and alleges as follows:

4

#### NATURE OF THE ACTION

This is a consumer class action brought by Plaintiff on behalf of himself and all others
similarly situated who acquired, in the United States and its territories and its protectorates, Apple's
iPhone 4, iPhone 4s and iPhone 5 (collectively, the "iPhones") and experienced reduced
functionality of their iPhones as a result of the updates to iOS, essentially forcing consumers to
render their iPhones obsolete.

2. Apple debuted the iPhone in 2007.<sup>1</sup> Since the first generation iPhone, Apple has
released a new iPhone model every year: the iPhone 3G in 2008, the 3GS in 2009, the 4 in 2010, the
4s in 2011, the 5 in 2012, and the iPhone 5c and 5s in 2013.<sup>2</sup>

3. When the iPhone first debuted, it was described by the *Wall Street Journal* as "a
beautiful and breakthrough handheld computer."<sup>3</sup> Every iPhone comes equipped with a mobile
operating system called iOS,<sup>4</sup> which, according to Apple, is the "foundation of iPhone, iPad, and
iPod touch."<sup>5</sup> iOS consists of a collection of software applications, known as "apps," that allows
users to utilize all of the features of Apple products.

- 18 19
- 20

21 1 http://money.cnn.com/gallery/technology/2013/09/26/apple-iphone-timeline.fortune/2.html (last visited April 18, 2014)

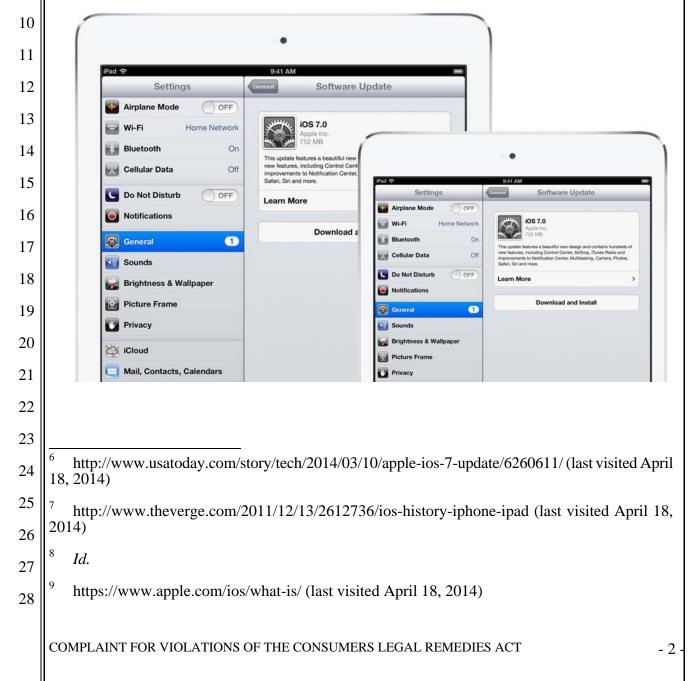
- 23 http://money.cnn.com/gallery/technology/2013/09/26/apple-iphone-timeline.fortune/index.html (last visited April 18, 2014)
- http://money.cnn.com/gallery/technology/2013/09/26/apple-iphone-timeline.fortune/2.html (last visited April 18, 2014)
- <sup>4</sup> iOS is "the software that controls all the basics of your gadget, including the look, feel, settings and hardware." http://www.cnn.com/2013/09/18/tech/mobile/ios-7-upgrade-faq/ (last visited April 18, 2014).

<sup>5</sup> https://www.apple.com/ios/what-is/ (last visited April 18, 2014)

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4. Since the iPhone was first released there have been many versions of iOS, the most
 recent being iOS 7 and its update iOS 7.1.<sup>6</sup> Apple has released updates to iOS since the first iPhone.
 The first iOS update, iOS 1.1.1, was released a mere three months after the original iPhone was
 released.<sup>7</sup> i OS 1.1.1 added the iTunes Wi-Fi Music Store, which gave users the ability to download
 music directly on their iPhones.<sup>8</sup> Since iOS 1.1.1, Apple has released numerous iOS updates, all of
 which add new features to the iPhone it is downloaded on.

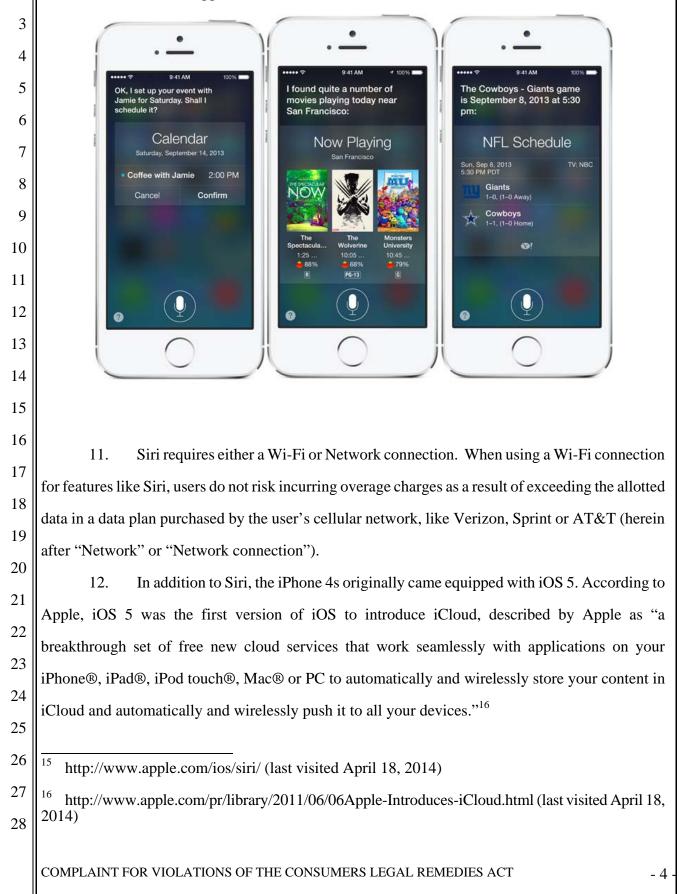
5. Purportedly, users are prompted to download the newest iOS version onto their device
via a message from Apple when it is released.<sup>9</sup> A true and correct representation of the alert
received by users to download iOS 7 appears below:



- G. Users have experienced vastly reduced functionality of their iPhones, including, most
   notably, Wi-Fi and Bluetooth connectivity issues, after downloading iOS updates onto their iPhones.
   7. For example, as alleged herein, the Wi-Fi and Bluetooth connectivity issues
   experienced by users (the "Wi-Fi/Bluetooth Connectivity Issue" or "Grayed Out Issue") appears to
   be most prevalent to iPhone 4s users who downloaded iOS 7.<sup>10</sup>
- 8. The iPhone 4s is the fifth generation in a line of touchscreen based smartphones
  designed, developed and marketed by Apple. When the iPhone 4s was first launched, it came
  standard with iOS 5.0. According to Apple, iOS 7 is a platform for over a million mobile apps,
  iCloud,<sup>11</sup> and includes security features that prevent unauthorized access to Apple devices.<sup>12</sup> iPhone
  4s is the oldest generation iPhone currently sold by Apple.<sup>13</sup> It comes in black or white, 8, 16, 32 or
  64 GB models and is available for use on AT&T, Verizon, T-Mobile and Sprint networks.<sup>14</sup>
- 9. The iPhone 4s and its predecessor, the iPhone 4, share the same stainless steel bodytype, but are distinguished by the addition of Siri and iCloud in the iPhone 4s. Siri is speechrecognition software that comes standard on every iPhone 4 and iPhone 5. It allows users to verbally
  give their iPhones commands and tasks to complete. Because Siri is capable of both speech input
  and output, it can purportedly "speak" back to its user. For example, if you ask Siri to add an item to
  your personal calendar, it is programed to make the addition to your calendar and verbally confirms
  that the task is completed.
- <sup>10</sup> http://www.copytrans.net/blog/how-to-fix-iphone-wifi-connectivity-issues/ (last visited April 18, 2014) (stating: "This is by far the most common iPhone WiFi connectivity problem. The issue is especially widespread on iPhone 4S devices but users having the iPhone 4 and iPhone 5 have also been known to experience the issue.")
- https://www.apple.com/ios/what-is/ (last visited April 18, 2014) (stating: "iCloud stores your music, photos, apps, mail, contacts, calendars, documents, and more and wirelessly pushes them to all your devices. So if you buy a song, take a photo, or edit a calendar event on your iPad, iCloud makes sure it appears on your Mac, iPhone, and iPod touch, too.")
- <sup>24</sup> <sup>12</sup> Security features in iOS protect devices by, for example, encrypting iMessages and other communications and setting up a passcode, which automatically encrypts and protects users e-mail from third-party apps on the same device. https://www.apple.com/ios/what-is/ (last visited April 18, 2014)
- 27 http://store.apple.com/us/buy-iphone/iphone4s (last visited April 18, 2014)
- 28 http://store.apple.com/us/iphone/family/iphone/compare (last visited April 18, 2014)



10. A true and correct depiction of Apple's representation of how Siri replies to iPhone users' voice commands appear below:<sup>15</sup>



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1 13. Apple prominently features iCloud in many of its iPhone 4s and iPhone 5 advertising
 campaigns. iCloud is purportedly able to save or backup data to the cloud, such as photos, videos,
 purchased music, movies, apps, books, TV shows, device settings, ringtones and other features. This
 allows users to access data stored on the cloud on any Apple device, regardless of the device the
 information was originally stored on.

6 14. iCloud is a feature on all iOS versions<sup>17</sup> beginning with iOS 5 and including iOS 7.
7 As stated by Apple, regardless of whether an iPhone is equipped with iOS 5, 6, or 7, iCloud can only
8 wirelessly backup data when the iPhone is locked, connected to a power source and Wi-Fi is turned
9 on and connected.<sup>18</sup> iCloud is unable to backup data on a Network connection alone, and can only
10 do so via a Wi-Fi connection.

11 15. Below is a true and accurate representation of the iPhone's Storage & Backup screen,
12 which states that iCloud backups occur when the device is "plugged in, locked, and connected to Wi13 Fi":



http://support.apple.com/kb/PH12519?viewlocale=en\_US (last visited April 18, 2014)

COMPLAINT FOR VIOLATIONS OF THE CONSUMERS LEGAL REMEDIES ACT

http://support.apple.com/kb/HT4759 (last visited April 18, 2014)

Apple unveiled iOS 7 on June 10, 2013. The update was described by Apple as "the
 most significant iOS update since the original iPhone[.]"<sup>19</sup> The update, which could only be
 downloaded wirelessly via a Wi-Fi connection, changed the entire look of iPhone's interface and
 added hundreds of new features, some of which include: "Control Center, Notification Center,
 improved Multitasking, AirDrop®, enhanced Photos, Safari®, Siri® and ... iTunes Radio<sup>TM</sup>, a free
 Internet radio service based on the music you listen to on iTunes®."<sup>20</sup>

17. Purportedly, iOS 7 added new apps and dramatically increased the efficiency and
performance of apps.<sup>21</sup> As of January 2014, there were over one million apps available for
download to iPhone, iPad and iPod touch.<sup>22</sup> While some apps may be downloaded using data from a
data plan purchased by the user's cellular Network, large apps cannot be downloaded wirelessly over
a Network connection, and must be downloaded over a properly operating Wi-Fi network.<sup>23</sup> For
example, system updates, like iOS 7, cannot be downloaded wirelessly over a Network connection,
only a Wi-Fi connection.<sup>24</sup>

14 18. Although previous iPhones had Bluetooth, the iPhone 4s was the first equipped with Bluetooth 4.0. According to Apple, Bluetooth allows users to "[e]xchange or synchronize data 15 16 between Bluetooth enabled computers and devices", "[u]se a Bluetooth enabled wireless keyboard or 17 mouse", "[c]onnect wirelessly to a Bluetooth compatible printer, headset, headphones, or speakers", and "[s]hare your internet connection with other Bluetooth enabled devices."<sup>25</sup> Mike Foley, 18 19 executive director of the Bluetooth Special Interest Group, commented on the new Bluetooth 20 19 http://www.apple.com/pr/library/2013/06/10Apple-Unveils-iOS-7.html (last visited April 18, 2014)21 20 Id. 22

- 23 https://www.apple.com/pr/library/2014/01/07App-Store-Sales-Top-10-Billion-in-2013.html (last visited April 18, 2014)
- $24 ||_{22}$  Id.
- <sup>25</sup> http://www.verizonwireless.com/b2c/includes/plans/dataInfoOverlay.jsp (last visited April 18, 2014)
- 27 http://www.cnet.com/how-to/how-to-install-ios-7/ (last visited April 18, 2014)
- 28 http://support.apple.com/kb/HT3039 (last visited April 18, 2014)

technology available on the iPhone 4s: "It enables an entirely new class of product into the Bluetooth
 world."<sup>26</sup>

19. Defendant's advertising and marketing campaigns for the iPhone 4, iPhone 4s and
iPhone 5 were and are designed to induce consumers to acquire or purchase the iPhones over other
smartphone devices because of their Bluetooth and Wi-Fi connection capabilities, large library of
apps, iCloud and Siri – all of which require a Network connection or Wi-Fi connection to operate.
While users may access some features of iCloud without a Wi-Fi connection, in order to backup and
save new data to iCloud, the iPhone must be connected to a Wi-Fi connection, locked and plugged
into a power source.<sup>27</sup>

10 20. In its promotions for iPhones 4, 4s and 5, Defendant highlights the iPhone's ability to
11 download later generations of iOS, such as iOS 7. With each update, users receive all the features of
12 the newest iPhone model that are supported by their iPhone. According to Apple, "because iOS 7 is
13 engineered to take full advantage of the advanced technologies built into Apple hardware, your
14 devices are always years ahead – from day one to day whenever."<sup>28</sup>

15 21. The ability to update the iOS platform on a device is a major draw for consumers 16 because every iOS update adds new features to an older device. For example, when users 17 downloaded iOS 7, not only did their devices inherit new apps and features, iPhone's interface was 18 redesigned to a "simpler, more useful, and more enjoyable" interface.<sup>29</sup> In addition, the update 19 added iTunes radio and an updated photos app which allows users to add filters to photos and auto-20 enhance, rotate, correct red-eye, crop a panorama photo and share photos. iOS 7 also added a 21 Control Center feature and security updates.<sup>30</sup>

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<sup>25</sup> <sup>28</sup> https://www.apple.com/ios/what-is/ (last visited April 18, 2014)

<sup>27</sup>
 <sup>30</sup> http://arstechnica.com/apple/2013/09/new-lease-on-life-or-death-sentence-ios-7-on-the-iphone-4/
 <sup>30</sup> http://arstechnica.com/apple/2013/09/new-lease-on-life-or-death-sentence-ios-7-on-the-iphone-4/
 <sup>30</sup> http://arstechnica.com/apple/2013/09/new-lease-on-life-or-death-sentence-ios-7-on-the-iphone-4/

<sup>23</sup> http://reviews.cnet.com/8301-19512\_7-20116316-233/bluetooth-4.0-what-is-it-and-does-itmatter/ (last visited April 18, 2014)

<sup>&</sup>lt;sup>24</sup> <sup>27</sup> http://support.apple.com/kb/PH12519?viewlocale=en\_US (last visited April 18, 2014)

<sup>&</sup>lt;sup>26</sup><sup>29</sup> https://www.apple.com/ios/design/ (last visited April 18, 2014)

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22. 1 Notwithstanding Apple's extensive multi-million dollar advertising campaign 2 showcasing the iPhone's ability to wirelessly download the latest features and apps from new 3 versions of iOS, backup and store data using iCloud, and the iPhone 4s and 5's Wi-Fi and Bluetooth connection capabilities, the iPhones failed to perform as advertised for Plaintiff and members of the 4 5 Class when the iOS 7 update was downloaded.

23. In addition, because of the Grayed Out Issue, Plaintiff and Class members who 6 downloaded iOS 7 onto their iPhones discovered their Wi-Fi and Bluetooth were rendered unusable. 7 8 For example, after the update, they could not wirelessly download any iOS patches or versions 9 because such downloads require a Wi-Fi connection and cannot be downloaded over a Network 10 connection. This meant that Plaintiff and members of the Class could not wirelessly download iOS 7.0.6, which provided, for example, a patch for a major security flaw in iOS 7, as detailed in 11 paragraphs 50-52 below. 12

13 24. After downloading iOS 7, Plaintiff and Class members' iPhones' Bluetooth and Wi-Fi connections became "grayed out" and unusable. This particular problem is referred to on Apple 14 15 message boards as "grayed out" because the option to turn Wi-Fi on in the iPhone's setting turns gray and cannot be turned on. A true and correct depiction of this problem is displayed below (to the 16 left), as well as how the screen looks when the option to turn Wi-Fi on is available (to the right): 17

| Settings Wi-Fi                     | Settings Wi-Fi               |
|------------------------------------|------------------------------|
|                                    |                              |
| Wi-Fi                              | Wi-Fi                        |
| Location accuracy is improved when | ✓ WWDC2013-2.4GHz 🗎 🗢 🚺      |
| Wi-Fi is turned on.                | CHOOSE A NETWORK             |
|                                    | WWDC2013                     |
|                                    | Other                        |
|                                    | SET UP NEW DEVICE            |
|                                    | AirPort Express 64f2a5       |
|                                    | Thermostat c68e2d >          |
|                                    | Ask to Join Networks         |
|                                    | Waxue naturate will be bland |
|                                    |                              |
|                                    |                              |
|                                    |                              |
|                                    |                              |
|                                    |                              |

1 25. The iPhone 4s pre-sold over one million units and sold over four million units world-2 wide the weekend following its release,<sup>31</sup> and the iPhone 5 sold over five million units within the 3 first three days of its launch.<sup>32</sup>

3

4 26. Defendant's message alerts, notifying iPhone users that an iOS update is available, 5 were also effective. As of March 21, 2014, 85% of active Apple devices had downloaded and were running on iOS 7.<sup>33</sup> Once Plaintiff and Class members downloaded iOS 7 onto their iPhones, they 6 7 were unable to connect to Wi-Fi or Bluetooth. Because of the Grayed Out Issue, Plaintiff and Class 8 members could no longer access often free Wi-Fi and thus used data unnecessarily and/or incurred 9 data charges for all data used on their iPhone 4s. In addition, Plaintiff and Class members could no 10 longer backup their device using iCloud, wirelessly download iOS patches or the newest versions of iOS. 11

12 27. Defendant's misrepresentations concerning: (i) the iPhones' ability to download and 13 run iOS 7 effectively; (ii) Bluetooth and Wi-Fi connection capabilities; and (iii) the ability to 14 upgrade to new iOS software and run new applications and features, are misleading, false, and 15 reasonably likely to deceive and have deceived Plaintiff and members of the putative Class.

16 28. Defendant designed, manufactured, marketed, and warranted the iPhone 4, iPhone 4s, iPhone 5 and iOS 7 to consumers nationwide. In conjunction with each sale of the iPhone 4, iPhone 17 18 4s and iPhone 5, Defendant marketed, advertised and warranted, among other things, that each 19 iPhone 4s was: (i) capable of downloading and running future versions of iOS, such as iOS 7, 20 without adverse effects to the device's Wi-Fi and Bluetooth connection capabilities; (ii) was able to 21 run applications via a Wi-Fi connection; (iii) was able to backup data using iCloud and was 22 otherwise fit for the ordinary purpose for which such goods are used; and (iv) was free from defects 23 in materials and workmanship.

- 24
- 25 http://www.forbes.com/sites/benzingainsights/2011/10/17/what-do-the-iphone-4s-sales-figurestell-us-about-consumers/ (last visited April 18, 2014)
- <sup>26</sup> <sup>32</sup> http://www.apple.com/pr/library/2012/09/24iPhone-5-First-Weekend-Sales-Top-Five Million.html (last visited April 18, 2014)
- 28 https://developer.apple.com/support/appstore/ (last visited April 18, 2014)

29. Plaintiff and members of the Class have damages, in that they purchased and/or own
 an iPhone 4, iPhone 4s or iPhone 5, downloaded iOS 7 at Defendant's instruction, and would not
 otherwise have purchased and downloaded had they known they would be unable to use Wi-Fi or
 Bluetooth.

5 30. Defendant knew or should have known that the iPhones were defective in design 6 and/or manufacture, were not fit for their ordinary and intended use, and did not perform in 7 accordance with the advertisements, marketing materials, and warranties disseminated by Defendant 8 in its nationwide marketing and advertising campaign. In addition, Defendant knew or should have 9 known that the iPhones did not conform with the reasonable expectations of ordinary consumers. 10 Indeed, Defendant has received hundreds of comments regarding the iPhone 4s and 5's Wi-Fi and 11 Bluetooth connectivity issues since iOS was released.

12 31. Plaintiff brings this action on behalf of himself and all other similarly situated 13 consumers who purchased and/or own the iPhone 4, iPhone 4s or iPhone 5 and experienced Wi-Fi and Bluetooth connectivity issues after downloading iOS 7, in order to halt the dissemination of 14 15 Apple's false and misleading advertising message, and to obtain redress for those who have acquired an iPhone 4, iPhone 4s or iPhone 5. Plaintiff alleges violations of the Consumers Legal Remedies 16 Act, California Civil Code §1750, et seq. (the "California Act"); violations of the Unfair 17 18 Competition Law, California Business and Professions Code §17200, et seq. (the "UCL"); breach of 19 express warranty; intentional misrepresentation; and negligent misrepresentation.

20

#### JURISDICTION AND VENUE

32. This Court has jurisdiction pursuant to 28 U.S.C. §1332(a)(1) as modified by the
Class Action Fairness Act of 2005, because at least one member of the Class is a citizen of a
different state than Defendant, there are more than 100 members of the Class, and the aggregate
amount in controversy exceeds \$5,000,000.00, exclusive of interest and costs.

25 33. Pursuant to 28 U.S.C. §1391(b), venue is proper in this District because a substantial
26 part of the events or omissions giving rise to the claims occurred in this District.

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#### INTRADISTRICT ASSIGNMENT

34. A substantial part of the events or omissions which give rise to the claims in this action occurred in the county of Santa Clara, and as such this action is properly assigned to the San Jose branch of this Court.

#### PARTIES

6 35. Plaintiff David Yastrab is a citizen and resident of the State of New York. Plaintiff 7 acquired a 16 GB version of the iPhone 4s, Serial Number 990-00101148043, on April 30, 2012. In 8 acquiring his iPhone 4s, Plaintiff viewed Apple's representations regarding the iOS 7 update, the 9 iPhone 4s's ability to download future iOS updates, Bluetooth and Wi-Fi connection capabilities, 10 ability to backup data via iCloud and the ability to run apps via a Wi-Fi connection. Plaintiff would 11 not have acquired the iPhone 4s if he had not seen these representations. Further, Plaintiff would not 12 have downloaded iOS 7 onto his iPhone 4s if he had known it would cause Wi-Fi and Bluetooth 13 connectivity issues on his device.

14 36. Defendant Apple is a California corporation with its headquarters and principal place
15 of business in Cupertino, California, within this District. Apple is the designer and manufacturer of
16 the iPhone 4s and iOS 7. Apple transacts substantial business throughout the State of California,
17 through advertising, marketing, and ownership of Apple retail stores in several California locations,
18 including in this District, where many members of the Class purchased the iPhone 4s.

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#### SUBSTANTIVE ALLEGATIONS

#### 20 Background

37. Apple manufactures, designs, produces, and sells several types of electronic products,
including, among others, personal computers, portable music players, cellular phones, and other
communication devices. Apple currently has over 400 retail stores in 13 countries, as well as an
online store that sell these electronic devices.

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38. Then-CEO Steve Jobs introduced the iPhone 4 on June 7, 2010, calling it "the biggest
 leap since the original iPhone."<sup>34</sup> Just three days after its launch on June 24, 2010, Apple announced
 it sold over 1.7 million units.<sup>35</sup>

39. Defendant's iPhone 4s launched on October 14, 2011. Within its first three days of
sale, over four million iPhone 4s's were sold. Philip Schiller, Apple's Senior Vice President of
Worldwide Product Marketing, commented that the "iPhone 4s is off to a great start with more than
four million sold in its first weekend – the most ever for a phone and more than double the iPhone 4
launch during its first three days."<sup>36</sup>

9 40. Defendant's iPhone 5 launched on September 24, 2012 and was even more successful 10 than the iPhone 4s, selling over five million units within the first three days. Tim Cook, Apple's CEO, commented on the iPhone 5's success, stating: "Demand for iPhone 5 has been incredible and 11 we are working hard to get an iPhone 5 into the hands of every customer who wants one as quickly 12 13 as possible . . . While we have sold out of our initial supply, stores continue to receive iPhone 5 shipments regularly and customers can continue to order online and receive an estimated delivery 14 15 date. We appreciate everyone's patience and are working hard to build enough iPhone 5s for everyone."37 16

- 17 41. The iPhone 4 came standard with iOS 4, the iPhone 4s came standard with iOS 5 and
  18 the iPhone 5 came standard with iOS 6. Owners of these phones were prompted to download the
  19 iOS 7 update when it was made available for download September 17, 2013.<sup>38</sup> According to Apple's
  20 website, the update is compatible with the iPhone 4 and later, iPad 2, iPad with Retina display, iPad
  21
- 22 <sup>34</sup> http://www.apple.com/pr/library/2010/06/07Apple-Presents-iPhone-4.html (last visited April 18, 2014)
- <sup>23</sup> https://www.apple.com/pr/library/2010/06/28iPhone-4-Sales-Top-1-7-Million.html (last visited April 18, 2014)
- 25 <sup>36</sup> http://www.apple.com/pr/library/2011/10/17iPhone-4S-First-Weekend-Sales-Top-Four-Million.html (last visited April 18, 2014)
- 26  $^{37}$  *Id.*
- <sup>27</sup>
   <sup>38</sup> http://www.apple.com/pr/library/2013/09/10iOS-7-With-Completely-Redesigned-User-Interface-Great-New-Features-Available-September-18.html (last visited April 18, 2014)

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Air, iPad mini and iPad mini with Retina display and iPad touch 5th generation.<sup>39</sup> Craig Federighi,
 Apple's Senior Vice President of Software Engineering, commented on the update, stating: "iOS 7 is
 completely redesigned with an entirely new user interface and over 200 new features, so it's like
 getting a brand new device, but one that will still be instantly familiar to our users."<sup>40</sup>

5 42. The look of icons, apps and home screens were all dramatically changed to what 6 Apple dubbed a much "simpler, more useful interface" that "brings clarity to the entire 7 experience."<sup>41</sup> Wanting to have the latest and greatest Apple software and features at no additional 8 cost, millions of iPhone users download updates, like iOS 7. The adoption rate (the percentage of 9 Apple users that have downloaded an update) for iOS 7 reached 74% in the first three months of 10 availability, and quickly rose to 80% after four months.<sup>42</sup>

11 43. The iPhone 4, 4s and 5 include a version of Apple's web browsing application, Safari, 12 as well as access to the App Store, iTunes Library, iBooks Store, contacts, and notepad. All iPhone 13 content is downloadable via Wi-Fi or Network connection, but some content may only be 14 downloaded via a Wi-Fi connection. Applications that are larger in size, for example, can only be 15 downloaded wirelessly over a working Wi-Fi connection, and not over a Network connection.

44. Certain video streaming services, including Amazon's instant video service,<sup>43</sup> which
allows users to watch tens of thousands of movies and TV episodes on Apple devices, can only be
used with a WiFi connection. It is not available over 3G/4G or LTE connections.<sup>44</sup>

20 21 <sup>39</sup> https://www.apple.com/ios/features/ (last visited April 18, 2014)

19

22 http://www.apple.com/pr/library/2013/09/10iOS-7-With-Completely-Redesigned-User-Interface-Great-New-Features-Available-September-18.html (last visited April 18, 2014)

<sup>23</sup> https://www.apple.com/hk/en/ios/design/ (last visited April 18, 2014)

- <sup>24</sup>
   <sup>42</sup> http://www.maclife.com/article/news/apple\_ios\_7\_adoption\_rate\_now\_80 (last visited April 18, 2014)
- 26 <sup>43</sup> http://www.amazon.com/gp/feature.html?&docId=1000798971 (last visited on April 18, 2014)
- http://www.tuaw.com/2012/12/13/amazon-instant-video-app-updated-to-support-to-iphone-and-ipod-t/ (last visited on April 18, 2014); http://forums.macrumors.com/showthread.php?t=1507359
   (last visited on April 18, 2014)

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45. The iPhones can connect to the internet using either a Network connection, or
properly operating Wi-Fi connection. When users purchase an iPhone, they must select a data plan
from their cellular provider and use the providers Network connection in order to use internetenabled features when Wi-Fi is unavailable. Data plans range in the amount of data a device may
access without the user incurring overage charges. Overage charges occur when a user exceeds the
data allowance on his or her plan. When a user is connected to a Wi-Fi connection, any data used
does not count toward the amount allotted by a user's monthly data plan.

46. Utilizing Wi-Fi can amount to serious cost savings for users who use a lot of data, or
cannot afford more expensive data plans. The ability to use a Wi-Fi connection is appealing to
customers because downloading data-rich content using a Network connection can be very
expensive, especially when users exceed the monthly data limits of their plan and have to pay costly
overage fees.

12

47. For example, Verizon Wireless charges \$30 for 2GB of monthly data, and \$10 for each GB over the allotted 2GB per month.<sup>45</sup> The two other data plans include 5GB for \$50 per month and 10GB for \$80 per month.<sup>46</sup> If a user goes over this or her plan's allotted data, regardless of whether they originally had a 2GB, 5GB or 10GB plan, they are charged \$10 for each GB over the plan.<sup>47</sup> Notably, data plan charges are paid in addition to the cost for cellular minutes and purchasing the actual device.

48. After downloading the update, Plaintiff and Class members' iPhones lost the ability
to connect to Wi-Fi or Bluetooth and were no longer able to run Siri, or other applications via a WiFi connection, and could only download and run these applications using a Network connection, thus
using data from their cellular plan.

49. Perhaps most ironically, updates like iOS 7, because of their large size, can only be
 downloaded wirelessly via a Wi-Fi connection. Therefore, Plaintiff and members of the Class are
 <sup>45</sup> http://www.verizonwireless.com/b2c/includes/plans/dataInfoOverlay.jsp (last visited April 18, 2014)

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Id.

Id.

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unable to wirelessly download any future iOS updates. The ability to download iOS updates is
 important because it allows users to add the latest iOS features on their older devices, but is also
 important when iOS versions are flawed in a way that is only remedied via a downloadable patch or
 later version of iOS.

5 50. Soon after iOS 7 was released, it was revealed that the update had a major security flaw requiring users to download a software patch, iOS 7.0.6, to fix. iOS 7.0.6 was the sixth update 6 7 to iOS 7. This security flaw in iOS 7 effected how the software validates SSL certificates, which are 8 critical in establishing secure sessions. To establish secure sessions, websites or devices "verfi[y] 9 that the information is coming from a trusted source. By validating the certificate, the bank website 10 knows that the request is coming from the user, and is not a spoofed request by an attacker. The browser also relies on the certificate to verify the response came from the bank's servers and not 11 from an attacker sitting in the middle and intercepting sensitive communications."48 12

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13 51. In describing the iOS 7.0.6 patch, Apple stated on its website that the reason for the
14 patch was that "[a]n attacker with a privileged network position may capture or modify data in
15 sessions protected by SSL/TLS."<sup>49</sup> Devices without the patch are vulnerable to attack by hackers
16 who "could intercept, and even modify, the messages as they pass from the user's iOS 7 device to
17 secured sites, such as Gmail or Facebook, or even for online banking sessions."<sup>50</sup> Users cannot
18 download iOS updates over 3G/4G or LTE connections.

19 52. In an article titled "Apple's Serious Security Issue: Update Your iPhone or iPad 20 Immediately," the *New York Times* stressed the importance of downloading the security issue patch. 21 The article explained: "In a nutshell, Apple has a security hole in both its mobile and desktop 22 operating systems that could let a malicious hacker jump in on what you think is a secure Web 23 transaction if you're on a public Wi-Fi network like those at a coffee shop, airport or some other location. . . . Thanks to this flaw, your browser can't verify the authenticity of an encryption 24 25 48 http://www.pcmag.com/article2/0,2817,2453936,00.asp (last visited April 18, 2014) 26 49 http://support.apple.com/kb/HT6147 (last visited April 18, 2014)

<sup>27</sup> http://securitywatch.pcmag.com/apple/320936-apple-fixes-fundamental-ssl-bug-in-ios-7 (last visited April 18, 2014)

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| 1        | certificate, meaning someone could easily be pretending to be your bank's website, your doctor's  |
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| 2        | office site or a credit card application form." <sup>51</sup>   |
| 3        | Problems Emerge After iOS 7 Is Downloaded by iPhone Users   |
| 4        | 53. Plaintiff acquired his iPhone 4s (16 GB version), Serial Number 990-00101148043,  |
| 5        | on or around April 30, 2012.  |
| 6        | 54. After receiving an alert from Apple in or about October 2013 notifying him that the   |
| 7        | iOS 7 update was available, Plaintiff promptly downloaded the update.   |
| 8        | 55. After the download was complete, the Wi-Fi and Bluetooth connection capabilities  |
| 9        | on his iPhone were "grayed out" or, in other words, disabled.   |
| 10       | 56. Upon information and belief, Plaintiff's problems with the iPhone 4s's Wi-Fi and  |
| 11       | Bluetooth connection capabilities are not unique. The Grayed Out Issue has been experienced by  |
| 12       | iPhone 4, 4s and 5 users after they download and run iOS 7. Indeed, Defendant has received  |
| 13       | thousands of comments regarding the Wi-Fi and Bluetooth connectivity issues after iOS 7 was   |
| 14       | downloaded.   |
| 15       | 57. In a discussion thread on Apple's support site titled "Wifi greyed out on iphone 4s   |
| 16       | with ios 7," a sampling of users' posts included the following:   |
| 17       | Haymen<br>Sep 22, 2013 5:12 PM  |
| 18       | What happened with me is really the same except Wifi was working for almost a day but suddenly both Wifi and Bluetooth has stopped at once please any advice???? <sup>52</sup>            |
| 19       | nealfrirl   |
| 20       | Sep 25, 2013 5:03 AM<br>I have this EXACT problem too. The Wifi is generally greyed out, then after   |
| 21       | restarting it about 50 times, updating it 12 time, standing on my head and doing the twist it comes back but only briefly.  |
| 22       | I'm spending a fortune on 3G because of it!<br>My bluetooth is also affected. HEEEELP! <sup>53</sup>  |
| 23       | PetrVIVIVI  |
| 24       | Sep 26, 2013 1:22 PM  |
| 25<br>26 | <sup>51</sup> http://bits.blogs.nytimes.com/2014/02/24/apples-serious-security-issue-update-your-iphone-or-<br>ipad-immediately/?_php=true&_type=blogs&_r=0 (last visited April 18, 2014) |
| 27       | <sup>52</sup> https://discussions.apple.com/thread/5331834?tstart=0 (last visited April 18, 2014)   |
| 28       | <sup>53</sup> https://discussions.apple.com/thread/5331834?start=15&tstart=0 (last visited April 18, 2014)  |
|          | COMPLAINT FOR VIOLATIONS OF THE CONSUMERS LEGAL REMEDIES ACT - 16 -   |

Hi. I have the same problem. WIFI and bluetooth are grayed out and I can not turn them on. Hope that this is some software issue. I dont want to replace any hardware because I am out of warranty. I have iphone 4S 16GB with IOS7.<sup>54</sup>

#### loniep

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Sep 30, 2013 3:48 AM

I've had the same problem since updating to ios7 (greyed out wifi etc.). I've been on Apple chat for over 2 hours and they are not prepared to fix (as out of warranty). I went to my cellular provider (Vodafone) who state that it is a known issue by Apple! They won't fix the phone for free even though it's a result of an ios update! They've told me (on Apple Chat) that the ios update only highlighted the problem - the hardware was 'about' to fail in any case! Not sure how true that is!<sup>55</sup>

#### iPhoneandy

Sep 30, 2013 1:17 PM

Same here, it sounds like full BS from apple. WiFi and all functions has been perfectly well and my phone has been gently used generally and for sure from update to iOS7. WiFi started to loose connection to networks and refresh the list all the time then it got greyed out, came back for a short while then permanently beeing greyed out. Freezing the phone to make it work is a clear sign of HW failure. The fact that a lot of people experience the same problem shortly after iOS update on totally different ages of phones is also clearly pointing out iOS bug as the cause. Why does it take different time from update to malfunction, well, circuits are different, usage is different, for example in how warm environment is it used. Was phone used as GPS while charging and lots of apps running in a hot car, the phone most likely was extremly much warmer then a phone used minimally.

APPLE!!! Take care of this! We know you make huge margins and they must be used to sponsor misstakes that are caused by YOUR misstakes. Believe me I know my homework, I'm working in electronics business with embedded development and HW manufacturing and testing.<sup>56</sup>

#### Bin Kroon

Oct 3, 2013 11:12 AM

I am having the exact same problem on my iPhone 4S after installing iOS7. Today I installed iOS7 and since the upgrade the wifi is now greyed out and I can not get it switched on anymore. Tried several restarts, have reset the network settings but all to no avail. However Bluetooth still does work, but the BT sound quality has drastically deteriorated since the upgrade to iOS7 to the extent that people can no longer understand me, making BT no longer usuable. (until this morning the use of Bluetooth was flawless and crystal clear using my Plantronics Voyager headset). So far in this discussion I see no response from Apple in this issue. So it seems we are all out in the dark on possible solutions which only Apple can provide. My iPhone is now a little over a year old and I find it hard to accept that Apple would not assist her customers in solving a problem caused as a result of the iOS7 upgrade. Furthermore I NEED my wifi when travelling abroad and I fly to Asia next week. Without a working iPhone with wifi I can not communicate with my office. So if Apple does not come to the rescue I'll have no choice but to purchase a new phone. And I can

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Id.

Id.

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<sup>56</sup> *Id.* 

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|          | Case5:14-cv-01974 Document1 Filed04/29/14 Page19 of 40   |
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| 1<br>2   | assure you, in that case it will most likely not be an iPhone. Therefor my plea here on this Apple website to the Apple support team: Please come to our rescue and assist your customers in finding a solution to this problem!! <sup>57</sup>  |
| 3        | Chti59   |
| 4        | Oct 3, 2013 11:38 AM<br>My iPhone 4S is going in for service tomorrow after having tried all the tricks  |
| 5<br>6   | (except anything involving temperature changes) to no avail. Since updating it to ios 7, the wifi button is greyed out, I have no bluetooth and no reception to the point where the Apple representative I spoke to over the phone asked to ring me back on my home line and added the reception issue to my file. |
| 7        | Thankfully in Europe it's covered for 2 years so barring any unforeseen problems, I  |
| 8        | should either be getting a fixed phone or a new phone. So disappointed that a company like Apple could make such a huge mistake! <sup>58</sup>   |
| 9        | <b>ios7.2</b><br>Oct 4, 2013 9:28 PM   |
| 10       | After I upgraded my iphone 4S to IOS 7, the Wifi and bluetooth worked for 2 days   |
| 11       | and stopped working after that. My wifi is grayed out. I have tried all the tricks<br>nothing is working for me. I went to apple store, the tech after running the diagnosis<br>talls me that he is not able to identify what the issue is how Sadl unfortunately the  |
| 12       | tells me that he is not able to identify what the issue is how Sad! unfortunately the phone is not under warrenty. Apple has to acknowledge that this is an IOS 7 issue and release a fix. If not they should recall the defeative inhome 4s. Norw   |
| 13       | and release a fix. If not they should recall the defective iphone 4s. Very disappointed with Apple. <sup>59</sup>  |
| 14       | <b>Ezuq</b><br>Nov 17, 2013 11:55 AM   |
| 15       | So, this is my situation. My WiFi got greyed out and it didn't take me long to realise that it was a hardware issue. I waited around for 3 weeks trying all sorts of quick   |
| 16       | fixes. From removing the WiFi chip and heating it, to placing it in a freezer. The freezer solution worked, but for me, it only lasted 5-20 minutes, the my phone would  |
| 17       | get hot. Seeing there was no solution, I ordered a genuine iPhone 4S Wifi chip. It was only £5 and is cheaper than paying £200 for an iPhone 4S. So after I ordered it,  |
| 18       | my battery went to around 18% and turned itself off. I thought nothing of it and left it to charge. A couple of seconds later, the apple logo appeared, and the home screen  |
| 19       | came on.   |
| 20       | Then, I looked up at the notification bar and saw my WiFi was on! To see if this was<br>a fluke, I played some of the most graphically intense games I could get from the  |
| 21<br>22 | App Store to get my phone very hot. And guess what? WiFi is still on!! One thing I have noticed is that my phone is much cooler than normal. Anyway, for those who   |
| 22<br>23 | are in a less fortunate situation than myself, replace the WiFi chip. It is easy to do,<br>and is MUCH, MUCH cheaper than getting a new iphone. If anyone wants a link to<br>a video which I used to remove the WiFi chip, message me, and if you want the ebay  |
| 23<br>24 | link to the WiFi module I purchased, also message me. <sup>60</sup>  |
| 25       | <sup>57</sup> https://discussions.apple.com/thread/5331834?start=30&tstart=0 (last visited April 18, 2014)   |
| 26       | $^{58}$ Id.  |
| 20<br>27 | <sup>59</sup> https://discussions.apple.com/thread/5331834?start=45&tstart=0 (last visited April 18, 2014)   |
| 28       | <ul> <li><sup>60</sup> https://discussions.apple.com/message/23819352#23819352 (last visited April 18, 2014)</li> </ul>  |
| -        | COMPLAINT FOR VIOLATIONS OF THE CONSUMERS LEGAL REMEDIES ACT - 18  |

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|----------|--|
| 1        | 58. Another thread on Apple's support site entitled "WIFI disabled – Greyed out since  |
| 2        | iOS 7 update on iphone 4s" further details consumers' common complaints:   |
| 3        | Tarrantion82   |
| 4        | Sep 23, 2013 3:32 AM<br>My 4s has had no WIFI issues until i updated to iOS 7. after the update it worked for  |
| 5        | about 20 hours then disabled. I noticed my wifi was no longer connected, i checked<br>the wifi was on and it was, still unable to connect i restarted the phone and now the  |
| 6        | WI-FI button is grey, dim and wont switch on. However Bluetooth does work fine,<br>so I'm thinking it's not the chip.  |
|          | network setting reset  |
| 7        | factory reset itunes crashed while restoring my data so now unable to re-sync my personal data   |
| 8        | battery drain<br>freezer   |
| 9        | nothing seems to fix this issue ! after reading forums it seems a similar thing happened when iOS 6.x.x was released, my 4s is out of warranty, apple seem to be             |
| 10       | taking no responsibility for the issue, clearly caused by the update as had zero issues<br>until that point which I find "convenient" as it so happens to co-inside with new |
| 11       | iphone launches.<br>Please help anyone in the same boat ?  |
| 12       | not a happy camper! <sup>61</sup>  |
| 13       | manos_var<br>Sep 24, 2013 11:19 AM (in response to Tarrantion82)   |
| 14       | I had two iPhone 4s with the same problem, My first phone wifi greyed out after 11 months, so it was under warranty and replaced from Apple. The replacement's               |
| 15       | iPhone wifi greyed out too after 32 days and replaced again (replacement Iphone have 3 months under warranty). Now i have the 3rd iPhone 4s in a year, and hope to           |
| 16       | be more lucky <sup>62</sup>  |
| 17       | 59. Other internet forums and posts, created to discuss the Grayed Out Issue, read:  |
| 18       | epi231 May 23, 2013 2:50 PM  |
| 19       | Iphone 4S, running iOS 6.1.3<br>Wifi toggle is greyed out. Tried rebooting and resetting the network settings in Reset   |
| 20       | Options but nothing works. I googled this problem and it seems many Iphone 4s owners are having this issue. There is also a discussion in the Apple forums                   |
| 21       | regarding this issue. I would like to know from Verizon what my options are. From reading the Apple forums it seems its a issue with the product itself and not the user.    |
| 22       | You can google it or go on the apple forums and look for yourself. This is a issue which is no fault of the user. <sup>63</sup>  |
| 23       | tjomro Jun 1, 2013 9:42 AM (in response to epi231)   |
| 24       | I am having this same issue. My IPad connects fine but like epi231 said - wifi is greyed out (and so is bluetooth on mine) I have had the phone for 6 months and for         |
| 25       | about a week this has been an issue. I am going to stop at a store as you did. I would   |
| 26       | <sup>61</sup> https://discussions.apple.com/thread/5356193 (last visited April 18, 2014)   |
| 20<br>27 | <sup>62</sup> https://discussions.apple.com/thread/5356193?start=15&tstart=0 (last visited April 18, 2014)   |
| 28       | <sup>63</sup> https://community.verizonwireless.com/thread/799058 (last visited April 18, 2014)  |
| 20       |  |
|          | COMPLAINT FOR VIOLATIONS OF THE CONSUMERS LEGAL REMEDIES ACT - 19 -  |

really just like it fixed as I have a few apps that I depend on with info in them. Thanks for your information, wish me luck!<sup>64</sup>

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chrispy3093 Sep 25, 2013 11:06 PM

Wifi Grayed out after ios7 updated among other things.

So everything worked perfectly until I updated to ios7. Now my wifi will not turn on, or should i say allow me to turn it on. I have tried everything including a factory reset on my phone and still nothing. When I say everything, I mean: Network settings reset, network settings reset with airplane mode on, erased (') from iphone name, etc. Pretty much everything I could find on the web relating to the problem I tried. I have also taken my phone to a Verizon store, where the woman suggested my antenna was toast and i probably needed a new phone... I thought that was pretty cute considering i could still make call's and still use my data on my phone. I also told her several times that it started only after I had installed the update. Sorry to sound kind of angry, but i am quite frustrated. If anyone could help at all that would be much appreciated.<sup>65</sup>

# TonyaS13 Sep 30, 2013 8:46 AM (in response to Verizon Wireless Customer Support)

I am having the same dilemma. Not longer after I downloaded iOS7, my WiFi is also became grayed out. I reset my Network Settings, to no avail. I then went to Settings > General> Software Update and there is a version 7.0.2 available. Problem is - I don't have WiFi. WiFi is required to "Download and Install" the update. What can be done to retain my WiFi?? I have an iPhone 4S.<sup>66</sup>

## 13 MacRock

Member

Group:Members

15 Posts:87

- Joined:04-January 08 16 Posted 27 October 2013 - 04:16 PM
- Has anyone seen this thread: https://discussions....?thread=5328365 My iPhone 4S
  won't recognize any WiFi (in coffee shops, at my work, at home) now that I have
  "upgraded" to the latest IOS. It also won't open anything to type in any passwords
  when it does see a network. Why does Apple even release this crap without testing
  for bugs? This is almost as bad as Lion. Is there a fix on the horizon. I now have a
  fairly useless iPhone and iPad Mini. I now have to carry my original non-updated
  iPad to log into WiFi if I go out. Apple is quickly losing more points with me.
  Android is looking better all the time.
  - Is there a known simple fix or are well all (note 600+ complaints to Apple) screwed?<sup>67</sup>

#### brettyboo 10/11/13 at 1:59am

- My wife and I both have a 4s.
- We both upgraded to iOS 7.0.2.
- $24 \boxed{64} Id.$

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- <sup>25</sup> https://community.verizonwireless.com/thread/806529\ (last visited April 18, 2014)
- $^{26}$   $^{66}$  *Id.*
- <sup>27</sup> http://forums.macworld.com/index.php?/topic/153502-wifi-doesnt-work-with-ios-7/ (last visited April 18, 2014)
  - COMPLAINT FOR VIOLATIONS OF THE CONSUMERS LEGAL REMEDIES ACT

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|---|--|
| 1<br>2<br>3<br>4<br>5<br>6<br>7<br>8<br>9<br>10<br>11<br>12<br>13<br>14<br>15<br>16<br>17<br>18<br>19<br>20<br>21<br>22<br>23<br>24<br>25<br>26 | Case5:14-cv-01974 Document1 Filed04/29/14 Page22 of 40 BOTH NOW FAIL WIFL Just random, right? You tell me the odds. <sup>66</sup> Xynis 10/16/13 at 12:19pm Thave had this iPhone 4S since October 2012. I bought it with it's original iOS 5 and upgraded to IOS 6 having no problems. The button for the wiff button didn't grey out until 1 updated to IOS 7. This means that this is not a hardware problem, because the phone was perfectly fine with he previous two IOS updates. Now I can't even turn my wiff on, having to use my 4G every day even though my home internet is faster 1 don't have the option to be able to use it. I hope the next update IOS 7.0.3 would fix this issue, I really hope to stick with the Apple company because I personally love iPhones more than the Samsung Galaxy phones. Apple please do your best and help us! <sup>69</sup> McgeMore 10/17/13 at 11:59am Well, I guess I'm one of the UNLUCKY ones! y 4S - only a year and 7 months old, worked great. Before, the update. My hubshand warned me to never update my phone since the has had 2 Phone's that have had problems after the update, but that stupid little 'T' that stays on my phone unless I update gets me every time. First few days - my phone was fine. Then, the battery starde waring down. I read every blog from here to Nigeria to find out how to fix it. I turned off everything I could. Then, no wifi. Completely greyed out. Again, read every blog, restored for factory settings, lost everything. Finally, I apple-chatted. They told me I had to bring it into the Genius bar. I boroght into the Genius at in Mission Viejo, CA. They ran a diagnostic test and the girl told me this: "T m sorry. When you updated your software it seems to have broken the hardware in your phone that runs the wifi. The only thing I can offer you, since your warranty ran out, is another refurbished phone for 5199." So you wind the distributed that. Basically you could give me my old 1996 Nokia phone has find. Lear.' I play my spoify. ['Thues randice the seause they all eat up too much data. Basically you c |
| 27<br>28  | https://www.change.org/petitions/apple-to-get-apple-to-replace-all-units-affected-negatively-by-<br>the-update-of-ios7-or-patch-an-update-that-will-remedy-the-issues-many-loyal-customers-are-<br>experiencing?share_id=EWvbUpSNtW&utm_campaign=mailto_link&utm_medium=email&<br>utm_source=share_petition (last visited April 18, 2014)  |
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|----------|--|
| 1        | <b>David Poyner GLASTONBURY, UNITED KINGDOM</b><br>My iPhone 4S is now virtually useless. WiFi no longer works and the GUI is  |
| 2        | horrible. <sup>72</sup>  |
| 3        | <b>Chow-lung Ting SAN DIEGO, CA</b><br>Iphone 4s is a defective product and it needs to be repaired voluntarily and  |
| 4        | immediately without cost, instead of urging customer to keep updating iOS or luring with newer product line. I did not do anything to deserve a dyfunct phone. <sup>73</sup>   |
| 5        | Bo Bennike SHERMAN OAKS, CA  |
| 6<br>7   | I am one of the many victims of a know design flaw with regards to the wifi antenna on early iPhone 4s models. Apple should fix this for free. <sup>74</sup>   |
| 8        | <b>Mina Nabil GERMANY</b><br>iOS 7 screwed up my iPhone 4S's WiFi <sup>75</sup>  |
| 9        | Greg Welch KINGWOOD, TX  |
| 10       | My Iphone 4s is pretty much worthless without wifi. My previous 3 phones had the same problem but were under warranty. The apple store replaced all three of them and one time the apple a |
| 11       | and one time the apple employee could not get the new phone to operate in the store.<br>So he replaced that phone before he could get the next phone's wifi to work.<br>Unfortunately, the replacement phones only come with a 90 day warranty. Mine ran   |
| 12       | out before I had time to return it. THIS IS WRONG for Apple to be treating their customers in this manner!!! <sup>76</sup>   |
| 13       | Timothy Obiso SADDLE BROOK, NJ   |
| 14<br>15 | My iPhone 4S had WiFi no problem until i updated to iOS 7. So far I have had to blowdry my phone 15 times. The problem is a software problem ad Apple should own up to their mistake and release a patch update that would fix this issue. <sup>77</sup>   |
| 16       | 61. On October 10, 2013, Appleinsider.com posted an article titled "iOS 7 update brings  |
| 17       | more Wi-Fi issues for some iPhone 4s owners." <sup>78</sup> The article features users' posts on Apple's   |
| 18       | customer support site describing the problem they incurred after downloading iOS 7 onto their  |
| 19       | iPhone 4s's and draws a comparison to what seems to have been a similar problem when iOS 6 was   |
| 20       | rolled out. The article stated: "The same issue was reported during last year's rollout of iOS 6, when   |
| 21       | $\frac{1}{72}$ Id.   |
| 22       | <sup>73</sup> <i>Id.</i>   |
| 23       | $^{74}$ <i>Id.</i>   |
| 24       | <sup>75</sup> <i>Id.</i>   |
| 25       | <sup>76</sup> <i>Id.</i>   |
| 26       | <sup>77</sup> <i>Id</i> .  |
| 27       | <sup>78</sup> http://appleinsider.com/articles/13/10/10/ios-7-update-brings-more-wi-fi-issues-for-some-  |
| 28       | iphone-4s-owners (last visited April 18, 2014)   |
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a 91-page thread — now repurposed for discussing the issue as it relates to iOS 7 — appeared in
 September. Many users at that time found the problem could be resolved by downgrading to the
 previous iOS release, something that is not possible with iOS 7."<sup>79</sup>

| 4  | 62. Regarding the Grayed Out Issue, NBC Connecticut interviewed Kelly Shermer, an   |
|----|---|
| 5  | iPhone 4s user who experienced dull battery life and had Wi-Fi disabled after downloading iOS 7.  |
| 6  | Shermer explained that she tried to fix the issue by following Apple's suggestions, but to no avail.  |
| 7  | Mike Shermer, her husband, took her iPhone 4s to the Apple store where he was told the issue was  |
| 8  | not iOS, but rather the iPhone 4s's antenna, and that he should replace the phone. <sup>80</sup> Mike Shermer   |
| 9  | said: "Why should I have to pay for a phone that's broken, only because I installed software on it?   |
| 10 | That's Apple software." <sup>81</sup> Lon Seidman, a tech expert and writer for CTNewsJunkie, who was also  |
| 11 | interviewed for the news story, advised iPhone 4s users that since "most Wi-Fi and battery issues   |
| 12 | seem to primarily affect the iPhone 4S, customers with that model who haven't had issues should   |
| 13 | hold off on updating their phone until a new iOS patch is released." <sup>82</sup>  |
| 14 | 63. A more recent version of iOS 7, iOS 7.1, was released by Apple on March 10, 2014. <sup>83</sup>   |
| 15 | According to user posts on Apple's support website, the update did not provide relief from the Wi-Fi  |
| 16 | and Bluetooth connectivity issues for the iPhones that were grayed out after downloading iOS 7.   |
| 17 | 64. For example, the following were posted under the thread "The iOS 7.1 update doesn't   |
| 18 | fix the Wifi issue on iPhone 4S!":  |
| 19 | <b>hinc94</b><br>Mar 11, 2014 9:36 AM   |
| 20 | My wifi greyed out since iOS 7, the hair dryer did fix the problem for a day. But it greyed out again after a day, and now the 7.1 update doesn't fix that ****???                      |
| 21 | iPhone 4S, iOS 7.1 <sup>84</sup>  |
| 22 | 79  |
| 23 |   |
| 24 | <sup>80</sup> http://www.nbcconnecticut.com/investigations/Apple-Releases-New-iOS-Upgrade-Will-it-Fix-Customers-Wi-Fi-and-Battery-Problems-233403381.html (last visited April 18, 2014) |
| 25 | <sup>81</sup> <i>Id.</i>  |
| 26 | $^{82}$ Id.   |
| 27 | <sup>83</sup> http://www.usatoday.com/story/tech/2014/03/10/apple-ios-7-update/6260611/ (last visited April   |
| 28 | 18, 2014)   |
|    |   |

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|----|--|
|    |  |
| 1  | <b>JG0614</b><br>Mar 12, 2014 7:19 AM  |
| 2  | My WiFi worked fine yesterday, prior to the iOS7.1 update. Immediately after the update, WiFi selection was "greyed-out" and am not able to turn it on to search for   |
| 3  | networks. How is this a Hardware issue and not directly related to the Software  |
| 4  | update? The update is the only thing that changed. Please explain. <sup>85</sup><br>65. Not only did iOS 7.1 fail to fix the Wi-Fi and Bluetooth issues caused by iOS 7.0,   |
| 5  |  |
| 6  | some who downloaded iOS 7 and did not report any Wi-Fi or Bluetooth issues began to experience   |
| 7  | those issues after downloading iOS 7.1. The following messages were posted in the thread "IOS 7.1  |
| 8  | iphone 4S wifi not available help"   |
| 9  | <b>Ibeezerd</b><br>Mar 13, 2014 1:58 PM  |
| 10 | I've done all of the above, reset network and all settings, and nothing at all. Apple also told me the chip is burnt out because of the update but they want 200 to upgrade  |
| 11 | the phone. Uh so if your update caused my chip to die, IT'S YOUR PROBLEM, not mine. All I can do now is freeze the phone for 15 mins and wifi comes back for an  |
| 12 | hour, but who the heck wants to do that? All the while my data plan is suffering big time. Thanks Apple. <sup>86</sup>   |
| 13 | <b>Enkarta98</b><br>Mar 14, 2014 1:22 AM   |
| 14 | Just want to share my experience with the same issue in hopes of it being recognized<br>and resolved. Last night, After third restart, wifi was enabled but couldn't locate or   |
| 15 | connect to my home wifi. Wifi remained not connected all day. I plugged in the   |
| 16 | phone to sync music with iTunes and move some photos to iphoto, and then when I disconnected from the computer. wifi is grey and again not available. I tried my stondard triple material and as I half expected and half. Not for pathing, but wifi |
| 17 | standard triple restart and, as I half expected, no luck. Not for nothing, but wifi<br>worked fine up until the moment the 7.1 update was installed. So perhaps there is   |
| 18 | something I am not understanding, but I don't see why a software update would<br>somehow be able to damage the physical wifi chip. Even if that could be possible, I   |
| 19 | don't understand why it would be alright for this to be released without a warning to 4s users that the software may damage the physical functions of the device.  |
| 20 | Basically, I hope that is not the case and I hope this issue will be addressed. <sup>87</sup>  |
| 21 | ahazen<br>Mar 14, 2014 5:49 PM   |
| 22 | I have the exact same problem with my iPhone 4s. As soon as I updated to iOS 7.1 my wifi was slow/on&off and then soon stopped all together. I've done a restore,  |
| 23 | elimated almost all apps and reset the settings & several hard restarts. nothing works.  |
| 24 |  |
| 25 | <sup>84</sup> https://discussions.apple.com/message/25133865#25133865 (last visited April 18, 2014)  |
| 26 | <sup>85</sup> <i>Id.</i>   |
| 27 | <sup>86</sup> https://discussions.apple.com/thread/5984942?start=15&tstart=0 (last visited April 18, 2014)   |
| 28 | <sup>87</sup> <i>Id.</i>   |
|    | COMPLAINT FOR VIOLATIONS OF THE CONSUMERS LEGAL REMEDIES ACT - 24 -  |

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|----------|---|
| 1        | Heading to the Apple store tomorrow and hopeing to get a reasonable solution. I'll post an update as to how things go. <sup>88</sup>  |
| 2        |   |
| 3        | <b>caseyinberlin</b><br>Mar 17, 2014 2:56 PM  |
| 4        | I'm in the exact same boat with my 4S. My wifi has been greyed out from the moment that I upgraded and only sporadically returned for five minutes here and there. The phone is also super slow and freezes constantly. I would LOVE to                         |
| 5        | know how many of us are suffering from the same problem. Apple, if you don't act soon, you are going to really start losing some customers. <sup>89</sup>   |
| 6<br>7   | 66. Users of the iPhone 5, which was released in September 2012 and came with iOS $6^{90}$  |
| 8        | have voiced similar complaints, saying that updating to iOS 7 caused Wi-Fi and Bluetooth  |
| 9        | connectivity issues:  |
| 10       | <b>omglpl</b><br>Re: iphone 5 wont connect to internet while using data or Wifi after iOS 7.0.6 update<br>Feb 25, 2014 2:10 PM  |
| 11       |   |
| 12       | Same problemno wifi connectability on either my ipad mini retina display nor my iPhone 5 after installing 7.0.6 upgrade. This is really unacceptable and Apple needs to fix this right away. It clearly is impacting many, many Apple customers. <sup>91</sup>  |
| 13       | Frodo711  |
| 14       | Re: wifi greyed out after update to ios7<br>Oct 5, 2013 8:54 PM   |
| 15       | Just to throw a spanner in your summary - I have Iphone 5 doing exactly the same after IOS 7 update <sup>92</sup>   |
| 16       | twannabe  |
| 17       | Re: wifi drops out since ios 7<br>Oct 3, 2013 5:45 AM   |
| 18       | I am having the same issue with my two month old iphone 5 after installing ios 7. I tried all the "fixes" i found online including this one, reset my home router several   |
| 19<br>20 | times, no luck. I went to ATT they sent me to the apple store. It worked fine in the apple store, but won't pickup any other wifi for more than a few seconds. Secondly it can't even see the wifi unless you are within 10 feet of the router. When will Apple |
| 21       | address this? <sup>93</sup>   |
| 22       | $\frac{1}{88}$ Id.  |
| 23       | <ul> <li><sup>89</sup> https://discussions.apple.com/thread/5984942?start=30&amp;tstart=0 (last visited April 18, 2014)</li> </ul>  |
| 24       | <sup>90</sup> http://www.apple.com/pr/library/2012/09/12Apple-Introduces-iPhone-5.html (last visited April  |
| 25       | 18, 2014)   |
| 26       | <sup>91</sup> https://discussions.apple.com/message/24968728#24968728 (last visited April 18, 2014)   |
| 27       | <sup>92</sup> https://discussions.apple.com/message/23129669#23129669 (last visited April 18, 2014)   |
| 28       | <sup>93</sup> https://discussions.apple.com/thread/5374440 (last visited April 18, 2014)  |
|          | COMPLAINT FOR VIOLATIONS OF THE CONSUMERS LEGAL REMEDIES ACT - 25 -   |

#### Max\_R2014

Mar 12, 2014 8:18 PM

I have an iPhone 5 and since upgrading to the new ios7.1, I've been experiencing issues with my wifi connections. It will drop a connection and then won't allow me to enable wifi in my settings. I've rebooted multiple times, but the same issues are occurring. I've also rebooted my wireless router a couple times and it will allow me to connect to my wifi network, but only for a brief time before the same issues reoccur. I didn't experience these issues when I was using ios7.0.6. Please advise.<sup>94</sup>

#### 6 Apple's Response

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67. Recognizing that users have experienced their Wi-Fi settings becoming grayed out or
dim, Apple issued instructions on December 9, 2013 with suggestions on how to remedy the
problem. Apple stated: "In rare instances, the setting to turn on Wi-Fi on your iPhone, iPad, or iPod
touch may appear grayed out or dim. You may see the following when you tap Settings > Wi-Fi. If
this occurs, you can't turn Wi-Fi on, and when you try to turn Wi-Fi on, your device won't respond.
If you're using iOS 7, Wi-Fi may appear to turn on and off in Control Center, but Wi-Fi won't
respond."<sup>95</sup>

Apple's "resolution" suggested users try the following to fix the issue: (i) restart the
iOS device; (ii) ensure the device is not in airplane mode; (iii) reset the network settings; and (vi)
ensure the device has the latest software, *i.e.*, iOS 7.<sup>96</sup> If these solutions do not fix the issue, Apple
advised users to contact Apple for support and service options.<sup>97</sup> Plaintiff tried the suggested fixes
for the problem. Plaintiff also visited two Apple stores for assistance and was ultimately told, akin
to other iPhone users, that his only option was to purchase a new device.

#### 20 Users are Unable to Downgrade to Previous iOS Versions

69. Plaintiff and members of the Class had no issues with their iPhones Wi-Fi and
Bluetooth connection prior to downloading the newest version of iOS. Plaintiff asked Apple
representatives to downgrade his phone back to the previous iOS version, in an effort to remedy the
\_\_\_\_\_\_

- 25 <sup>94</sup> https://discussions.apple.com/message/25151269 (last visited April 18, 2014)
- $26 ||^{95}$  http://support.apple.com/kb/ts1559 (last visited March 24, 3014)
- 27

Id.

Id.

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| 1  | Grayed Out Issue. Upon information and belief, many iPhone users that have experienced a                                    |
|----|---|
| 2  | deterioration of the functionality of their iPhones have made the same request. Apple, however, will                        |
| 3  | not downgrade iOS on iPhones.   |
| 4  | 70. Apple, in fact, will not allow users to revert to prior versions of iOS.  |
| 5  | 71. Once a new iOS version is released, Apple stops "signing" previous versions with  |
| 6  | Apple's "signature." <sup>98</sup> A signature is "cryptographic signature of the files matches a list of approved          |
| 7  | signatures on Apple's servers." <sup>99</sup> When new versions of iOS come out, Apple stops signing older                  |
| 8  | versions and without Apple's signature, iOS cannot be installed.  |
| 9  | 72. Online comments and complaints concerning the inability or restriction to revert back                                   |
| 10 | to a prior iOS include:   |
| 11 | <b>Alamfr</b><br>Dec 27, 2013 6:17 PM   |
| 12 | Want to downgrade my iPhone ios 7.0.4 to 6.1.3 can you help me <sup>100</sup>   |
| 13 | <b>stedman1</b><br>Re: Want to downgrade my iPhone in 6.1.3   |
| 14 | Dec 27, 2013 6:18 PM (in response to Alamfr)<br>Sorry, Apple has no approved method to downgrade the version of iOS on your |
| 15 | iDevice. You can voice your displeasure with the iOS by leaving feedback at the appropriate subsection from the link below. |
| 16 | http://www.apple.com/feedback/ <sup>101</sup>   |
| 17 | naviprince09<br>Feb 27, 2014 8:08 AM  |
| 18 | i want to downgrade my ios 7 to ios 6 could you please tell me the process <sup><math>102</math></sup>                      |
| 19 | <b>KiltedTim North-East Ohio</b><br>HT5012 Re: i want to downgrade to ios 6.1.3 in iphone 4                                 |
| 20 | Feb 27, 2014 8:11 AM (in response to naviprince09)<br>Sorry. There is no process. You can't. <sup>103</sup>                 |
| 21 |   |
| 22 | <sup>98</sup> http://readwrite.com/2013/09/24/apple-ios-7-no-downgrade#awesm=~oAtXvAoPucGN5x (last visited April 18, 2014)  |
| 23 | <sup>99</sup> http://www.extremetech.com/computing/167450-downgrading-from-ios-7-to-ios-6-why-apple-                        |
| 24 | wont-let-you (last visited April 18, 2014)  |
| 25 | <sup>100</sup> https://discussions.apple.com/message/24278663#24278663 (last visited April 18, 2014)                        |
| 26 | $^{101}$ Id.  |
| 27 | <sup>102</sup> https://discussions.apple.com/message/25007292#25007292 (last visited April 18, 2014)                        |
| 28 | $^{103}$ Id.  |
|    | COMPLAINT FOR VIOLATIONS OF THE CONSUMERS LEGAL REMEDIES ACT - 27 -   |

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|----------|---|
| 1        | Mohammed 108  |
| 1<br>2   | Sep 25, 2013 11:18 AM<br>Can I downgrade IPhone 4s to 6.1.3 <sup>104</sup>  |
| 3        | Axeman1020 New Jersey, USA  |
| 4        | Re: Can I downgrade from ISO 7 to 6.1.3<br>Sep 25, 2013 11:19 AM (in response to Mohammed 108)  |
| 5        | Apple does not support iOS downgrades. There have been many people encouraging<br>this but you should know that Apple views an attempt to downgrade the iOS as<br>unauthorized tampering and will void the warranty and any future support for that |
| 6        | device.<br>Are you having a specific problem with iOS 7 we can help you with? <sup>105</sup>  |
| 7        | gopalagk  |
| 8        | Nov 7, 2013 9:38 AM<br>HOW TO DOWNGRADE IOS 7 TO 6 <sup>106</sup>   |
| 9        | ChrisJ4203 Illinois, Land of Lincoln  |
| 10       | Re: HOW TO DOWNGRADE IOS 7 TO 6<br>Nov 7, 2013 9:40 AM (in response to gopalagk)  |
| 11<br>12 | You don't. Apple does not support downgrading. <sup>107</sup><br>Preetham777  |
| 12       | Feb 18, 2014 11:12 AM<br>Hi can anyone please tell me how to restore to ios6 from ios7 in iphone 4? <sup>108</sup>  |
| 14       | Niel  |
| 15       | Re: How to restore to ios6 from ios7 in iphone 4?<br>Feb 18, 2014 11:13 AM (in response to Preetham777)   |
| 16       | Downgrading isn't possible. iTunes won't install iOS versions older than the latest compatible release, and if one's somehow installed anyway, Apple's servers won't activate the device afterwards. <sup>109</sup>                                 |
| 17       | razmee209 Central Cali  |
| 18       | Re: HOW TO DOWNGRADE IOS 7 TO 6<br>Nov 7, 2013 11:08 AM (in response to gopalagk)   |
| 19<br>20 | Restoring your phone won't give you back IOS 6.<br>As stated already you can't go back to IOS 6. <sup>110</sup>   |
| 20       |   |
| 22       | <sup>104</sup> https://discussions.apple.com/thread/5369545 (last visited April 18, 2014)   |
| 23       | <sup>105</sup> <i>Id.</i>   |
| 24       | <sup>106</sup> https://discussions.apple.com/message/23701506#23701506 (last visited April 18, 2014)  |
| 25       | $^{107}$ Id.  |
| 26       | <sup>108</sup> https://discussions.apple.com/thread/5915376 (last visited April 18, 2014)   |
| 27       | $^{109}$ <i>Id.</i>   |
| 28       | <sup>110</sup> <i>Id.</i>   |
|          | COMPLAINT FOR VIOLATIONS OF THE CONSUMERS LEGAL REMEDIES ACT - 28 -   |

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73. Because the Wi-Fi and Bluetooth connection capabilities do not perform as advertised
 or intended once iOS 7 is downloaded onto iPhone 4s devices, users are forced to use their Network
 connection in order to use any features requiring an internet connection. Not only does this cause
 unanticipated additional monthly data usage charges from the user's cellular provider, but it also
 leaves Plaintiff and members of the Class with iPhone 4, 4s and 5's of significant reduced value and
 utility.

7 74. Having the option to use Wi-Fi instead of a Network connection is material to 8 customers because it allows them to access features on their iPhone 4s devices at significantly less 9 cost than if they could only use a Network connection. Without the ability to connect to Wi-Fi, 10 many of the applications for which the iPhone 4s can be used, and for which Defendant expressly marketed the iPhone 4s to consumers, such as downloading large files or using Siri, would cause 11 users to significantly exceed the limited of their data plans, resulting in overage charges. Being able 12 13 to use Wi-Fi gives users the option to use their data plan to avoid both overage charges and having to purchase more monthly data. 14

15 75. Based upon the wide-ranging debilitating effects of the iOS 7 upgrade, its reasonable 16 and plausible to infer that Defendant had either actual or constructive knowledge of the iPhone 4s 17 and iOS 7's shortcomings prior to their distribution. To the detriment of consumers, however, the 18 bulk of Apple's massive marketing and advertising campaign, including its dominant and expansive 19 television advertisements, fail to mention the fact that when the iPhone 4s is updated to the latest 20 iOS, it may lose its ability to connect to Wi-Fi and Bluetooth.

21 76. The information withheld from Plaintiff and the other Class members is material and
22 would have been considered by a reasonable person as more detailed herein.

23

#### CLASS ACTION ALLEGATIONS

Plaintiff brings this action as a class action pursuant to Federal Rules of Civil
Procedure 23(a) and 23(b) on behalf of himself and all others similarly situated as members of the
following classes:

27

**GENERAL CLASS**: All users who experienced loss or reduced functionality of their iPhone as a result of upgrading iOS.

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**SUBCLASS**: All users of Apple iPhone 4s in the United States who experienced a loss of Wi-Fi and/or Bluetooth functionality after downloading iOS 7 (the "Class").

2 78. Subject to additional information obtained through further investigation and 3 discovery, the foregoing definition of the Class may be expanded or narrowed by amendment or and 4 amended complaint. Specifically excluded from the proposed Class are Defendant and its officers, 5 directors, agents, trustees, parents, children, corporations, trusts, representatives, employees, 6 principals, servants, partners, joint ventures, or entities controlled by Defendant; its heirs, successors, 7 assigns, or other persons or entities related to or affiliated with Defendant; its directors, or any of 8 them; the Judge assigned to this action; and any member of the Judge's immediate family. 9

79. *Numerosity*. The members of the Class are so numerous that their individual joinder is impracticable. Plaintiff is informed and believes, and on that basis alleges, that the Class contains millions of members. The precise number of Class members is unknown to Plaintiff. The true number of Class members is known by Defendant, however, and, thus, may be notified of the pendency of this action by first class mail, electronic mail, and by published notice.

14 80. *Existence and Predominance of Common Questions of Law and Fact.* Common
 15 questions of law and fact exist as to all members of the Class and predominate over any questions
 16 affecting only individual Class members. These common legal and factual questions include, but are
 17 not limited to, the following:

(a) Whether the functionality of the iPhone 4, iPhone 4s, and/or iPhone 5 was
 reduced as a result of updates to iOS;

(b) Whether the Wi-Fi and Bluetooth capabilities work as advertised after iOS 7 is downloaded onto the iPhone 4, iPhone 4s and/or iPhone 5;

(c) Whether Defendant was negligent in the design, manufacturing, and
 distribution of the iPhone 4, iPhone 4s, iPhone 5 and/or iOS 7;

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(d) Whether Defendant violated the California Act;

(e) Whether Defendant violated the UCL;

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(f) Whether the iPhone 4, iPhone 4s, iPhone 5 and/or iOS 7 designed, 1 2 manufactured, marketed, distributed, or sold by Defendant were unfit for their intended purpose and 3 use because of their design; 4 Whether Defendant breached any warranties in selling the iPhone 4, iPhone 4s (g) 5 and/or iPhone 5; (h) Whether Defendant intentionally or negligently misrepresented material facts 6 7 relating to the character and quality of the iPhone 4s and/or iPhone 5; 8 (i) Whether Defendant failed to disclose material facts about the limitations of 9 the performance of the iPhone 4, iPhone 4s and/or iPhone 5's Wi-Fi and Bluetooth connection capabilities after iOS 7 is downloaded onto the device; 10 Whether Defendant's claims are false, misleading, or reasonably likely to 11 (j) deceive; 12 13 (k) Whether Plaintiff and the other Class members have sustained monetary loss and the proper measure of that loss; 14 15 Whether Plaintiff and the Class are entitled to damages, and what is the proper (1)measure of damages; and 16 17 (m) Whether Plaintiff and the other Class members are entitled to declaratory and 18 injunctive relief. 19 81. *Typicality*. Plaintiff's claims are typical of the claims of the members of the Class in 20 that Defendant manufactured, marketed, advertised, sold, and warranted the iPhone 4, iPhone 4s 21 and/or iPhone 5, including the product's Wi-Fi and Bluetooth connection capabilities after 22 downloading iOS 7, to Plaintiff and all other members of the Class. 23 82. Adequacy of Representation. Plaintiff will fairly and adequately protect the interests 24 of the Class. Plaintiff has retained counsel highly experienced in complex consumer class action 25 litigation, and Plaintiff intends to prosecute this action vigorously. Plaintiff has no adverse or antagonistic interests to those of the Class. 26 27 83. Superiority. A class action is superior to all other available means for the fair and 28 efficient adjudication of this controversy. The damages or other financial detriment suffered by COMPLAINT FOR VIOLATIONS OF THE CONSUMERS LEGAL REMEDIES ACT - 31

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1 individual Class members is relatively small compared to the burden and expense that would be 2 entailed by individual litigation of their claims against Defendant. It would thus be virtually 3 impossible for Class members, on an individual basis, to obtain effective redress for the wrongs done to them. Furthermore, even if Class members could afford such individualized litigation, the court 4 5 system could not. Individualized litigation would create the danger of inconsistent or contradictory judgments arising from the same set of facts. Individualized litigation would also increase the delay 6 7 and expense to all parties and the court system from the issues raised by this action. By contrast, the 8 class action device provides the benefits of adjudication of these issues in a single proceeding, 9 economies of scale, and comprehensive supervision by a single court, and presents no unusual 10 management difficulties under the circumstances here.

11

84.

In the alternative, the Class may be also certified because:

(a) the prosecution of separate actions by individual Class members would create
a risk of inconsistent or varying adjudication with respect to individual Class members that would
establish incompatible standards of conduct for Defendant;

(b) the prosecution of separate actions by individual Class members would create
a risk of adjudications with respect to them that would, as a practical matter, be dispositive of the
interests of other Class members not parties to the adjudications, or substantially impair or impede
their ability to protect their interests; and/or

(c) Defendant has acted or refused to act on grounds generally applicable to the
Class thereby making appropriate final declaratory and/or injunctive relief with respect to the
members of the Class as a whole.

22 85. The claims asserted herein are applicable to all consumers throughout the United
23 States who acquired, for use and not resale, the iPhone 4, iPhone 4s and/or the iPhone 5.

24 86. Adequate notice can be given to Class members directly using information
25 maintained in Defendant's records or through notice by publication.

26 87. Damages may be calculated from the claims data maintained in Defendant's records,
27 so that the cost of administering a recovery for the Class can be minimized. However, the precise

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|  | and a find and a construction of the standard and the standard an |  |  |  |  |  |
|--|--|--|--|--|--|--|
| 1  | amount of damages available to Plaintiff and the other members of the Class is not a barrier to class  |  |  |  |  |  |
| 2  | certification.   |  |  |  |  |  |
| 3  | COUNT I  |  |  |  |  |  |
| 4  | Violations of the Consumers Legal Remedies Act<br>California Civil Code §1750, <i>et seg</i> .   |  |  |  |  |  |
| 5  |  |  |  |  |  |  |
| 6  | forth herein.  |  |  |  |  |  |
| 7  | 89. This cause of action is brought pursuant to the Consumers Legal Remedies Act,  |  |  |  |  |  |
| 8  |  |  |  |  |  |  |
| 9 California Civil Code §§1750, <i>et seq.</i> (the "California Act"). Plaintiff is a consumer as de |  |  |  |  |  |  |
| 10   | <ul><li>California Civil Code §1761(d). The product is a good within the meaning of the California Act.</li><li>90. Defendant violated and continues to violate the California Act by engaging in the</li></ul>  |  |  |  |  |  |
| 11   |  |  |  |  |  |  |
| 12   | following practices proscribed by California Civil Code §1770(a) in transactions that were intended  |  |  |  |  |  |
| 13   | to result in, and did result in, the sale of the product:  |  |  |  |  |  |
| 14   | (a) Representing that the iPhone 4, iPhone 4s and/or iPhone 5 have characteristics   |  |  |  |  |  |
| 15   | and benefits which they do not have;   |  |  |  |  |  |
| 16   | (b) Representing that the iPhone 4, iPhone 4s and/or iPhone 5 are of a particular  |  |  |  |  |  |
| 17   | standard, quality, or grade, which they are not;   |  |  |  |  |  |
| 18   | (c) Advertising the iPhone 4, iPhone 4s and/or iPhone 5 with intent not to sell  |  |  |  |  |  |
| 19   | them as advertised; and  |  |  |  |  |  |
| 20   | (d) Representing that the iPhone 4, iPhone 4s and/or iPhone 5 has been supplied  |  |  |  |  |  |
| 21   | in accordance with previous representations when they have not.  |  |  |  |  |  |
| 22   | 91. Defendant knew, or should have known, that its representations and advertisements  |  |  |  |  |  |
| 23   | regarding the iPhone 4s were unsubstantiated, false, and misleading.   |  |  |  |  |  |
| 23   | 92. Pursuant to California Civil Code §1782(d), Plaintiff seeks a Court order enjoining  |  |  |  |  |  |
| 25   | the above-described wrongful acts and practices of Defendant and for restitution and disgorgement.   |  |  |  |  |  |
| 23<br>26   | 93. Pursuant to §1782 of the California Act, notice to Defendant was satisfied when  |  |  |  |  |  |
| 20<br>27   | Plaintiff sent a notice letter by certified mail to Defendant's CEO, Timothy Cook.   |  |  |  |  |  |
|  |  |  |  |  |  |  |
| 28   |  |  |  |  |  |  |
|  | COMPLAINT FOR VIOLATIONS OF THE CONSUMERS LEGAL REMEDIES ACT - 33 -  |  |  |  |  |  |

| 1  | 94. Defendant has failed to rectify or agree to rectify the problems associated with the                             |  |  |  |  |  |  |
|----|--|--|--|--|--|--|--|
| 2  | 2 actions detailed above or give notice to all affected consumers within 30 days of the date of writt                |  |  |  |  |  |  |
| 3  | notice pursuant to §1782 of the California Act. Plaintiff hereby provides Defendant with an                          |  |  |  |  |  |  |
| 4  | additional 30 days from the date of this Complaint after which time Plaintiff will, without further                  |  |  |  |  |  |  |
| 5  | amendment, seek actual, punitive, and statutory damages, as appropriate. Defendant's conduct is                      |  |  |  |  |  |  |
| 6  | malicious, fraudulent, and wanton, and provides misleading information.  |  |  |  |  |  |  |
| 7  | 95. Attached as Exhibit "A" is Plaintiff 's declaration that demonstrates that venue is                              |  |  |  |  |  |  |
| 8  | proper in this District, pursuant to Cal. Civ. Code § 1780(d).   |  |  |  |  |  |  |
| 9  | COUNT II   |  |  |  |  |  |  |
| 10 | Violation of California's Unfair Competition Law<br>California Business and Professions Code §17200, <i>et seq</i> . |  |  |  |  |  |  |
| 11 | 96. Plaintiff realleges and incorporates by reference the previous allegations as if fully set                       |  |  |  |  |  |  |
| 12 | forth herein.  |  |  |  |  |  |  |
| 13 | 97. The UCL prohibits any "unlawful business act or practice." Defendant violated                                    |  |  |  |  |  |  |
| 14 | \$17200's prohibition against engaging in unlawful acts and practices by, <i>inter alia</i> , engaging in false      |  |  |  |  |  |  |
| 15 | and misleading advertising and omitting material facts, as set forth more fully herein, violating                    |  |  |  |  |  |  |
| 16 | California Civil Code §§1572-1573, 1709-1711 and 1770, and the common law.   |  |  |  |  |  |  |
| 17 | 98. Plaintiff reserves the right to allege other violations of law, which constitute other                           |  |  |  |  |  |  |
| 18 | unlawful business acts or practices. Such conduct is ongoing and continues to this date.                             |  |  |  |  |  |  |
| 19 | 99. The UCL also prohibits any "unfair or fraudulent business act or practice."                                      |  |  |  |  |  |  |
| 20 | 100. Defendant's acts, omissions, misrepresentations, practices, and non-disclosures                                 |  |  |  |  |  |  |
| 21 | alleged herein also constitute "unfair" business acts and practices within the meaning of the UCL in                 |  |  |  |  |  |  |
| 22 | that its conduct is substantially injurious to consumers, offends public policy, and is immoral,                     |  |  |  |  |  |  |
| 23 | unethical, oppressive, and unscrupulous as the gravity of the conduct outweighs any alleged benefits                 |  |  |  |  |  |  |
| 24 | attributable to such conduct.  |  |  |  |  |  |  |
| 25 | 101. As stated in this Complaint, Plaintiff alleges violations of consumer protection, unfair                        |  |  |  |  |  |  |
| 26 | competition, and truth in advertising laws in California resulting in harm to consumers. Plaintiff                   |  |  |  |  |  |  |
| 27 | asserts violations of the public policy of engaging in false and misleading advertising, unfair                      |  |  |  |  |  |  |
| 28 |  |  |  |  |  |  |  |
|    | COMPLAINT FOR VIOLATIONS OF THE CONSUMERS LEGAL REMEDIES ACT - 34 -  |  |  |  |  |  |  |
|    |  |  |  |  |  |  |  |

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competition, and deceptive conduct towards consumers. The conduct constitutes violations of the
 unfair prong of the UCL. There were reasonably available alternatives to further Defendant's
 legitimate business interests, other than the conduct described herein.

4 102. Defendant's claims, non-disclosures, and misleading statements, as more fully set
5 forth above, were false, misleading, and/or likely to deceive the consuming public within the
6 meaning of the UCL.

7 103. Defendant's conduct caused and continues to cause substantial injury to Plaintiff and
8 the other Class members. Plaintiff has suffered injury in fact and has lost money as a result of
9 Defendant's unfair conduct.

10 104. Defendant has thus engaged in unlawful, unfair, and fraudulent business acts and
11 practices in false advertising, entitling Plaintiff and the other Class members to judgment and
12 equitable relief against Defendant as set forth in the Prayer for Relief.

13 105. Additionally, pursuant to California Business & Professions Code §17203, Plaintiff
14 seeks an order requiring Defendant to immediately cease such acts of unlawful, unfair, and
15 fraudulent business practices and requiring Defendant to engage in a corrective advertising
16 campaign.

#### **COUNT III**

#### **Breach of Express Warranty**

19 106. Plaintiff realleges and incorporates by reference the previous allegations as if fully set
20 forth herein.

107. Plaintiff and each member of the Class formed a contract with Defendant at the time
Plaintiff and the other Class members acquired Defendant's iPhone 4, iPhone 4s and/or iPhone 5.
The terms of the contract include the promises and affirmations of fact made by Defendant on its
website and through its marketing and advertising campaign that the iPhone 4, iPhone 4s and/or
iPhone 5's Wi-Fi and Bluetooth connection performs as advertised, even after updating to iOS 7, as
described above.

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| 1  | 108. This marketing and advertising constitutes express warranties, became part of the                   |  |  |  |  |
|----|--|--|--|--|--|
| 2  | basis of the bargain, and is part of a standardized contract between Plaintiff and the members of the    |  |  |  |  |
| 3  | Class on the one hand and Defendant on the other.  |  |  |  |  |
| 4  | 109. Plaintiff reasonably relied upon such the promises and affirmations of fact contained               |  |  |  |  |
| 5  | in Apple's marketing campaign.   |  |  |  |  |
| 6  | 110. Defendant breached the terms of this contract, including the express warranties, with               |  |  |  |  |
| 7  | Plaintiff and the Class by not providing the products as advertised and described above.                 |  |  |  |  |
| 8  | 111. As a result of Defendant's breach of its contract and warranties, Plaintiff and the                 |  |  |  |  |
| 9  | Class have been damaged in the amount of the purchase price of Defendant's product.                      |  |  |  |  |
| 10 | 112. All conditions precedent to Defendant's liability under this express contract,                      |  |  |  |  |
| 11 | including notice, have been performed by Plaintiff and the Class.  |  |  |  |  |
| 12 | COUNT IV   |  |  |  |  |
| 13 | Intentional Misrepresentation  |  |  |  |  |
| 14 | 113. Plaintiff realleges and incorporates by reference the previous allegations as if fully set          |  |  |  |  |
| 15 | forth herein.  |  |  |  |  |
| 16 | 114. At all relevant times, Defendant was engaged in the business of designing,                          |  |  |  |  |
| 17 | manufacturing, marketing, distributing or selling the iPhone 4, iPhone 4s and/or iPhone 5.               |  |  |  |  |
| 18 | 115. Defendant, acting through its officers, agent, servants, representatives, or employees,             |  |  |  |  |
| 19 | delivered the iPhone 4s to its own retail stores, distributors, and various other distribution channels. |  |  |  |  |
| 20 | 116. Defendant willfully, falsely, and knowingly misrepresented various material facts                   |  |  |  |  |
| 21 | regarding the quality and character of the iPhone 4, iPhone 4s and/or iPhone 5's ability to connect to   |  |  |  |  |
| 22 | Wi-Fi and Bluetooth after updating to iOS 7. These misrepresentations are contained in various           |  |  |  |  |
| 23 | advertising and marketing disseminated or caused to be disseminated by Defendant, and such               |  |  |  |  |
| 24 | misrepresentations were further reiterated and disseminated by Defendant's officers, agents,             |  |  |  |  |
| 25 | representatives, servants, or employees acting within the scope of their authority, so employed by       |  |  |  |  |
| 26 | Defendant to merchandise and market the iPhone 4s. Specifically, Defendant promoted and                  |  |  |  |  |
| 27 | marketed the iPhone 4s's ability to download future versions of iOS, and thereafter use all of its new   |  |  |  |  |
| 28 |  |  |  |  |  |
|    |  |  |  |  |  |

features, without adverse effects to the iPhone 4, iPhone 4s and/or iPhone 5 Wi-Fi and Bluetooth
 connection capabilities.

3 117. Defendant's representations were made with the intent that the general public, 4 including Plaintiff and the other Class members, rely upon them. Defendant's representations were 5 made with knowledge of the falsity of such statements, or in reckless disregard of the truth thereof. If Plaintiff and the Class had been aware of these suppressed facts, Plaintiff and the Class would not 6 7 have acquired the iPhone 4, iPhone 4s and/or iPhone 5 at the price sold by Defendant. In reliance 8 upon these misrepresentations, Plaintiff acquired the iPhone 4, iPhone 4s and/or iPhone 5 for the use 9 of apps and other features which require a Network or Wi-Fi connection, and its ability to update to 10 future iOS versions at no additional cost, as advertised by Defendant.

118. Upon information and belief, Plaintiff and the Class allege that Defendant 11 misrepresented material facts with the intent to defraud Plaintiff and the Class. The information 12 13 withheld from Plaintiff and the other Class members is material and would have been considered by a reasonable person, as are the misrepresentations regarding the ability to download future versions 14 of iOS without adverse effects to the iPhone 4, iPhone 4s and/or iPhone 5's Wi-Fi and Bluetooth 15 capabilities. In addition, Plaintiff and other Class members were unaware that after downloading 16 17 iOS 7 they would only be able to use features and apps requiring internet via a Network connection, 18 which uses up data on users data plans and can result in overage charges.

19 119. Plaintiff acquired the iPhone 4s under the impression that the iPhone 4, iPhone 4s
20 and/or iPhone 5's Wi-Fi and Bluetooth connectivity functions as advertised after downloading iOS
21 7, the direct and proximate results of which were injury and harm to Plaintiff and the Class.

#### COUNT V

#### **Negligent Misrepresentation**

24 120. Plaintiff realleges and incorporates by reference the previous allegations as if fully set
25 forth herein.

26 121. Defendant negligently and recklessly misrepresented various material facts regarding
27 the quality and character of the iPhone 4, iPhone 4s and/or iPhone 5's Bluetooth and Wi-Fi
28 capabilities once iOS 7 is downloaded, under circumstances where Defendant either knew or

COMPLAINT FOR VIOLATIONS OF THE CONSUMERS LEGAL REMEDIES ACT

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#### Case5:14-cv-01974 Document1 Filed04/29/14 Page39 of 40

reasonably should have known that the representations were not true. These misrepresentations were
 contained in various advertising and marketing from Defendant, and such misrepresentations were
 further reiterated and disseminated by the officers, agents, representatives, servants, or employees of
 Defendant acting within the scope of their authority.

5 122. The information withheld from Plaintiff and the other Class members is material and
6 would have been considered by a reasonable person, as are the misrepresentations regarding the Wi7 Fi connection capabilities, the availability of a large library of apps, and the FaceTime feature's
8 functionality, all as more detailed herein.

9 123. Plaintiff acquired the iPhone 4s under the impression that the iPhone 4, iPhone 4s
10 and/or iPhone 5's Wi-Fi and Bluetooth connectivity functions as advertised even after downloading
11 iOS 7, the direct and proximate results of which were injury and harm to Plaintiff and the Class.

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#### PRAYER FOR RELIEF

WHEREFORE, Plaintiff, on behalf of himself and all others similarly situated, prays for
relief and judgment against Defendant as follows:

A. Certification of this action as a class action, appointment of Plaintiff as a Class
representative, and appointment of the undersigned counsel as Class counsel;

B. An order declaring the actions complained of herein to be in violation of the statutory
laws set forth above, including a preliminary injunction enjoining Defendant from further acts in
violation of the California Act and the UCL, pending the outcome of this action;

20 C. An order enjoining and restraining Defendant from any further acts in violation of the
21 California Act and the UCL, as set forth above;

D. An award of compensatory damages, statutory damages, restitution, and all other
forms of monetary and non-monetary relief recoverable under California law;

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E. An award of pre-judgment and post-judgment interest;

F. An award of injunctive relief;

G. An award of costs, including, but not limited to, discretionary costs, attorneys' fees,
and expenses incurred in prosecuting this case; and

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H. Granting such other and further relief as the Court deems just and proper.

|        | Case5:14-cv-01974 Document1                                     | Filed04/29/14 Page40 of 40  |  |  |  |  |
|--------|---|---|--|--|--|--|
|        |   |   |  |  |  |  |
| 1      | JURY DEMAND   |   |  |  |  |  |
| 2      | Plaintiff hereby demands a jury trial on all issues so triable. |   |  |  |  |  |
| 3      | DATED: April 29, 2014   | ROBBINS GELLER RUDMAN<br>& DOWD LLP   |  |  |  |  |
| 4<br>5 |   | SHAWN S. WILLIAMS   |  |  |  |  |
| 5<br>6 |   |   |  |  |  |  |
|        |   | <u>s/ Shawn A. Williams</u><br>SHAWN A. WILLIAMS  |  |  |  |  |
| 7<br>8 |   | Post Montgomery Center  |  |  |  |  |
| 0<br>9 |   | One Montgomery Street, Suite 1800<br>San Francisco, CA 94104<br>Telephone: 415/288-4545 |  |  |  |  |
| 10     |   | 415/288-4534 (fax)  |  |  |  |  |
| 11     |   | ROBBINS GELLER RUDMAN<br>& DOWD LLP   |  |  |  |  |
| 12     |   | SAMUEL H. RUDMAN  |  |  |  |  |
| 13     |   | MARK S. REICH<br>LAUREN E. KARALIS  |  |  |  |  |
| 14     |   | 58 South Service Road, Suite 200<br>Melville, NY 11747                                  |  |  |  |  |
| 15     |   | Telephone: 631/367-7100<br>631/367-1173 (fax)   |  |  |  |  |
| 16     |   | Attorneys for Plaintiff   |  |  |  |  |
| 17     |   | Automeys for Flammin  |  |  |  |  |
| 18     |   |   |  |  |  |  |
| 19     |   |   |  |  |  |  |
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|        | COMPLAINT FOR VIOLATIONS OF THE CONS                            | SUMERS LEGAL REMEDIES ACT .   |  |  |  |  |

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# **EXHIBIT** A

#### Case5:14-cv-01974 Document1-1 Filed04/29/14 Page2 of 3

| *****   | Approximate and a second se |                                |
|---------|---|--------------------------------|
|         |   |                                |
|         |   |                                |
| 1       | ROBBINS GELLER RUDMAN   |                                |
| ۱.<br>م | & DOWD LLP  |                                |
| 2       | Post Montgomery Center  |                                |
| 3       | One Montgomery Street, Suite 1800<br>San Francisco, CA 94104  |                                |
| 4       | Telephone: 415/288-4545   |                                |
| 5       | 415/288-4534 (fax)<br>shawnw@rgrdlaw.com  |                                |
| 6       | ROBBINS GELLER RUDMAN   |                                |
| 7       | & DOWD LLP<br>SAMUEL H. RUDMAN  |                                |
| 8       | MARK S. REICH   |                                |
| 9       | 1.AUREN E. KARALIS<br>58 South Service Road, Suite 200  |                                |
| 10      | Melville, NY 11747<br>Telephone: 631/367-7100   |                                |
| 11      | 631/367-1173 (fax)<br>srudman@rgrdlaw.com   |                                |
| 12      | mreich@rgrdlaw.com  |                                |
| 13      | lkaralis@rgrdlaw.com  |                                |
| 14      | Attorneys for Plaintiff   |                                |
| 15      | UNITED STATE  | S DISTRICT COURT               |
| 16      | NORTHERN DIST   | RICT OF CALIFORNIA             |
| 17      | DAVID YASTRAB, Individually and on<br>Behalf of All Others Similarly Situated,                                  | ) DECLARATION OF DAVID YASTRAB |
| 18      | 2001 Baaro wa cosz wyskowa w wrzestożniszy wystania wysy  |                                |
| 19      | Plaintiff.  |                                |
| 20      | ٧٤.   |                                |
| 20      | APPLE INC.,   |                                |
| 22      | Defendants.   |                                |
|         |   |                                |
| 23      |   |                                |
| 24      |   |                                |
| 25      |   |                                |
| 26      |   |                                |
| 27      |   |                                |
| 28      |   |                                |
|         |   |                                |
|         |   |                                |

I, David Yastrab, declare as follows:

1. I am the Plaintiff in the case styled *Yustrab v. Apple*, filed in the U.S. District Court
 for the Northern District of California. If called as a witness, I could and would competently testify
 thereto to all facts within my personal knowledge.

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2. 1 am filing this declaration pursuant to California Civil Code §1780(d).

I understand that the complaint that my attorneys filed on my behalf, and on behalf of
those similarly situated, includes claims against Apple, Inc. for violations of the Consumers Legal
Remedies Act, California Civil Code §1750 *et seq.*, the Unfair Competition Law, California
Business and Professions Code §17200 *et seq.*, breach of express warranty, intentional
misrepresentation; and negligent misrepresentation.

4. My attorneys filed this action in the Northern District of California because at least
one member of the Class is a citizen of a different state than Defendant, there are more than 100
members of the Class, and the aggregate amount in controversy exceeds \$5,000,000.00, exclusive of
interest and costs.

 15
 5.
 I declare under penalty of perjury under the laws of the United States of America that

 16
 that foregoing is true and correct. Executed this 20 day of April 2014 in 2014 i

DATED: 4/20/0

DAVID YASTRAB

DECLARATION OF DAVID YASTRAB

### JS 44 (Rev. 12/12) cand rev (1/15/13) Case5:14-cv-01974 Document1-2 5iled A/29/14 Page1 of 2

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

| I. (a) PLAINTIFFS  |  |   | DEFENDANT  | ſS   |  |
|--|--|---|--|--|--|
|  | <br>XCEPT IN U.S. PLAINTIFF CA   |   | County of Residence of First Listed Defendant<br>(IN U.S. PLAINTIFF CASES ONLY)<br>NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF<br>THE TRACT OF LAND INVOLVED.                                  |  |  |
| (c) Attorneys (Firm Name, 1  | Address, and Telephone Numbe   | r)  | Attorneys (If Know   | n)   |  |
| II. BASIS OF JURISDI   | CTION (Place an "X" in O   | ne Box Only)  |  |  | (Place an "X" in One Box for Plaintif  |
| □ 1 U.S. Government<br>Plaintiff   | □ 3 Federal Question<br>(U.S. Government)  | Not a Party)  | (For Diversity Cases Only Citizen of This State  | PTF DEF<br>D 1 D 1 Incorporated or Pr of Business In 7   |  |
| □ 2 U.S. Government<br>Defendant   | ☐ 4 Diversity<br>(Indicate Citizenshi  | ip of Parties in Item III)  | Citizen of Another State   | □ 2 □ 2 Incorporated and of Business In  | Another State  |
|  |  |   | Citizen or Subject of a<br>Foreign Country   | 3   3   Foreign Nation   |  |
| IV. NATURE OF SUIT   |  |   | FORFEITURE/PENALTY   | BANKRUPTCY   | OTHER STATUTES   |
| <ul> <li>110 Insurance</li> <li>120 Marine</li> <li>130 Miller Act</li> <li>140 Negotiable Instrument</li> <li>150 Recovery of Overpayment<br/>&amp; Enforcement of Judgment</li> <li>151 Medicare Act</li> </ul>  | <ul> <li>310 Airplane</li> <li>315 Airplane Product</li> <li>315 Airplane Product</li> <li>Liability</li> <li>367 Health Care/</li> <li>Product Liability</li> <li>367 Health Care/</li> <li>Pharmaceutical</li> <li>Personal Injury</li> <li>Product Liability</li> <li>Clability</li> <li>Stafe and the state</li> <l< td=""><td>PERSONAL INJURY<br/>365 Personal Injury -<br/>Product Liability<br/>367 Health Care/<br/>Pharmaceutical<br/>Personal Injury<br/>Product Liability</td><td><ul> <li>☐ 625 Drug Related Seizure<br/>of Property 21 USC 88</li> <li>☐ 690 Other</li> </ul></td><td></td><td><ul> <li>375 False Claims Act</li> <li>400 State Reapportionment</li> <li>410 Antitrust</li> <li>430 Banks and Banking</li> <li>450 Commerce</li> <li>460 Deportation</li> <li>470 Racketeer Influenced and</li> </ul></td></l<></ul> | PERSONAL INJURY<br>365 Personal Injury -<br>Product Liability<br>367 Health Care/<br>Pharmaceutical<br>Personal Injury<br>Product Liability   | <ul> <li>☐ 625 Drug Related Seizure<br/>of Property 21 USC 88</li> <li>☐ 690 Other</li> </ul>  |  | <ul> <li>375 False Claims Act</li> <li>400 State Reapportionment</li> <li>410 Antitrust</li> <li>430 Banks and Banking</li> <li>450 Commerce</li> <li>460 Deportation</li> <li>470 Racketeer Influenced and</li> </ul> |
| <ul> <li>152 Recovery of Defaulted<br/>Student Loans<br/>(Excludes Veterans)</li> <li>153 Recovery of Overpayment<br/>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> |  | LABOR         Y       □ 710 Fair Labor Standards<br>Act         □ 720 Labor/Management<br>Relations         □ 740 Railway Labor Act         □ 751 Family and Medical<br>Leave Act         □ 790 Other Labor Litigation  | <ul> <li>840 Trademark</li> <li>SOCIAL SECURITY</li> <li>861 HIA (1395ff)</li> <li>862 Black Lung (923)</li> <li>863 DIWC/DIWW (405(g))</li> <li>864 SSID Title XVI</li> <li>865 RSI (405(g))</li> </ul> | Corrupt Organizations<br>480 Consumer Credit<br>490 Cable/Sat TV<br>850 Securities/Commodities/<br>Exchange<br>890 Other Statutory Actions<br>891 Agricultural Acts<br>893 Environmental Matters<br>895 Freedom of Information<br>Act<br>896 Arbitration |  |
| REAL PROPERTY         210 Land Condemnation         220 Foreclosure         230 Rent Lease & Ejectment         240 Torts to Land         245 Tort Product Liability         290 All Other Real Property  | CIVIL RIGHTS<br>440 Other Civil Rights<br>441 Voting<br>442 Employment<br>443 Housing/<br>Accommodations<br>445 Amer. w/Disabilities -<br>Employment<br>446 Amer. w/Disabilities -<br>Other<br>448 Education   | PRISONER PETITIONS         Habeas Corpus:         ↓ 463 Alien Detainee         ↓ 510 Motions to Vacate Sentence         ↓ 530 General         ↓ 535 Death Penalty         Other:         ↓ 540 Mandamus & Other         ↓ 555 Prison Condition         ↓ 560 Civil Detainee - Conditions of Confinement | <ul> <li>791 Employee Retirement<br/>Income Security Act</li> <li>IMMIGRATION         <ul> <li>462 Naturalization Applicat</li> <li>465 Other Immigration<br/>Actions</li> </ul> </li> </ul>             | FEDERAL TAX SUITS          870 Taxes (U.S. Plaintiff or Defendant)         871 IRS—Third Party         26 USC 7609   | <ul> <li>899 Administrative Procedure<br/>Act/Review or Appeal of<br/>Agency Decision</li> <li>950 Constitutionality of<br/>State Statutes</li> </ul>  |
| V. ORIGIN (Place an "X" in   | n One Box Only)  | Commentent  |  |  | <u> </u>   |
| □ 1 Original □ 2 Re  | moved from $\Box$ 3  | Remanded from DAppellate Court  |  | sferred from ☐ 6 Multidist<br>ther District Litigation   |  |
| VI. CAUSE OF ACTIO   |  | •   | filing (Do not cite jurisdictional s   | statutes unless diversity):  |  |
| VII. REQUESTED IN<br>COMPLAINT:  | CHECK IF THIS<br>UNDER RULE 2  | IS A <b>CLASS ACTION</b><br>3, F.R.Cv.P.  | DEMAND \$  | CHECK YES only<br>JURY DEMAND  | if demanded in complaint:  |
| VIII. RELATED CASI<br>IF ANY   | E(S) (See instructions):   | JUDGE   |  | DOCKET NUMBER  |  |
| DATE   |  | SIGNATURE OF ATTO   | ORNEY OF RECORD  |  |  |
| K20'F KXHKQP CN'CUUN PO GP<br>(Place an "X" in One Box Only)   |  | ) SAN FRANCISCO/OAKI  | LAND () SAN JOSE ()  | EUREKA   |  |

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

Authority For Civil Cover Sheet

The JS 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 by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. 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 Rule 8(a), F.R.Cv.P., 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. United States plaintiff. (1) Jurisdiction based on 28 U.S.C. 1345 and 1348. Suits by agencies and officers of the United States are included here. United States defendant. (2) When the plaintiff is suing the United States, its officers or agencies, place an "X" in this box. Federal question. (3) This refers to suits under 28 U.S.C. 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.

Diversity of citizenship. (4) This refers to suits under 28 U.S.C. 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 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.

Original Proceedings. (1) Cases which originate in the United States district courts.

Removed from State Court. (2) Proceedings initiated in state courts may be removed to the district courts under Title 28 U.S.C., Section 1441. When the petition for removal is granted, check this box.

Remanded from Appellate Court. (3) Check this box for cases remanded to the district court for further action. Use the date of remand as the filing date.

Reinstated or Reopened. (4) Check this box for cases reinstated or reopened in the district court. Use the reopening date as the filing date. Transferred from Another District. (5) For cases transferred under Title 28 U.S.C. Section 1404(a). Do not use this for within district transfers or multidistrict litigation transfers.

Multidistrict Litigation. (6) Check this box when a multidistrict case is transferred into the district under authority of Title 28 U.S.C. Section 1407. When this box is checked, do not check (5) above.

- 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 Brief Description: 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 Rule 23, F.R.Cv.P. 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 44 is used to reference related pending cases, if any. If there are related pending cases, insert the docket numbers and the corresponding judge names for such cases.

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