UNITED STATES DISTRICT COURT EASTERN DISTRICT OF NEW YORK	
SARAI BAKER. individually on behalf of herself and all others similarly situated,	— x : :
Plaintiff,	: Case No.
v.	:
ARMOURCARD USA, INVENTURES INTERNATIONAL INC., HSN, INC.	: : C
Defendant.	:
	: : x

CLASS ACTION COMPLAINT

Plaintiff, SARAI BAKER, individually and on behalf of all others similarly situated throughout the country, by her attorneys, alleges the following upon information and belief, except for those allegations pertaining to Plaintiff, which are based on personal knowledge:

NATURE OF THE ACTION

1. This action seeks to remedy the unlawful, deceptive, and misleading business practices of Armourcard USA, Inventures International, Inc., and HSN, Inc. (collectively, "Defendants") with respect to the manufacture, distribution, marketing, and sale of the Forcefield Radio Frequency Identification protection card (the "Product"), which contains illegal, batteryboosted, active jamming technology, and which is not -- contrary to the defendant's false representations -- FCC registered, approved or compliant. Plaintiff brings this action against Defendants on behalf of herself and Class Members who purchased the Product during the applicable statute of limitations period (the "Class Period").

PARTIES

2. Plaintiff Sarai Baker is an individual consumer who, at all times material hereto, was a citizen of New York residing in the town of Freeport, in Nassau County. During the Class Period Plaintiff purchased the Product through HSN's online website in the State of New York.

3. Plaintiff purchased the Product because she saw the advertising, which represented that the Product was FCC registered, approved, and compliant, and featured new, active jamming technology not offered by Defendants' competitors.

4. Plaintiff relied on Defendants' illegal, false, misleading, and deceptive representations about the Product. Had Plaintiff known the truth—that the representations she relied upon in making her purchase were illegal, false, misleading, and deceptive—she would not have purchased the Product at a premium price, or any price for that matter.

5. Amourcard USA is a business entity located in Austin, Texas. Amourcard USA manufactures and sells the product and created and/or authorized the false, misleading and deceptive advertisements, packaging and labeling for the product.

6. Defendant, Inventures International, Inc., is a corporation with its principal place of business in St. Petersburg, Florida, and is organized and existing under the laws of the State of Florida. Armourcard USA manufactures the product for Inventures International, Inc., which, according to its website, "is a direct response marketing company that identifies, develops, markets, and distributes consumer products to Shopping Channels all over the world." Inventures International, Inc. distributed the product to HSN, Inc, and was actively involved in marketing, advertising, and selling the product. Inventures International, Inc. also

Case 2:16-cv-00488 Document 1 Filed 01/29/16 Page 3 of 33 PageID #: 3

created and/or authorized the false, misleading and deceptive advertisements, packaging and labeling for the product

7. Defendant, HSN, Inc. is a Delaware Corporation with its principal place of business in St. Petersburg, Florida. HSN, Inc. was actively involved in marketing, advertising, and selling the product, and sold the product to Plaintiff through its website. HSN, Inc. also created and/or authorized the false, misleading and deceptive advertisements, packaging and labeling for the product

FACTUAL BACKGROUND

8. Radio Frequency Identification ("RFID") protection cards are designed to help protect against electronic pickpocketing, also known as "RFID skimming." Many credit cards, passports, and driver's licenses possess embedded radio frequency identification chips. When activated by an RFID reader, these chips transmit certain types of information wirelessly, so that one's identity can be verified or one can make a purchase without swiping one's card.

9. However, any passerby with an RFID reader can activate the chips on credit cards, passports, and drivers' licenses (unbeknownst to the individuals carrying the credit cards, passports, and drivers' licenses on their person), and steal the sensitive personal information that the chips transmit (i.e. RFID skimming).

10. Hackers have made headlines by demonstrating how a handheld RFID reader can "skim" sensitive information from credit cards, passports, and driver's licenses at a distance of several feet.

RFID skimmers can obtain one's name and country of origin from one's passport.
 And, RFID skimmers can collect entire credit card numbers from the pockets of passersby.

Case 2:16-cv-00488 Document 1 Filed 01/29/16 Page 4 of 33 PageID #: 4

12. RFID protection cards are designed to impede cards' RFID signals, thus making them harder to be read remotely by RFID skimmers.

13. Seeking to profit from consumers' desire to safeguard their personal information and identities, and protect against RFID skimming, Defendants falsely market the Product as "the only RFID protection product certified by the FCC." Defendants manufacture, sell, and distribute the Product throughout the United States despite the Product being in direct violation of federal law, which strictly prohibits the use, sale, and manufacture of jamming devices such as the one featured on the Product.

14. On the Armourcard USA website, Defendants falsely claim: Armourcard has been fully approved by



Fully compliant with the FCC (United States), ACMA / RCM (Australia), CE (Europe)

15. Defendants' websites and marketing literature state that "the patented active jamming technology ... electronically jams the frequency these credit cards and epassports communicate over."

16. Defendants represent on their website and through their marketing literature that the product "...instantly powers up and puts out a battery boosted jamming signal that electronically jams the communication link between your contact-less cards (Tap & Go) and the criminals reader trying to skim them for your personal data. Unlike other passive card type protection, Armourcard does not rely on the power of a RFID signal to power up its jamming forcefield, that is why Armourcard can jam and protect with a greater protective field of over 150mm (6 inches) in total giving you a superior battery boosted electronic field of protection around your RFID cards & documents."

Case 2:16-cv-00488 Document 1 Filed 01/29/16 Page 5 of 33 PageID #: 5

17. Independent testing of the Product confirms that it has active jamming technology.

18. As is pictured below, the Product itself includes the following prominent representation: "ACTIVE JAMMING"



19. Moreover, the Product is emblazoned with the Federal Communications Commission logo, thus falsely and illegally representing that the FCC has approved and authorized a product with active jamming technology.

20. The principals of Armourcard USA and Inventures International, Inc. have appeared in commercials on HSN Inc.'s television programming and web videos beside an individual referred to as an "inventor with the NSA...the National Security Agency." These individuals made the following false and fraudulent statements about the product in an effort to induce consumers to purchase the product: "This is active. This is a jammer. That's what it is; it

Case 2:16-cv-00488 Document 1 Filed 01/29/16 Page 6 of 33 PageID #: 6

jams the signal because there is a battery in it. It is FCC registered. If it is active, it has to be FCC registered. This is why you see the FCC logo on there. This is the best, the very best."

21. While jamming devices have been marketed with increasing frequency in the United States, they have no lawful consumer use in the United States. (Exhibit A).

22. In fact, the FCC has unequivocally declared that consumers cannot legally operate any radio transmitting device that does not have an authorization from the FCC and that is not properly labeled with an FCC identification number.

23. It has long been recognized by the FCC that jamming technology poses tangible threats to the integrity of U.S. communications infrastructure. It can endanger life and property by preventing individuals from making 9-1-1 or other emergency calls or disrupting the basic communications essential to aviation and marine safety. (Exhibit A) Thus, jamming devices, like the Product, are ineligible to receive a grant of equipment authorization from the FCC, or to receive an FCC identification number. (Exhibit A).

24. Tellingly, the Product does not have an FCC identification number. The reverse side of the product is depicted below:



Case 2:16-cv-00488 Document 1 Filed 01/29/16 Page 7 of 33 PageID #: 7

Defendant's Violation of the Communications Act

25. Federal law prohibits the advertising, sale, importation, and operation of signal jammers in the United States. Section 302(a) of the Communications Act ("the Act") authorizes the Federal Communications Commission to "make reasonable regulations governing the interference potential of devices which in their operation are capable of emitting radio frequency energy by radiation, conduction, or other means in sufficient degree to cause harmful interference to radio communications." 47 U.S.C. § 302a(a).

26. Section 302(b) prohibits the advertising, sale, importation, and operation of any communications device that does not comply with the regulations adopted by the Commission pursuant to Section 302. Section 302(b) of the Act provides that "[n]o person shall manufacture, import, sell, offer for sale, or ship devices or home electronic equipment and systems, or use devices, which fail to comply with regulations promulgated pursuant to this section."

27. Section 333 of the Act states that "[n]o person shall willfully or maliciously interfere with or cause interference to any radio communications of any station licensed or authorized by or under this Act or operated by the United States Government."

28. The applicable implementing regulations regarding the marketing and use of radio frequency devices, which are set forth in Sections 2.803, 2.805, 2.807, 15.1(c), 15.3(o), and 15.201 of the FCC Rules, operate together to create a broad and robust framework to prevent the manufacture, importation, marketing, distribution and use of radio frequency devices, such as signal jammers, that can cause harmful interference to radio communications.

29. 16 Section 2.803(b)(1) of the FCC Rules provides in relevant part that: "no person may market a radio frequency device unless . . . [f]or devices subject to authorization under certification, the device has been authorized in accordance with the rules in subpart J of this

Case 2:16-cv-00488 Document 1 Filed 01/29/16 Page 8 of 33 PageID #: 8

chapter and is properly identified and labeled as required by § 2.925 and other relevant sections in this chapter."

30. Jamming devices cannot be certified or authorized because their primary purpose is to block or interfere with authorized radio communications. (Exhibit A).

31. Indeed, Section 333 of the Act clearly prohibits the use of devices designed and built for such a purpose. Thus, signal jammers such as those sold by the Defendants cannot comply with the FCC's technical standards and therefore cannot be marketed lawfully to consumers in the United States or its territories.

32. The FCC has declared that under Section 302(b) of the Act, radio frequency devices like signal jamming devices are per se illegal because they are designed to compromise the integrity of the nation's communications infrastructure.

33. Notwithstanding this clear prohibition, Defendants falsely promote the Product as being FCC compliant, approved, and registered.

34. Plaintiff and those similarly situated ("Class Members") relied on Defendants' misrepresentations that the Product is compliant with federal law and approved by the FCC, even though it features jamming technology that is illegal.

35. Given that Plaintiff and Class Members paid a significant premium for the Product based on Defendant's blatant and unlawful misrepresentations that the product is indeed compliant with federal law, Class Members suffered an injury in the amount of the significant premium paid for a product that is illegal, and thus useless and worthless as it will have to be recalled from the marketplace because of, *inter alia*, the significant dangers it creates for the public and state and federal law enforcement officials.

Case 2:16-cv-00488 Document 1 Filed 01/29/16 Page 9 of 33 PageID #: 9

36. Defendants' conduct violated and continues to violate New York General Business Law §§ 349 and 350, the consumer protection statutes of all 50 states, and the Magnuson-Moss Warranty Act. Defendants breached and continue to breach express and implied warranties regarding the Product. Defendants have been and continue to be unjustly enriched. Accordingly, Plaintiff brings this action against Defendants on behalf of herself and Class Members who purchased the Product during the applicable statute of limitations period (the "Class Period").

37. Defendants' representations are false and misleading because the Product features active jamming technology that is illegal as set forth in the Communications Act of 1934 as amended 47 U.S.C. 301, 302 a(b) 333.

38. The aforementioned material misrepresentations induced consumers, including Plaintiff and Class Members, to pay a premium to purchase the Product. Plaintiff and Class Members relied on Defendants' false and misleading misrepresentations in purchasing the Product at a premium price above comparable alternatives that are not represented to have jamming technology. If not for Defendants' misrepresentations, Plaintiff and Class Members would not have been willing to purchase the Product at a premium price. Accordingly, they have suffered an injury as a result of Defendants' misrepresentations.

JURISDICTION and VENUE

39. Jurisdiction is proper pursuant to 28 U.S.C. § 1332(d)(2). Upon information and belief, the amount in controversy is in excess of \$5,000,000, exclusive of interests and costs.

40. Venue is proper because Plaintiff and many Class Members reside in the Eastern District of New York, and throughout the State of New York.

Case 2:16-cv-00488 Document 1 Filed 01/29/16 Page 10 of 33 PageID #: 10

42. This Court has personal jurisdiction over the Defendants because the Defendants conduct and transact business in the State of New York, contract to supply goods within the State of New York, and supply goods within the State of New York.

CLASS ALLEGATIONS

43. Plaintiff brings this matter on behalf of herself and those similarly situated. As detailed at length in this Complaint, Defendants orchestrated deceptive marketing, advertising, and labeling practices. Defendants' customers were uniformly impacted by and exposed to this misconduct. Accordingly, this Complaint is uniquely situated for class-wide resolution, including injunctive relief.

44. The Class is defined as all consumers who purchased the Product anywhere in the United States during the Class Period.

45. Plaintiff also seeks certification, to the extent necessary or appropriate, of a subclass of individuals who purchased the product in the State of New York at any time during the Class Period (the "New York Subclass").

46. The Class and New York Subclass shall be referred to collectively throughout the Complaint as "the Class."

47. The Class is properly brought and should be maintained as a class action under Rule 23(a), satisfying the class action prerequisites of numerosity, commonality, typicality, and adequacy because:

48. <u>Numerosity</u>: Class Members are so numerous that joinder of all members is impracticable. Plaintiff believes that there are thousands of consumers who are Class Members described above who have been damaged by Defendants' deceptive and misleading practices.

Case 2:16-cv-00488 Document 1 Filed 01/29/16 Page 11 of 33 PageID #: 11

49. <u>Commonality</u>: The questions of law and fact common to the Class Members which predominate over any questions which may affect individual Class Members include, but are not limited to:

- a. Whether Defendants are responsible for the conduct alleged herein which was uniformly directed at all consumers who purchased the Product;
- Whether Defendants' misconduct set forth in this Complaint demonstrates that Defendants have engaged in illegal, unfair, fraudulent, or unlawful business practices with respect to the advertising, marketing, and sale of the Product;
- c. Whether Defendants made false and/or misleading statements to the Class and the public concerning the Product.
- d. Whether Defendants' false and misleading statements concerning the Product were likely to deceive the public;
- e. Whether Plaintiff and the Class are entitled to injunctive relief;
- f. Whether Plaintiff and the Class are entitled to money damages under the same causes of action as the other Class Members.

50. <u>Typicality</u>: Plaintiff is a member of the Class. Plaintiff's claims are typical of the claims of each Class Member in that every member of the Class was susceptible to the same deceptive, misleading conduct and purchased the Defendants' Product. Plaintiff is entitled to relief under the same causes of action as the other Class Members.

51. <u>Adequacy</u>: Plaintiff is an adequate Class representative because her interests do not conflict with the interests of the Class Members she seeks to represent; her consumer fraud claims are common to all members of the Class and she has a strong interest in vindicating her rights; she has retained counsel competent and experienced in complex class action litigation and

Case 2:16-cv-00488 Document 1 Filed 01/29/16 Page 12 of 33 PageID #: 12

they intend to vigorously prosecute this action. Plaintiff has no interests which conflict with those of the Class. The Class Members' interests will be fairly and adequately protected by Plaintiff and her counsel. Defendants have acted in a manner generally applicable to the Class, making relief appropriate with respect to Plaintiff and the Class Members. The prosecution of separate actions by individual Class Members would create a risk of inconsistent and varying adjudications.

52. The Class is properly brought and should be maintained as a class action under Rule 23(b) because a class action is superior to traditional litigation of this controversy. Pursuant to Rule 23(b)(3), common issues of law and fact predominate over any other questions affecting only individual members of the Class. The Class issues fully predominate over any individual issue because no inquiry into individual conduct is necessary; all that is required is a narrow focus on Defendants' illegal, deceptive, and misleading marketing and labeling practices. In addition, this Class is superior to other methods for fair and efficient adjudication of this controversy because, *inter alia*:

53. <u>Superiority</u>: A class action is superior to the other available methods for the fair and efficient adjudication of this controversy because:

- a. The joinder of thousands of individual Class Members is impracticable, cumbersome, unduly burdensome, and a waste of judicial and/or litigation resources;
- b. The individual claims of the Class Members may be relatively modest compared with the expense of litigating the claim, thereby making it impracticable, unduly burdensome, and expensive—if not totally impossible—to justify individual actions;

- c. When Defendants' liability has been adjudicated, all Class Members' claims can be determined by the Court and administered efficiently in a manner far less burdensome and expensive than if it were attempted through filing, discovery, and trial of all individual cases;
- d. This class action will promote orderly, efficient, expeditious, and appropriate adjudication and administration of Class claims;
- e. Plaintiff knows of no difficulty to be encountered in the management of this action that would preclude its maintenance as a class action;
- f. This class action will assure uniformity of decisions among Class Members;
- g. The Class is readily definable and prosecution of this action as a class action will eliminate the possibility of repetitious litigation;
- h. Class Members' interests in individually controlling the prosecution of separate actions is outweighed by their interest in efficient resolution by single class action; and
- It would be desirable to concentrate in this single venue the litigation of all plaintiffs who were induced by Defendants' uniform false and illegal advertising to purchase its Product.

54. Accordingly, this Class is properly brought and should be maintained as a class action under Rule 23(b)(3) because questions of law or fact common to Class Members predominate over any questions affecting only individual members, and because a class action is superior to other available methods for fairly and efficiently adjudicating this controversy.

INJUNCTIVE CLASS RELIEF

55. Rules 23(b)(1) and (2) contemplate a class action for purposes of seeking classwide injunctive relief. Here, Defendants have engaged in illegal conduct resulting in misleading consumers about jamming technology and approvals from the FCC. Since Defendants' conduct has been uniformly directed at all consumers in the United States, and the conduct continues presently, injunctive relief on a class-wide basis is a viable and suitable solution to remedy Defendants' continuing illegal misconduct, especially given the potential and real harm it could cause to the public at large, as well as local, state, and federal law enforcement officials, by disrupting the flow of communications.

56. The injunctive Class is properly brought and should be maintained as a class action under Rule 23(a), satisfying the class action prerequisites of numerosity, commonality, typicality, and adequacy because:

- <u>Numerosity</u>: Individual joinder of the injunctive Class Members would be wholly impracticable. Defendants' Product has been purchased by thousands of people throughout the United States.
- b. <u>Commonality</u>: Questions of law and fact are common to members of the Class. Defendants' misconduct was uniformly directed at all consumers. Thus, all members of the Class have a common cause against Defendants to stop its misleading and illegal conduct through an injunction. Since the issues presented by this injunctive Class deal exclusively with Defendants' misconduct, resolution of these questions would necessarily be common to the entire Class. Moreover, there are common questions of law and fact inherent in the resolution of the proposed injunctive class, including, *inter alia*:

- i. Resolution of the issues presented in the 23(b)(3) class;
- ii. Whether members of the Class will continue to suffer harm by virtue of Defendants' illegal, deceptive product marketing and labeling; and
- c. <u>Typicality</u>: Plaintiff's claims are typical of the claims of the injunctive Class because her claims arise from the same course of conduct (i.e. Defendants' illegal, deceptive and misleading marketing, labeling, and advertising practices concerning FCC approval and jamming technology). Plaintiff is a typical representative of the Class because, like all members of the injunctive Class, she purchased Defendants' Product which was sold illegally, unfairly, and deceptively to consumers throughout the United States.
- d. <u>Adequacy</u>: Plaintiff will fairly and adequately represent and protect the interests of the injunctive Class. Her consumer protection claims are common to all members of the injunctive Class and she has a strong interest in vindicating her rights. In addition, Plaintiff and the Class are represented by counsel who is competent and experienced in both consumer protection and class action litigation.

57. The injunctive Class is properly brought and should be maintained as a class action under Rule 23(b)(2) because Plaintiff seeks injunctive relief on behalf of the Class Members on grounds generally applicable to the entire injunctive Class. Certification under Rule 23(b)(2) is appropriate because Defendants have acted or refused to act in a manner that applies generally to the injunctive Class (i.e. Defendants have marketed its Product using the same misleading and deceptive labeling to all of the Class Members). Any final injunctive relief or

Case 2:16-cv-00488 Document 1 Filed 01/29/16 Page 16 of 33 PageID #: 16

declaratory relief would benefit the entire injunctive Class as Defendants would be prevented from continuing its illegal, misleading, and deceptive marketing practices.

FIRST CAUSE OF ACTION VIOLATION OF NEW YORK GBL § 349 (On Behalf of Plaintiff and All Class and/or New York Subclass Members)

58. Plaintiff repeats and realleges each and every allegation contained in all the foregoing paragraphs as if fully set forth herein.

59. New York General Business Law Section 349 ("GBL § 349") declares unlawful "[d]eceptive acts or practices in the conduct of any business, trade, or commerce or in the furnishing of any service in this state . . ."

60. The conduct of Defendants alleged herein constitutes recurring, "unlawful" deceptive acts and practices in violation of GBL § 349, and as such, Plaintiff and the Class and/or New York Subclass Members seek monetary damages and the entry of preliminary and permanent injunctive relief against Defendants, enjoining it from inaccurately describing, labeling, marketing, and promoting its Product.

61. There is no adequate remedy at law.

62. Defendants inaccurately and deceptively present the Product to consumers.

63. Defendants' improper consumer-oriented conduct—including labeling and advertising that the Product features jamming technology approved by the FCC—is misleading in a material way in that it, *inter alia*, induced Plaintiff and the Class to purchase and pay a premium for Defendants' Product and to use this Product when they otherwise would not have.

64. Defendants made their illegal, untrue and/or misleading statements and representations willfully, wantonly, and with reckless disregard for the truth.

Case 2:16-cv-00488 Document 1 Filed 01/29/16 Page 17 of 33 PageID #: 17

65. Plaintiff and the Class have been injured inasmuch as they paid a premium for products that were—contrary to Defendants' representations—illegal and in violation of federal law. Accordingly, Plaintiff and the Class and/or New York Subclass Members received less than what they bargained and/or paid for.

66. Defendants' advertising and Product packaging and labeling induced the Plaintiff and Class and/or New York Subclass Members to buy Defendants' Product and to pay a premium price for it.

67. Defendants' deceptive, illegal, and misleading practices constitute a deceptive act and practice in the conduct of business in violation of New York General Business Law §349(a) and Plaintiff and the Class have been damaged thereby.

68. As a result of Defendants' recurring, "unlawful" deceptive acts and practices, Plaintiff and the Class are entitled to monetary, compensatory, treble and punitive damages, injunctive relief, restitution and disgorgement of all moneys obtained by means of Defendants' unlawful conduct, interest, and attorneys' fees and costs.

SECOND CAUSE OF ACTION VIOLATION OF NEW YORK GBL § 350 (On Behalf of Plaintiff and All Class and/or New York Subclass Members)

69. Plaintiff repeats and realleges each and every allegation contained in all the foregoing paragraphs as if fully set forth herein.

70. N.Y. Gen. Bus. Law § 350 provides, in part, as follows:

False advertising in the conduct of any business, trade or commerce or in the furnishing of any service in this state is hereby declared unlawful.

71. N.Y. Gen. Bus. Law § 350a(1) provides, in part, as follows:

The term 'false advertising, including labeling, of a commodity, or of the kind, character, terms or conditions of any employment opportunity if such advertising is misleading in a material respect. In determining whether any advertising is misleading, there shall be taken into account (among other things) not only representations made by statement, word, design, device, sound or any combination thereof, but also the extent to which the advertising fails to reveal facts material in the light of such representations with respect to the commodity or employment to which the advertising relates under the conditions proscribed in said advertisement, or under such conditions as are customary or usual . . .

72. Defendants' labeling and advertisements contain untrue, illegal, and materially misleading statements concerning Defendants' Product inasmuch as they misrepresent that the Product is approved by the FCC, despite using illegal jamming technology.

73. Plaintiff and the Class have been injured inasmuch as they relied upon the labeling, packaging and advertising and paid a premium for a Product that was—contrary to Defendants' representations—not legal or approved by the FCC. Accordingly, Plaintiff and the Class received less than what they bargained and/or paid for.

74. Defendants' advertising, packaging and product labeling induced the Plaintiff and Class to buy Defendants' Product.

75. Defendants made untrue and/or misleading statements and representations willfully, wantonly, and with reckless disregard for the truth.

Case 2:16-cv-00488 Document 1 Filed 01/29/16 Page 19 of 33 PageID #: 19

76. Defendants' conduct constitutes multiple, separate violations of N.Y. Gen. Bus.Law § 350.

77. Defendants made the material misrepresentations described in this Complaint in Defendants' advertising, and on the Product's packaging and labeling.

78. Defendants' material misrepresentations were substantially uniform in content, presentation, and impact upon consumers at large. Moreover, all consumers purchasing the Product were and continue to be exposed to Defendants' material misrepresentations.

79. As a result of Defendants' recurring, "unlawful" deceptive acts and practices, Plaintiff and Class and/or New York Subclass Members are entitled to monetary, compensatory, treble and punitive damages, injunctive relief, restitution and disgorgement of all moneys obtained by means of Defendants' unlawful conduct, interest, and attorneys' fees and costs.

THIRD CAUSE OF ACTION VIOLATION OF STATE CONSUMER PROTECTION STATUTES (On Behalf of Plaintiff and All Class Members)

80. Plaintiff repeats and realleges each and every allegation contained in all the foregoing paragraphs as if fully set forth herein.

81. Plaintiff and Class Members have been injured as a result of Defendants' violations of the following state consumer protection statutes, which also provide a basis for redress to Plaintiff and Class Members based on Defendants' fraudulent, deceptive, unfair and unconscionable acts, practices and conduct.

82. Defendants' conduct as alleged herein violates the consumer protection, unfair trade practices and deceptive acts laws of each of the following jurisdictions:

Alaska: Defendant's practices were and are in violation of Alaska's Unfair Trade
 Practices and Consumer Protection Act, Alaska Stat. § 45.50.471, *et seq*.

- b. Arizona: Defendant's practices were and are in violation of Arizona's Consumer
 Fraud Act, Ariz. Rev. Stat. Ann. §§ 44-1521, *et seq*.
- Arkansas: Defendant's practices were and are in violation of Arkansas Code
 Ann. § 4-88-101, *et seq*.
- California: Defendant's practices were and are in violation of California
 Consumer Legal Remedies Act, Civil Code § 1750, *et seq.*, and California's
 Unfair Competition Law, California Business and Professions Code § 17200, *et seq.*
- e. **Colorado**: Defendant's practices were and are in violation of Colorado's Consumer Protection Act, Colo. Rev. Stat. §§ 61-1-101, *et seq*.
- f. Connecticut: Defendant's practices were and are in violation of Connecticut's Gen. Stat. § 42-110a, *et seq*.
- g. Delaware: Defendant's practices were and are in violation of Delaware's
 Consumer Fraud Act, Del. Code Ann. tit. 6, § 2511, *et seq.* and the Deceptive
 Trade Practices Act, Del. Code Ann. tit. 6, § 2531, *et seq.*
- h. **District of Columbia:** Defendant's practices were and are in violation of the District of Columbia's Consumer Protection Act, D.C. Code § 28-3901, *et seq.*
- i. **Florida:** Defendant's practices were and are in violation of the Florida Deceptive and Unfair Trade Practices Act, Fla. Stat. Ann. § 501.201, *et seq*.
- j. Hawaii: Defendant's practices were and are in violation of the Hawaii's Uniform
 Deceptive Trade Practices Act, Haw. Rev. Stat. § 481A-1, *et seq.* and Haw. Rev.
 Stat. § 480-2.

- k. Idaho: Defendant's practices were and are in violation of Idaho's Consumer
 Protection Act, Idaho Code Ann. § 48-601, *et seq*.
- Illinois: Defendant's acts and practices were and are in violation of Illinois' Consumer Fraud and Deceptive Business Practices Act, 815 Ill. Comp. Stat. 505/2; and Uniform Deceptive Trade Practices Act, 815 Ill. Comp. Stat. 510/2.
- m. **Indiana:** Defendant's practices were and are in violation of Indiana's Deceptive Consumer Sales Act, Ind. Code Ann. § 24-5-0.5-1, *et seq.*
- n. Kansas: Defendant's practices were and are in violation of Kansas's Consumer
 Protection Act, Kat. Stat. Ann. § 50-623, *et seq*.
- Kentucky: Defendant's practices were and are in violation of Kentucky's
 Consumer Protection Act, Ky. Rev. Stat. Ann. § 367.110, *et seq.*
- p. Maine: Defendant's practices were and are in violation of the Maine Unfair Trade Practices Act, 5 Me. Rev. Stat. Ann. Tit. 5, § 205-A, *et seq.* and 10 Me. Rev. Stat. Ann. § 1101, *et seq.*
- q. Maryland: Defendant's practices were and are in violation of Maryland's
 Consumer Protection Act, Md. Code Ann. Com. Law § 13-101, *et seq*.
- Massachusetts: Defendant's practices were unfair and deceptive acts and practices in violation of Massachusetts' Consumer Protection Act, Mass. Gen. Laws ch. 93A, § 2.
- s. **Michigan:** Defendant's practices were and are in violation of Michigan's Consumer Protection Act, Mich. Comp. Laws Ann. § 445.901, *et seq*.

- Minnesota: Defendant's practices were and are in violation of Minnesota's Prevention of Consumer Fraud Act, Minn. Stat. § 325F.68, *et seq.* and the Unlawful Trade Practices law, Minn. Stat. § 325D.09, *et seq.*
- Missouri: Defendant's practices were and are in violation of Missouri's Merchandising Practices Act, Mo. Rev. Stat. § 407.010, *et seq*.
- Nebraska: Defendant's practices were and are in violation of Nebraska's Consumer Protection Act, Neb. Rev. Stat. § 59-1601, *et seq.* and the Uniform Deceptive Trade

Practices Act, § 87-302, et seq.

- w. Nevada: Defendant's practices were and are in violation of Nevada's Deceptive Trade Practices Act, Nev. Rev. Stat. Ann. §§ 598.0903 and 41.600.
- New Hampshire: Defendant's practices were and are in violation of New Hampshire's Regulation of Business Practices for Consumer Protection, N.H. Rev. Stat. Ann. § 358-A:1, *et seq*.
- y. **New Jersey:** Defendant's practices were and are in violation of New Jersey's Consumer Fraud Act, N.J. Stat. Ann. § 56:8-1, *et seq*.
- New Mexico: Defendant's practices were and are in violation of New Mexico's Unfair Practices Act, N.M. Stat. Ann. § 57-12-1, *et seq*.
- aa. New York: Defendant's practices were in and are in violation of New York'sGen. Bus. Law §§ 349, *et seq*.
- bb. North Carolina: Defendant's practices were and are in violation of North Carolina's Unfair Deceptive Trade Practices Act, N.C. Gen. Stat. Ann. § 75-1, *et seq*.

- cc. North Dakota: Defendant's practices were and are in violation of North
 Dakota's Unlawful Sales or Advertising Practices law, N.D. Cent. Code § 51-15 01, *et seq.*
- dd. Ohio: Defendant's practices were and are in violation of Ohio's Consumer Sales
 Practices Act, Ohio Rev. Code Ann. § 1345.01, *et seq.* and Ohio's Deceptive
 Trade Practices Act. Ohio Rev. Code Ann. § 4165.01, *et seq.*
- ee. Oklahoma: Defendant's practices were and are in violation of Oklahoma's
 Consumer Protection Act, Okla. Stat. Ann. tit. 15 § 751, *et seq.*, and Oklahoma's
 Deceptive Trade Practices Act, Okla. Stat. Ann. tit. 78 § 51, *et seq.*
- ff. Oregon: Defendant's practices were and are in violation of Oregon's Unlawful Trade Practices law, Or. Rev. Stat. § 646.605, *et seq.*
- gg. **Pennsylvania:** Defendant's practices were and are in violation of Pennsylvania's Unfair Trade Practice and Consumer Protection Law, 73 Pa. Stat. Ann. § 201-1, *et seq*.
- hh. **Rhode Island:** Defendant's practices were and are in violation of Rhode Island's Deceptive Trade Practices Act, R.I. Gen. Laws § 6-13.1-1, *et seq.*
- South Dakota: Defendant's practices were and are in violation of South
 Dakota's Deceptive Trade Practices and Consumer Protection Act, S.D. Codified
 Laws § 37-24-1, *et seq*.
- jj. Texas: Defendant's practices were and are in violation of Texas' Deceptive
 Trade Practices Consumer Protection Act, Tex. Bus. & Com. Code Ann. § 17.41,
 et seq.

- kk. Utah: Defendant's practices were and are in violation of Utah's Consumer Sales
 Practices Act, Utah Code Ann. § 13-11-1, *et seq.*, and Utah's Truth in Advertising
 Law, Utah Code Ann. § 13-11a-1, *et seq.*
- Vermont: Defendant's practices were and are in violation of Vermont's Consumer Fraud Act, Vt. Stat. Ann. tit. 9 § 2451, *et seq.*
- mm. Washington: Defendant's practices were and are in violation of WashingtonConsumer Protection Act, Wash. Rev. Code Ann. § 19.86, *et seq*.
- nn. West Virginia: Defendant's practices were and are in violation of West Virginia's Consumer Credit and Protection Act, W. Va. Code § 46A-6-101, *et seq.*
- *oo.* Wisconsin: Defendant's practices were and are in violation of Wisconsin's Consumer Act, Wis. Stat. §421.101, *et seq.*
- pp. Wyoming: Defendant's practices were and are in violation of Wyoming's Consumer Protection Act, Wyo. Stat. Ann. §40-12-101, *et seq*.

71. Defendants violated the aforementioned states' unfair and deceptive acts and practices laws by representing that the Product is approved by the FCC despite utilizing illegal jamming technology.

72. Contrary to Defendants' representations, the Product is illegal and dangerous to the public at large for the reasons set forth herein.

73. Defendants' misrepresentations were material to Plaintiff's and Class Members' decision to pay a significant premium for the Product.

74. Defendants made its untrue and/or misleading statements and representations willfully, wantonly, and with reckless disregard for the truth.

Case 2:16-cv-00488 Document 1 Filed 01/29/16 Page 25 of 33 PageID #: 25

75. As a result of Defendants' violations of the aforementioned states' unfair and deceptive practices laws, Plaintiff and Class Members paid a significant premium for the Product as compared to products serving the same purpose in a legal manner.

76. As a result of Defendants' violations, Defendants have been unjustly enriched.

77. Pursuant to the aforementioned states' unfair and deceptive practices laws, Plaintiff and Class Members are entitled to recover compensatory damages, restitution, punitive and special damages including but not limited to treble damages, reasonable attorneys' fees and costs and other injunctive or declaratory relief as deemed appropriate or permitted pursuant to

> **FOURTH CAUSE OF ACTION BREACH OF EXPRESS WARRANTY** (On Behalf of Plaintiff and All Class Members)

78. Plaintiff repeats and realleges each and every allegation contained in the foregoing paragraphs as if fully set forth herein.

the relevant law.

79. Defendants provided the Plaintiff and Class Members with an express warranty in the form of written affirmations of fact promising and representing that the Product is approved by the FCC.

80. The above affirmations of fact were not couched as "belief" or "opinion," and were not "generalized statements of quality not capable of proof or disproof."

81. These affirmations of fact became part of the basis for the bargain and were material to the Plaintiff's and Class Members' transactions.

82. Plaintiff and Class Members reasonably relied upon the Defendants' affirmations of fact and justifiably acted in ignorance of the material facts omitted or concealed when they decided to buy Defendants' Product.

Case 2:16-cv-00488 Document 1 Filed 01/29/16 Page 26 of 33 PageID #: 26

83. Within a reasonable time after they knew or should have known of Defendants' breach, Plaintiff, on behalf of herself and Class Members, placed Defendants on notice of its breach, giving Defendants an opportunity to cure its breach, which it refused to do.

84. Defendants breached the express warranty because the Product is not FCC compliant.

85. Defendants thereby breached the following state warranty laws:

- a. Code of Ala. § 7-2-313;
- b. Alaska Stat. § 45.02.313;
- c. A.R.S. § 47-2313;
- d. A.C.A. § 4-2-313;
- e. Cal. Comm. Code § 2313;
- f. Colo. Rev. Stat. § 4-2-313;
- g. Conn. Gen. Stat. § 42a-2-313;
- h. 6 Del. C. § 2-313;
- i. D.C. Code § 28:2-313;
- j. Fla. Stat. § 672.313;
- k. O.C.G.A. § 11-2-313;
- 1. H.R.S. § 490:2-313;
- m. Idaho Code § 28-2-313;
- n. 810 I.L.C.S. 5/2-313;
- o. Ind. Code § 26-1-2-313;
- p. Iowa Code § 554.2313;
- q. K.S.A. § 84-2-313;

- r. K.R.S. § 355.2-313;
- s. 11 M.R.S. § 2-313;
- t. Md. Commercial Law Code Ann. § 2-313;
- u. 106 Mass. Gen. Laws Ann. § 2-313;
- v. M.C.L.S. § 440.2313;
- w. Minn. Stat. § 336.2-313;
- x. Miss. Code Ann. § 75-2-313;
- y. R.S. Mo. § 400.2-313;
- z. Mont. Code Anno. § 30-2-313;
- aa. Neb. Rev. Stat. § 2-313;
- bb. Nev. Rev. Stat. Ann. § 104.2313;
- cc. R.S.A. 382-A:2-313;
- dd. N.J. Stat. Ann. § 12A:2-313;
- ee. N.M. Stat. Ann. § 55-2-313;
- ff. N.Y. U.C.C. Law § 2-313;
- gg. N.C. Gen. Stat. § 25-2-313;
- hh. N.D. Cent. Code § 41-02-30;
- ii. II. O.R.C. Ann. § 1302.26;
- jj. 12A Okl. St. § 2-313;
- kk. Or. Rev. Stat. § 72-3130;
- ll. 13 Pa. Rev. Stat. § 72-3130;
- mm. R.I. Gen. Laws § 6A-2-313;
- nn. S.C. Code Ann. § 36-2-313;

- oo. S.D. Codified Laws, § 57A-2-313;
- pp. Tenn. Code Ann. § 47-2-313;
- qq. Tex. Bus. & Com. Code § 2.313;
- rr. Utah Code Ann. § 70A-2-313;
- ss. 9A V.S.A. § 2-313;
- tt. Va. Code Ann. § 59.1-504.2;
- uu. Wash. Rev. Code Ann. § 6A.2-313;
- vv. W. Va. Code § 46-2-313;
- ww. Wis. Stat. § 402.313;
- xx. Wyo. Stat. § 34.1-2-313.
- 86. As a direct and proximate result of Defendants' breach of express warranty,

Plaintiff and Class Members were damaged in the amount of the price they paid for the Product, in an amount to be proven at trial.

FIFTH CAUSE OF ACTION VIOLATION OF THE MAGNUSON-MOSS WARRANTY ACT, 15 U.S.C. § 2301 et seq. (On Behalf of Plaintiff and All Class Members)

87. Plaintiff repeats and realleges each and every allegation contained in the

foregoing paragraphs as if fully set forth herein.

88. Plaintiff brings this claim individually and on behalf of all members of the Class.

Upon certification, the Class will consist of more than 100 named Plaintiffs.

89. The Magnuson-Moss Warranty Act provides a federal remedy for consumers who

have been damaged by the failure of a supplier or warrantor to comply with any obligation under

a written warranty or implied warranty, or other various obligations established under the

Magnuson-Moss Warranty Act, 15 U.S.C. § 2301 et seq.

Case 2:16-cv-00488 Document 1 Filed 01/29/16 Page 29 of 33 PageID #: 29

90. The Product is a "consumer Product" within the meaning of the Magnuson-Moss Warranty Act, 15 U.S.C. § 2301(1).

91. Plaintiff and other members of the Class are "consumers" within the meaning of the Magnuson-Moss Warranty Act, 15 U.S.C. § 2301(3).

92. Defendants are a "supplier" and "warrantor" within the meaning of the Magnuson-Moss Warranty Act, 15 U.S.C. §§ 2301(4) & 2301(5).

93. Defendants represented in writing that the Product is approved by the FCC, despite utilizing illegal jamming technology.

94. These statements were made in connection with the sale of the Product and relate to the nature of the Product and affirm and promise that the Product is represented and defect free and, as such, are "written warranties" within the meaning of the Magnuson-Moss Warranty Act, 15 U.S.C. § 2301(6)(A).

95. As alleged herein, Defendants breached the written warranty by selling consumers Products that are in violation of federal law and which pose a significant danger to the public at large and the country's national security.

96. The Product does not conform to the Defendants' written warranty and therefore violates the Magnuson-Moss Warranty Act, 15 U.S.C. § 2301 *et seq*. Consequently, Plaintiff and the other members of the Class have suffered injury and are entitled to damages in an amount to be proven at trial.

SIXTH CAUSE OF ACTION BREACH OF IMPLIED WARRANTY OF MERCHANTIBILITY (On Behalf of Plaintiff and All Class Members)

97. Plaintiff repeats and realleges each and every allegation contained in the foregoing paragraphs as if fully set forth herein.

Case 2:16-cv-00488 Document 1 Filed 01/29/16 Page 30 of 33 PageID #: 30

98. Defendants are in the business of manufacturing, distributing, marketing and advertising RFID protection cards.

99. Under the Uniform Commercial Code's implied warranty of merchantability, the Defendants warranted to Plaintiff and Class Members that the Product is approved by the FCC.

100. Defendants breached the implied warranty of merchantability in that Defendants' Product deviates from the product description, and reasonable consumers expecting a product that conforms to its label would not accept the Defendants' products if they knew that they violated federal law.

101. Within a reasonable amount of time after the Plaintiff discovered that the Product did in fact violate federal law, Plaintiff notified the Defendants of such breach.

102. The inability of the Defendants' Products to meet the label description was wholly due to the Defendants' fault and without Plaintiff's or Class Members' fault or neglect, and was solely due to the Defendants' manufacture and distribution of the Product to the public.

103. As a result of the foregoing, Plaintiff and Class Members have been damaged in the amount paid for the Defendants' Product, together with interest thereon from the date of purchase.

SEVENTH CAUSE OF ACTION BREACH OF IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE (On Behalf of Plaintiff and All Class Members)

104. Plaintiff repeats and realleges each and every allegation contained in the foregoing paragraphs as if fully set forth herein.

105. Plaintiff and Class Members bought the Defendants' Product with the specific purpose of buying an FCC approved RFID card that uses jammer technology.

Case 2:16-cv-00488 Document 1 Filed 01/29/16 Page 31 of 33 PageID #: 31

106. Defendants knew or had reason to know that the Plaintiff and other Class Members were buying its Product with the specific purpose of buying a product that was purportedly FCC approved and that used jamming technology that none of the Defendants' competitors used.

107. Plaintiff and the other Class Members, intending to use a fully compliant and legal product, relied on the Defendants in selecting its Product to fit their specific intended use.

108. Defendants held itself out as having particular knowledge of the Defendants' Product's safety and technology.

109. Plaintiff's and Class Members' reliance on Defendants in selecting Defendants' Product to fit their particular purpose was reasonable given Defendants' claims and representations in its advertising, packaging and labeling concerning the Product's safety and technology.

110. Plaintiff and the other Class Members' reliance on Defendants in selecting Defendants' Product to fit their particular use was reasonable given Defendants' particular knowledge of the Product it manufactures and distributes.

111. As a result of the foregoing, Plaintiff and Class Members have been damaged in the amount paid for the Defendants' Product, together with interest thereon from the date of purchase.

EIGHTH CAUSE OF ACTION COMMON LAW UNJUST ENRICHMENT (On Behalf of Plaintiff and All Class Members in the Alternative)

112. Plaintiff repeats and realleges each and every allegation contained in the foregoing paragraphs as if fully set forth herein.

Case 2:16-cv-00488 Document 1 Filed 01/29/16 Page 32 of 33 PageID #: 32

113. Plaintiff, on behalf of herself and consumers nationwide, brings a common law claim for unjust enrichment.

114. Defendants' conduct violated, *inter alia*, state and federal law by manufacturing, advertising, marketing, and selling its Product while misrepresenting and omitting material facts.

115. Defendants' unlawful conduct as described in this Complaint allowed Defendants to knowingly realize substantial revenues from selling the Product at the expense of, and to the detriment or impoverishment of, Plaintiff and Class Members, and to Defendants' benefit and enrichment. Defendants have thereby violated fundamental principles of justice, equity, and good conscience.

116. Plaintiff and Class Members conferred significant financial benefits and paid substantial compensation to Defendants for a Product that was not as the Defendants represented it to be.

117. Under New York's common law principles of unjust enrichment, it is inequitable for Defendants to retain the benefits conferred by Plaintiff's and Class Members' overpayments.

118. Plaintiff and Class Members seek disgorgement of all profits resulting from such overpayments and establishment of a constructive trust from which Plaintiff and Class Members may seek restitution.

JURY DEMAND

Plaintiff demands a trial by jury on all issues.

WHEREFORE, Plaintiff, on behalf of herself and the Class, prays for judgment as follows:

 (a) Declaring this action to be a proper class action and certifying Plaintiff as the representative of the Class under Rule 23 of the FRCP;

- (b) Entering preliminary and permanent injunctive relief against Defendants, directing Defendants to correct their practices and to comply with consumer protection statutes nationwide, including New York consumer protection law;
- (c) Awarding monetary damages, including treble damages;
- (d) Awarding punitive damages;
- (e) Awarding Plaintiff and Class Members their costs and expenses incurred in this action, including reasonable allowance of fees for Plaintiff's attorneys and experts, and reimbursement of Plaintiff's expenses; and
- (f) Granting such other and further relief as the Court may deem just and proper.

Dated: January 29, 2016

THE SULTZER LAW GROUP, P.C.

Joseph Lipari /s/

By: ___

Joseph Lipari, Esq. (Bar ID #: JL3194) Jason P. Sultzer, Esq. (Bar ID #: JS4546) Jean M. Sedlak, Esq. (Bar ID #: JS4895) 77 Water Street, 8th Floor New York, NY 10005 Tel: (646) 722-4266 Fax: (888) 749-7747 liparij@thesultzerlawgroup.com

Counsel for Plaintiff and the Class

Case 2:16-cv-00488 Document 1-1 Filed 01/29/16 Page 1 of 2 PageID #: 34 JS 44 (Rev. 1/2013) CIVIL COVER SHEET

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

I. (a) PLAINTIFFS Sarai Baker, individually o situated,	on behalf of herself an	d all others similarly	DEFENDANTS Armourcard USA,	DEFENDANTS Armourcard USA, Inventures International Inc., HSN, Inc.		
(b) County of Residence of First Listed Plaintiff Nassau County (EXCEPT IN U.S. PLAINTIFF CASES)				County of Residence of First Listed Defendant (IN U.S. PLAINTIFF CASES ONLY) NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.		
(c) Attorneys (Firm Name, A The Sultzer Law Group P 77 Water Street, 8th Floo New York, NY 10005	C Joseph Lipari	Í	Attorneys (If Known)			
II. BASIS OF JURISDI	CTION (Place an "X" in O	ne Box Only)		RINCIPAL PARTIES	(Place an "X" in One Box for Plaintif	
1 U.S. Government Plaintiff	3 Federal Question (U.S. Government)	Not a Party)		TF DEF 1 🗇 1 Incorporated <i>or</i> Pri of Business In T		
2 U.S. Government Defendant	★ 4 Diversity (Indicate Citizenshi)	ip of Parties in Item III)	Citizen of Another State	2 🖸 2 Incorporated and F of Business In A	Another State	
			Citizen or Subject of a Foreign Country	3 🗇 3 Foreign Nation	0606	
IV. NATURE OF SUIT	C (Place an "X" in One Box On	ly)				
CONTRACT		RTS	FORFEITURE/PENALTY	BANKRUPTCY	OTHER STATUTES	
 110 Insurance 120 Marine 130 Miller Act 140 Negotiable Instrument 150 Recovery of Overpayment & Enforcement of Judgment 151 Medicare Act 152 Recovery of Defaulted 	PERSONAL INJURY 310 Airplane 315 Airplane Product Liability 320 Assault, Libel & Slander 330 Federal Employers' Liability	PERSONAL INJURY D 365 Personal Injury - Product Liability 367 Health Care/ Pharmaceutical Personal Injury Product Liability 368 Asbestos Personal	 625 Drug Related Seizure of Property 21 USC 881 690 Other 	 422 Appeal 28 USC 158 423 Withdrawal 28 USC 157 PROPERTY RIGHTS 820 Copyrights 830 Patent 840 Trademark 	 3/3 Faise Craims Act 400 State Reapportionment 410 Antitrust 430 Banks and Banking 450 Commerce 460 Deportation 470 Racketeer Influenced and Corrupt Organizations 	
Student Loans (Excludes Veterans) 153 Recovery of Overpayment of Veteran's Benefits 160 Stockholders' Suits 190 Other Contract 195 Contract Product Liability 196 Franchise	 340 Marine 345 Marine Product Liability 350 Motor Vehicle 355 Motor Vehicle Product Liability 360 Other Personal Injury 362 Personal Injury - Medical Malpractice 	Injury Product Liability PERSONAL PROPERT 370 Other Fraud 371 Truth in Lending 380 Other Personal Property Damage 385 Property Damage Product Liability	LABOR Y	SOCIAL SECURITY S61 HIA (1395ff) 862 Black Lung (923) 863 DIWC/DIWW (405(g)) 864 SSID Title XVI 865 RSI (405(g))	 480 Consumer Credit 490 Cable/Sat TV 850 Securities/Commodities/ Exchange 890 Other Statutory Actions 891 Agricultural Acts 893 Environmental Matters 895 Freedom of Information Act 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 440 Other Civil Rights 441 Voting 442 Employment 443 Housing/ Accommodations 445 Amer. w/Disabilities - Employment 446 Amer. w/Disabilities - Other 448 Education	PRISONER PETITIONS Habeas Corpus: 463 Alien Detainee 510 Motions to Vacate Sentence 530 General 535 Death Penalty Other: 540 Mandamus & Other 550 Civil Rights 556 Prison Condition 560 Civil Detainee - Conditions of Confinement	 791 Employee Retirement Income Security Act IMMIGRATION 462 Naturalization Application 	FEDERAL TAX SUITS 870 Taxes (U.S. Plaintiff or Defendant) 871 IRS—Third Party 26 USC 7609	 399 Administrative Procedure Act/Review or Appeal of Agency Decision 950 Constitutionality of State Statutes 	
	moved from 🗖 3	Remanded from Appellate Court	4 Reinstated or Reopened 5 Transf Anothe (specify)	er District Litigation		
VI. CAUSE OF ACTIO	DN 28 U.S.C. § 1332 Brief description of ca	(d)(2) ause:	filing (Do not cite jurisdictional sta g. & int. misrep. breach of	warranty, magnuson-mo	A REAL PROPERTY AND A REAL	
VII. REQUESTED IN COMPLAINT:	CHECK IF THIS UNDER RULE 2	IS A CLASS ACTION 3, F.R.Cv.P.	DEMAND \$ 5,000,000.00	CHECK YES only JURY DEMAND:	if demanded in complaint:	
VIII. RELATED CASI IF ANY	E (S) (See instructions):	JUDGE		DOCKET NUMBER		
DATE 01/29/2016		signature of atte Joseph Lipari /s/				
FOR OFFICE USE ONLY RECEIPT # AN	MOUNT	APPLYING IFP	JUDGE	MAG. JUI	DGE	

Case 2:16-cv-00488 Document 1-1 Filed 01/29/16 Page 2 of 2 PageID #: 35

CERTIFICATION OF ARBITRATION ELIGIBILITY

Local Arbitration Rule 83.10 provides that with certain exceptions, actions seeking money damages only in an amount not in excess of \$150,000, exclusive of interest and costs, are eligible for compulsory arbitration. The amount of damages is presumed to be below the threshold amount unless a certification to the contrary is filed.

Joseph Lipari _, counsel for Plaintiff and Class Members ____, do hereby certify that the above captioned civil action is ineligible for compulsory arbitration for the following reason(s):

- \mathbf{X} monetary damages sought are in excess of \$150,000, exclusive of interest and costs,
- \mathbf{X} the complaint seeks injunctive relief,
- the matter is otherwise ineligible for the following reason

DISCLOSURE STATEMENT - FEDERAL RULES CIVIL PROCEDURE 7.1

Identify any parent corporation and any publicly held corporation that owns 10% or more or its stocks:

RELATED CASE STATEMENT (Section VIII on the Front of this Form)

Please list all cases that are arguably related pursuant to Division of Business Rule 50.3.1 in Section VIII on the front of this form. Rule 50.3.1 (a) provides that "A civil case is "related" to another civil case for purposes of this guideline when, because of the similarity of facts and legal issues or because the cases arise from the same transactions or events, a substantial saving of judicial resources is likely to result from assigning both cases to the same judge and magistrate judge." Rule 50.3.1 (b) provides that "A civil case shall not be deemed "related" to another civil case merely because the civil case: (A) involves identical legal issues, or (B) involves the same parties." Rule 50.3.1 (c) further provides that "Presumptively, and subject to the power of a judge to determine otherwise pursuant to paragraph (d), civil cases shall not be deemed to be "related" unless both cases are still pending before the court."

NY-E DIVISION OF BUSINESS RULE 50.1(d)(2)

- 1.) Is the civil action being filed in the Eastern District removed from a New York State Court located in Nassau or Suffolk County: No
- 2.) If you answered "no" above: a) Did the events or omissions giving rise to the claim or claims, or a substantial part thereof, occur in Nassau or Suffolk County? Yes

b) Did the events of omissions giving rise to the claim or claims, or a substantial part thereof, occur in the Eastern District? Yes

If your answer to question 2 (b) is "No," does the defendant (or a majority of the defendants, if there is more than one) reside in Nassau or Suffolk County, or, in an interpleader action, does the claimant (or a majority of the claimants, if there is more than one) reside in Nassau or Suffolk County? N/A

(Note: A corporation shall be considered a resident of the County in which it has the most significant contacts).

BAR ADMISSION

I am currently admitted in the Eastern District of New York and currently a member in good standing of the bar of this court. X Yes No

Are you currently the subject of any disciplinary action (s) in this or any other state or federal court? Yes No

(If yes, please explain) \mathbf{X}

I certify the accuracy of all information provided above.

Signature: Joseph Lipari /s/

AO 440 (Rev. 06/12) Summons in a Civil Action

UNITED STATES DISTRICT COURT

for the

Eastern District of New York

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Sarai Baker, individually on behalf of herself and all others similarly situated,

Plaintiff(s) V.

Civil Action No.

Armourcard USA, Inventures International Inc., HSN, Inc.

Defendant(s)

SUMMONS IN A CIVIL ACTION

To: (Defendant's name and address) HSN, INC. CORPORATION S

CORPORATION SERVICE COMPANY 1201 HAYS STREET TALLAHASSEE, FL 32301-2525 Inventures International Inc. Akos P. Jankura 4905 34st Street 174 St. Petersburg, FL 33711

Armourcard USA 700 Lavaca, Suite 1400, Austin, TX 78701

A lawsuit has been filed against you.

Within 21 days after service of this summons on you (not counting the day you received it) — or 60 days if you are the United States or a United States agency, or an officer or employee of the United States described in Fed. R. Civ. P. 12 (a)(2) or (3) — you must serve on the plaintiff an answer to the attached complaint or a motion under Rule 12 of the Federal Rules of Civil Procedure. The answer or motion must be served on the plaintiff or plaintiff's attorney, whose name and address are: The Sultzer Law Group PC

Joseph Lipari 77 Water Street, 8th Floor New York, NY 10005

If you fail to respond, judgment by default will be entered against you for the relief demanded in the complaint. You also must file your answer or motion with the court.

> DOUGLAS C. PALMER CLERK OF COURT

Date: _____

Signature of Clerk or Deputy Clerk

AO 440 (Rev. 06/12) Summons in a Civil Action (Page 2)

Civil Action No.

PROOF OF SERVICE

(This section should not be filed with the court unless required by Fed. R. Civ. P. 4 (l))

	This summons for (nam	ne of individual and title, if any)					
was re	ceived by me on (date)						
	□ I personally served	the summons on the individual	at (place)				
	on (date)			; or			
	□ I left the summons	at the individual's residence or	ce or usual place of abode with (name)				
		on of suitable age and discretion who res	sides there,				
	on (date)						
	□ I served the summons on (name of individual)						
	designated by law to accept service of process on behalf of (name of organization)						
			on (date)	; or			
	□ I returned the summ	nons unexecuted because		; or			
	O Other <i>(specify):</i>						
	My fees are \$	for travel and \$	for services, for a total of \$	0.00			
	I declare under penalty of perjury that this information is true.						
Date:							
			Server's signature				
			Printed name and title				

Server's address

Additional information regarding attempted service, etc:

Case 2:16-cv-00488 Document 1-3 Filed 01/29/16 Page 1 of 10 PageID #: 38

EXHIBIT A



GPS, Wi-Fi, and Cell Phone Jammers Frequently Asked Questions (FAQs)

Enforcement Bureau

GENERAL INFORMATION

- I. What are "jammers"?
- 2. How do jammers work?
- 3. What laws prohibit the marketing, sale, and use of jammers?
- 4. Does the term "marketing" have a specific meaning?
- 5. Why are cell phone jammers, Wi-Fi jammers, and GPS jammers illegal?
- 6. <u>Some devices claim to block cell phone calls, text messages, and emails only inside a car. Are these illegal as well?</u>
- 7. May I order and import a jammer into the U.S.?
- 8. What are the penalties for using a jammer? Can I go to prison?
- 9. What should I do if I already own a jammer?
- 10. Whom should I contact if I have additional questions?

MANUFACTURING AND SALE OF JAMMERS

- 11. <u>Is it illegal to sell a cell phone jammer, GPS jammer, or other jammer in the U.S. or</u> <u>its Territories?</u>
- 12. <u>I sell and ship jammers all over the world through a site on the Internet. What should I do to comply with U.S. law?</u>
- 13. <u>I sell signal jammers on my website but make certain to notify potential buyers that</u> <u>the jammers may only be purchased, leased, or operated in the U.S. by authorized</u> <u>federal agents. Can I be prosecuted if an unauthorized purchaser ignores this</u> <u>warning?</u>
- 14. Can I legally manufacture a jammer in the U.S.?

USE AND OPERATION OF JAMMERS

15. <u>Can I operate a jammer in the U.S.?</u>

- 16. <u>I live outside the continental U.S. in Puerto Rico, the U.S. Virgin Islands, American Samoa, or Guam. Do the restrictions on operating jammers apply to me?</u>
- 17. <u>I don't use my cell jammer in public.</u> Can I use it in my own home, business, or vehicle?
- 18. <u>I am a local government official and I would like to ensure compliance with laws that</u> prohibit cell phone use at certain times or in certain places. May a cell phone jammer be used in this context?
- 19. <u>I am a principal or school teacher and would like to use a jammer to limit cell phone</u> calls and texting during school hours. May I do so?

COMPLAINTS ABOUT JAMMERS

- 20. Each time I visit a certain area, I get the message "Call Lost" or I can't make or receive calls on my cell phone. I suspect that someone is using a cell phone jammer, but how can I tell for sure?
- 21. Can I help stop jammers?
- 22. How do I file a jamming complaint with the FCC's Enforcement Bureau?
- 23. <u>I'd like to file a complaint, but have a question about the jamming prohibition.</u> <u>Whom should I contact?</u>

GENERAL INFORMATION

I. What are "jammers"?

Generally, "jammers" — which are also commonly called signal blockers, GPS jammers, cell phone jammers, text blockers, etc. — are illegal radio frequency transmitters that are designed to block, jam, or otherwise interfere with authorized radio communications.

2. How do jammers work?

Jamming technology generally does not discriminate between desirable and undesirable communications. A jammer can block all radio communications on any device that operates on radio frequencies within its range (*i.e.*, within a certain radius of the jammer) by emitting radio frequency waves that prevent the targeted device from establishing or maintaining a connection.

For example, jammers can:

- prevent your cell phone from making or receiving calls, text messages, and emails;
- prevent your Wi-Fi enabled device from connecting to the Internet;
- prevent your GPS unit from receiving correct positioning signals; and

• prevent a first responder from locating you in an emergency.

Of course, losing a signal does not necessarily mean that someone nearby is using a jammer. See also, <u>Question 20</u> - Each Time I Visit a Certain Area, I Get the Message "Call Lost."

3. What laws prohibit the marketing, sale, and use of jammers?

Federal law prohibits the <u>marketing</u>, <u>sale</u>, or <u>use</u> of a transmitter (e.g., a jammer) designed to block, jam, or interfere with wireless communications. See Communications Act of 1934, as amended, 47 U.S.C. §§ 301, 302a(b), 333.

- Section 301 of the Communications Act: "No person shall use or operate any apparatus for the transmission of energy or communications or signals by radio...except under and in accordance with [the Communications] Act and with a license in that behalf granted under the provisions of this Act." 47 U.S.C. § 301.
- Section 302(b) of the Communications Act: "No person shall manufacture, import, sell, offer for sale, or ship devices or home electronic equipment and systems, or use devices, which fail to comply with regulations promulgated pursuant to this section." 47 U.S.C. § 302a(b).
- Section 333 of the Communications Act: "No person shall willfully or maliciously interfere with or cause interference to any radio communications of any station licensed or authorized by or under [the Communications] Act or operated by the United States Government." 47 U.S.C. § 333.

Jammers cannot be marketed or operated in the United States except in the very limited context of authorized, official use by the federal government.

4. Does the term "marketing" have a specific meaning?

Yes. "Marketing" is defined in the FCC rules as the "sale or lease, or offering for sale or lease, including advertising for sale or lease, or importation, shipment, or distribution for the purpose of selling or leasing or offering for sale or lease." 47 C.F.R. § 2.803(e)(4).

5. Why are cell phone jammers, Wi-Fi jammers, and GPS jammers illegal?

Jammers are more than just a nuisance; they pose an unacceptable risk to public safety by potentially preventing the transmission of emergency communications. Cell phone jammers do not distinguish between social or other cell phone conversations and an emergency call to a family member or a 9-1-1 emergency responder. Similarly, GPS and Wi-Fi jammers maliciously disrupt both routine and critical communications services.

Jammers could also block more than just cell phone calls; these devices could disrupt important communications services that operate on adjacent frequencies, or worse, they could disrupt all communications within a broad frequency range.

6. Some devices claim to block cell phone calls, text messages, and emails only inside a car. Are these illegal as well?

Any device that jams or disrupts cell phone calls, text messages, or other wireless communications by emitting an interfering radio frequency signal is illegal and may not be marketed or operated in the United States, except in the very limited context of authorized, official use by the federal government. Please note that it may be difficult to determine from an advertisement how a particular device functions. You should contact the FCC's Enforcement Bureau at jammerinfo@fcc.gov if you have questions.

We emphasize that consumers *cannot* legally operate any radio transmitting device (e.g., a Wi-Fi or Bluetooth transmitter, wireless phone, etc.) that does not have an authorization from the FCC and that is not properly labeled with an FCC identification number. (See Figure I below.)

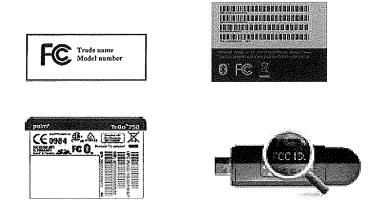


Figure 1: Sample FCC ID labels

Jamming devices, however, are *ineligible* to receive a grant of equipment authorization from the FCC or an FCC ID. (The FCC's Office of Engineering and Technology oversees the authorization of non-jamming equipment that uses the radio frequency spectrum. More information is available at http://www.fcc.gov/encyclopedia/equipmentauthorization.)

7. May I order and import a jammer into the U.S.?

No. Consumers may not order a signal jammer from a foreign retailer and have it shipped into the U.S. The Communications Act prohibits the importation of jamming devices into the U.S. except in limited circumstances that do not apply to consumers. See 47 U.S.C. § 302a(b), (c).

8. What are the penalties for using a jammer? Can I go to prison?

Yes. The unlawful use of a jammer is a criminal offense and can result in various sanctions, including a jail sentence. More specifically, the unlawful <u>marketing</u>, sale, or operation of cell phone, GPS, or other signal jammers in the U.S. can result in:

- significant fines (we call them "monetary forfeitures") up to \$16,000 for each violation or each day of a continuing violation, and as high as \$112,500 for any single act;
- government seizure of the illegal equipment; and
- criminal penalties including imprisonment.

See 47 U.S.C. §§ 401, 501, 503, 510; 47 C.F.R. § 1.80(b)(3).

The FCC has taken action against various individuals and business entities for unlawfully operating and marketing jammers. You can find more information on jammer enforcement at www.fcc.gov/encyclopedia/jammer-enforcement.

9. What should I do if I already own a jammer?

Any unauthorized person (i.e., anyone other than an authorized federal government user) in possession of a jamming device must immediately cease operation of the device. You can also voluntarily surrender the device to one of the FCC Enforcement Bureau Field Offices (located across the country), by calling the FCC's Enforcement Bureau at (202) 418-7450 for information about the office nearest you, or by sending an email to jammerinfo@fcc.gov.

10. Whom should I contact if I have additional questions?

For additional information regarding enforcement of the jamming prohibition, visit <u>www.fcc.gov/encyclopedia/jammer-enforcement</u>, or contact Kevin Pittman or Neal McNeil of the FCC's Enforcement Bureau at (202) 418-1160 or jammerinfo@fcc.gov.

MANUFACTURING AND SALES OF JAMMERS

11. Is it illegal to sell a cell phone jammer, GPS jammer, or other jamming device in the U.S. or its Territories?

Yes. The sale, lease, importation, distribution, or <u>marketing</u> of jammers in the U.S. or its Territories is prohibited by federal law. See 47 U.S.C. § 302a(b); 47 C.F.R. § 2.803(a).

There is a very narrow exception. In limited circumstances, the sale of signal jammers for use by authorized federal agencies may be permitted. See 47 U.S.C. § 302a(c); 47 C.F.R. § 2.807(d). Please contact the FCC Enforcement Bureau at jammerinfo@fcc.gov if you have questions about this limited exception.

12. I sell and ship jammers all over the world through a site on the Internet. What should I do to comply with U.S. law?

Manufacturers and retailers of electronic equipment should take affirmative action to comply with U.S. law:

- Immediately stop <u>marketing</u> within the United States any equipment that is designed to block, jam, or otherwise interfere with authorized radio communications.
- Decline to sell or ship such jamming devices to addresses in the United States or its Territories (except in the very limited context of authorized sales to the federal government). For example, some Internet auction or marketplace websites permit a seller to set up restrictions that automatically block the sale of any item to countries specified by the seller.
- Ensure that any jamming devices manufactured in the United States are available solely for export and are not for sale domestically except to the U.S. government. We note that U.S. manufacturers should be aware that jammers may be unlawful in other countries.

IMPORTANT NOTE ON DISCLAIMERS: We emphasize that it is insufficient and misleading for manufacturers and retailers to include a disclaimer on their websites or in promotional or advertising materials stating or implying that U.S. consumers bear *sole* responsibility for complying with the applicable legal obligations. The manufacturer or retailer is also violating the law both by offering the device for sale to U.S. consumers and completing the sales transaction. Use of disclaimers that purport to place the sole burden on the buyer cannot absolve the manufacturer or retailer of liability.

13. I sell signal jammers on my website but make certain to notify potential buyers that the jammers may only be purchased, leased, or operated in the U.S. by authorized federal agents. Can I be prosecuted if an unauthorized purchaser ignores this warning?

Even with such a notice, a seller will still be subject to prosecution if it sells a jammer to an unauthorized person in the U.S.

Because Internet sales often target a worldwide audience, some Internet retailers display a disclaimer advising that the purchaser bears sole responsibility for ensuring that the purchase or importation complies with the applicable laws. Although a prominent notice on a webpage warning that the device may not be purchased, leased, or operated in the U.S. would be helpful to consumers, no such notification or disclaimer of responsibility will relieve a seller of its individual liability if an unauthorized sale is made.

14. Can I legally manufacture a jammer in the U.S.?

Possibly. Manufacturers should ensure that any jamming devices manufactured in the U.S. are available solely for export and are not for sale domestically, except in the limited context of authorized sales to the federal government. See 47 U.S.C. § 302a(c); 47 C.F.R. § 2.807(d). Please contact the FCC Enforcement Bureau at jammerinfo@fcc.gov if you

have questions about this limited exception. We note that U.S. manufacturers should be aware that jammers may be unlawful in other countries.

USE AND OPERATION OF JAMMERS

15. Can I operate a jammer in the U.S.?

No. It is a violation of federal law to operate jammers in the United States, except for authorized, official use by the U.S. government.

16. I live outside the continental U.S. – in Puerto Rico, the U.S. Virgin Islands, American Samoa, or Guam. Do the restrictions on operating jammers apply to me?

Yes. The Communications Act forbids the use of jamming devices in the U.S. and its Territories.

17. I don't use my cell jammer in public. Can I use it in my own home, business, or vehicle?

No. Jamming devices may not be used regardless of whether the device is operated on public or private property. If you own a jammer, do not continue to operate it. You risk substantial fines (of up to \$16,000 for *each* violation or *each day* of a continuing violation, or up to \$112,000 for a single act); seizure of the device by the government; and criminal imprisonment. Signal jammers do not respect property lines, and federal law provides no exception that allows for the private or commercial use of a jammer.

18. I am a local government official and I would like to ensure compliance with laws that prohibit cell phone use at certain times or in certain places. May a cell phone jammer be used in this context?

No. The Communications Act does not exempt state or local government officials from the prohibition on jammers. Similarly, state and local school systems are also prohibited from using cell phone jammers. Use of cell phone jammers poses an unacceptable risk to public safety.

Jammers cannot be marketed or operated in the United States, except in the very limited context of authorized, official use by the federal government. See 47 U.S.C. § 302a(c); 47 C.F.R. § 2.807(d).

19. I am a principal or school teacher and would like to use a jammer to limit cell phone calls and texting during school hours. May I do so?

No. It is a violation of federal law to operate a jamming device within the U.S. Cell phone jammers do not distinguish between social or other cell phone conversations and an

emergency call to a family member or a 9-1-1 emergency responder. In an emergency, use of a cell jammer can pose a threat to both students and staff by preventing communications with police or emergency services.

In other words, jammers, even if carefully targeted, create risks of interference outside their intended zone of operations and can thereby disrupt critical communications by public safety providers, as well as the legitimate communications of passersby.

COMPLAINTS ABOUT JAMMERS

20. Each time I visit a certain area, I get the message "Call Lost" or I can't make or receive calls on my cell phone. I suspect that someone is using a cell phone jammer, but how can I tell for sure?

Losing a signal does not necessarily mean that someone nearby is using a cell phone jammer. In fact, signal loss can be caused by many factors, such as signal blockage by buildings or natural obstructions, unusually heavy call volume in the area, being too far from a cell tower, or being outside of a service provider's coverage or roaming area. Cell phone users are encouraged to contact their service provider to ensure that coverage is available. If there are no service disruptions and there is interference to authorized communications, the FCC's Enforcement Bureau may use specialized equipment to identify the specific location of a jammer.

21. Can I help stop jammers?

Yes. You can notify the Enforcement Bureau about the illegal sale or use of jamming devices by filing a complaint.

• Sale of Illegal Jamming Devices: You may come across several jamming devices advertised on the Internet. If you have reason to suspect that a company <u>sells</u> jammers in the U.S. and does not restrict such sales to authorized federal government users, you should contact the FCC's Enforcement Bureau through the online complaint portal, <u>www.fcc.gov/complaints</u>.

Additionally, some online auctions or websites allow you to notify them of the sale of products that are illegal or that otherwise violate their terms of service by clicking on a "flag" or "report abuse" link.

• Use of Illegal Jamming Devices: If you have information regarding the <u>use of a jammer</u> in the U.S., you should contact the FCC's Enforcement Bureau through the FCC's online complaint portal, <u>www.fcc.gov/complaints</u>.

See also, Question 22 - How do I file a jamming complaint?

22. How do I file a jamming complaint with the FCC's Enforcement Bureau?

To file a complaint alerting the FCC's Enforcement Bureau to illegal cell, GPS, or other jamming devices, please visit <u>www.fcc.gov/complaints</u>, or call I-888-CALL-FCC (I-888-225-5322) voice or I-888-TELL-FCC (I-888-835-5322) TTY.

Sale of Illegal Jamming Devices: If your complaint is about the sale of illegal jamming devices, please provide the following information in your complaint:

- the website address and retailer name;
- the name and product number of the jammers that were advertised;
- the date you viewed the advertisement; and
- any additional information that you believe could be relevant.

Use of Illegal Jamming Devices: If your complaint is about the use of illegal jamming devices, please include the following information in your complaint:

- the time(s) of the occurrence;
- the date(s) of the occurrence;
- the location of the occurrence;
- the name of the person or company operating the jammer;
- the facts and circumstances that support your belief that a jammer was being used (in addition to loss of signal or poor reception); and
- any additional information that you believe could be relevant.

23. I'd like to file a complaint, but have a question about the jamming prohibition. Whom should I contact?

Additional materials and information regarding enforcement of the jammer prohibition is available at <u>www.fcc.gov/encyclopedia/jammer-enforcement</u>.

For more information, you may also contact Kevin Pittman or Neal McNeil of the FCC's Enforcement Bureau at (202) 418-1160 or jammerinfo@fcc.gov.