UNITED STATES DISTRICT COURT EASTERN DISTRICT OF MICHIGAN SOUTHERN DIVISION

SILVIA LAZO, BRUCE GOLDMAN, R. CHRISTOPHER DEBOER, BRYON MINER, individually and on behalf of all other similarly situated persons,

Case No. 21-cv-10336

Plaintiffs,

Hon. Stephen J. Murphy, III

v.

Magistrate Judge David R. Grand

REDCLIFFE MEDICAL DEVICES, INC., and INDIEGOGO, INC.,

AMENDED CLASS ACTION COMPLAINT

Defendants.

JURY TRIAL DEMANDED

AMENDED CLASS ACTION COMPLAINT

Plaintiffs Silvia Lazo, Bruce Goldman, R. Christopher DeBoer, and Bryan Miner ("Plaintiffs"), on behalf of themselves and all other similarly situated persons, state as follows in their Amended Class Action Complaint against Defendants Redcliffe Medical Devices, Inc. ("Redcliffe") and Indiegogo, Inc. ("Indiegogo") (collectively, "Defendants"):

INTRODUCTION

1. Defendants sought to capitalize on the human suffering caused by the COVID-19 pandemic by advertising and selling millions of dollars of Redcliffe's "Leaf" line of facemasks to unsuspecting consumers—which were never delivered

and/or were not the promised product. Redcliffe marketed and sold its Leaf line of facemasks through its own website and through Indiegogo, a crowdfunding website. Redcliffe falsely advertised its Leaf masks as: (1) N95, N99, N100 rated transparent, self-cleaning, air-quality sensing reusable masks, (2) FDA approved, and (3) made in the USA. Indiegogo—standing to benefit from the dissemination of falsehoods about the protection offered by Leaf masks—actively promoted Redcliffe's masks on its crowdfunding website, describing the Leaf masks as, among other misrepresentations: (1) UV-C Sterilizing, (2) N99 rated, and (3) containing HEPA filtration systems. None of these things are true.

2. In reality, Redcliffe partnered with Indiegogo to take advantage of thousands of unsuspecting consumers who reasonably believed that Redcliffe's Leaf facemasks would offer protection against deadly pathogens such as COVID-19. Instead of delivering the products that Defendants advertised, Redcliffe delivered next to nothing, while defrauding its clients—Plaintiffs and Class Members—of millions of dollars in the process. Indiegogo acted in concert with Redcliffe, promoting Redcliffe's masks on its crowdfunding website and collecting hundreds of

¹ The numbers 95/99/100 refer to the approximate percentage of airborne particles which a mask can filter out. An N95 can filter out 95% of airborne particles, for example. *See* https://www.cdc.gov/niosh/npptl/topics/respirators/disp_part/ (last visited April 14, 2021). Exhibit 1.

thousands of dollars as a "platform fee." Despite knowing that Redcliffe failed to deliver its promised product to its paying customers, Indiegogo failed to abide by its own rules and terms and have never returned any portion of its "platform fee" to those defrauded individuals—instead, it released millions of dollars to Redcliffe and abandoned its users and failed to meet its duties to them.

PARTIES

- 3. Plaintiff Silvia Lazo ("Lazo") is an individual who is a citizen of the State of Montana and resides in Montana. Plaintiff Lazo purchased Leaf masks on June 24, 2020 and July 1, 2020 for \$224 and \$699, respectively. To this day, Plaintiff Lazo has not received the Leaf masks that she paid for and has not received any of the "stretch goal" ³ products promised to her by Defendants.
- 4. Plaintiff Bryon Miner ("Miner") is an individual who is a citizen of the State of California and resides in California. Plaintiff Miner purchased a "Leaf UV pack of (2)" on or about August 5, 2020 for \$175.00. Redcliffe stated the expected delivery date of these purchased products was September 2020. Plaintiff Miner also

² Indiegogo charged Redcliffe a 5% "platform fee" for the millions in proceeds raised by Indiegogo for Redcliffe on its crowdfunding website, thereby collecting hundreds of thousands of dollars in the process. *See* Exhibit 2: https://support.indiegogo.com/hc/en-us/articles/204456408-Fees-Pricing-for-Campaigners-How-much-does-Indiegogo-cost- (last visited April 14, 2021).

³ As described *infra*, Defendants represented to Plaintiffs and Class Members that as Redcliffe reached funding goals on its Indiegogo page—referred to as "stretch goals"—all supporters would receive additional Leaf products.

purchased the "Leaf PRO Pack" and "6 Month HEPA-Carbon (Single)" packages for \$273.00. To this day, Plaintiff Miner has not received the Leaf products that he paid for and has not received any of the stretch goal products promised to him by Defendants.

- 5. Plaintiff Bruce Goldman ("Goldman") is an individual who is a citizen of Michigan and resides in Michigan. Plaintiff Goldman purchased a "Leaf HEPA Pack" on or about May 14, 2020 for \$49.00. To this day, Plaintiff Goldman has not received the Leaf mask that he paid for and has not received any of the stretch goal products promised to him by Defendants.
- 6. Plaintiff R. Christopher DeBoer ("DeBoer") is an individual who is a citizen of Michigan and resides in Michigan. Plaintiff DeBoer purchased the following: (1) on or about June 23, 2020, he purchased a "Leaf UV family pack of (4)" for \$331.00; (2) on or about July 12, 2020, he purchased a "Leaf PRO family pack of (4)" for \$708.00; (3) on or about July 12, 2020, he purchased two sets of "6 Month HEPA-Carbon" for \$69.00 each; (4) on or about July 12, 2020, he purchased a "Leaf PRO Pack" for \$204.00. To this day, Plaintiff DeBoer has not received the products that he paid for and has not received any of the stretch goal products promised to him by Defendants.

- 7. Defendant Redcliffe Medical Devices, Inc. is a Michigan corporation headquartered in, doing business in, and having its "nerve center," and therefore its principal place of business, in Michigan.
- 8. Defendant Indiegogo, Inc., is a Delaware Corporation doing business in Michigan. It entered into an agreement with Michigan Corporation Redcliffe to advertise Redcliffe's products and collected millions of dollars from unsuspecting Class members.

JURISDICTION AND VENUE

- 9. This Court has original jurisdiction over Plaintiffs' Lanham Act claim pursuant to 28 U.S.C. § 1331 and 15 U.S.C. § 1121.
- 10. This Court also has jurisdiction over this action pursuant to 28 U.S.C. § 1332(d)(2). The matter in controversy, exclusive of interest and costs, exceeds the sum or value of \$5,000,000 and is a class action in which there are more than 100 members of the Class, members of the Class are citizens of states different from Defendants, and greater than two-thirds of the members of the Classes reside in states other than the state in which Defendants are citizens.
- 11. Further, this Court has jurisdiction over supplemental state law claims pursuant to 28 U.S.C. § 1367.
- 12. This Court has personal jurisdiction over Defendant Redcliffe because Defendant is headquartered in this District, has its principal place of business in this

District, and has purposefully availed itself of the privilege of conducting business activities in this District.

- 13. This Court has personal jurisdiction over Defendant Indiegogo because Defendant purposefully directed its activities at residents of this District, Defendant Indiegogo entered into the agreement with Michigan Corporation Redcliffe to use its website to sell Redcliffe's products, Plaintiffs' claims arise out of or relate to those activities, and the assertion of jurisdiction is reasonable and fair.
- 14. Venue is proper in this District, pursuant to 28 U.S.C. § 1391, because a substantial part of the acts or omissions giving rise to the claims brought herein occurred or emanated within this District, and Defendants have caused harm to Plaintiffs and Class Members residing in this District. Moreover, Defendants have marketed, advertised, and sold the products at issue within this District.

FACTUAL ALLEGATIONS

- 15. Plaintiffs incorporate all previous allegations by reference as if fully restated herein.
- 16. In 2020, as the COVID-19 pandemic spread across the United States, Redcliffe began marketing and selling Leaf masks and other products through the crowdfunding platform hosted by Indiegogo, Indiegogo.com.⁴ Redcliffe also began

⁴ https://www.indiegogo.com/projects/leaf-mask-world-s-first-fda-uv-c-n99-clear-mask#/ (last visited April 14, 2021). Exhibit 3.

marketing and selling Leaf masks and other products directly through its own website.⁵

- 17. Indiegogo promoted Redcliffe Leaf masks on its website, urging individuals to invest in the product. As a result of Indiegogo's influence, it collected millions of dollars from customer investors for Redcliffe and pocketed 5% of all funds raised as a "platform fee."
- 18. In order to entice purchasers, Indiegogo makes certain promises about the products on its website. In particular, Indiegogo assumes a duty to monitor and actively prevent fraud.⁷
- 19. In order to entice purchasers and, as a consequence, foster a false sense of security in consumers about the products it advertises, Indiegogo has promulgated a set of rules upon which Redcliffe purportedly had to comply including, but not limited to: making a good faith effort to fulfill certain incentives for purchasers, being responsive, providing updates, being truthful and transparent, and providing refunds if you cannot deliver the agreed-upon product. Redcliffe has fulfilled *none* of these obligations, and—despite its duty to safeguard the millions of dollars collected from consumers—Indiegogo has done nothing to discourage Redcliffe's improper

⁵ https://www.leaf.healthcare (last visited April 15, 2021). Exhibit 4.

⁶ See Exhibit 2.

⁷ See https://learn.indiegogo.com/trust/ (last visited April 15, 2021). Exhibit 5.

⁸ See https://www.indiegogo.com/about/terms#/campaignownerobligations (last visited April 15, 2021). Exhibit 6.

conduct. In fact, Indiegogo continues to actively encourage it by, to this day, propagating material falsehoods about the Leaf masks on its website.⁹

Plaintiffs and Class Members purchased the Leaf masks and products 20. (referred to as "perks" on Indiegogo) because they relied on Defendants' fraudulent marketing and advertising which misrepresented the quality and characteristics of Redcliffe's Leaf masks. For example, Redcliffe advertised the Leaf products as N95, N99, N100 rated transparent, self-cleaning, air-quality sensing reusable masks. Additionally, Redcliffe states on its website that "The Leaf Pro deploys cutting-edge aerospace-grade N100, MERV20+ HEPA Filters. With filtration material rated at N100 standard, the filters can sieve 99.97% of 0.3 micron particles making it N100 standard. The cutting-edge material is pleated into 25 pleats to dramatically enhance the surface area of the filter to up-to 5X the effective surface area of a conventional mask while dramatically reducing the space required for the filter itself. All in all, it allows you to breathe effortlessly." All of these statements are false. Redcliffe also states that the Leaf masks are "FDA Approved" and "Made in the USA," 11 but they are not.

⁹ See Exhibit 3.

¹⁰ See Exhibit 7: https://www.leaf.healthcare/leaf-hepa (last visited April 14, 2021).

¹¹ *Id*.

- 21. Indiegogo promoted and advertised Redcliffe's Leaf masks on its crowdfunding website as (1) UV-C Sterilizing, (2) N99 rated, and (3) containing HEPA filtration systems. ¹² None of this was true.
- 22. Defendants' representations were specifically meant to induce consumers to purchase Redcliffe's masks in order to protect themselves from the contraction and spread of COVID-19:



23. In reality, the few masks that were delivered were flawed masks that are not what was represented to consumers and offer inadequate protection against COVID-19—risking the lives of all purchasers who rely on the masks' effectiveness.

¹² See Exhibit 3.

- 24. Defendants' advertising campaign was predicated on material falsehoods and blatant misrepresentations.
- 25. For example, the Leaf masks are simply "registered" ¹³ with the FDA— the FDA has not approved the masks as N95, N99, or N100 masks, nor has it determined that the masks have disinfecting capabilities. In fact, the FDA's registration only concerns generic facemasks and specifically excludes N95 respirators.
- 26. Additionally, the National Personal Protective Technology Laboratory ("NIOSH"), the federal agency responsible for research and recommendations for the prevention of work-related injury and illness, and which approves and designates the safety ratings for masks, has not approved the Leaf masks as N99 masks.¹⁴
- 27. Plaintiffs and Class Members relied on Defendants' misrepresentations when purchasing the Leaf masks. If Defendants had properly disclosed the true qualities and characteristics of the masks, Plaintiffs would not have purchased these masks.

¹³ See Exhibit 8:

https://www.accessdata.fda.gov/scripts/cdrh/cfdocs/cfrl/rl.cfm?rid=272020 (last visited April 15, 2021).

¹⁴ See Exhibit 9:

https://www.cdc.gov/niosh/npptl/topics/respirators/disp_part/n99list1.html (last visited April 15, 2021).

- 28. Currently, Redcliffe's Indiegogo page indicates that Redcliffe has sold approximately \$4.4 million worth of Leaf masks and products to over 25,000 purchasers, just through Indiegogo alone. This figure does not include direct sales with Redcliffe through its own website. These products/packages ranged in price from \$49-\$9,999.
- 29. Despite over \$4 million in sales, Redcliffe has failed to deliver these products to Class Members, or has delivered unusable and grossly inferior products after significant delays. Many Plaintiffs and Class Members report waiting months to receive any products, if received at all.
- 30. The small number of masks that have been delivered contain material defects which eliminate any protection the mask is meant to offer from COVID-19, such as holes in the filter of the mask, filters with no NIOSH safety ratings at all, and lack an antimicrobial coating or any of the falsely represented characteristics that induced the Plaintiffs to buy the Leaf masks in the first place. The masks are of unacceptable quality, do not meet the standards that were represented, and simply are not the products that were marketed by Defendants.
- 31. For example, as the pictures show below, Plaintiff Miner received a defective mask that is marketed as having "UV" protection, with accompanying

¹⁵ See Exhibit 3.

¹⁶ *Id*.

charging cables, but the mask does not contain UV lights or have any ports to plug in the charging cables:







- 32. Some Class Members received masks that were already used and contained dirty filters. Class Members also complained of fungus buildup in the main filter and filters that pop out after brief usage.
- 33. Other Class Members have received nothing at all in return for their money. A Pennsylvania resident and putative Class Member spent almost \$150 on a mask and filters, with an estimated delivery in July and August 2020, respectively. Her recent request for a refund from Redcliffe was denied. Redcliffe customer service falsely stated that, despite her receipts and bank account activity showing otherwise, her order was never paid for and that is why it was not shipped.
- 34. Instead of delivering the Leaf masks to Plaintiffs and Class Members who provided payment to Redcliffe via its own website and Indiegogo's crowdfunding website, Redcliffe improperly retained these payments while failing to timely deliver the Leaf masks to Plaintiffs and Class Members.
- 35. Indiegogo pocketed a 5% "platform fee" for all funds raised from investors in furtherance of the Redcliffe facemask campaign, and also earned a significant amount of money by defrauding Plaintiffs and Class Members. The more successful the Leaf campaign was, the more Indiegogo stood to profit. Indeed, Indiegogo's website was the springboard that facilitated Redcliffe's scheme. The money collected by the Defendants has not been returned to the Plaintiffs or the Class Members.

- 36. Plaintiffs and Class Members relied on Defendants' misrepresentations when purchasing the Leaf masks. Plaintiffs and Class Members would not have purchased the masks but for the misrepresentations.
- 37. Additionally, Defendants represented to Plaintiffs and Class Members that as Redcliffe reached funding goals on its Indiegogo page (referred to as "stretch goals") all supporters would receive additional Leaf products. However, despite reaching all these funding benchmarks, Redcliffe never sent these products to Plaintiffs or Class Members—another example of a misrepresentation meant to induce Plaintiffs and Class Members to purchase Leaf products.
- 38. As evidenced on Redcliffe's Indiegogo page, over 8,000 comments have been left by users. Many comments are from purchasers who have waited many months but have not received their masks. 17 Other users commented on the inferior quality of the masks, noting how the product received was entirely unfit for its intended purpose. 18
- 39. Indeed, upon information and belief, and as reflected in the below comments, it appears that Redcliffe is creating shipping labels for the express purpose of misleading consumers into believing their Leaf masks are forthcoming. In reality,

¹⁷ See Exhibit 10, and the following page, for a mere sampling of the comments: https://www.indiegogo.com/projects/leaf-mask-world-s-first-fda-uv-c-n99-clear-mask#/comments (last accessed April 15, 2021).

Redcliffe is attempting to distract consumers from the fact that the products the Defendants advertised simply do not exist.



Kyle Aruda 44 minutes ago

WOW, did these people pull one over on Indiegogo. Shame on Indiegogo for only accepting "tracking numbers" and NOT looking into where the shipments are. My label has been created a month ago, but still has not shipped. Now these guys really have all our money and is living on a beach somewhere.





Glen G 9 hours ago

Received a shipping number for a HEPA mask on 02/06/2021. Mask has yet to ship. Can't believe Indigo was tricked so easily into dispersing all of the funds when Leaf never actually shipped masks to so many backers





marcos tincher 1 day ago

I reached out to there support team at least 2 times and never got a reply. I received notice of a tracking label that was created back in February. its now April and it still has not had anything updated on it. at this point I guess I'm out my support cost.





David Rosenbaum 3 days ago

I was notified on February 8 that my mask had shipped. Tracking and UPS indicates the label was created and nothing more. That is still the case. The status of my pledges listed on the website as "fulfilled." It seems that indigo has signed off on this. Maybe we need to contact our state Atty. Gen.'s regarding what appears to be a large scale fraud.





Laura C 4 days ago

I still have not received my pro masks & filters from June 2020. # 3252 & # 7807 & # 7802. This is getting very discouraging. I'm so disappointed in The management of Leaf & Indigogo. There are thousands of unfulfilled orders & neither the Company nor the platform care one bit. This is a total scam. Can someone please respond to me? I have emailed the appropriate Leaf email address & NO response.





Suleman Habib 6 days ago

Where's my mask???? This is pathetic. I've tried to connect with you through all channels but no response. I want my mask or a refund urgently Contribution ID 4107





Pierre Vella-Zarb 7 days ago

ALERT * After receiving supposed tracking information from Leaf almost 3 weeks ago, I contacted the shipper, DHL, and learned that Leaf has not sent the package for delivery. They simply generated the weigh bill.

From DHL:

"After looking into your waybill, I see that this shipment is not shipped yet. The shipper created the shipping label but didn't hand over the shipment to DHL. At this time, I would advise you to contact the shipper for further assistance regarding





Ridwan Tan 19 days ago

This is a total fraud. Made 2 contributions on Jun 13, 2020. Received a shipping notification for one of them on Jan 6, 2021 that label has been created. Until now, the item has yet to be delivered/picked up to/by the courier. Yet, they are able to sell the masks directly to their website





Nathanael Johnson 19 days ago

DO NOT PURCHASE! I made 2 large campaign contributions last July (2020) and was sent updates indicating my orders were at the fulfillment center and getting ready to ship (MONTHS AGO). Any attempt within the last several months to communicate has been ignored. I got an automated response from their backer email address that they no longer were responding to emails and that I needed to use the Telegram ap. I sent them several simple messages and have not received response still.

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Leslie S 20 days ago

I never received a mask, nor have I received any shipping notification. I contributed last August! You denied my request for a refund, so where is my mask, please?

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Bob Daniel 24 hours ago

— Last week I finally received the two UV masks ordered last July. My assumption had been that the clear face piece would retain it's "face-like" shape when worn. After trying multiple ways of keeping the mask in place with the various straps and adjusting the frame wire, it seems impossible to stop the inward collapse of the area of the mask just below the "nose". It should retain its shape! It's also very difficult to get it positioned and sealed without interfering with wearing glasses.





April Finvold 3 days ago

I finally got my masks purchased last June. Most importantly the mask does not even come close to sealing on mine or my husbands faces. Instead of the filter being under your chin it's against it and leaves an absolutely gaping hole underneath the mask rendering the mask 100% useless. It also smells like the worst cheap plastic ever. This is such low quality. My husband and I will not be using them. My much cheaper cloth vogmasks are way better.





RL 4 days ago

Disappointing. The mask doesn't fit well and doesn't maintain a seal. On the off chance that you can get the mask to seal to your face, you can't breathe through the filters without the whole mask caving in. And since they charged me for it last July, it's too late to dispute the charge. I contacted them for a refund last week – still no response.





Daniel Marasigan 4 days ago

Received my Leaf UV masks today. MAJOR disappointment. the bottom of the mask does not seal to the face, which means the air comes in through the gaps rather than through the filter as intended. The mask material is flimsy and gets sucked against my mouth and nose while breathing. The wire frame is not able to hold any shape. Overall, not worth the money spent or the time waiting.





Ken Flaherty 7 days ago

contributor #6102, record product last Saturday. The packaging is very nice. The mask is junk. It doesn't seal, it doesn't effectively filter. It muffles the voice 100 times more than anything else I have used. I am a healthcare provider and I will never use this thing.

Absolute waste of money and hope in a time of pandemic.





Amanda Wheatland 15 days ago

The mask that finally arrived was in an impressive presentation box but the mask its self is unwearable. It hurts and presses on my nose in the most uncomfortable way. As a woman with long thick hair putting the straps around my head is tricky and pulls out my hair. This style is really only suitable for people with short or no hair. The exhaust ports either side let air in and out unhindered and to my mind they should be fitted with filters, this renders the entire mask not fit for purpose.





Kalon Dillon 16 days ago

Delighted to report that I have received my backer contribution perk of two UV masks (CID #5751)! The bad, but not unexpected news is that they're complete garbage. The fit is trash, the fit adjustments are trash (deserved their own mention), the materials are trash, the breathability is trash, the "air tight" seal is trash, and good luck if you wear glasses. So, these masks will feel right at home in my trash can.

Hey folks, you win some, you lose some.

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Benjamin Novida 21 days ago

This is a badly designed mask. The bottom part does not seal. Thank goodness we're fully vaccinated.

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Jon Markman 26 days ago

My masks arrived today and I am deeply, deeply disappointed in this product: the mask is too flimsy to retain its shape, and fogs despite assertions it wouldn't. Speech is difficult to hear, but air leaks from all sides no matter the configuration of the straps. I will definitely not be using them, and I don't even know if I should give them to Goodwill; I don't want to be wasteful, but I also don't want people out there using such shoddy protection gear.

If you can still cancel, do it!

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Ray Bentsen 30 days ago

Amazingly, I finally got my Leaf UV mask today. I do find it somewhat difficult to breath using the included HEPA Carbon filter (there are two spares included). I decided to pop for the EasyBreath (Gen2) filters ... an order that is "pending". Hopefully it won't take 8 months to get here!

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- 40. When Plaintiffs and Class Members purchase the Leaf products through Indiegogo, they send payment to Indiegogo, and Indiegogo withholds and ultimately releases these funds to Redcliffe after taking a 5% "platform fee" for itself.
- 41. On August 26, 2020, due to complaints about Redcliffe's failure to fulfill its obligations and deliver masks to Plaintiffs and Class Members, Indiegogo issued a message to Plaintiffs and Class Members stating that it was "holding" \$3.3 million of the sales revenue until Redcliffe could deliver the ordered Leaf products to purchasers.¹⁹
- 42. Additionally, as a result of complaints about Redcliffe's delays, Indiegogo reported that it had "removed the campaign from the InDemand program²⁰ in an effort to help the campaign owner focus on fulfilling their first perk batch."²¹ Though consumers are no longer able to purchase Leaf products through the Indiegogo platform directly, Indiegogo still actively advertises Leaf masks on its website.²²
- 43. Over seven months have now passed since Indiegogo's August 26, 2020 message; yet, many Plaintiffs and Class Members still have not received their

¹⁹ See Exhibit 11, August 26, 2020 Email from Indiegogo.

²⁰ Indiegogo's "InDemand" program allows a party to continue to raise funds after its initial fundraising campaign concludes. *See* Exhibit 12: https://entrepreneur.indiegogo.com/how-it-works/indemand/ (last visited April 14, 2021).

²¹ See Exhibit 11.

²² See Exhibit 3.

purchased Leaf products. Those Plaintiffs and Class Members who have received masks have received inadequate or used ones.

- 44. Notwithstanding the concerns expressed by *thousands* of its users, on March 24, 2021, Indiegogo released the \$3.3 million of the sales revenue it had previously been holding until Redcliffe delivered the ordered Leaf products to purchasers.²³
- 45. Indiegogo released this money to Redcliffe despite knowing that Redcliffe failed to timely deliver its product and/or had failed in all material respects to meet its obligations.
- 46. Indiegogo is still in possession of more than \$200,000 of Plaintiffs' monies that it charged as a "platform fee." Neither Redcliffe nor Indiegogo has returned any of the money they fraudulently elicited from customers in pursuit of the Redcliffe Leaf mask campaign.
- 47. Plaintiffs seek damages suffered by the Class as a result of Defendants' conduct, including but not limited to: (a) the money paid for the Leaf masks; and (b) reimbursement of out-of-pocket costs for, among other things, alternative masks (c) attorneys' fees and costs; (d) statutory damages as applicable; (e) exemplary damages and consequential damages. Plaintiffs also seek injunctive relief, including but not

²³ Exhibit 13, Indiegogo March 24, 2021 letter ("Indiegogo has disbursed all funds for this campaign to the campaign owner, so we are unable to refund the contributions made by the backers.")

limited to, a constructive trust placed over all of Plaintiffs' funds held directly or indirectly by Defendants or any third party for purchases of Leaf products and all other equitable relief, including but not limited to disgorgement, including of profits, restitution, and recission of the contract due to lack of specific performance.

CLASS ACTION ALLEGATIONS

- 48. Plaintiffs incorporate all previous allegations by reference as if fully restated herein.
- 49. Plaintiffs bring this lawsuit as a class action on behalf of themselves and all other Class Members similarly situated pursuant to Federal Rules of Civil Procedure 23(a) and (b)(2), (b)(3). This action satisfies the numerosity, commonality, typicality, adequacy, predominance, and superiority requirements of those provisions.
- 50. Under Fed. R. Civ. P. 23(b)(2) and (b)(3), Plaintiff seeks certification of the following classes:

Nationwide Classes:

All persons who purchased any Leaf product directly or indirectly from Redcliffe at any time from January 1, 2020 to the present in the United States.

All persons who purchased any Leaf product through the Indiegogo website from January 1, 2020 to the present in the United States.

51. In the alternative to the Nationwide Classes, and pursuant to Fed. R. Civ. P. 23(c)(5), Plaintiffs seeks to represent the following "State Subclasses."

California Subclass:

All members of the Nationwide Classes who are residents of California or purchased their Leaf product in California.

Michigan Subclass:

All members of the Nationwide Classes who are residents of Michigan or purchased their Leaf product in Michigan.

Montana Subclass:

All members of the Nationwide Classes who are residents of Montana or purchased their Leaf product in Montana.

Excluded from the proposed Nationwide Classes and each proposed Subclass are: Redcliffe, any affiliate, parent, or subsidiary of Redcliffe; any entity in which Redcliffe has a controlling interest; any officer, director, or employee of Redcliffe; any successor or assign of Redcliffe; Indiegogo, any affiliate, parent, or subsidiary of Indiegogo; any entity in which Indiegogo has a controlling interest; any officer, director, or employee of Indiegogo; any successor or assign of Indiegogo; anyone employed by counsel for Plaintiffs in this action; any judge to whom this case is assigned, his or her spouse, and all persons within the third degree of relationship to either of them, and the spouses of such persons.

A. Numerosity

52. The members of the Classes are so numerous that joinder of all members is impracticable. While the precise number of Class Members can only be confirmed through discovery, it is estimated that at least thousands of persons

purchased Leaf products.²⁴ The disposition of the claims of these Class Members in a single action will provide substantial benefits to all parties and to the Court. Class Members are readily identifiable from information and records in Defendants' possession, custody, or control.

B. Common Questions of Law and Fact Predominate

53. There are questions of law and fact common to all members of each Class: specifically, Plaintiffs' claims arise from the same event or practice or course of conduct by Defendants that gives rise to those claims of the putative classes, and Plaintiffs' claims are based upon the same legal theories as those of the putative classes. Defendants have engaged in a pattern and practice, in violation of the law. Specifically, Defendants sold the Leaf products that Plaintiffs and all Class Members purchased; Defendants falsely advertised the Leaf products as meeting certain standards when they did not; Plaintiffs and all the Class Members relied upon Defendants' representations about the quality of the masks when they paid money to order them; Defendants knew that their statements about the Leaf masks were false and that Plaintiffs would rely on the statements in deciding to pay Defendants money; in reality, Redcliffe did not intend to provide anything to the Plaintiffs and the Class Members and/or did not intend to provide the promised product; Plaintiffs and the

²⁴ Indeed, Redcliffe's Indiegogo web page contains over 8,300 comments from what appears to be a vast majority of frustrated, dissatisfied consumers. *See* Exhibit 10.

other members of the Class suffered damages in the form of the money paid for the Leaf masks they never received or received but were not the promised product.

- 54. Numerous questions of law and fact common to the Class predominate over questions that may affect individual members, including but not limited to:
 - a. Whether the Defendants made material misrepresentations to Plaintiffs that the Leaf masks would be delivered as advertised, that the masks would have the qualities and characteristics that Defendants advertised, and that the certifications and approvals Defendants advertised were true;
 - b. Whether the Defendants' material misrepresentations to Plaintiffs that the Leaf masks would be delivered as advertised, that the masks would have the qualities and characteristics that Defendants advertised, and that the certifications and approvals Defendants advertised were true were false or made recklessly without knowledge of their truth;
 - c. Whether the Defendants' material misrepresentations to Plaintiffs that the Leaf masks would be delivered as advertised, that the masks would have the qualities and characteristics that Defendants advertised, and that the certifications and approvals Defendants advertised were true were made with the intent that Plaintiffs and the Class would rely on such misrepresentations;

- d. Whether Defendants had a duty to disclose that the Leaf masks do not meet the quality and/or characteristics that Defendants claim they do and that the masks and products are far worse than a reasonable consumer would expect given Defendants' representations and the premium prices paid for the products;
- e. Whether Defendants willfully misrepresented that the Leaf masks provided particle-filtering, self-cleaning, air-quality sensing capabilities as advertised and certified in violation of the Lanham Act, 15 U.S.C.A. § 1125;
- f. Whether the Defendants' failure to provide Leaf masks as advertised constitutes a breach of contract;
- g. Whether Defendants' wrongful activities constitute unfair, unconscionable, or deceptive methods, acts, or practices in the conduct of trade or commerce in violation of state consumer protection laws;
- h. Whether Defendants' actions as described herein constitute a wrongful conversion of Plaintiffs' and Class Members' money in violation of Mich. Comp. Laws § 600.2919a and/or common law;
- i. Whether, as a result of Defendants' wrongful activities as fully described herein, the Defendants have been unjustly enriched;

C. Typicality

55. The claims and defenses of the Plaintiffs are representative of the Class Members they seek to represent and typical of the claims and defenses of the Class because the Plaintiffs and the Class Members all purchased Leaf masks but did not receive the promised Leaf masks they purchased from Defendants. Further, the factual bases of Defendants' misconduct are common to all Class Members and represent a common thread of misconduct resulting in injury to all Class Members. Plaintiffs, like all Class Members, have been damaged by Defendants' misconduct in that they purchased a product they would not have purchased but for Defendants' misconduct or would not have purchased Leaf masks at the price paid.

D. Adequacy of Representation

56. Plaintiffs will fairly and adequately assert and protect the interests of the proposed class because Plaintiffs have hired attorneys who are experienced in prosecuting class action claims and will adequately represent the interests of the Classes; Plaintiffs have no conflict of interest that will interfere with the maintenance of this class action; and Plaintiffs have suffered similar injuries and damages to those of all Class Members.

E. Superiority

57. A class action provides a fair and efficient method for the adjudication of the instant controversy because:

- a. The common questions of law and fact set forth above predominate over questions affecting only individual Class Members;
- b. The proposed Classes and Subclasses are each so numerous that joinder would prove impracticable. The proposed Classes and Subclasses, however, are not so numerous as to create manageability problems; moreover, no unusual legal or factual issues render the Class unmanageable.
- c. Prosecution of separate actions by individual members of the Class would risk inconsistent and varying adjudications against Defendants;
- d. The claims of the individual Class Members are small in relation to the expenses of litigation, making a class action the only procedure in which Class Members can, as a practical matter, recover for the damages done to them by Defendants.
- e. A class action would be superior to, and more efficient than, adjudicating thousands of individual lawsuits.
- 58. In the alternative, the proposed classes may be certified because:
- a. The prosecution of separate actions by the individual members of the proposed Classes would create a risk of inconsistent or varying adjudication regarding individual Class Members, which would establish incompatible standards of conduct for Defendants;

- b. The prosecution of separate actions by individual Class Members would create a risk of adjudications dispositive of the interests of other Class Members not parties to the adjudications and substantially impair or impede their ability to protect their interests; and
- c. Defendants have acted or refused to act on grounds generally applicable to the proposed class, which justifies final and injunctive relief for the members of the proposed Class as a whole.

CAUSES OF ACTION

COUNT I – VIOLATIONS OF THE LANHAM ACT (15 U.S.C.A. § 1125) (On behalf of the Nationwide Classes) (Against Defendants)

- 59. Plaintiffs hereby re-allege and incorporate all preceding paragraphs by reference as though fully restated herein.
- 60. The Lanham Act (15 U.S.C.A. § 1125) prohibits "[a]ny person who, or in connection with any goods or services, or any container for goods, uses in commerce any word, term, name, symbol, or device, or any combination thereof, or any false designation of origin, false or misleading description of fact, or false or misleading representation of fact, which—(A) is likely to cause confusion or to cause mistake, or to deceive as to the affiliation, connection, or association of such person with another person, or as to the origin, sponsorship, or approval of his or her goods, services, or commercial activities by another person, or (B) in commercial advertising

or promotion, misrepresents the nature, characteristics, qualities, or geographic origin of his or her or another person's goods, services, or commercial activities." 15 U.S.C.A. § 1125(a)(1).

- 61. In the course of their business, Defendants willfully misrepresented that the Leaf masks provided particle-filtering, self-cleaning, air-quality sensing capabilities as advertised and certified.
- 62. The quality and characteristics are not what was represented by the advertisements.
- 63. A reasonable consumer would have relied on the representations made by Defendants.
- 64. Defendants also engaged in unlawful trade practices by employing deception, deceptive acts or practices, fraud, misrepresentations, or concealment, suppression, or omission of material facts with intent that others rely upon such concealment, suppression, or omission, in connection with the sale of the Leaf masks.
- 65. Redcliffe concealed the fact that it did not intend to deliver the Leaf products to Plaintiffs and Class Members upon their purchase of these products.
- 66. Redcliffe concealed the fact that the products they would deliver did not meet the specifications and standards set forth in their advertisements and, in fact, were useless and defective and/or used and dirty—completely inappropriate for the purpose advertised.

- 67. Defendants' unfair or deceptive acts or practices were likely to and did in fact cause confusion and mistake and deceive reasonable consumers, including Plaintiffs and Class Members, about the particle-filtering, self-cleaning, air-quality sensing capabilities of the Leaf masks, and that their quality and characteristics are not what a reasonable consumer would expect given the representations made by Defendants.
- 68. Defendants intentionally and knowingly misrepresented material facts regarding the Leaf masks with the intent to mislead Plaintiffs and Class Members.
- 69. Defendants knew or should have known that their conduct violated the Lanham Act.
- 70. Absent Defendants' misrepresentations and omissions, Plaintiffs and Class Members would not have purchased the Leaf products, would not have purchased the Leaf products at the prices they paid, and/or would have purchased alternative or less expensive masks of higher quality that they could have received immediately. Accordingly, Plaintiffs and Class Members overpaid for the Leaf products and did not receive the benefit of their bargain and often paid for products that they did not receive or were not what they had bargained for.
- 71. As a direct and proximate result of Defendants' misconduct, Plaintiffs and Class Members have been damaged in an amount to be proven at trial, which shall include, but is not limited to, all compensatory damages, incidental and

consequential damages, and other damages allowed by law. Plaintiffs and Class Members also seek equitable relief including, but not limited to, recission, restitution, injunctive relief and disgorgement.

COUNT II - BREACH OF CONTRACT (On behalf of the Nationwide Classes or, alternatively, the State Subclasses) (Against Defendants)

- 72. Plaintiffs hereby re-allege and incorporate all preceding paragraphs by reference as though fully restated herein.
- 73. The Plaintiffs and Class Members each had an Agreement with Redcliffe and Indiegogo for the purchase of Leaf masks.
- 74. Defendants advertised that they would provide Leaf masks of a certain quality as set forth herein.
 - 75. Defendants failed to provide the Leaf masks as promised.
 - 76. Defendants breached the contract by failing to provide any masks.
- 77. Defendants breached the contract by failing to provide the masks in the quality as promised.
- 78. Defendants breached the contract by failing to meet the contract in a timely manner.
 - 79. Defendants' breaches are material in all respects.
- 80. Defendants' misrepresentations and omissions alleged herein, including Defendants' failure to disclose the true quality and characteristics of the

Leaf masks and that delivery of the product would either be significantly delayed or would not occur, caused Plaintiffs and Class Members to make their purchases of Leaf products. Absent those misrepresentations and omissions, Plaintiffs and Class Members would not have purchased the Leaf products, would not have purchased the Leaf products at the prices they paid, and/or would have purchased alternative or less expensive masks of higher quality that they could have received immediately. Accordingly, Plaintiffs and Class Members overpaid for the Leaf products and did not receive the benefit of their bargain.

- 81. By failing to deliver the Leaf masks as agreed and by absconding with Plaintiffs' money, Defendants have materially breached the Agreement.
- 82. Due to Defendants' actions, specific performance of the contract is not an adequate remedy and Plaintiffs and Class Members seek recission.
- 83. As a direct and proximate result of Defendants' breach of the Agreement, Plaintiffs and Class Members have been damaged in an amount to be proven at trial, which shall include, but is not limited to, all compensatory damages, incidental and consequential damages, and other damages allowed by law. Plaintiffs and Class Members also seek equitable relief including, but not limited to, recission, restitution, injunctive relief and disgorgement.

<u>COUNT III – FRAUDULENT MISREPRESENTATION</u> (On behalf of the Nationwide Classes or, alternatively, the State Subclasses) (Against Defendants)

- 84. Plaintiffs incorporate herein all previous allegations made in this Complaint as if fully restated herein.
- 85. Defendants made material representations to Plaintiffs that the Leaf masks would be delivered as advertised, that the masks would have the qualities and characteristics that Defendants advertised, and that the certifications and approvals Defendants advertised were true.
 - 86. These material representations were false.
- 87. Defendants either knew that these representations were false or made them recklessly without knowledge of their truth.
- 88. Defendants made these representations with the intent that Plaintiffs would rely upon them and pay money to Defendants.
 - 89. Plaintiffs did, in fact, act in reliance upon Defendants' representations.
 - 90. Plaintiffs, as a result, suffered damages.
- 91. As a direct and proximate result of Defendants' fraudulent misrepresentation, Plaintiffs and Class Members have been damaged in an amount to be proven at trial, which shall include, but is not limited to, all compensatory damages, incidental and consequential damages, and other damages allowed by law. Plaintiffs and Class Members also seek equitable relief including, but not limited to, recission, injunctive relief, restitution and disgorgement.

<u>COUNT IV – FRAUDULENT CONCEALMENT</u> (On behalf of the Nationwide Classes or, alternatively, the State Subclasses)

(Against Defendants)

- 92. Plaintiffs incorporate herein all previous allegations made in this Complaint as if fully restated herein.
- 93. Defendants concealed the true qualities and characteristics of the Leaf masks and products. Despite numerous opportunities to do so, Defendants failed to convey the true nature of the masks and products to Plaintiffs and Class Members.
- 94. Redcliffe also concealed the fact that it did not intend to deliver the Leaf products to Plaintiffs and Class Members upon their purchase of these products.
- 95. Defendants could have provided this information to Plaintiffs and Class Members through either: Redcliffe's website, the Indiegogo platform, through correspondence to Plaintiffs and Class Members at the time of their intended purchase, or other direct correspondence to Plaintiffs and Class Members. However, Defendants failed to provide this information and concealed it from Plaintiffs and Class Members.
- 96. Redcliffe had a duty to disclose that it did not intend to deliver these masks and products to Plaintiffs and Class Members,
- 97. Defendants had exclusive knowledge of their inability to deliver the products and of their intention not to deliver the products as promised.
- 98. Defendants had a duty to disclose that the products do not meet the quality and characteristics that Defendants claim they do; that the masks and products

are far worse than a reasonable consumer would expect given Defendants' representations and the premium prices paid for the products.

- 99. Defendants had exclusive knowledge of the true quality and characteristics of the products and the timeline of delivering the products to Plaintiffs and Class Members.
- 100. Having volunteered information, Defendants had a duty to provide not just the partial truth, but the whole truth.
- 101. Plaintiffs and Class Members relied on Defendants' material representations or omissions of fact that the products they were purchasing were effective, of high quality, and operate in accordance with Defendants' assurances.
- 102. As alleged in this Complaint, at all relevant times, Defendants have held out the Leaf products to be safe, effective, and of high quality and have intentionally failed to disclose the true quality of the products or that Redcliffe did not intend to deliver these marketed products to Plaintiffs and Class Members.
- 103. The truth about the quality and characteristics of the Leaf products and the fact that Redcliffe did not intend to deliver them to Plaintiffs and Class Members upon purchase was known only to Defendants. Plaintiffs and Class Members did not know of these facts and Defendants actively concealed these facts from Plaintiffs and Class Members.

- 104. Plaintiffs and Class Members reasonably relied upon Defendants' deception. They had no way of knowing Defendants' representations were false and/or misleading. Plaintiffs and Class Members did not, and could not, unravel Defendants' deception on their own.
- 105. Defendants concealed and suppressed material facts concerning the true quality and characteristics of the Leaf products and the delivery of these products.
- 106. Redcliffe put an emphasis on profits and sales over compliance with its contract with Plaintiffs and Class Members and applicable laws.
- 107. Defendants' false representations were material to Plaintiffs and Class Members because they concerned the quality and characteristics of products meant to protect Plaintiffs and Class Members from the deadly COVID-19 pandemic. Defendants' representations played a significant role in the purchasing decisions of Plaintiffs and Class Members.
- 108. Defendants still have not made full and adequate disclosures and continue to defraud Plaintiffs and Class Members.
- 109. Plaintiffs and Class Members were unaware of the omitted material facts referenced herein, and they would not have acted as they did if they had known of the concealed and/or suppressed facts, in that they would not have purchased the Leaf products.

and Class Members have sustained damage because they have paid for products that were not delivered and/or overpaid for products that were delivered and they have suffered and continue to suffer increased costs related to purchasing alternative, effective masks. Had they been aware of the true facts, Plaintiffs and Class Members would not have purchased the Leaf products or would have paid less.

111. Accordingly, as a direct and proximate result of Defendants' actions, Defendants are liable to Plaintiffs and Class Members for damages in an amount to be proven at trial, which shall include, but is not limited to, all compensatory damages, incidental and consequential damages, and other damages allowed by law. Plaintiffs and Class Members also seek equitable relief including, but not limited to, recission, injunctive relief, restitution and disgorgement.

112. Defendants' acts were done wantonly, maliciously, oppressively, deliberately, with intent to defraud, and in reckless disregard of Plaintiffs' and Class Members' rights, and the representations that Defendants made to them were made in order to enrich Defendants. Defendants' conduct warrants an assessment of punitive damages, where available at law, in an amount sufficient to deter such conduct in the future, which amount is to be determined at trial.

COUNT V – STATUTORY CONVERSION (MICH. COMP. LAWS § 600.2919a)

(On behalf of the Nationwide Classes or, alternatively, the State Subclasses)
(Against Defendants)

- 113. Plaintiffs incorporate herein all previous allegations made in this Complaint as if fully restated herein.
- 114. Defendants' actions described in the Complaint constitute a wrongful conversion of Plaintiffs' and Class Members' money in violation of Mich. Comp. Laws § 600.2919a.
- 115. As set forth herein, Defendants wrongfully took control of and exerted dominion over specific, identifiable funds by means of fraud.
 - 116. Defendants converted Plaintiffs' money for its own use.
- 117. As a direct and proximate result of Defendants' statutory conversion, Plaintiffs and Class Members have been damaged in an amount to be proven at trial, which shall include, but is not limited to, all compensatory damages, incidental and consequential damages, treble damages, costs and attorneys' fees, and other damages allowed by law. Plaintiffs and Class Members also seek equitable relief including, but not limited to, recission and disgorgement. Pursuant to Mich. Comp. Laws § 600.2919a, Plaintiffs are entitled to recover three times the amount of damages sustained, plus costs and reasonable attorney fees.

<u>COUNT VI – COMMON LAW CONVERSION</u> (On behalf of the Nationwide Classes or, alternatively, the State Subclasses) (Against Defendants)

118. Plaintiffs incorporate herein all previous allegations made in this Complaint as if fully restated herein.

- 119. Defendants' actions as described in the Complaint constitute a wrongful conversion of Plaintiffs' and Class Members' money in violation of common law.
- 120. As set forth herein, Defendants wrongfully took control of and exerted dominion over specific, identifiable funds by means of fraud.
- 121. The acts described in this Complaint constitute an unlawful conversion of Plaintiffs' property, resulting in damages to Plaintiff.
- 122. As a direct and proximate result of Defendants' common law conversion, Plaintiffs and Class Members have been damaged in an amount to be proven at trial, which shall include, but is not limited to, all compensatory damages, incidental and consequential damages, and other damages allowed by law. Plaintiffs and Class Members also seek equitable relief including, but not limited to, recission and disgorgement.

COUNT VII – EMBEZZLEMENT (MICH. COMP. LAWS § 600.2919a) The chalf of the Nationwide Classes or, alternatively, the St

(On behalf of the Nationwide Classes or, alternatively, the State Subclasses) (Against Defendants)

- 123. Plaintiffs incorporate herein all previous allegations made in this Complaint as if fully restated herein.
- 124. Defendants have wrongfully exerted dominion over, converted, and/or embezzled property belonging, in whole or in part, to Plaintiffs with the intent of

taking and controlling the same to the exclusion of Plaintiffs under common law and statutory law pursuant to Mich. Comp. Laws § 600.2919a.

- 125. As a direct and proximate result of Defendants' embezzlement, Plaintiffs and Class Members have been damaged in an amount to be proven at trial, which shall include, but is not limited to, all compensatory damages, incidental and consequential damages, treble damages, costs and attorneys' fees, and other damages allowed by law. Plaintiffs and Class Members also seek equitable relief including, but not limited to, recission and disgorgement.
- 126. Pursuant to Mich. Comp. Laws § 600.2919a, Plaintiffs are entitled to recover three times the amount of damages sustained, plus costs and reasonable attorney fees.

<u>COUNT VIII – UNJUST ENRICHMENT</u> (On behalf of the Nationwide Classes or, alternatively, the State Subclasses) (Against Defendants)

- 127. Plaintiffs incorporate herein all previous allegations made in this Complaint as if fully restated herein.
- 128. As a result of Defendants' wrongful activities as fully described in this Complaint, Defendants have been unjustly enriched, including, but not limited to, the amounts of funds paid to them, converted and obtained by fraud from Plaintiff.
 - 129. Retention of such benefits by Defendants is inequitable.

130. As a direct and proximate result of Defendants' unjust enrichment, Plaintiffs and Class Members have been damaged in an amount to be proven at trial, which shall include, but is not limited to, all compensatory damages, incidental and consequential damages, and other damages allowed by law. Plaintiffs and Class Members also seek equitable relief including, but not limited to, recission, restitution, injunctive relief and disgorgement.

COUNT IX – VIOLATIONS OF THE MICHIGAN CONSUMER PROTECTION ACT (MICH. COMP. LAWS § 445.903 et seq.) (On behalf of the Michigan Subclass) (Against Defendants)

- 131. Plaintiffs incorporate all previous allegations as though fully restated herein.
- 132. The Michigan Consumer Protection Act ("Michigan CPA") prohibits "[u]nfair, unconscionable, or deceptive methods, acts, or practices in the conduct of trade or commerce," including "[f]ailing to reveal a material fact, the omission of which tends to mislead or deceive the consumer, and which fact could not reasonably be known by the consumer"; "[m]aking a representation of fact or statement of fact material to the transaction such that a person reasonably believes the represented or suggested state of affairs to be other than it actually is"; or "[f]ailing to reveal facts that are material to the transaction in light of representations of fact made in a positive manner." Mich. Comp. Laws § 445.903(1).

- 133. Plaintiffs and Class Members are "person[s]" within the meaning of the Mich. Comp. Laws § 445.902(1)(d).
- 134. Redcliffe is a "person" engaged in "trade or commerce" within the meaning of the Mich. Comp. Laws § 445.902(1)(d) and (g).
- 135. Indiegogo is a "person" engaged in "trade or commerce" within the meaning of the Mich. Comp. Laws § 445.902(1)(d) and (g).
- 136. In the course of their business, Defendants willfully failed to disclose that the Leaf masks do not provide the particle-filtering, self-cleaning, air-quality sensing capabilities as advertised and certified, and their quality and characteristics are far worse than a reasonable consumer would expect given the representations made by Defendants. Defendants also engaged in unlawful trade practices by employing deception, deceptive acts or practices, fraud, misrepresentations, or concealment, suppression, or omission of any material fact with intent that others rely upon such concealment, suppression, or omission, in connection with the sale of the Leaf masks.
- 137. Redcliffe also concealed the fact that it did not intend to deliver the Leaf products to Plaintiffs and Class Members upon their purchase of these products.
- 138. Defendants' unfair or deceptive acts or practices were likely to and did in fact deceive reasonable consumers, including Plaintiffs and Class Members, about the particle-filtering, self-cleaning, air-quality sensing capabilities of the Leaf masks,

and that their quality and characteristics are far worse than a reasonable consumer would expect given the representations made by Defendants.

- 139. Defendants intentionally and knowingly misrepresented material facts regarding the Leaf masks with intent to mislead Plaintiffs and Class Members.
- 140. Defendants knew or should have known that their conduct violated the Michigan CPA.
- 141. Defendants owed Plaintiffs and Class Members a duty to disclose the true qualities and characteristics of the Leaf masks, because Defendants:
 - a. Possessed exclusive knowledge that the testing, certification, and representations of particle-filtering, self-cleaning, air-quality sensing capabilities were false;
 - b. Intentionally concealed the foregoing from Plaintiffs and Class Members; and/or
 - c. Made incomplete representations that the certification testing was false and failed to disclose the true performance of the Leaf masks, while purposefully withholding material facts from Plaintiffs and Class Members that contradicted these representations.
- 142. Defendants' omissions and/or misrepresentations about the particle-filtering, self-cleaning, air-quality sensing capabilities of the Leaf masks, and that

their quality and characteristics are far worse than a reasonable consumer would expect, were material to Plaintiffs and Class Members.

- 143. Plaintiffs and Class Members suffered an ascertainable loss caused by Defendants' misrepresentations and their concealment of and failure to disclose material information. Plaintiffs and Class Members who purchased the Leaf masks either would have paid less for these masks or would not have purchased them at all but for Defendants' violations of the Michigan CPA.
- 144. Defendants had an ongoing duty to all their customers to refrain from unfair and deceptive practices under the Michigan CPA. As a direct and proximate result of Defendants' violations of the Michigan CPA, Plaintiffs and Class Members have suffered injury-in-fact and/or actual damage.
- 145. Defendants' violations present a continuing risk to Plaintiffs and Class Members as well as to the general public. Defendants' unlawful acts and practices complained of herein affect the public interest.
- 146. Plaintiffs and Class Members seek injunctive relief to enjoin Defendants from continuing their unfair and deceptive acts; monetary relief against Defendants measured as the greater of (a) actual damages in an amount to be determined at trial and (b) statutory damages in the amount of \$250 for each plaintiff; reasonable attorneys' fees; and any other just and proper relief available under Mich.

Comp. Laws § 445.911. Plaintiffs and Class Members also seek equitable relief including, but not limited to, recission and disgorgement.

147. Plaintiffs and Class Members also seek punitive damages because Defendants carried out abhorrent conduct with willful and conscious disregard of the rights of others. Defendants' conduct constitutes malice, oppression, and fraud warranting punitive damages.

COUNT X – VIOLATIONS OF THE CALIFORNIA UNFAIR COMPEITION LAW (CAL. BUS. & PROF. CODE § 17200 ET SEQ.) (On behalf of the California Subclass) (Against Defendants)

- 148. Plaintiffs incorporate all previous allegations as though fully restated herein.
- 149. California's Unfair Competition Law (UCL), Cal. Bus. & Prof. Code § 17200 et seq., proscribes acts of unfair competition, including "any unlawful, unfair or fraudulent business act or practice and unfair, deceptive, untrue or misleading advertising."
- 150. Defendants' conduct, as described herein, was and is in violation of the UCL. Defendants' conduct violates the UCL in at least the following ways:
 - a. By failing to disclose that the Leaf masks do not achieve the functionality stated in Defendants' advertising;

- b. By knowingly and intentionally concealing from Plaintiffs and Class Members that the Leaf masks do not provide the particle-filtering, self-cleaning, air-quality sensing capabilities that were advertised, and their quality and characteristics are far worse than a reasonable consumer would expect to pay for these masks;
- c. By marketing the Leaf masks as N95, N99, N100 rated transparent, self-cleaning, air-quality sensing reusable masks; and
- d. By violating other California laws, including California consumer protection laws.
- e. By failing to deliver the purchased Leaf masks to Plaintiffs and Class Members.
- 151. Defendants intentionally and knowingly misrepresented material facts regarding the Leaf masks with an intent to mislead Plaintiffs and Class Members.
- 152. In purchasing the Leaf masks, Plaintiffs and Class Members were deceived by Defendants' failure to disclose that the Leaf masks do not provide the particle-filtering, self-cleaning, air-quality sensing capabilities as advertised and certified, and their quality and characteristics are far worse than a reasonable consumer would expect given the representations made by Defendants.
- 153. Plaintiffs and Class Members reasonably relied upon Defendants' false misrepresentations. They had no way of knowing that Defendants' representations

were false and gravely misleading. As alleged herein, Defendants engaged in extremely sophisticated methods of deception. Plaintiffs and Class Members did not, and could not, unravel Defendants' deception on their own.

- 154. Defendants knew or should have known that their conduct violated the UCL.
- 155. Defendants owed Plaintiffs and Class Members a duty to disclose the truth about its quality and characteristics manipulation because Defendants:
 - a. Possessed exclusive knowledge that the testing, certification, and representations of particle-filtering, self-cleaning, air-quality sensing capabilities of the Leaf masks were false;
 - b. Intentionally concealed the foregoing from Plaintiffs and Class Members; and/or
 - c. Made incomplete representations that the certification testing was false and failed to disclose the true quality and characteristics of the Leaf masks, while purposefully withholding material facts from Plaintiffs and Class Members that contradicted these representations.
- 156. Defendants had a duty to disclose that the Leaf masks do not provide the particle-filtering, self-cleaning, air-quality sensing capabilities that were advertised and certified, and their quality and characteristics are far worse than a

reasonable consumer would expect given the price paid for these masks and the representation made by Defendants.

- 157. Defendants' conduct proximately caused injuries to Plaintiffs and Class Members.
- 158. Plaintiffs and Class Members were injured and suffered ascertainable loss, injury-in-fact, and/or actual damage as a proximate result of Defendants' conduct in that Plaintiffs and Class Members overpaid for the Leaf masks. These injuries are the direct and natural consequence of Defendants' misrepresentations and omissions.
- 159. Defendants' violations present a continuing risk to Plaintiffs and Class Members as well as to the general public. Defendants' unlawful acts and practices complained of herein affect the public interest.
- 160. Defendants' misrepresentations and omissions alleged herein caused Plaintiffs and Class Members to make their purchases of the Leaf masks. Absent those misrepresentations and omissions, Plaintiffs and Class Members would not have purchased these masks, would not have purchased the Leaf masks at the prices they paid, and/or would have purchased less expensive alternative masks.
- 161. Accordingly, Plaintiffs and Class Members have suffered injury-infact, including lost money, as a result of Defendants' misrepresentations and omissions.

- 162. Plaintiffs request that this Court enter such orders or judgments as may be necessary to restore to Plaintiffs and Class Members any money it acquired by unfair competition, including restitution and/or restitutionary disgorgement, as provided in Cal. Bus. & Prof. Code § 17203 and Cal. Civ. Code § 3345; and for such other relief as may be appropriate. Plaintiffs and Class Members also seek equitable relief including, but not limited to, recission and disgorgement.
- 163. Plaintiffs also seek punitive damages because Defendants engaged in aggravated and outrageous conduct.

COUNT XI – VIOLATIONS OF THE CALIFORNIA'S CONSUMERS LEGAL REMEDIES ACT (CAL. BUS. & PROF. CODE § 1750 ET SEQ.) (On behalf of the California Subclass) (Against Defendants)

- 164. Plaintiffs incorporate all previous allegations as though fully restated herein.
- 165. California's Consumers Legal Remedies Act ("CLRA"), CAL. CIV. CODE § 1750, et seq., proscribes "unfair methods of competition and unfair or deceptive acts or practices undertaken by any person in a transaction intended to result or which results in the sale or lease of goods or services to any consumer."
- 166. The Leaf masks are "goods" as defined in CAL. CIV. CODE §§ 1751(a).

- 167. Plaintiffs and Class Members are "consumers" as defined in CAL. CIV. CODE § 1761(d), and Plaintiffs, the other Class Members, Redcliffe, and Indiegogo are "person[s]" as defined in CAL. CIV. CODE § 1761(c).
- 168. Defendants' conduct, as described herein, was and is in violation of the CLRA. Defendants' conduct violates at least the following enumerated CLRA provisions:
 - a. CAL. CIV. CODE § 1770(a)(2): Misrepresenting the approval or certification of goods;
 - b. CAL. CIV. CODE § 1770(a)(5): Representing that goods have sponsorship, approval, characteristics, uses, benefits, or quantities which they do not have;
 - c. CAL. CIV. CODE § 1770(a)(7): Representing that goods are of a particular standard, quality, or grade, if they are of another;
 - d. CAL. CIV. CODE § 1770(a)(9): Advertising goods with intent not to sell them as advertised; and
 - e. CAL. CIV. CODE § 1770(a)(16): Representing that goods have been supplied in accordance with a previous representation when they have not.

- 169. Plaintiffs and Class Members have suffered injury-in-fact and actual damages resulting from Defendants' material omissions and misrepresentations because they paid an inflated purchase price for the Leaf masks.
- 170. Because Defendants fraudulently concealed that the Leaf masks do not provide the particle-filtering, self-cleaning, air-quality sensing capabilities that were advertised and certified, and their quality and characteristics are far worse than a reasonable consumer would expect given the representation made by Defendants, Plaintiffs and Class Members have overpaid for the Leaf masks.
- 171. Redcliffe also concealed the fact that it did not intend to deliver the Leaf products to Plaintiffs and Class Members upon their purchase of these products.
- 172. Defendants knew, should have known, or were reckless in not knowing that the Leaf masks do not provide the particle-filtering, self-cleaning, air-quality sensing capabilities that were advertised and certified, and their quality and characteristics are far worse than a reasonable consumer would expect.
- 173. Plaintiffs and Class Members were injured and suffered ascertainable loss, injury-in-fact, and/or actual damage as a proximate result of Defendants' conduct in that Plaintiffs and Class Members overpaid for the Leaf masks. These injuries are the direct and natural consequence of Defendants' misrepresentations and omissions.

174. Defendants' misrepresentations and omissions alleged herein caused

Plaintiffs and Class Members to make their purchases of the Leaf masks. Absent

those misrepresentations and omissions, Plaintiffs and Class Members would not

have purchased these masks, would not have purchased the Leaf masks at the prices

they paid, and/or would have purchased less expensive alternative masks.

175. In accordance with Civil Code § 1780 (a), Plaintiffs and Class

Members seek injunctive and equitable relief for Defendants' violations of the

CLRA, including an injunction to enjoin Defendants from continuing its deceptive

advertising and sales practices.

176. Plaintiffs have provided Defendants with notice of their violations of

the CLRA pursuant to CAL. CIV. CODE § 1782(a).

177. Plaintiffs' and Class Members' injuries were proximately caused by

Defendants' fraudulent and deceptive business practices.

178. Therefore, Plaintiffs and Class Members are entitled to equitable and

monetary relief under the CLRA. Plaintiffs and Class Members also seek equitable

relief including, but not limited to, recission and disgorgement.

<u>COUNT XII – VIOLATIONS OF THE CALIFORNIA FALSE</u>

ADVERTISING LAW

(CAL. BUS. & PROF. CODE § 17500 ET SEQ.)

(On behalf of the California Subclass)

(Against Defendants)

- 179. Plaintiffs incorporate all previous allegations as though fully restated herein.
- corporation...with intent directly or indirectly to dispose of real or personal property...to induce the public to enter into any obligation relating thereto, to make or disseminate or cause to be made or disseminated...from this state before the public in any state, in any newspaper or other publication, or any advertising device,...or in any other manner or means whatever, including over the Internet, any statement...which is untrue or misleading, and which is known, or which by the exercise of reasonable care should be known, to be untrue or misleading." Defendants failed to disclose that the Leaf masks do not provide the particle-filtering, self-cleaning, air-quality sensing capabilities that were advertised and certified, and their quality and characteristics are far worse than a reasonable consumer would expect given the price paid for these masks and the representation made by Defendants.
- 181. Redcliffe also concealed the fact that it did not intend to deliver the Leaf products to Plaintiffs and Class Members upon their purchase of these products.
- 182. Defendants caused to be made or disseminated through California and the United States, through advertising, marketing and other publications, statements that were untrue or misleading, and which were known, or which by the exercise of

reasonable care should have been known to Defendants, to be untrue and misleading to consumers, including Plaintiffs and Class Members.

- 183. Defendants have violated § 17500 because the misrepresentations and omissions regarding the functionality and efficiency of the Leaf masks as set forth in this Complaint were material and likely to deceive a reasonable consumer.
- 184. Plaintiffs and Class Members have suffered an injury-in-fact, including the loss of money, as a result of Defendants' unfair, unlawful, and/or deceptive practices. In purchasing their Leaf masks, Plaintiffs and Class Members relied on the misrepresentations and/or omissions of Defendants with respect to the functionality and efficiency of the Leaf masks. Had Plaintiffs and Class Members known this, they would not have purchased the Leaf masks and/or paid as much for them. Accordingly, Plaintiffs and Class Members overpaid for the Leaf masks.
- 185. All wrongful conduct alleged herein occurred, and continues to occur, in the conduct of Defendants' business. Defendants' wrongful conduct is part of a pattern or generalized course of conduct that is still perpetuated and repeated, both in the State of California and nationwide.
- 186. The facts concealed and omitted by Defendants to Plaintiffs and Class Members are material in that a reasonable consumer would have considered them to be important in deciding whether to purchase the Leaf masks or pay a lower price. Had Plaintiffs and Class Members known of the worse particle-filtering, self-

cleaning, air-quality sensing capabilities at the time they purchased the Leaf masks, they would not have purchased those masks, or would have paid substantially less for the masks than they did.

187. Plaintiffs and Class Members request that this Court enter such orders or judgments as may be necessary to restore to Plaintiffs and Class Members any money Defendants acquired by unfair competition, including restitution and/or restitutionary disgorgement, and for such other relief as may be appropriate. Plaintiffs and Class Members also seek equitable relief including, but not limited to, recission and disgorgement.

COUNT XIII – VIOLATIONS OF THE MONTANA UNFAIR TRADE PRACTICES AND CONSUMER PROTECTION ACT OF 1973 (MONT. CODE ANN. § 30-14-101 et seq.) (On behalf of the Montana Subclass) (Against Defendants)

- 188. Plaintiffs incorporate all previous allegations as though fully restated herein.
- 189. The Montana Unfair Trade Practices and Consumer Protection Act ("Montana CPA") makes unlawful any "unfair methods of competition and unfair or deceptive acts or practices in the conduct of any trade or commerce." MONT. CODE ANN. § 30-14-103.
- 190. Redcliffe, Indiegogo, Plaintiffs, and Class Members are "persons" within the meaning of MONT. CODE ANN. § 30-14-102(6).

- 191. Plaintiffs and Class Members are "consumer[s]" under MONT. CODE ANN. § 30-14-102(1).
- 192. The sale of each Leaf mask at issue occurred within "trade and commerce" within the meaning of MONT. CODE ANN. § 30-14-102(8), and Defendants committed deceptive and unfair acts in the conduct of "trade and commerce" as defined in that statutory section.
- 193. In the course of their business, Defendants willfully failed to disclose that the Leaf masks do not have the advertised particle-filtering, self-cleaning, airquality sensing capabilities and that these capabilities were far worse than a reasonable consumer would expect given the price paid for these masks over a comparable mask. Defendants also engaged in unlawful trade practices by employing deception, deceptive acts or practices, fraud, misrepresentations, or concealment, suppression, or omission of any material fact with intent that others rely upon such concealment, suppression, or omission, in connection with the sale of the Leaf masks.
- 194. Redcliffe also concealed the fact that it did not intend to deliver the Leaf products to Plaintiffs and Class Members upon their purchase of these products.
- 195. Defendants' unfair or deceptive acts or practices were likely to and did in fact deceive reasonable consumers, including Plaintiffs and Class Members, about the true functionality of the Leaf masks, the worse particle-filtering, self-cleaning, air-quality sensing capabilities and the true value of the Leaf masks.

- 196. Defendants intentionally and knowingly misrepresented material facts regarding the Leaf masks with intent to mislead Plaintiffs and Class Members.
- 197. Defendants knew or should have known that their conduct violated the Montana CPA.
- 198. Defendants owed Plaintiffs and Class Members a duty to disclose the functionality, the worse particle-filtering, self-cleaning, air-quality sensing capabilities and the true value of the Leaf masks, and Defendants:
 - a. Possessed exclusive knowledge that the testing, certification, and representations of particle-filtering, self-cleaning, air-quality sensing capabilities were false;
 - b. Intentionally concealed the foregoing from Plaintiffs and Class Members; and/or
 - c. Made incomplete representations that the certification testing was false and failed to disclose the true performance of the Leaf masks, while purposefully withholding material facts from Plaintiffs and Class Members that contradicted these representations.
- 199. Defendants' omissions and/or misrepresentations about the functionality of the Leaf masks were material to Plaintiffs and Class Members.
- 200. Plaintiffs and Class Members suffered ascertainable loss caused by Defendants' misrepresentations and its concealment of and failure to disclose

material information. Plaintiffs and Class Members who purchased the Leaf masks either would have paid less for their masks or would not have purchased them at all but for Defendants' violations of the Montana CPA.

- 201. Defendants had an ongoing duty to all its customers to refrain from unfair and deceptive practices under the Montana CPA. As a direct and proximate result of Defendants' violations of the Montana CPA, Plaintiffs and Class Members have suffered injury-in-fact and/or actual damage.
- 202. Defendants' violations present a continuing risk to Plaintiffs and Class Members as well as to the general public. Defendants' unlawful acts and practices complained of herein affect the public interest.
- 203. Plaintiffs additionally seek an order enjoining Defendants' unfair, unlawful, and/or deceptive practices, and any other relief the Court considers necessary or proper, under MONT. CODE ANN. § 30-14-133. Plaintiffs and Class Members also seek equitable relief including, but not limited to, recission and disgorgement.
- 204. Plaintiffs also seek punitive damages because Defendants engaged in aggravated and outrageous conduct.

<u>COUNT XIV – BREACH OF FIDUCIARY DUTY</u> (On behalf of the Nationwide Classes or, alternatively, the State Subclasses) (Against Defendants)

- 205. Plaintiffs incorporate all previous allegations as though fully restated herein.
- 206. Plaintiffs and Class Members provided and entrusted their funds to Indiegogo and to Redcliffe and, as such, Defendants were a fiduciary to those funds.
- 207. Redcliffe advertised that the Plaintiffs and Class Members were investors as well as purchasers.
- 208. As such investors as well as purchasers, Redcliffe owed Plaintiffs and Class Members a fiduciary duty.
- 209. As a promoter of Redcliffe Leaf masks and Redcliffe's business enterprise, Indiegogo owed and voluntarily assumed certain fiduciary duties to Plaintiffs and Class Members.
- 210. As fiduciaries, Defendants owed Plaintiffs and Class Members duties, including, but not limited to, a duty of care, a duty of honesty, and a duty of loyalty.
- 211. Redcliffe and Indiegogo breached their fiduciary duties to Plaintiffs by (1) promoting Redcliffe Leaf masks as meeting certain ratings and having other benefits that Defendants knew or should have known were not true, (2) representing that Redcliffe would timely deliver the facemasks to their customers despite knowing that such deliveries could not be made; and (3) falsely soliciting millions of dollars from Plaintiffs and Class Members for a product Indiegogo and Redcliffe knew or

should have known did not meet the standards Defendants advertised and that Redcliffe would either not timely deliver or fail to deliver at all.

- 212. Indiegogo further breached its fiduciary duties to Plaintiffs and Class Members by releasing Plaintiffs' and Class Members' funds to Redcliffe despite knowing that Redcliffe was failing to deliver the masks as advertised, if at all, based on thousands of complaints on its website and the receipt of numerous complaints in other forms.
- 213. Indiegogo released this money carelessly and in breach of its fiduciary duties after initially refusing to release it, demonstrating it was aware that the money should not be released to Redcliffe.
- 214. Defendants' breach of fiduciary duties owed to Plaintiffs is the direct and proximate cause of damage to Plaintiffs including but not limited to: (a) the money paid for the Leaf masks; and (b) reimbursement of out-of-pocket costs for, among other things, alternative masks. Plaintiffs are entitled to all damages at law and equitable relief.

REQUESTED RELIEF

WHEREFORE, Plaintiffs, individually and on behalf of all others similarly situated, respectfully request that this Honorable Court enter an Order:

A. Certifying the proposed Classes under Fed. R. Civ. P. 23(b)(2) and (3) and appointing Plaintiffs and Plaintiffs' counsel to represent the Classes;

- B. Finding that Defendants are liable under all legal and equitable claims asserted herein;
- C. Awarding damages to the Classes under the claims set forth herein and all other available claims, including reimbursement of monies paid for the masks, reimbursement of out-of-pocket costs, compensatory and consequential damages as set forth above, exemplary damages, treble damages, punitive damages, and any other damages provided under the law;
- D. Ordering injunctive relief including, but not limited to, a constructive trust placed over all of Plaintiffs' funds held directly or indirectly by Defendants or any third party for purchases of Leaf products;
- E. Awarding any and all equitable relief, including but not limited to recission, restitution and disgorgement, including disgorgement of any and all profits;
 - F. Awarding attorneys' fees, litigation costs, and interest; and
 - G. Awarding any other legal or equitable relief as justice so requires.

JURY DEMAND

Plaintiffs hereby demand a trial by jury on all issues so triable.

Dated: April 16, 2021

Respectfully submitted,

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