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Attorneys for Plaintiff and the Putative Class

9 **IN THE UNITED STATES DISTRICT COURT**
 10 **FOR THE SOUTHERN DISTRICT OF CALIFORNIA**

11 **NATHAN HALE**, individually, and on
 12 behalf of all others similarly situated,

13 Plaintiff,

14 v.

15 **KLARNA, INC.**,

16 Defendant.
 17

Case No.: **'22CV0598 DMS AHG**

CLASS ACTION COMPLAINT

JURY TRIAL DEMANDED

18
 19 Plaintiff Nathan Hale, individually and on behalf of all others similarly
 20 situated, hereby brings this Class Action Complaint against Defendant Klarna, Inc.
 21 (“Klarna”) and alleges as follows:

22 **INTRODUCTION**

23 1. This lawsuit is brought as a class action on behalf of Plaintiff and
 24 thousands of similarly situated Klarna customers who have been deceived into
 25 using Klarna’s buy now, pay later service by the company’s misrepresentations and
 26 omissions, in marketing materials, regarding the true operation and risks of the
 27 service. These risks include the real and repeated risk of multiple insufficient funds
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1 fees (“NSF fees”) or overdraft fees imposed by users’ banks as a result of automated
2 Klarna transfers from consumers’ checking accounts.

3 2. Klarna specifically targets poor consumers and those struggling to
4 make ends meet on a week-to-week basis. This group is its core constituency.

5 3. To that group, Klarna purports to offer a solution to cash-strapped
6 consumers: Klarna prominently markets itself as a service that allows users to pay
7 for purchases at a later date, with no interest, no fees and no hassle. These
8 representations are false. In fact, there are huge, undisclosed fees and interest
9 associated with using the service.

10 4. Klarna’s services thus cause unsuspecting consumers like Plaintiff to
11 incur significant overdraft and NSF fees on their linked bank accounts.

12 5. Unfortunately, Klarna’s operation, along with its deceptive and
13 incomplete marketing materials, means that users like Plaintiff end up paying huge
14 amounts of fees and interest, which Klarna falsely assures users they will not
15 receive.

16 6. In its rush to tout itself as convenient, simple, automatic, and free,
17 Klarna does not disclose that overdraft and NSF fees are a likely and devastating
18 consequence of the use of its service. No reasonable consumer would run this risk.

19 7. This massive risk is known to Klarna but is omitted from all of its
20 marketing.

21 8. Worse, Klarna exacerbates the overdraft and NSF fee risk associated
22 with service by using undisclosed processing choices that result in even more bank
23 fees than users would otherwise occur, including reprocessing debits on the same
24 or next day—when it knows users’ checking accounts are already negative.

25 9. Had Plaintiff and the Class members known of the true operation and
26 risks of the Klarna service, they would not used the Klarna service.

1 **FACTUAL ALLEGATIONS**

2 **A. Overview**

3 16. Founded in Sweden in 2005, Klarna has expanded to 17 countries and
4 serves 90 million shoppers. Klarna has become one of the largest buy now, pay
5 later services in the U.S.

6 17. The concept of "buy now, pay later" has existed since the birth of credit
7 cards. Klarna has expanded this concept to offers point-of-sale loans for online and
8 in-store purchases through its mobile app., allowing users to avoid paying in full
9 for products at hundreds of online and in-person stores by breaking up payments
10 into four installments—allowing users to pay off a purchase over the next few
11 months.

12 18. According to the Klarna website, the service is completely free, with
13 no interest or hidden fees.

14 19. Here's how it works. At checkout at an in-person store, or online, a
15 user is offered a Klarna loan as an alternative to other, traditional methods of
16 payment. During that checkout experience, Klarna offers short marketing
17 messages regarding its supposedly fee-free service.

18 20. If a user chooses to use Klarna, she provides basic personal details like
19 name, date of birth and address, debit card. She then is provided specific payment
20 plan details.

21 21. For example, if the total purchase is \$50, Klarna breaks that total into
22 four payments of \$12.50, with the first installment due at checkout and the
23 remaining three deducted every two weeks. The user's debit card will be charged
24 for the first payment and automatically charged every two weeks until the balance
25 is paid in full.

26 22. The whole process takes a few seconds—and at no time during that
27 process does Klarna warn potential users of the true risks of using its service. To
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1 the contrary, during the checkout and sign up processes, Klarna repeatedly touts
2 itself as a free service—without “catches.”

3 23. Klarna’s marketing and public communications stress that it is a service
4 that allows users to avoid overdraft fees, interest and other predatory charges. For
5 example, speaking of banks and credit card companies, Klarna CEO Sebastian
6 Siemiatkowski recently stated in a CNBC interview that “We are, with this product,
7 challenging a massive industry that has overcharged consumers with overdraft fees,
8 with interest bearing terms of use,” he added.

9 24. Similarly, the Klarna interface promises “Klarna is the smoothest
10 [SIC] & safest way to get what you want today, and pay over time. No catch. Just
11 Klarna.”

12 25. Klarna also touts itself as offering “**4 interest-free payments....**Pay in
13 4 with Klarna through our app, with integrated brands, or anywhere Visa is
14 accepted.”

15 26. It also states:

16 **No interest. No catch.**

17 Buy now, pay later is an alternative to credit and gives you the flexibility to
18 shop what you want, when you want, without breaking the bank. When you
19 split the cost of your purchase into 4 smaller payments with Klarna, **you’ll**
20 **never pay any interest. Ever.**

21 27. But there is a “catch.” A big one. There can also be huge amounts of
22 “interest,” albeit not assessed by Klarna, in the form of overdraft fees assessed by
23 banks.

24 28. Overdraft fees, which banks charge when they pay small-dollar
25 purchases into an insufficient account balance, are a highly profitable part of the
26 banking sector that exclusively targets the very poor. According to a 2017 study by
27 the Consumer Financial Protection Bureau, 5 percent of all bank accounts have
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1 over 20 overdrafts a year, which produce 63.3 percent of all overdraft fees paid by
2 consumers. Another 4.2 percent of bank accounts have over ten overdrafts a year
3 and make up more than 15 percent of fees paid by consumers.

4 29. This is the same group of consumers that Klarna targets with its
5 marketing: consumers living paycheck to paycheck. As a result, Klarna knew or
6 should have know that such users were at extreme risk of overdraft fees when using
7 the Klarna service.

8 30. When a bank pays an overdraft, it makes a loan to its accountholder in
9 the amount of the overdraft. The overdraft fee is a payment the accountholder
10 makes for the extension of credit for the overdrawn amount.

11 31. A 2008 Federal Deposit Insurance Corporation (FDIC) study showed
12 that overdraft fees carry an effective APR in excess of 3,500 percent.

13 32. In short, the entire premise of Klarna is to provide immediate access to
14 goods and services and avoid bank fees and interest charges. That is why consumers
15 are shocked to discover that Klarna causes significant bank fees and interest
16 charges.

17 33. Using Klarna's services causes unsuspecting consumers like Plaintiff
18 to incur massive fees on their linked bank accounts.

19 34. Klarna misrepresents (and omits facts about) the true nature, benefits,
20 and risks of its service, functioning of which means that users are at extreme and
21 undisclosed risk of expensive bank fees when using Klarna. Had Plaintiff been
22 adequately informed of these risks, he would not have used Klarna.

23 35. As alleged herein, Plaintiff had no idea small, automatic Klarna
24 repayments could cause \$29-each overdraft fees from his bank.

25 **B. Plaintiff's Experience**

1 36. When Plaintiff signed up for Klarna and was induced to provide Klarna
2 with his highly sensitive banking information, he was not aware that Klarna’s
3 service had a significant “catch” and that significant “interest” could result.

4 37. For example, in December, 2021, Plaintiff made a purchase using
5 Klarna.

6 38. On December 16, 2021, Klarna made a deduction from his checking
7 account at Frontwave Credit Union in the amount of \$42.84, as a partial repayment
8 of that purchase. That deduction caused a \$29 OD and/or NSF Fee at Frontwave
9 Credit Union.

10 **C. Klarna’s Deceptive Marketing**

11 39. In marketing and promotions, Klarna describes its service as simple,
12 convenient, and easy—a no-fee, no-interest way for consumers to receive their
13 purchases before they have money to pay for them.

14 40. Klarna’s marketing never warns consumers of the extreme and crushing
15 NSF and overdraft fee risk of using the service.

16 41. Klarna conceals from users the punishing risk of NSF and overdraft
17 fees on small dollar Klarna repayments.

18 42. Klarna’s marketing materials—including within the app, in app stores,
19 and on Klarna’s website—never disclose these risks and material facts, instead
20 luring consumers to sign up for and use the service with promises of ease,
21 convenience, and fee/interest avoidance.

22 43. Klarna knows that its service is likely to cause its low-income users to
23 incur large bank fees.

24 44. Klarna’s representations—which all users view during the sign-up
25 process—are false and contain material omissions.

26 45. Klarna misrepresents the true nature, benefits and risks of the service,
27 which targets users with an extreme and undisclosed risk of Klarna triggering
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1 expensive, earnings-depleting bank fees. Plaintiff would not have used Klarna if he
2 had been adequately informed of the risks of bank fees. As alleged herein, Plaintiff
3 had no idea small, automatic Klarna repayments could cause \$29 bank fees from
4 their bank; he had no idea Klarna would process transactions when their accounts
5 had insufficient funds.

6 46. Klarna’s marketing never discloses the most devastating risk of using
7 the service—that days of earnings can be wiped out by bank fees associated with
8 using the service.

9 **CLASS ALLEGATIONS**

10 47. Plaintiff bring this action individually and as representatives of all
11 those similarly situated, on behalf of the below-defined Class (the “Class”):

12 All persons who used the Klarna Service and incurred an
13 overdraft or NSF Fee as a result of a Klarna repayment
14 deduction.

15 48. Excluded from the Class are Defendant and its affiliates, parents,
16 subsidiaries, employees, officers, agents, and directors. Also excluded are any
17 judicial officers presiding over this matter and the members of their immediate
18 families and judicial staffs.

19 49. This case is appropriate for class treatment because Plaintiff can prove
20 the elements of their claims on a class wide basis using the same evidence as would
21 be used to prove those elements in individual actions alleging the same claims.

22 50. **Numerosity:** The members of the Class are so numerous that joinder
23 of all members would be unfeasible and impracticable. The precise membership of
24 the Class is unknown to Plaintiff at this time; however, it is estimated that the Class
25 number is greater than one hundred individuals. The identity of such membership
26 is readily ascertainable via inspection of Defendant’s books and records or other
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1 approved methods. Class members may be notified of the pendency of this action
2 by mail, email, internet postings, and/or publication.

3 51. **Common Questions of Law or Fact:** There are common questions of
4 law and fact as to Plaintiff and all other similarly situated persons, which
5 predominate over questions affecting only individual Class members, including,
6 without limitation:

- 7 a) Whether Klarna's representations and omissions about its service are
8 false, misleading, deceptive, or likely to deceive;
- 9 b) Whether Klarna failed to disclose the NSF and overdraft fee risks of
10 using its service;
- 11 c) Whether Plaintiff and the Class members were damaged by Klarna's
12 conduct;
- 13 d) Whether Klarna's actions or inactions violated the consumer protection
14 statute invoked herein; and
- 15 e) Whether Plaintiff is entitled to a preliminary and permanent injunction
16 enjoining Defendant's conduct.

17 52. **Predominance of Common Questions:** Common questions of law
18 and fact predominate over questions that affect only individual members of the
19 Class. The common questions of law set forth above are numerous and substantial
20 and stem from Klarna's uniform practices applicable to each individual Class
21 member. As such, these common questions predominate over individual questions
22 concerning each Class member's showing as to his or her eligibility for recovery
23 or as to the amount of his or her damages.

24 53. **Typicality:** Plaintiff's claims are typical of the claims of the other
25 members of the Class because, among other things, Plaintiff and all Class members
26 were similarly injured through Klarna's uniform misconduct as alleged above. As
27 alleged herein, Plaintiff, like the members of the Class, were deprived of monies
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1 that rightfully belonged to them. Further, there are no defenses available to Klarna
2 that are unique to Plaintiff.

3 **54. Adequacy of Representation:** Plaintiff are adequate class
4 representatives because they are fully prepared to take all necessary steps to
5 represent fairly and adequately the interests of the members of the Class, and
6 because their interests do not conflict with the interests of the other Class members
7 they seek to represent. Moreover, Plaintiff’s attorneys are ready, willing, and able
8 to fully and adequately represent Plaintiff and the members of the Class. Plaintiff’s
9 attorneys are experienced in complex class action litigation, and they will prosecute
10 this action vigorously.

11 **55. Superiority:** The nature of this action and the claims available to
12 Plaintiff and members of the Class make the class action format a particularly
13 efficient and appropriate procedure to redress the violations alleged herein. If each
14 Class member were required to file an individual lawsuit, Klarna would necessarily
15 gain an unconscionable advantage since it would be able to exploit and overwhelm
16 the limited resources of each individual Plaintiff with its vastly superior financial
17 and legal resources. Moreover, the prosecution of separate actions by individual
18 Class members, even if possible, would create a substantial risk of inconsistent or
19 varying verdicts or adjudications with respect to the individual Class members
20 against Klarna, and which would establish potentially incompatible standards of
21 conduct for Klarna and/or legal determinations with respect to individual Class
22 members which would, as a practical matter, be dispositive of the interests of the
23 other Class members not parties to adjudications or which would substantially
24 impair or impede the ability of the Class members to protect their interests. Further,
25 the claims of the individual members of the Class are not sufficiently large to
26 warrant vigorous individual prosecution considering all of the concomitant costs
27 and expenses attending thereto.

FIRST CAUSE OF ACTION
Violation of California’s Unfair Competition Law (“UCL”)
Cal. Bus. & Prof. Code § 17200, *et seq.*
(On Behalf of Plaintiff and the Class)

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4 56. Plaintiff repeats, realleges, and incorporates by reference each of the
5 foregoing paragraphs of this Complaint as if fully set forth herein.

6
7 57. California Business & Professions Code § 17200 prohibits acts of
8 “unfair competition,” including any “unlawful, unfair or fraudulent business act or
9 practice.”

10
11 58. Klarna’s deceptive conduct related to material omissions and/or
12 material misrepresentations that it provides risk-free repayment service through its
13 website and mobile app violates each of the statute’s “unfair,” “unlawful,” and
14 “fraudulent” prongs.

15
16 59. The UCL imposes strict liability. Plaintiff need not prove that Klarna
17 intentionally or negligently engaged in unlawful, unfair, or fraudulent business
18 practices—but only that such practices occurred.

19
20 60. A business act or practice is “unfair” under the UCL if it offends an
21 established public policy or is immoral, unethical, oppressive, unscrupulous, or
22 substantially injurious to consumers, and that unfairness is determined by weighing
23 the reasons, justifications, and motives of the practice against the gravity of the
24 harm to the alleged victims.
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1 61. Klarna’s practices as described herein are (a) immoral, unethical,
2 oppressive, and/or unscrupulous and violate established public policy as recognized
3 by, *inter alia*, causing injury to consumers which outweigh any purported benefits
4 or utility.

5
6 62. A business act or practice is “fraudulent” under the UCL if it is likely
7 to deceive members of the public.

8
9 63. Defendant’s practices, as described herein, constitute “fraudulent”
10 business practices in violation of the UCL because, among other things, they are
11 likely to deceive reasonable consumers, who do not expect that they can incur
12 expensive bank fees—and sometimes, multiple bank fees—for using Klarna’s
13 service. On the media on which Defendant communicated to consumer as they
14 were making a purchase decision, Defendant concealed the material fact that the
15 cost to use the buy now, pay later service can far exceed the “free” price
16 represented.

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19 64. A business act or practice is “unlawful” under the UCL if it violates
20 any other law or regulation.

21
22 65. Among other statutes, laws, and/or regulations, Defendant’s acts and
23 practices violate the following statutes, laws, and/or regulations:

24
25 (a) Violating Cal. Civ. Code § 1750, *et seq.*;

26 (b) Engaging in conduct in which the gravity of harm to Plaintiff and
27 the Class outweighs the utility of the Defendant’s conduct; and/or
28

1 (c) Engaging in acts and/or practices and/or omissions that are immoral,
2 unethical, oppressive, and/or unscrupulous and causes injury to
3 consumers which outweigh its benefits.
4

5 66. Klarna committed unfair and fraudulent business acts and practices in
6 violation of Cal. Bus. & Prof. Code § 17200, *et seq.*, by affirmatively and
7 knowingly misrepresenting on its website and mobile app the true risks and
8 operation of its service.
9

10 67. Klarna's acts and practices offend an established public policy of fee
11 transparency in the marketplace, and constitute immoral, unethical, oppressive, and
12 unscrupulous activities that are substantially injurious to consumers.
13

14 68. The harm to Plaintiff and the Class outweighs the utility of Defendant's
15 practices. There were reasonably available alternatives to further Defendant's
16 legitimate business interests, other than the misleading and deceptive conduct
17 described herein.
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19 69. Klarna's business practices have misled Plaintiff and the proposed
20 Class and will continue to mislead them in the future.
21

22 70. Plaintiff relied on Defendant's misrepresentations.
23

24 71. Had Plaintiff known the true risks of using the service, he would have
25 chosen another method to purchase the item with Klarna or purchase the item with
26 another provider.
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1 72. As a direct and proximate result of Klarna’s unfair, fraudulent, and/or
2 unlawful practices, Plaintiff and Class members suffered and will continue to suffer
3 actual damages. Defendant’s fraudulent conduct is ongoing and present a
4 continuing threat to Class members that they will be deceived into making
5 purchases with the buy now, pay later service.
6

7 73. As a result of its unfair, fraudulent, and unlawful conduct, Klarna has
8 been unjustly enriched and should be required to disgorge its unjust profits and
9 make restitution to Plaintiff and Class members pursuant to Cal. Bus. & Prof. Code
10 § 17203 and 17204.
11

12
13 **SECOND CAUSE OF ACTION**
14 **Violation of California’s False Advertising Law (“FAL”)**
15 **Cal. Bus. & Prof. Code § 17500, *et seq.***
16 **(On Behalf of Plaintiff and the Class)**

17 74. Plaintiff re-alleges and incorporates the preceding allegations by
18 reference as if fully set forth herein.

19 75. California’s False Advertising Law (“FAL”), Cal. Bus. & Prof. Code §
20 17500, states that “[i]t is unlawful for any ... corporation ... with intent ... to dispose
21 of ... personal property ... to induce the public to enter into any obligation relating
22 thereto, to make or disseminate or cause to be made or disseminated ... from this
23 state before the public in any state, in any newspaper or other publication, or any
24 advertising device, or by public outcry or proclamation, or in any other manner or
25 means whatever, including over the Internet, any statement...which is untrue or
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1 misleading and which is known, or which by the exercise of reasonable care should
2 be known, to be untrue or misleading....”

3 76. Defendant’s material misrepresentations and omissions alleged herein
4 violate Bus. & Prof. Code § 17500.

6 77. Defendant knew or should have known that its misrepresentations and
7 omissions were false, deceptive, and misleading.

9 78. Pursuant to Business & Professions Code §§ 17203 and 17500,
10 Plaintiff and the members of the Class, on behalf of the general public, seeks an
11 order of this Court enjoining Defendant from continuing to engage, use, or employ
12 their practice of misrepresenting the true risks and operation of its services.

14 79. Further, Plaintiff and the members of the Class seek an order requiring
15 Defendant to disclose such misrepresentations, and additionally request an order
16 awarding Plaintiff restitution of the money wrongfully acquired by Defendant by
17 means of said misrepresentations.

19 80. Additionally, Plaintiff and the Class members seek an order requiring
20 Defendant to pay attorneys’ fees pursuant to Cal. Civ. Code § 1021.5.

22 **PRAYER FOR RELIEF**

24 WHEREFORE, Plaintiff, individually and on behalf of the Class, demands
25 a jury trial on all claims so triable and judgment as follows:
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A. Certifying the proposed Class pursuant to Federal Rule of Civil Procedure 23, appointing Plaintiff as representative of the Class, and appointing counsel for Plaintiff as lead counsel for the respective Class;

B. Declaring that Klarna’s policies and practices as described herein constitute a violation of state consumer protection statutes;

C. Enjoining Klarna from the wrongful conduct as described herein;

D. Awarding restitution of all fees at issue paid to Klarna by Plaintiff and the Class as a result of the wrongs alleged herein in an amount to be determined at trial;

E. Compelling disgorgement of the ill-gotten gains derived by Defendant from its misconduct;

F. Awarding actual and/or compensatory damages in an amount according to proof;

G. Punitive and exemplary damages;

H. Awarding pre-judgment interest at the maximum rate permitted by applicable law;

I. Reimbursing all costs, expenses, and disbursements accrued by Plaintiff in connection with this action, including reasonable attorneys’ fees, costs, and expenses, pursuant to applicable law and any other basis; and

J. Awarding such other relief as this Court deems just and proper.

DEMAND FOR JURY TRIAL

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Plaintiff and all others similarly situated hereby demand trial by jury on all issues in this Class Action Complaint that are so triable.

Dated: April 28, 2022

Respectfully submitted,

EDELSBERG LAW, P.A.

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Attorneys for Plaintiff and the Putative

Class

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

Nathan Hale, individually and on behalf of all others similarly situated

(b) County of Residence of First Listed Plaintiff San Diego County, CA
(EXCEPT IN U.S. PLAINTIFF CASES)

'22CV0598 DMS AHG

(c) Attorneys (Firm Name, Address, and Telephone Number)
Scott Edelsberg Edelsberg Law, PA
20900 NE 30th Ave, Ste. 417
Aventura, FL 33180 305-975-3320

DEFENDANTS

Klarna, Inc.

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.

Attorneys (If Known)

II. BASIS OF JURISDICTION (Place an "X" in One Box Only)

- 1 U.S. Government Plaintiff
- 2 U.S. Government Defendant
- 3 Federal Question (U.S. Government Not a Party)
- 4 Diversity (Indicate Citizenship of Parties in Item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES (Place an "X" in One Box for Plaintiff and One Box for Defendant)

| | PTF | DEF | | PTF | DEF |
|---|---------------------------------------|----------------------------|---|----------------------------|---------------------------------------|
| Citizen of This State | <input checked="" type="checkbox"/> 1 | <input type="checkbox"/> 1 | Incorporated or Principal Place of Business In This State | <input type="checkbox"/> 4 | <input type="checkbox"/> 4 |
| Citizen of Another State | <input type="checkbox"/> 2 | <input type="checkbox"/> 2 | Incorporated and Principal Place of Business In Another State | <input type="checkbox"/> 5 | <input checked="" type="checkbox"/> 5 |
| Citizen or Subject of a Foreign Country | <input type="checkbox"/> 3 | <input type="checkbox"/> 3 | Foreign Nation | <input type="checkbox"/> 6 | <input type="checkbox"/> 6 |

IV. NATURE OF SUIT (Place an "X" in One Box Only)

Click here for: [Nature of Suit Code Descriptions.](#)

| CONTRACT | TORTS | FORFEITURE/PENALTY | BANKRUPTCY | OTHER STATUTES |
|---|--|--|---|---|
| <input type="checkbox"/> 110 Insurance <input type="checkbox"/> 120 Marine <input type="checkbox"/> 130 Miller Act <input type="checkbox"/> 140 Negotiable Instrument <input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment <input type="checkbox"/> 151 Medicare Act <input type="checkbox"/> 152 Recovery of Defaulted Student Loans (Excludes Veterans) <input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits <input type="checkbox"/> 160 Stockholders' Suits <input type="checkbox"/> 190 Other Contract <input type="checkbox"/> 195 Contract Product Liability <input type="checkbox"/> 196 Franchise | PERSONAL INJURY <input type="checkbox"/> 310 Airplane <input type="checkbox"/> 315 Airplane Product Liability <input type="checkbox"/> 320 Assault, Libel & Slander <input type="checkbox"/> 330 Federal Employers' Liability <input type="checkbox"/> 340 Marine <input type="checkbox"/> 345 Marine Product Liability <input type="checkbox"/> 350 Motor Vehicle <input type="checkbox"/> 355 Motor Vehicle Product Liability <input type="checkbox"/> 360 Other Personal Injury <input type="checkbox"/> 362 Personal Injury - Medical Malpractice | <input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC 881 <input type="checkbox"/> 690 Other | <input type="checkbox"/> 422 Appeal 28 USC 158 <input type="checkbox"/> 423 Withdrawal 28 USC 157 PROPERTY RIGHTS <input type="checkbox"/> 820 Copyrights <input type="checkbox"/> 830 Patent <input type="checkbox"/> 835 Patent - Abbreviated New Drug Application <input type="checkbox"/> 840 Trademark SOCIAL SECURITY <input type="checkbox"/> 861 HIA (1395ff) <input type="checkbox"/> 862 Black Lung (923) <input type="checkbox"/> 863 DIWC/DIWW (405(g)) <input type="checkbox"/> 864 SSID Title XVI <input type="checkbox"/> 865 RSI (405(g)) | <input type="checkbox"/> 375 False Claims Act <input type="checkbox"/> 376 Qui Tam (31 USC 3729(a)) <input type="checkbox"/> 400 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <input type="checkbox"/> 480 Consumer Credit <input type="checkbox"/> 485 Telephone Consumer Protection Act <input type="checkbox"/> 490 Cable/Sat TV <input type="checkbox"/> 850 Securities/Commodities/Exchange <input type="checkbox"/> 890 Other Statutory Actions <input type="checkbox"/> 891 Agricultural Acts <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 895 Freedom of Information Act <input type="checkbox"/> 896 Arbitration <input type="checkbox"/> 899 Administrative Procedure Act/Review or Appeal of Agency Decision <input type="checkbox"/> 950 Constitutionality of State Statutes |
| REAL PROPERTY | CIVIL RIGHTS | PRISONER PETITIONS | FEDERAL TAX SUITS | |
| <input type="checkbox"/> 210 Land Condemnation <input type="checkbox"/> 220 Foreclosure <input type="checkbox"/> 230 Rent Lease & Ejectment <input type="checkbox"/> 240 Torts to Land <input type="checkbox"/> 245 Tort Product Liability <input type="checkbox"/> 290 All Other Real Property | <input type="checkbox"/> 440 Other Civil Rights <input type="checkbox"/> 441 Voting <input type="checkbox"/> 442 Employment <input type="checkbox"/> 443 Housing/Accommodations <input type="checkbox"/> 445 Amer. w/Disabilities - Employment <input type="checkbox"/> 446 Amer. w/Disabilities - Other <input type="checkbox"/> 448 Education | Habeas Corpus: <input type="checkbox"/> 463 Alien Detainee <input type="checkbox"/> 510 Motions to Vacate Sentence <input type="checkbox"/> 530 General <input type="checkbox"/> 535 Death Penalty Other: <input type="checkbox"/> 540 Mandamus & Other <input type="checkbox"/> 550 Civil Rights <input type="checkbox"/> 555 Prison Condition <input type="checkbox"/> 560 Civil Detainee - Conditions of Confinement | <input type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant) <input type="checkbox"/> 871 IRS—Third Party 26 USC 7609 | |
| | | | IMMIGRATION | |
| | | | <input type="checkbox"/> 462 Naturalization Application <input type="checkbox"/> 465 Other Immigration Actions | |

V. ORIGIN (Place an "X" in One Box Only)

- 1 Original Proceeding
- 2 Removed from State Court
- 3 Remanded from Appellate Court
- 4 Reinstated or Reopened
- 5 Transferred from Another District (specify)
- 6 Multidistrict Litigation - Transfer
- 8 Multidistrict Litigation - Direct File

VI. CAUSE OF ACTION

Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity):
28 U.S.C. § 1332(d)(2)

Brief description of cause:
Class action arising from deceptive trade practices in violation of California's UCL and FAL

VII. REQUESTED IN COMPLAINT:

CHECK IF THIS IS A CLASS ACTION UNDER RULE 23, F.R.Cv.P. DEMAND \$ _____ CHECK YES only if demanded in complaint:
JURY DEMAND: Yes No

VIII. RELATED CASE(S) IF ANY

(See instructions):

JUDGE _____ DOCKET NUMBER _____

DATE 04/28/2021 SIGNATURE OF ATTORNEY OF RECORD /s/ Scott Edelsberg

FOR OFFICE USE ONLY

RECEIPT # _____ AMOUNT _____ APPLYING IFP _____ JUDGE _____ MAG. JUDGE _____

INSTRUCTIONS FOR ATTORNEYS COMPLETING CIVIL COVER SHEET FORM JS 44

Authority For Civil Cover Sheet

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

- I.(a) Plaintiffs-Defendants.** Enter names (last, first, middle initial) of plaintiff and defendant. If the plaintiff or defendant is a government agency, use only the full name or standard abbreviations. If the plaintiff or defendant is an official within a government agency, identify first the agency and then the official, giving both name and title.
- (b) County of Residence.** For each civil case filed, except U.S. plaintiff cases, enter the name of the county where the first listed plaintiff resides at the time of filing. In U.S. plaintiff cases, enter the name of the county in which the first listed defendant resides at the time of filing. (NOTE: In land condemnation cases, the county of residence of the "defendant" is the location of the tract of land involved.)
- (c) Attorneys.** Enter the firm name, address, telephone number, and attorney of record. If there are several attorneys, list them on an attachment, noting in this section "(see attachment)".
- II. Jurisdiction.** The basis of jurisdiction is set forth under Rule 8(a), F.R.Cv.P., which requires that jurisdictions be shown in pleadings. Place an "X" in one of the boxes. If there is more than one basis of jurisdiction, precedence is given in the order shown below.
 United States plaintiff. (1) Jurisdiction based on 28 U.S.C. 1345 and 1348. Suits by agencies and officers of the United States are included here.
 United States defendant. (2) When the plaintiff is suing the United States, its officers or agencies, place an "X" in this box.
 Federal question. (3) This refers to suits under 28 U.S.C. 1331, where jurisdiction arises under the Constitution of the United States, an amendment to the Constitution, an act of Congress or a treaty of the United States. In cases where the U.S. is a party, the U.S. plaintiff or defendant code takes precedence, and box 1 or 2 should be marked.
 Diversity of citizenship. (4) This refers to suits under 28 U.S.C. 1332, where parties are citizens of different states. When Box 4 is checked, the citizenship of the different parties must be checked. (See Section III below; **NOTE: federal question actions take precedence over diversity cases.**)
- III. Residence (citizenship) of Principal Parties.** This section of the JS 44 is to be completed if diversity of citizenship was indicated above. Mark this section for each principal party.
- IV. Nature of Suit.** Place an "X" in the appropriate box. If there are multiple nature of suit codes associated with the case, pick the nature of suit code that is most applicable. Click here for: [Nature of Suit Code Descriptions](#).
- V. Origin.** Place an "X" in one of the seven boxes.
 Original Proceedings. (1) Cases which originate in the United States district courts.
 Removed from State Court. (2) Proceedings initiated in state courts may be removed to the district courts under Title 28 U.S.C., Section 1441.
 Remanded from Appellate Court. (3) Check this box for cases remanded to the district court for further action. Use the date of remand as the filing date.
 Reinstated or Reopened. (4) Check this box for cases reinstated or reopened in the district court. Use the reopening date as the filing date.
 Transferred from Another District. (5) For cases transferred under Title 28 U.S.C. Section 1404(a). Do not use this for within district transfers or multidistrict litigation transfers.
 Multidistrict Litigation – Transfer. (6) Check this box when a multidistrict case is transferred into the district under authority of Title 28 U.S.C. Section 1407.
 Multidistrict Litigation – Direct File. (8) Check this box when a multidistrict case is filed in the same district as the Master MDL docket. **PLEASE NOTE THAT THERE IS NOT AN ORIGIN CODE 7.** Origin Code 7 was used for historical records and is no longer relevant due to changes in statute.
- VI. Cause of Action.** Report the civil statute directly related to the cause of action and give a brief description of the cause. **Do not cite jurisdictional statutes unless diversity.** Example: U.S. Civil Statute: 47 USC 553 Brief Description: Unauthorized reception of cable service
- VII. Requested in Complaint.** Class Action. Place an "X" in this box if you are filing a class action under Rule 23, F.R.Cv.P.
 Demand. In this space enter the actual dollar amount being demanded or indicate other demand, such as a preliminary injunction.
 Jury Demand. Check the appropriate box to indicate whether or not a jury is being demanded.
- VIII. Related Cases.** This section of the JS 44 is used to reference related pending cases, if any. If there are related pending cases, insert the docket numbers and the corresponding judge names for such cases.

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