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13
 14 SUPERIOR COURT FOR THE STATE OF CALIFORNIA
 15 COUNTY OF LOS ANGELES
 16

17 GILBERT MORA, an individual; STACY
 18 DOZIER, an individual; DIANNA PEREZ,
 an individual; and ALAN STARZINSKI,
 19 an individual, on behalf of themselves and
 all others similarly situated,

No. **23STCV30869**

20 Plaintiffs,

CLASS ACTION COMPLAINT

21 v.

JURY TRIAL DEMANDED

22 BLOCK, INC., a Delaware corporation;
 23 and DOES 1 through 100, inclusive,

24 Defendants.

25
 26 **COMPLAINT**

27 Plaintiffs Gilbert Mora; Stacy Dozier; Dianna Perez; and Alan Starzinski, by and through
 28 their undersigned counsel, on their own behalf and on behalf of all other entities and persons

1 similarly situated (residents of California only) (collectively, “Plaintiffs”), sue Block, Inc.
2 (“Block”) and DOES 1 through 100 (“Doe Defendants”) (Block and Doe Defendants are
3 collectively referred to herein simply as the “Defendants”) and for this Complaint, allege upon
4 information and belief, and based on the investigation to date of their counsel, as follows:

5 **INTRODUCTION**

6 1. This is a class action brought for the benefit and protection of Plaintiffs, and all other
7 similarly situated consumers who are residents of California and who visited or completed
8 transactions using Defendants’ financial platform, which includes mobile applications, websites,
9 software, cloud-based solutions, and other products and services (the “Service”).

10 2. By way of this action, Plaintiffs, and all others similarly situated, seek damages,
11 restitution, injunctive relief, public injunctive relief, and other relief necessitated by Defendants’
12 unlawful and unfair actions in violation of California Civil Code section 1670.8 and California
13 Business and Professions Code section 17200. Plaintiffs on behalf of themselves and all others
14 similarly situated seek an order permanently enjoining Defendants from engaging in these ongoing
15 unlawful and unfair practices, and civil penalties and damages available under California law.

16 3. Because of the current power of the internet and social media platforms to publicize
17 a company’s offerings of goods or services—and the potential harm to corporate interests when
18 negative consumer statements “go viral”—Defendants have a significant incentive to minimize the
19 negative publicity they receive, including in the form of negative online reviews and comments.
20 Some companies have gone so far as to attempt to prohibit customers and potential customers from
21 making negative statements about the goods or services they offer, to the detriment of consumers,
22 potential consumers, and the public of the State of California. Fortunately, California Civil Code
23 section 1670.8 was enacted to protect the right of California consumers to voice their opinions,
24 observations, and experiences about the products and services delivered or offered to California
25 consumers, as well as the citizens of the State of California. The California Legislature reasonably
26 and correctly determined that such freedom is important to keep the public informed and keep large
27 corporations honest about the quality of the goods or services they offer to consumers.

1 4. Section 1670.8(a) provides as follows: “(1) **A contract or proposed contract** for
2 the sale or lease of consumer goods or services **may not include a provision waiving the**
3 **consumer’s right to make any statement** regarding the seller or lessor or its employees or agents,
4 or concerning the goods or services” and “(2) **It shall be unlawful to threaten or seek to enforce**
5 **a provision made unlawful under this section, or to otherwise penalize a consumer for making**
6 **any statement protected under this section.**” Section 1670.8’s protections are so important that
7 the statute expressly provides that “**any waiver of the provisions of this section is contrary to**
8 **public policy, and is void and unenforceable.**”

9 5. In order to use and benefit from the Service, Service users are informed that they
10 must agree to the Cash App Terms of Service (“Terms”). Defendants assert that merely by
11 accessing or using the Services, users agree to be bound by the Terms.

12 6. While conducting substantial business with California consumers, the Terms
13 Defendants imposed upon users of the Service clearly violate Section 1670.8. Pursuant to the
14 Terms that Defendants impose upon Service users, Defendants state that “anything you provide us
15 or make available to the public through our services must not contain anything that we think is
16 objectionable (e.g.,...harmful to...us).” In doing so, Defendants seek to silence their customers or
17 potential customers from criticizing Defendants or their Service. This chilling activity is the precise
18 conduct prohibited by Section 1670.8.

19 7. Defendants’ conduct is unlawful, including among other reasons, because it is aimed
20 to stifle California consumers’ right to free speech, and the right of the California public to hear
21 lawful discourse. Defendants’ strong-arm tactics to silence injured parties were and continue to be
22 intentionally exercised to protect Defendants’ self-promoting public image for commercial and
23 other benefits. Defendants’ unlawful business practices, purposefully designed to maintain and
24 increase their consumers and prop up their stock price, all while denying public, consumers, and
25 potential consumers accurate information so that they may make informed decisions as consumers.

26 8. By way of these provisions, Defendants seek to have Service users waive their right
27 as consumers to make negative statements regarding Defendants or their services. These unlawful
28 restrictions—imposed by Defendants against their own customers and prospective customers—are

1 an important component of Defendants' business strategy, which relies upon the popularity of their
2 offerings nationwide to generate significant revenues and profits. But Defendants' efforts to silence
3 their customers and prospective customers is clearly prohibited by California law, thereby
4 subjecting Defendants to significant penalties, as described herein.

5 **JURISDICTION AND VENUE**

6 9. This Court has jurisdiction over the claims and causes of action asserted herein
7 because such claims arise solely and specifically out of Defendants' unlawful business practices
8 within the State of California, and relate to at least one statute—California Civil Code section
9 1670.8—that was designed to protect California's citizens, the application of which is exclusively
10 a matter for the courts of this State.

11 10. Venue is proper in this Court because: Defendants transact business in California
12 and in the County of Los Angeles based on Plaintiffs' use of the Service in this County. Defendants
13 have committed unlawful acts in the County by and through the Service and associated business
14 transactions within the County; and a substantial part of the events giving rise to the claims alleged
15 herein occurred in this County, where at least one of the Plaintiffs resides.

16 **THE PARTIES**

17 11. At all relevant times, Plaintiff Gilbert Mora was and has been a citizen of the State
18 of California and a resident of Los Angeles County. Mora is an individual who visited and
19 completed transactions with the Service within the applicable limitations period in Los Angeles in
20 the State of California.

21 12. At all relevant times, Plaintiff Stacy Dozier was and has been a citizen of the State
22 of California and a resident of Los Angeles. Dozier is an individual who visited and completed
23 transactions with the Service within the applicable limitations period in Los Angeles in the State of
24 California.

25 13. At all relevant times, Plaintiff Dianna Perez was and has been a citizen of the State
26 of California and a resident of Los Angeles County. Perez is an individual who visited and
27 completed transactions with the Service within the applicable limitations period in Los Angeles in
28 the State of California.

1 14. At all relevant times, Plaintiff Alan Starzinaki was and has been a citizen of the State
2 of California and a resident of Los Angeles County. Starzinaki is an individual who visited and
3 completed transactions with the Service within the applicable limitations period in Los Angeles in
4 the State of California.

5 15. Defendants conduct business in the state of California with California citizens.
6 Defendants develop, market, and disseminate a wide variety of financial services. Defendants
7 operate in California and generate revenue through the Service in the form of, among other things,
8 charges to its users to complete transactions, including Plaintiffs.

9 16. The true names and/or capacities, whether individual, corporate, partnership,
10 associate, governmental, or otherwise, of the Doe Defendants, inclusive, and each of them, are
11 unknown to Plaintiffs at this time, who therefore sues said Doe Defendants by such fictitious names.
12 Plaintiffs are informed and believe, and thereon allege, that each defendant designated herein as a
13 Doe Defendant caused injuries and damages proximately thereby to Plaintiffs as hereafter alleged,
14 and that each Doe Defendant is liable to Plaintiffs for the acts and omissions alleged herein below,
15 and the resulting injuries to Plaintiffs, and damages sustained by Plaintiffs. Plaintiffs will amend
16 this Complaint to allege the true names and capacities of said Doe Defendants when that same is
17 ascertained.

18 **FACTS COMMON TO ALL CLASS MEMBERS**

19 17. At all relevant times, Defendants were, and currently are, in the business of
20 designing, researching, developing, testing, advertising, promoting, marketing, selling, and
21 distributing the Service online and through mobile application stores. The Service is targeted to,
22 and accessible by, the citizenry of California.

23 18. Defendants are well-aware that their public image is vital to maintaining and gaining
24 customers. If the public sees content posted by Service users that may be insulting to Defendants
25 and/or any of their partners, and/or concerning the Service, then their current customers and/or
26 prospective customers may shift to a competitor, ultimately resulting in loss of business and loss of
27 revenue.

28

1 19. Thus, in order to maintain a positive public image, Defendants have engaged in an
2 intentional business strategy to silence each and every customer or potential customer of the Service
3 by purporting to bind users to their Terms—immediately upon using the Service.

4 20. Specifically, the Terms provide that “anything users provide us or make available
5 to the public through our services must not contain anything that we think is objectionable (e.g.,
6 ...harmful to...us).”

7 21. Service users use the Service to conduct financial transactions.

8 22. Defendants have sold and continue to sell individual services or products to
9 California consumers through the Service.

10 23. Defendants forbid any California consumers who use the Service from making any
11 “objectionable” or “harmful” statements about Defendants themselves, or any of their partners and
12 services.

13 24. In doing so, Defendants have and continue to engage in unlawful and unfair conduct,
14 that is contrary to public policy and in violation of California Civil Code section 1670.8 and
15 California Business and Professions Code section 17200.

16 25. Each of the Plaintiffs specifically identified herein, and millions more similarly
17 situated persons in the State of California, have used the Service—either as consumers or potential
18 consumers—and thus have ostensibly been subjected to the unlawful Terms.

19 **CLASS ACTION ALLEGATIONS**

20 26. Pursuant to California Code of Civil Procedure section 382, Plaintiffs bring this
21 class action on their own behalf and on behalf of all other similarly situated consumers in California.
22 The proposed class is defined as follows:

- 23 a. With respect to Count I below, during the fullest period allowed by law, all persons
24 residing in California who visited the Service (“Class”); and
25 b. With respect to Count II below, a subclass of the Class, during the fullest period allowed
26 by law, all persons residing in California who completed a transaction on the Service
27 (“Subclass”).
28

1 27. Like Plaintiffs, all Class members are California residents who visited the Service
2 or completed transactions on the Service and who were subject to the Terms that limit their right
3 as consumers to make any statements regarding Defendants or their partners and services.

4 28. Excluded from the Class are assigned judges and members of their families within
5 the first degree of consanguinity; Defendants; and Defendants' subsidiaries, affiliates, officers, and
6 directors.

7 29. The requirements of Code of Civil Procedure section 382 are satisfied for the
8 proposed Class.

9 30. The proposed Class is so numerous that individual joinder of all the members is
10 impracticable because members of the Class number in the tens or hundreds of thousands. The
11 precise number of Class members and their identities are unknown to Plaintiffs at this time but are
12 objectively ascertainable and will be determined through appropriate discovery and other readily
13 available means.

14 31. Defendants possess objective evidence as to the identity of each Class member and,
15 to a reasonable degree of certainty, the harm suffered by each Class member, including without
16 limitation web traffic data evidencing visits to and/or transactions on the Service, sales receipts,
17 phone numbers, names, rewards accounts data, credit card data, customer service complaint
18 forms/emails/date, and other evidence which objectively identifies class members.

19 32. Class members may be notified of the pendency of this action by mail, publication
20 and/or through the records of Defendants.

21 33. There are common questions of law and fact affecting Plaintiffs and Class members.
22 Common legal and factual questions include, but are not limited to:

23 a. Whether each imposition of Defendants' Terms upon members of the Class constitutes a
24 violation of the provisions of California Civil Code section 1670.8 and, if so, whether each such
25 violation is a "willful, intentional, or reckless" violation;

26 b. Whether Defendants' Terms are unlawful, contrary to public policy, void and/or
27 unenforceable;

28

1 c. Whether by the misconduct set forth in this Complaint, Defendants engaged and continue
2 to engage in unfair, fraudulent, or unlawful business practices;

3 d. Whether the Class is entitled to recover statutory attorney's fees;

4 e. Whether Class members are entitled to civil penalties; and

5 f. Whether, as a result of Defendants' misconduct alleged herein, Plaintiffs and Class
6 members are entitled to restitution, injunctive, public injunctive, and/or monetary relief and, if so,
7 the amount and nature of such relief.

8 34. Plaintiffs' claims are typical of the claims of the proposed Class because the rights
9 of Plaintiffs and Class members were violated in the same manner by the same conduct.

10 35. Plaintiffs and Class members are all entitled to recover statutory penalties and other
11 relief arising out of Defendants' violations of statutory law alleged herein.

12 36. Plaintiffs will fairly and adequately represent and protect the interests of the Class.

13 37. Plaintiffs' interests do not conflict with the interests of the Class they seek to
14 represent. Plaintiffs have retained counsel competent and experienced in prosecuting class actions,
15 and Plaintiffs intend to vigorously prosecute this action.

16 38. The class mechanism is superior to other available means for the fair and efficient
17 adjudication of the claims of Plaintiffs and Class members.

18 39. Given the relative value of statutory penalties available to any of the individual Class
19 members, individual litigation is not practicable.

20 40. Individual Class members will not wish to undertake the burden and expense of
21 individual cases.

22 41. In addition, individualized litigation increases the delay and expense to all parties
23 and multiplied the burden on the judicial system. Individualized ligation also presents the potential
24 for inconsistent or contradictory judgments.

25 42. In contrast, the class action device presents far fewer management difficulties and
26 provides the benefits of single adjudication, economy of scale, and comprehensive supervision by
27 a single court.

28

1 43. Questions of law and fact common to all Class members predominate over any
2 questions affecting only individual Class members. Injuries sustained by Plaintiffs and Class
3 members flow, in each instance, from a common nucleus of operative facts as set forth above.

4 44. In each case, Defendants' actions caused harm to all Class members as a result of
5 such conduct. The resolution of these central issues will be the focus of the litigation and
6 predominate over any individual issues.

7 45. Proposed Class counsel possesses the knowledge, experience, reputation, ability,
8 skill, and resources to represent the Class and should be appointed lead counsel for the Class.

9 **COUNT I— VIOLATION OF CIVIL CODE SECTION 1670.8**

10 46. Plaintiffs re-allege and incorporate by reference Paragraphs 1 through 45 of their
11 Complaint. Plaintiffs assert this cause of action on behalf of themselves and all other similarly
12 situated persons residing in California who visited and/or completed transactions on the Service.

13 47. Defendants are in the business of marketing and developing financial services.

14 48. Plaintiffs and Class visited the Service or conducted transactions on the Service.

15 49. Pursuant to the Terms, Defendants told Plaintiffs and the Class members that they
16 must agree to not distribute, submit or publish any content that may be objectionable or harmful to
17 Defendants.

18 50. By simply visiting or using the Service, Defendants purport to have charged
19 Plaintiffs and Class members with having read, understood, and agreed to be bound by the Terms.

20 51. By way of this restriction, Defendants intentionally, willfully, or recklessly seek to
21 have Plaintiffs and the Class members waive their right as consumers to make any disparaging
22 statements regarding Defendants or their partners, customers, and services, which restriction is
23 prohibited under California Civil Code 1670.8 and is contrary to public policy.

24 52. Defendants have repeatedly violated California Civil Code 1670.8 in relation to each
25 of the Plaintiffs and Class members and their respective visits to or transactions on the Service.

26 53. Defendants' conduct has caused Plaintiffs and Class members to suffer harm.

27 54. Plaintiffs and Class members are entitled to restitutionary and injunctive relief,
28 including public injunctive relief.

1 55. Plaintiffs and Class members are also entitled to civil penalties for Defendants'
2 violations of Civil Code 1670.8.

3 **COUNT II—VIOLATION OF BUSINESS AND PROFESSIONS CODE SECTION 17200**

4 56. Plaintiffs re-allege and incorporate by reference Paragraphs 1 through 55 of their
5 Complaint. Plaintiffs assert this second cause of action on behalf of themselves and all other
6 similarly situated persons within the Subclass.

7 57. By engaging in the above-described conduct, Defendants, and each of them, acted
8 in a manner that is unlawful and unfair—including by virtue of the fact that their conduct violates
9 California Civil Code section 1670.8—and have thus engaged in unfair and unlawful business
10 practices to the extreme detriment of Plaintiffs and Subclass members, which conduct is prohibited
11 under California Business & Professions Code sections 17200, et seq.

12 58. Defendants' unlawful and unfair conduct has allowed for Defendants to enrich
13 themselves at the expense of Plaintiffs and Subclass members, including through Plaintiffs'
14 payment of monies and transactions using Defendants' Service.

15 59. Plaintiffs are thus entitled to restitutionary and injunctive relief, including without
16 limitation disgorgement of any unlawful gains that Defendants obtained as a result of their unlawful
17 and unfair conduct at the expense of Plaintiffs and Subclass members.

18 **PRAYERS FOR RELIEF**

19 **WHEREFORE**, Plaintiffs, on behalf of themselves and the putative Class members, pray
20 for judgment as follows:

21 a. Determining that this action is a proper class action and certifying the Class and Subclass,
22 as defined herein;

23 b. Appointing Plaintiffs as Class and Subclass representatives;

24 c. Appointing the undersigned as Class and Subclass counsel;

25 d. Finding Defendants liable to Plaintiffs and Class members for damages in such amount(s)
26 as the Court or Jury may determine;

27 e. Awarding statutorily provided damages to Plaintiffs and Class members as appropriate;
28

1 f. Awarding restitutionary disgorgement and all other forms of equitable monetary relief to
2 Plaintiffs, Class members, and Subclass members;

3 h. Awarding pre- and post-judgment interest;

4 i. Awarding injunctive relief, including public injunctive relief, as claimed herein or as the
5 Court may deem proper;

6 j. Awarding Plaintiffs, Class members, and Subclass members attorney fees and all
7 litigation costs as allowed by law; and

8 k. Awarding such other and further relief as may be just and proper.

9 **DEMAND FOR JURY TRIAL**

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

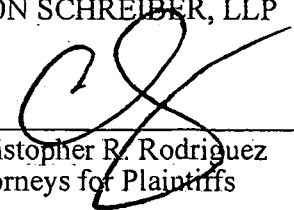
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12 Dated: December 18, 2023

SINGLETON SCHREIBER, LLP

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By: 
Christopher R. Rodriguez
Attorneys for Plaintiffs

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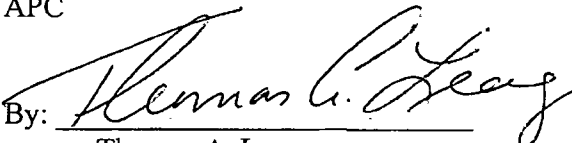
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