

UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

IN RE AMAZON PRIME VIDEO LITIGATION

NO. 2:24-cv-00186-BJR

**AMENDED CONSOLIDATED
CLASS ACTION COMPLAINT**

DEMAND FOR JURY TRIAL

Plaintiffs Natalie Gianne, Nikki Sanders, Charles Baublitz, Jeff Wiseman, Katrina Erickson, Porsche Holmes, and Ashley Scarborough, individually and on behalf of all others similarly situated, allege the following based on their personal experience and their counsel's investigation:

INTRODUCTION

1. Amazon.com, Inc. ("Amazon") is one of the largest companies in the world. It describes itself as a "customer-centric" company with a "Customer Obsession."

2. For over 13 years, Amazon has sold a subscription service called Amazon Prime that includes, among other things, access to Prime Video, an ad-free streaming service of movies and television shows. Amazon Prime is a popular subscription service, with "more than 200

1 million Prime members worldwide[.]”¹ and more than 160 million members in the United
2 States.²

3 3. Amazon offers Amazon Prime in annual or monthly subscriptions. An annual
4 subscription currently costs \$139 per year, but there are no refunds available if a customer cancels
5 after a three-business-day grace period, unless the customer did not take advantage of Prime
6 benefits since the last Prime membership charge. A monthly membership currently costs \$14.99
7 per month but a customer can cancel at any time and is eligible for a refund if they did not take
8 advantage of Prime benefits since the last Prime membership charge. These prices have
9 periodically increased over time.

10 4. Amazon Prime subscribers, like Plaintiffs, typically select the annual membership
11 and pay the annual fee upfront, locking in the price for one year and avoiding any price increases.

12 5. On January 29, 2024, during the terms of Plaintiffs’ and Class members’ annual
13 subscriptions, Amazon increased the price of Amazon Prime by \$2.99 per month for the same
14 service. In other words, in addition to the \$139 that Plaintiffs and Class members already paid
15 for one year of Amazon Prime, including ad-free Prime Video, Amazon required them to pay an
16 extra \$2.99 per month.

17 6. Amazon Prime subscribers, including Plaintiffs, had bargained for one year of
18 Amazon Prime with ad-free Prime Video at the price of \$139 per year. Amazon subscribers,
19 including Plaintiffs, had paid the \$139 upfront. When Amazon added commercials to its Prime
20 Video platform and required its subscribers who were still in the term of their one-year
21 subscription periods to pay an additional \$2.99 a month for continued ad-free service, Amazon
22

23 ¹ 2020 Letter to Shareholder, AMAZON, available at
24 <https://www.aboutamazon.com/news/company-news/2020-letter-to-shareholders> (last visited
Mar. 6, 2025).

25 ² Daniela Coppola, *Number of Amazon Prime Users in the United States from 2017 to 2022*
26 *with a Forecast for 2023 and 2024*, STATISTA (July 11, 2023), available at
[https://www.statista.com/statistics/504687/number-of-amazon-prime-subscription-households-](https://www.statista.com/statistics/504687/number-of-amazon-prime-subscription-households-usa/)
usa/ (last visited Mar. 6, 2025).

1 breached the Amazon Prime Video Terms of Use, which expressly state that “[a]ny increase in
2 subscription fee will not apply until your subscription is renewed.”

3 7. Plaintiffs and proposed Class members did not receive the benefit of their bargain.
4 They signed up and paid upfront for an annual Prime subscription that included ad-free streaming
5 of movies and TV shows, and ended up with a subscription that was worth less. Plaintiffs and
6 proposed Class members were no longer able to watch ad-free movies and TV shows unless they
7 paid \$2.99 per month, in addition to the amount they had already paid.

8 8. Plaintiffs now bring this proposed class action on behalf of all persons who paid
9 upfront fees for their annual subscriptions to Amazon Prime before Amazon’s announcement
10 that it would begin showing advertisements during streaming of movies and TV shows on Prime
11 Video. They allege claims for breach of contract, breach of the implied covenant of good faith
12 and fair dealing, and violation of the Washington Consumer Protection Act, and they seek all
13 available monetary relief.

14 **PARTIES**

15 9. Plaintiff Natalie Gianne is a resident and citizen of Los Angeles, California.

16 10. Plaintiff Nikki Sanders is a resident and citizen of Compton, California.

17 11. Plaintiff Charles Baublitz is a resident and citizen of Perry Hall, Maryland.

18 12. Plaintiff Jeff Wiseman is a resident and citizen of Deerfield, Illinois.

19 13. Plaintiff Katrina Erickson is a resident and citizen of Naselle, Washington.

20 14. Plaintiff Porsche Holmes is a resident and citizen of Champaign, Illinois.

21 15. Plaintiff Ashley Scarborough is a resident and citizen of Honolulu, Hawaii.

22 16. Defendant Amazon, Inc. is a Delaware corporation, which maintains its principal
23 place of business at 410 Terry Avenue North, Seattle, Washington 98109. Amazon is the world’s
24 largest online retailer. Amazon offers subscription services such as Amazon Prime, a
25 membership program that includes free shipping, access to thousands of movies and television
26 shows through its streaming video service called Prime Video, and other benefits.

JURISDICTION AND VENUE

17. This Court has jurisdiction over this action under the Class Action Fairness Act, 28 U.S.C. § 1332(d). There are at least 100 members in the proposed class, the aggregated claims of the individual class members exceed the sum or value of \$5,000,000, exclusive of interests and costs, and this is a class action in which one or more members of the proposed class, including Plaintiffs, are citizens of a state different from Amazon.

18. This Court has general personal jurisdiction over Amazon because Amazon has its principal place of business in the State of Washington. Amazon also does business in Washington, directly or through agents, and has registered with the Washington Secretary of State, such that Amazon has sufficient minimum contacts with Washington.

19. Venue is proper in this District under 28 U.S.C. § 1391 because Amazon resides in this District and a substantial part of the events or omissions giving rise to Plaintiffs' claims occurred in this District.

20. The Amazon Prime Terms & Conditions also contain a venue provision specifying this judicial district under the terms of use for all Amazon Prime and Prime Video subscribers.³

FACTUAL ALLEGATIONS

Amazon's Business Background

21. Amazon is one of the most valuable and largest companies in the world, with a market capitalization of \$1.84 trillion dollars. Last year, Fortune magazine named Amazon as the third most admired company in the world for the eighth year in a row.

³ Amazon Prime Terms & Conditions (last updated May 11, 2021), available at <https://www.amazon.com/gp/help/customer/display.html?nodeId=G2B9L3YR7LR8J4XP> (last visited Mar. 7, 2025); Conditions of Use (last updated Sept. 14, 2022), available at <https://www.amazon.com/gp/help/customer/display.html?nodeId=201909000&pop-up=1> (last visited Mar. 7, 2025).

22. Amazon is an American multinational technology company offering a wide range of products and services, including online retail, media services, grocery stores, cloud computing, and artificial intelligence.

23. Amazon's business that is relevant to this Complaint is its paid subscription service, Amazon Prime, which includes Prime Video.

Amazon Prime

24. In 2005, Amazon introduced a subscription service called Amazon Prime that offered customers unlimited, free two-day delivery on orders for \$79 a year. Today, Amazon Prime is simply known as Prime and is a cornerstone of Amazon's business model.

25. For an annual subscription fee of \$139 or a monthly fee of \$14.99, subscribers buy access to two-day free shipping on eligible products, access to Prime Video (as discussed below), and access to music streaming, among other things.⁴

26. There are more than 200 million Prime members worldwide, and more than 160 million subscribers in the United States. In 2023, Amazon generated \$40.2 billion in revenue through Prime memberships.

Amazon Prime Video

27. Consumers can purchase a Prime Video subscription as one of the benefits of Amazon's Prime member at an annual fee of \$139 or buy access to the service *a la carte* for a monthly fee of \$14.99.

28. Amazon launched Prime Video on February 22, 2011, as "Amazon Instant Video," and in a press release marketed it as "unlimited, *commercial-free*, instant streaming of more than 5,000 movies and TV shows."⁵ (emphasis added). Amazon Instant Video, renamed

⁴ Prime, AMAZON, available at <https://www.amazon.com/amazonprime> (last visited Feb. 29, 2024).

⁵ Amazon Prime Members Not Get Unlimited, Commercial-free, Instant Streaming of More Than 5,000 Movies and TV Shows at No Additional Cost, AMAZON, available at <https://press.aboutamazon.com/2011/2/amazon-prime-members-now-get-unlimited-commercial-free-instant-streaming-of-more-than-5-000-movies-and-tv-shows-at-no-additional-cost> (last visited Mar. 7, 2025).

1 Amazon Prime Video in 2015, was included as a benefit of Amazon Prime’s subscription.
 2 Movies and TV shows could be watched instantly, *ad-free*, anytime, and anywhere, on any
 3 computer, internet-connected TV, or mobile device, such as a smartphone and tablet. Amazon
 4 touted the ad-free nature of its video service in releases to the press as it began to compete with
 5 streaming leaders like Netflix and expand its catalogue of content.⁶

6 29. In 2015, Amazon’s rebranding of Amazon Instant Video to Amazon Prime Video
 7 coincided with huge growth in subscriptions. From 2015 to 2023, Prime subscription revenue
 8 grew from \$4.5 billion to over \$40 billion.

9 30. In 2019, Amazon launched a free, ad-supported streaming service called IMDb
 10 TV that it later renamed Freevee in 2022. Freevee offers a selection of movies and TV shows
 11 with advertisements that could be viewed by Prime Video subscribers without advertisements.
 12 On information and belief, Amazon likely offered Freevee as a way to entice consumers to sign
 13 up for Amazon Prime and Prime Video without advertisements.

14 31. Many consumers, like Plaintiffs, who prefer to watch movies and TV shows ad-
 15 free or commercial free, opted to pay for an annual Prime subscription that included ad-free Prime
 16 Video, instead of using Freevee. Year after year, from 2011 through 2024, consumers like
 17 Plaintiffs decided to obtain or renew Prime memberships in part to lock in the price of the Prime
 18 membership, which included ad-free Prime Video. Amazon had never increased subscription
 19 fees during the term of an annual subscription membership paid upfront.

20 **Amazon Prime’s Terms & Conditions**

21 32. Prime is governed by the Amazon Prime Terms & Conditions (“Prime Terms”)⁷

22 ⁶ See *Amazon’s Prime Instant Video Named the Exclusive Subscription Home of FX Series*
 23 *Justified*, AMAZON PRESS CENTER, available at
 24 [https://press.aboutamazon.com/2013/2/amazons-prime-instant-video-named-the-exclusive-](https://press.aboutamazon.com/2013/2/amazons-prime-instant-video-named-the-exclusive-online-subscription-home-of-fx-series-justified)
 25 [online-subscription-home-of-fx-series-justified](https://press.aboutamazon.com/2013/2/amazons-prime-instant-video-named-the-exclusive-online-subscription-home-of-fx-series-justified) (last visited Mar. 7, 2025); see also *Amazon &*
Viacom Announce Streaming Video Deal, Tech Crunch, available at
 26 <https://techcrunch.com/2012/02/08/amazon-viacom-announce-streaming-video-deal/> (last
 visited Mar. 5, 2025).

⁷ *Amazon Prime Terms & Conditions*, AMAZON HELP & CUSTOMER SERVICE (last
 updated May 11, 2021), available at

1
2 and the Amazon Prime Video Terms of Use (“Video Terms”).⁸ The Video Terms, which are
3 incorporated by reference into the Prime Terms, permit Amazon to modify the Prime Video
4 service only under certain enumerated circumstances that do not apply here: (i) to improve
5 existing, or add new, functionality and/or features, (ii) to improve or maintain the user
6 experience, (iii) for operational or technical reasons, (iv) to support maintaining quality and
7 quantity of content included in the Service, or (v) for security reasons.” Video Terms § 6(d).
8 Amazon’s desire to generate more revenue by adding commercials to Prime Video and then
9 requiring customers to pay additional monthly fees to remove them, was not a permissible reason
10 for modifying under Section 6(d).

11 33. Although the last sentence of Section 6(d) purports to “reserve[] [Amazon’s] right
12 to suspend, or discontinue the Service, or any part of the Service, at any time and without notice,”
13 this provision does not apply. Section 6(d) expressly limits Amazon’s reserved rights “as required
14 by law *or as set out above*”—*i.e.*, the modification limitations. Even so, Amazon did not “suspend
15 or discontinue” anything—it still offers commercial free Prime Video. Rather, Amazon modified
16 the service by adding commercials.

17 34. The Video Terms also prohibit Amazon from raising the price of the service
18 before a subscription expires. Section 6(e) states: “Amazon reserves the right to make changes
19 to this Agreement for legal or regulatory reasons; for security reasons; to enhance existing
20 features or add additional features to the Service; to reflect advancements in technology; to make
21 reasonable technical adjustments to the Service; and to ensure the ongoing operability of the
22 Service at any time by posting the revised terms in connection with the Service or on your Video
23 Marketplace (noted here). You will be able to not accept these changes by canceling your
24 subscription at any time. To the maximum extent permitted by law, your continued use of the

25 <https://www.amazon.com/gp/help/customer/display.html?nodeId=G2B9L3YR7LR8J4XP> (last
26 visited Mar. 7, 2025).

⁸ *Id.*

1 Service or Software following any changes will constitute your acceptance of such changes.
 2 **However, any increase in subscription fee will not apply until your subscription is**
 3 **renewed.”** Video Terms § 6(e) (emphasis added).

4 35. Amazon did not remove Prime Video as a benefit of Prime; nor has it eliminated
 5 the availability of ad-free Prime Video altogether. Instead, it modified the service, then added a
 6 surcharge to annual Prime subscriptions by requiring an additional \$2.99 for the original service
 7 Amazon agreed to provide when Plaintiffs paid for their annual subscription.

8 36. An annual subscription is a contract between a company and a customer that lasts
 9 for 12 months, and all fees are paid in full upon signing up, with the company providing a service
 10 or product for the entire year.

11 37. Annual Prime subscribers like Plaintiffs did not agree to allow Amazon to add
 12 commercials to its Video service and then impose a surcharge to remove them. But that is
 13 precisely what Amazon did when it materially changed Prime Video from ad-free to ad-supported
 14 and demanded an extra \$2.99 per month for the exact service Plaintiffs and Class members had
 15 already paid for upfront.

16 **Amazon’s Breach of Contract**

17 38. Streaming companies have begun to implement price hikes to generate additional
 18 revenue. Amazon is no exception.

19 39. On January 29, 2024, Amazon unilaterally—and impermissibly—modified its
 20 Video service during Plaintiffs’ and subscribers annual contract period so that it could generate
 21 more revenue. The change amounted to an increase in the price of its annual Prime memberships.
 22 To receive the same service, including ad-free Prime Video, Amazon required subscribers to pay
 23 an additional \$2.99 for each month remaining in the contract term.

24 40. Consumers, like Plaintiffs, do not like advertisements when watching movies or
 25 TV shows. According to a recent survey, from user-first media platform Picnic, in partnership
 26

1 with global public opinion company YouGov, 70% of consumers find ads annoying.⁹ Even
 2 Joanna Coles, former chief content officer of Hearst Magazines stated in 2022, “People hate
 3 advertising. They f@&*ing truly and actually, hate it”¹⁰ Ms. Coles also said that consumers
 4 will take any opportunity to skip ads.¹¹ Marc Pritchard, Chief Brand Officer of Procter & Gamble
 5 (the world’s biggest advertiser), has largely agreed with that observation.¹²

6 41. As one would expect, Prime subscribers responded negatively and loudly to
 7 Amazon’s two-step revenue grab. Angry comments from impacted subscribers abounded online:

- 8
- 9 • “What is the point of Prime now? . . . [N]ow they are charging an extra
- 10 \$2.99 to use prime video without ads. It’s starting to become a joke. The
- 11 only reason I’ve kept Prime was because a few of the shows they have my
- 12 wife watches all the time. Now I have to pay extra on top of Prime to get
- 13 rid of ads.”
- 14 • “So a feature that we already have (and have already paid for) now has an
- 15 extra fee, just because f@%k you.”
- 16 • “I will drop Prime if they decide to stick with this ad idea. I hate ads with
- 17 a passion but I also hate being ripped off, and this 100% feels like a rip
- 18 off!”
- 19 • “Amazon telling customers it’s either pay extra or have to sit through ads
- 20 is insane. Not that they care but they just lost another membership.”
- 21 • “How is this legal when most people pay for Prime a year in advance? I
- 22 paid for a service and they are now changing the terms of that service after
- 23 I’ve paid . . .”
- 24 • “Amazon used to have a lot of good movies and shows but have slowly
- 25 taken many away. Most were moved to freevee and you have to watch ads.

22 ⁹ See [https://adage.com/creativity/work/brands-are-wasting-budget-annoying-ads-do-more-](https://adage.com/creativity/work/brands-are-wasting-budget-annoying-ads-do-more-harm-good-new-yougov-survey-finds/2534216#:~:text=More%20than%20two%2Dthirds%20of,by%20excessive%20and%20intrusive%20ads)
 23 [harm-good-new-yougov-survey-](https://adage.com/creativity/work/brands-are-wasting-budget-annoying-ads-do-more-harm-good-new-yougov-survey-finds/2534216#:~:text=More%20than%20two%2Dthirds%20of,by%20excessive%20and%20intrusive%20ads)
 24 [finds/2534216#:~:text=More%20than%20two%2Dthirds%20of,by%20excessive%20and%20intrusive%20ads](https://adage.com/creativity/work/brands-are-wasting-budget-annoying-ads-do-more-harm-good-new-yougov-survey-finds/2534216#:~:text=More%20than%20two%2Dthirds%20of,by%20excessive%20and%20intrusive%20ads) (last visited Mar. 7, 2025).

25 ¹⁰ See [https://www.forbes.com/sites/avidan/2022/06/27/7-reasons-people-hate-your-ads-and-](https://www.forbes.com/sites/avidan/2022/06/27/7-reasons-people-hate-your-ads-and-what-do-about-it/)
 26 [what-do-about-it/](https://www.forbes.com/sites/avidan/2022/06/27/7-reasons-people-hate-your-ads-and-what-do-about-it/) (last visited Mar. 7, 2025).

¹¹ *Id.*

¹² *Id.*

I paid for NO ads on amazon and then they decide to change that. NOPE! . . . This is a slap in the face but not the 1st time! If a service is free I fully expect ads but now when I pay for it.”

- “Amazon prime is a scam . . . they add freevee . . . and now commercials have been added and have 2 pay even more 2 get rid of them.”

42. Amazon’s material service modification and *de facto* price increase were not permitted under the Video Terms. Specifically, the modification of its service to add commercials that subscribers had already paid to avoid was a breach of Section 6(d) of the contract, which states that “Amazon may modify the Service” only for specifically enumerated reasons not present here. Amazon also breached Section 6(e) of the Video Terms when it, in effect, raised the price of the bargained-for subscription before the time of renewal.

43. According to a Bank of America research analyst, “Amazon can expect \$3 billion in potential ad revenue yearly. An extra \$1.6 billion could be made from the ad-free Prime Video upcharge.”

PLAINTIFFS’ EXPERIENCES

A. Natalie Gianne

44. Ms. Gianne has been an annual Prime subscriber for years and had always understood that Prime Video was ad free. In June 2023, Ms. Gianne made the decision to renew her annual Prime subscription with the understanding that Prime would include ad-free Prime Video service for the duration of her subscription, as it did in past renewals. Ms. Gianne paid the upfront annual fee to lock in the price and avoid being subject to any price increases for the year.

45. However, in or around the end of December 2023, Ms. Gianne received an email from Amazon stating that starting January 29, 2024, she had to pay an additional \$2.99 per month to have ad-free streaming. After January 29, she noticed ads while using Prime Video. Since the ads were annoying, Ms. Gianne paid the additional \$2.99 monthly to restore ad-free streaming.

1 **B. Nikki Sanders**

2 46. Ms. Sanders has been an annual Prime subscriber since around 2012 and had
3 always understood that Prime Video came without commercials. In August 2023, Ms. Sanders
4 decided to renew her annual Prime subscription with the understanding that Prime would include
5 Prime Video's ad-free service for the duration of her subscription, as in past renewals. Ms.
6 Sanders paid the upfront annual fee to lock in the price and avoid being subject to any price
7 increases over the next year.

8 47. However, in or around the end of December 2023, Ms. Sanders received an email
9 from Amazon stating that beginning January 29, 2024, she would have to pay an additional \$2.99
10 per month to continue enjoying ad-free streaming.

11 **C. Charles Baublitz**

12 48. Mr. Baublitz has been an annual Prime subscriber for at least four years and had
13 always understood that Prime Video was an ad-free service. In August 2023, Mr. Baublitz
14 decided to renew his annual Prime membership with the understanding that it would include a
15 subscription to Prime Video and that this service would remain ad-free for the duration of the
16 term, as in past renewals. Mr. Baublitz paid the upfront annual fee to lock in the price and avoid
17 being subject to any price increases.

18 49. However, in or around late December 2023 or early January 2024, Mr. Baublitz
19 received a notification from Amazon stating that beginning January 29, 2024, he would have to
20 pay an additional \$2.99 per month to retain ad-free streaming.

21 **D. Jeff Wiseman**

22 50. Mr. Wiseman has been an annual Prime subscriber for about six or seven years
23 and had always understood that Prime Video was ad free. In October 2023, Mr. Wiseman decided
24 to renew his annual Prime membership with the understanding it would include a subscription to
25 Prime Video and that this service would remain ad free for the duration of the term, as in past
26

1 renewals. Mr. Wiseman paid the upfront annual fee to lock in the price and avoid being subject
2 to any price increases.

3 51. However, in or around the end of December 2023, Mr. Wiseman received an email
4 from Amazon stating that beginning January 29, 2024, he would have to pay an additional \$2.99
5 per month to preserve ad-free service.

6 **E. Katrina Erickson**

7 52. Ms. Erickson has been a long-time annual Prime subscriber and had always
8 understood that Prime Video was ad free. She decided to renew her annual Prime membership
9 with the understanding it would include a subscription to Prime Video and that this service would
10 remain ad free for the duration of the term, as in past renewals. Ms. Erickson paid the upfront
11 annual fee to lock in the price and avoid being subject to any price increases.

12 53. However, in or around the end of December 2023, she received an email from
13 Amazon stating that beginning January 29, 2024, she would have to pay an additional \$2.99 per
14 month to keep her Prime Video service ad free.

15 **F. Porsche Holmes**

16 54. Ms. Holmes has been a long-time annual Prime subscriber for and had always
17 understood that Prime Video was ad free. In July 2023, she decided to renew her annual Prime
18 membership with the understanding it would include a subscription to Prime Video and that this
19 service would remain ad free for the duration of the term, as in past renewals. Ms. Holmes paid
20 the upfront annual fee to lock in the price and avoid being subject to any price increases.

21 55. However, in or around the end of December 2023, she received an email from
22 Amazon stating that beginning January 29, 2024, she would have to pay an additional \$2.99 per
23 month to keep Prime Video ad free. Since January 29, she has noticed ads while using the service.
24 Because the ads were annoying, Ms. Holmes paid the additional \$2.99 to have them removed.

1 **G. Ashley Scarborough**

2 56. Ms. Scarborough has been a long-time annual Prime subscriber and had always
3 understood that Prime Video was ad free. In March 2023, she decided to renew her annual Prime
4 membership with the understanding it would include a subscription to Prime Video and that this
5 service would remain ad free for the duration of the term, as in past renewals. Ms. Scarborough
6 paid the upfront annual fee to lock in the price and avoid being subject to any price increases.

7 57. However, in or around the end of December 2023, she received an email from
8 Amazon stating that starting January 29, 2024, she would have to pay an additional \$2.99 per
9 month to keep her service ad free.

10 **CLASS ACTION ALLEGATIONS**

11 58. Pursuant to Rule 23(a), (b)(2), (b)(3), and/or (c)(4) of the Federal Rules of Civil
12 Procedure, Plaintiffs bring this action individually and on behalf of the following proposed Class
13 of persons, initially defined as:

14 All persons in the United States who paid an annual membership fee for Amazon Prime
15 between January 30, 2023, and December 26, 2023.

16 59. Excluded from the proposed Class are Defendant; any affiliate, parent, or
17 subsidiary of Defendant; any entity in which Defendant has a controlling interest; any officer,
18 director, or employee of Defendant; any successor or assign of Defendant; and any judge to
19 whom this case is assigned and any member of his or her immediate family.

20 60. Plaintiffs reserve their right to revise the class definition after having any
21 opportunity to conduct discovery and further investigation. Members of the proposed Class are
22 readily ascertainable because the class definition is based on objective criteria.

23 61. **Numerosity.** Defendant has sold millions of annual subscriptions for Amazon
24 Prime. Members of the proposed Class likely number in the hundreds of thousands and are thus
25 too numerous to join practically in a single action. Class members may be notified of the
26 pendency of this action by email, supplemented by published notice (if deemed necessary or

appropriate by the Court).

62. **Commonality and Predominance.** Common questions of law and fact exist as to all proposed Class members and predominate over questions affecting only individual class members. These common questions include, but are not limited to:

- a. Whether Defendant breached the Amazon Prime Terms & Conditions by adding commercials to its Prime Video service and/or by effectively increasing the price of the membership by an additional \$2.99 per month;
- b. Whether Defendant breached the implied covenant of good faith and fair dealing by adding commercials to its Prime Video service and increasing the price of ad-free subscriptions by an additional \$2.99 per month;
- c. Whether Defendant's \$2.99 price increase to maintain ad-free Prime Video constitutes an unfair trade practice;
- d. Whether Defendant was legally obligated to provide Plaintiffs and members of the Class with Amazon Video without ads for one year at the price they paid for their subscriptions;
- e. Whether the benefits of Plaintiffs' Prime Subscriptions constitute property interests; and
- f. Whether Defendant's conduct injured Plaintiffs and members of the proposed Class.

63. **Typicality.** Plaintiffs' claims are typical of the claims of the proposed Class. Plaintiffs and members of the proposed Class are all annual subscribers of Defendant's Prime, and Defendant was legally contracted to provide them Amazon Video without ads for one year at the price they paid for their subscription.

64. **Adequacy.** Plaintiffs are adequate representatives of the proposed Class because their interests do not conflict with the interests of the members of the Class they seek to represent. Plaintiffs have retained counsel competent and experienced in complex class action litigation and

1 will prosecute this action vigorously on Class members' behalf.

2 65. **Superiority**. A class action is superior to other available means for the fair and
 3 efficient adjudication of this dispute. The injury suffered by each Class member, while
 4 meaningful on an individual basis, is not of such magnitude as to make the prosecution of
 5 individual actions against Defendant economically feasible. Even if Class members themselves
 6 could afford such individualized litigation, the court system could not. In addition to the burden
 7 and expense of managing many actions arising from the annual subscriptions, individualized
 8 litigation presents a potential for inconsistent or contradictory judgments. Individualized
 9 litigation increases the delay and expense to all parties and the court system presented by the
 10 legal and factual issues of the case. By contrast, a class action presents far fewer management
 11 difficulties and provides the benefits of single adjudication, economy of scale, and
 12 comprehensive supervision by a single court.

13 66. In the alternative, the proposed Class may be certified because:

- 14 a. The prosecution of separate actions by the individual members of the proposed
 15 Class would create a risk of inconsistent adjudications, which could establish
 16 incompatible standards of conduct for Defendant;
- 17 b. The prosecution of individual actions could result in adjudications, which as a
 18 practical matter, would be dispositive of the interests of non-party Class members
 19 or which would substantially impair their ability to protect their interests; and
- 20 c. Defendant has acted or refused to act on grounds generally applicable to the
 21 proposed Class, thereby making appropriate final and injunctive relief with
 22 respect to the members of the proposed class(es) as a whole.

CLAIMS FOR RELIEF
FIRST CLAIM FOR RELIEF
(Breach of Contract)

(All Plaintiffs individually and on behalf of the proposed Class)

67. Plaintiffs, individually and on behalf of the Class, re-allege and incorporate by reference each and every allegation set forth in the preceding paragraphs as though alleged in full herein.

68. Amazon offered millions of customers the opportunity to subscribe to Amazon Prime, including ad-free Amazon Prime Video, and lock in the price for one year in exchange for an upfront, fixed fee.

69. The Prime Terms provide that Washington law applies to the use of the Prime services and features, including Prime Video. Section 6(d) of the Video Terms, which are incorporated into the Prime Terms, does not permit Amazon to modify the service to add commercials. Nor does Section 6(e) permit Amazon to increase the price of ad-free service at any time during the annual term of the subscription. Instead, Section 6(e) states specifically that “any increase in subscription fee will not apply until your subscription is renewed.”

70. Despite this, and to generate additional revenue, Amazon added commercial interruptions to the service and then charged subscribers additional fees to remove them. In other words, Amazon charged more for the same service for which Plaintiffs and Class members had paid upfront. This is tantamount to a price increase before their next subscription renewal. These actions were breaches of Sections 6(d) & (e) of the Video Terms.

71. To the extent the Video Terms purport to give Amazon unfettered discretion “to remove Prime membership benefits” (Prime Terms); to change “[o]ffers and pricing for subscriptions . . . without notice” (Video Terms § 4(c)); or to “suspend, or discontinue the Service . . . at any time” (Video Terms § 6(d)), those general provisions conflict with the clear and more specifically applicable limitations in Video Terms Sections 6(d) and (e). Notably, Amazon appeared to invoke Section 6(d) in its announcement of the modifications at issue here, when it

1 framed them as improvements and “invest[ments]” in its Video service. Accordingly, the Prime
 2 Terms and Video Terms are, at a minimum, ambiguous and should be construed against Amazon,
 3 who drafted them.

4 72. Plaintiffs and Class members fulfilled all the terms and obligations of their annual
 5 subscriptions with Amazon before it unilaterally imposed this price change.

6 73. As a result of Amazon’s breach, Plaintiffs and Class members sustained damages
 7 in an amount to be determined by this Court, including interest on all liquidated sums.

8 **SECOND CLAIM FOR RELIEF**

9 **(Breach of Implied Covenant of Good Faith and Fair Dealing)** 10 **(All Plaintiffs individually and on behalf of the proposed Class)**

11 74. Plaintiffs, individually and on behalf of the Class, re-allege and incorporate by
 12 reference each and every allegation set forth in the preceding paragraphs as though alleged in full
 13 herein.

14 75. The Prime Terms provide that Washington law applies to the use of the Prime
 15 services, including Prime Video.

16 76. Under Washington common law, a covenant of good faith and fair dealing is
 17 implied into every contract that obligates the parties to cooperate so they may each obtain the
 18 full benefit of performance.

19 77. Amazon offered Plaintiffs and the Class a subscription to Prime, which included
 20 Prime Video, for a period of 12 months in exchange for an annual fee. At the time the agreements
 21 were entered, and for several years prior, the Prime Video service was ad free. Plaintiffs and
 22 Class members agreed to pay the annual fees upfront to lock in the price of Amazon Prime and
 23 Prime Video, ad free, at a lower price.

24 78. When Amazon added commercials to its Prime Video service in January 2024, it
 25 also offered to remove them for an additional monthly fee of \$2.99. These moves, taken together,
 26 allowed Amazon to immediately raise significant new revenue while trying to avoid running
 afoul of Section 6(e)’s prohibition on pre-renewal price hikes. But the effect on subscribers was

1 functionally the same—additional fees for services they had long enjoyed, for which they had
2 already paid, and which were taken away from them.

3 79. Video Terms Section 6(d) affords Amazon discretion to make changes to the
4 Prime Video service under certain circumstances. It does not, however, permit Amazon to add
5 commercials and increase fees during the subscription term.

6 80. Under Washington's duty of good faith and fair dealing, a party who has
7 discretion to interpret contract terms is required to exercise that discretion in good faith. And that
8 party may not use contractually-afforded discretion as a subterfuge for denying its counterpart
9 the benefit of its bargain.

10 81. Amazon failed to act in good faith when it employed Section 6(d) to deprive
11 Plaintiffs and Class members of their locked-in rate for commercial-free programming. As
12 Section 6(e) makes clear, Section 6(d) cannot be interpreted in good faith to permit Amazon to
13 increase fees before the end of the subscription term. And that is, in effect, what Amazon did
14 when it announced it would downgrade pre-paid services but restore them to the *status quo* for
15 an additional monthly fee. Amazon knowingly and unreasonably deprived Plaintiffs of the price
16 stability and the Prime Video that they had bargained for when purchasing an annual subscription
17 to Prime Video.

18 82. Amazon's decision to increase the price for an already-bargained-for service
19 under the pretext of exercising its discretion to modify the Prime Video service therefore violated
20 the covenant of good faith and fair dealing implied in the subscription terms.

21 83. Plaintiffs and Class members fulfilled all of the terms and obligations of their
22 annual subscriptions with Amazon before Amazon's unilateral and material change in price.

23 84. The conditions required for Amazon's performance under the Prime Terms have
24 occurred.

25 85. As a result of Amazon's breach of the implied covenant of good faith and fair
26 dealing, Plaintiffs and the Class sustained damages in an amount to be determined by the Court.

THIRD CLAIM FOR RELIEF

(Violations of the Washington Consumer Protection Act) (All Plaintiffs individually and on behalf of the proposed Class)

86. Plaintiffs, individually and on behalf of the Class, re-allege and incorporate by reference each and every allegation set forth in the preceding paragraphs as though alleged in full herein.

87. The Amazon Prime Terms & Conditions provide that Washington law applies to the use of the Prime services and features, including Prime Video.

88. Washington's Consumer Protection Act, RCW §§ 19.86.010, *et seq.* protects consumers from unfair and deceptive practices in the conduct of any trade or commerce. RCW § 19.86.020.

89. Amazon offers to the general public annual subscriptions to its Prime service, which includes ad-free Prime Video, for a year at a fixed price.

90. Annual Prime subscription customers who purchased a one-year Prime subscription prior to December 23, 2023, reasonably understood, based on their past dealings with Amazon and company statements, that by purchasing an annual Prime subscription they would receive access to ad-free Prime Video streaming for one year from the start date of their subscription and that they locked in that price for one year.

91. Amazon did not give notice to Plaintiffs and Class members before December 24, 2023, that it would materially change the features of Prime Video to include advertisements unless customers paid an additional \$2.99 per month beginning January 29, 2024.

92. Moreover, despite the fact that many customers were in the middle of their annual subscriptions, Amazon unilaterally increased the prices for the same service by an additional \$2.99 per month under the guise that it was changing Prime Video to add commercials and advertising and that if subscribers wanted Prime Video ad free—in other words, the same level of service—they had to pay an additional \$2.99 per month.

1 93. Amazon’s conduct is a classic “bait and switch” and constitutes an unfair or
2 deceptive practice. Amazon misled Prime subscribers, like Plaintiffs, to understand that, at least
3 for the duration of their annual Prime subscription, they would receive access to ad-free Prime
4 Video and would not have to pay more during the subscription period for ad-free Prime Video.
5 And Amazon unfairly and unilaterally changed the price, a material term, of the Prime
6 subscription in the midst of the subscription term, requiring Plaintiffs and Class members to pay
7 an additional monthly fee to retain the same benefits they understood they would receive in
8 exchange for the pre-paid annual fee. Amazon changed the price, and did not remove a benefit,
9 of Plaintiffs’ Prime subscriptions—ad-free Prime Video has always been available—but Amazon
10 now requires annual subscribers to pay an additional \$2.99 per month to continue to enjoy it.

11 94. Annual Prime subscribers could not reasonably avoid this harm. Plaintiffs and
12 Class members could not reasonably expect that Amazon would, in the middle of their
13 subscription terms, require additional fees to enjoy the same benefits that Amazon continues to
14 offer. This is especially true with respect to Prime Video because the Video Terms assured
15 Plaintiffs and Class Members that any price increases would not take effect until their
16 subscription renewal. Indeed, Amazon represents that the annual Prime membership as locking
17 in the price for an entire year, giving consumers the impression that they will be immune from
18 any prices increases until their subscriptions are renewed. Moreover, unlike monthly Prime or
19 Prime Video subscribers who could cancel their monthly subscription in advance of the \$2.99
20 per month price increase, annual subscribers could not cancel their membership to receive even
21 a partial refund.

22 95. At the time of Plaintiffs’ and Class members’ subscription renewals and
23 enrollment, Amazon represented that the annual fee was \$139.00. Plaintiffs and Class members
24 relied on Amazon’s representations, at the time of their subscription renewals and enrollment,
25 that their subscription payment of \$139 was for one year of Amazon Prime, which at the time
26 included ad-free Prime Video. Amazon did not disclose at the time of their renewal and

1 enrollment that it would modify Prime Video to include commercials and charge more than the
 2 annual fee for the same service they paid for, *i.e.*, ad-free Prime Video. Amazon also did not
 3 disclose that it retained the right to increase the price of the annual subscription during the annual
 4 term.

5 96. Amazon's conduct implicates the public interest. Amazon received a fee from
 6 consumers for access to Prime, which at the time of paying the annual subscription fee, included
 7 access to ad-free Prime Video. In addition, Amazon received a competitive advantage in the
 8 market for video streaming services by enticing consumers to enroll in and pay for an annual
 9 Prime subscription without ads, but now forcing consumers to watch ads for which Amazon earns
 10 revenue from advertisers.

11 97. Amazon's conduct caused injury to Plaintiffs' and Class members' interests in the
 12 annual Prime subscription that they purchased by rendering it less valuable.

13 98. As a result of Amazon's unfair and/or deceptive conduct, Plaintiffs and Class
 14 members sustained injury in an amount to be determined by this Court, including treble damages,
 15 interest on all liquidated sums, and reasonable statutory attorneys' fees.

16 **PRAYER FOR RELIEF**

17 WHEREFORE, Plaintiffs request that the Court enter a judgment awarding the following
 18 relief:

19 a. An order certifying the proposed Class, appointing Plaintiffs as the Class
 20 Representatives, and appointing Plaintiffs' counsel as Class Counsel;

21 b. An order awarding Plaintiffs and Class members their actual damages, treble
 22 damages, and/or any other form of monetary relief by law;

23 c. An order awarding Plaintiffs and the class members pre-judgment and post-
 24 judgment interest as allowed under the law;

d. An order enjoining Amazon from instituting price increases to its annual Prime memberships during the subscription periods under the guise that it is modifying Prime Video service;

e. An order awarding Plaintiffs and the Class members reasonable attorneys' fees and costs of suit, including expert witness fees; and

f. An order awarding such other and further relief as this Court may deem just and proper.

JURY DEMAND

Pursuant to Fed. R. Civ. P. 38(b), Plaintiffs demand a trial by jury for all issues so triable under the law.

DATED this 7th day of March, 2025.

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