

1 Frank S. Hedin (SBN 291289)
2 **HEDIN LLP**
3 1395 Brickell Ave., Suite 610
4 Miami, Florida 33131-3302
5 Telephone: (305) 357-2107
6 Facsimile: (305) 200-8801
7 E-Mail: fhedin@hedinllp.com

8 Adrian Gucovschi (State Bar No. 360988)
9 **GUCOVSKI LAW FIRM**
10 165 Broadway, 23rd Floor
11 New York, New York 10006
12 Telephone: (212) 884-4230
13 E-Mail: adrian@gucovschilaw.com

14 *Counsel for Plaintiff and Putative Class*

15 **UNITED STATES DISTRICT COURT**
16 **CENTRAL DISTRICT OF CALIFORNIA**

17 SAMUEL HOKE, individually and on behalf
18 of all others similarly situated,

19 Plaintiff,

20 v.

21 AG1 (USA), INC.,

22 Defendant.

Case No. _____

CLASS ACTION COMPLAINT

(DEMAND FOR JURY TRIAL)

1 Plaintiff Samuel Hoke brings this action on behalf of himself and all others similarly situated
 2 against Defendant AG1 (USA), Inc. Plaintiff makes the following allegations pursuant to the
 3 investigation of his counsel and upon information and belief, except as to allegations specifically
 4 pertaining to himself and his counsel, which are based on personal knowledge.

5 INTRODUCTION

6 1. This is a putative class action lawsuit against Defendant for engaging in an illegal
 7 “automatic renewal” scheme.

8 2. Defendant sells a wide range of health supplements through various online channels,
 9 including on its website, www.drinkag1.com (the “Website”), and in advertisements on social-media
 10 sites, including Instagram. Whenever a consumer purchases Defendant’s products – whether it be
 11 on the Website or through a social-media advertisement – Defendant surreptitiously enrolls the
 12 consumer in an automatically renewing “subscription” that, unbeknownst to the consumer at the
 13 time, results in recurring charges to the consumer’s credit card, debit card, or third-party payment
 14 account (“Payment Method”) every month, in perpetuity until canceled (the “AG1 Subscriptions”).¹

15 3. Prior to enrolling Plaintiff and the Class members into AG1 Subscriptions – and
 16 thereafter assessing each of their Payment Methods a recurring charge on a monthly basis –
 17 Defendant failed to provide the disclosures and authorizations required by California’s Automatic
 18 Renewal Law (“ARL”), Cal. Bus. Prof. Code §§ 17600, *et seq.*, to any of these consumers.

19 4. Pursuant to the ARL, online retailers that offer automatically renewing subscriptions
 20 to California consumers must: (i) provide the complete automatic renewal offer terms in a clear and
 21 conspicuous manner and in visual proximity to the request for consent prior to completion of the
 22 enrollment process, *see* Cal. Bus. Prof. Code § 17602(a)(1); (ii) obtain consumers’ affirmative
 23 consent prior to charging their Payment Methods in connection with the subscriptions, *see id.* §
 24 17602(a)(2); and (iii) provide an acknowledgment that includes the automatic renewal offer terms

25
 26
 27 ¹ The AG1 Subscriptions are comprised of the following products: (1) AG Omega3 - 30 Servings;
 28 (2) AG1: Travel Packs - 30 Servings; (3) AG1: Pouch - 30 Servings; and (4) AGZ - 30 Servings.

1 and identifies a cost-effective, timely, and easy-to-use mechanism for consumers to cancel their
2 subscriptions, *see id.* §§ 17602(a)(3), 17602(c).

3 5. As discussed in greater detail below, the electronic “checkout flows” on Defendant’s
4 Website and social-media advertisements, which Plaintiff and numerous other California consumers
5 used to purchase Defendant’s products, uniformly violated each of these core requirements of the
6 ARL. And when consumers eventually do realize that Defendant has enrolled them in AG1
7 Subscriptions without their authorization – such as when consumers notice Defendant’s recurring
8 charges on their credit card billing statements – Defendant then makes it exceedingly difficult and
9 unnecessarily confusing for consumers to cancel the AG1 Subscriptions.

10 6. Specifically, Defendant systematically violates the ARL by: (i) failing to present the
11 automatic renewal offer terms in a clear and conspicuous manner and in visual proximity to the
12 request for consent to the offer before the subscription or purchasing agreement is fulfilled, in
13 violation of Section 17602(a)(1); (ii) charging consumers’ Payment Methods without first obtaining
14 their affirmative consent to the agreement containing the automatic renewal offer terms, in violation
15 of Section 17602(a)(2); and (iii) failing to provide an acknowledgment that includes the automatic
16 renewal offer terms, cancellation policy, and information regarding how to cancel in a manner that
17 is capable of being retained by the consumer, in direct violation of Section 17602(a)(3). *See* Cal.
18 Bus. & Prof. Code §§ 17602(a)(1)-(3); *see also id.* § 17601(b)(1)-(5) (setting forth the definition of
19 “automatic renewal offer terms” as used in Cal. Bus. Prof. Code § 17602(a)). The standardized post-
20 order acknowledgment email Defendant sends to its customers also fails to disclose a toll-free
21 telephone number or describe another cost-effective, timely, and easy-to-use mechanism for
22 cancellation – making it exceedingly difficult and unnecessarily confusing for consumers to cancel
23 AG1 Subscriptions – in clear violation of Section 17602(c) of the ARL.

24 7. As a result of Defendant’s violations of Section 17602 of the ARL, the AG1
25 Subscriptions are deemed “unconditional gifts” pursuant to Section 17603 of the ARL, entitling
26 Plaintiff and the Class to restitution. *See* Cal. Bus. & Prof. Code § 17603.

27 8. For the foregoing reasons, Plaintiff brings this action individually and on behalf of all
28 subscribers of any of Defendant’s AG1 Subscriptions who, within the applicable statute of

1 limitations period up to and including the date of judgment in this action, were induced by
 2 Defendant's false sales or incurred unauthorized fees for the renewal of their AG1 Subscriptions.
 3 Based on Defendant's unlawful conduct, Plaintiff seeks damages, restitution, declaratory relief,
 4 injunctive relief, and reasonable attorneys' fees and costs, for: (1) violation of California's False
 5 Advertising Law ("FAL"), Cal. Bus. & Prof. Code §§ 17500, *et seq.*; (2) violation of California's
 6 Consumers Legal Remedies Act ("CLRA"), Cal. Civ. Code §§ 1750, *et seq.*; (3) violation of
 7 California's Unfair Competition Law ("UCL"), Cal. Bus. & Prof. Code §§ 17200, *et seq.*; (4)
 8 negligent misrepresentation; (5) intentional misrepresentation; and (6) unjust enrichment/restitution.

9 **THE PARTIES**

10 9. Plaintiff Samuel Hoke is, and at all times relevant hereto was, a citizen and resident
 11 of Los Angeles, California.

12 10. Defendant AG1 (USA), Inc is a Nevada corporation that maintains its corporate
 13 headquarters and principal place of business in Carson City, Nevada. Defendant is an online-based
 14 retailer of dietary supplements, which it sells on its Website to consumers nationwide, including
 15 throughout California.

16 11. Plaintiff reserves the right to amend this Complaint to add different or additional
 17 defendants, including without limitation any officer, director, employee, supplier, or distributor of
 18 Defendant who has knowingly and willfully aided, abetted, and/or conspired in the false and
 19 deceptive conduct alleged herein.

20 **JURISDICTION AND VENUE**

21 12. This Court has subject matter jurisdiction pursuant to 28 U.S.C. § 1332(d)(2)(A), as
 22 amended by the Class Action Fairness Act of 2005 ("CAFA"), because this is a putative class action
 23 where the aggregate amount sought by members of the proposed class exceeds \$5,000,000.00,
 24 exclusive of interests and costs, there are over 100 members of the putative class, and at least one
 25 class member is a citizen of a state different from Defendant.

26 13. Personal jurisdiction and venue are proper because Plaintiff resides in Los Angeles,
 27 California, within this judicial District; because Plaintiff made his purchase of Defendant's products
 28 while he was physically present in Los Angeles, California; because Defendant shipped such goods

1 to Plaintiff's residence in Los Angeles, California; and because Plaintiff was located in Los Angeles,
 2 California when Defendant enrolled him in, and thereafter charged his Payment Method on a
 3 monthly basis pursuant to the AG1 Subscription. Additionally, Defendant has, at all times relevant
 4 hereto, systematically and continually conducted, and continues to conduct, business in California,
 5 including within this judicial District, including through the promotion, marketing, and sale of its
 6 products.

7 **FACTUAL BACKGROUND**

8 **A. Background On the Subscription-Based e-Commerce Industry**

9 14. The e-commerce subscription model is a business model in which retailers provide
 10 ongoing goods or services "in exchange for regular payments from the customer."² Subscription e-
 11 commerce services now target a wide range of customers and cater to a variety of specific interests.
 12 Given the prevalence of online and e-commerce retailers, subscription e-commerce has grown
 13 rapidly in popularity in recent years. Indeed, the "subscription economy has grown more than 400%
 14 over the last 8.5 years as consumers have demonstrated a growing preference for access to
 15 subscription services[.]"³ Analysts at UBS predict that the subscription economy will expand into a
 16 \$1.5 trillion market by 2025, up from \$650 billion in 2020.⁴ That constitutes an average annual
 17

18
 19 ² Core DNA, *How to Run an eCommerce Subscription Service: The Ultimate Guide* (May 19, 2020),
<https://www.coredna.com/blogs/ecommerce-subscription-services>.

20 ³ Business Insider, *Taco Bell's taco subscription is rolling out nationwide — here's how to get it*
 21 (Jan. 6, 2022), <https://www.businessinsider.com/taco-bell-subscription-launching-across-the-country-2022-1> (internal quotation marks omitted).

22 ⁴ See UBS, *Investing in digital subscriptions* (Mar. 10, 2021),
 23 [https://www.ubs.com/global/en/wealth-management/our-](https://www.ubs.com/global/en/wealth-management/our-approach/marketnews/article.1525238.html)
 24 [approach/marketnews/article.1525238.html](https://www.ubs.com/global/en/wealth-management/our-approach/marketnews/article.1525238.html) ("[A]t close to USD 650 billion in 2020, we expect the
 subscription economy to expand into a USD 1.5 trillion market by 2025, implying an average annual
 growth rate of 18%.").

25 See also *Subscribed, UBS Declares: It's Worth Investing in the Subscription Economy* (Apr. 17,
 26 2021), [https://www.subscribed.com/read/news-and-editorial/ubs-declares-its-worth-investing-in-](https://www.subscribed.com/read/news-and-editorial/ubs-declares-its-worth-investing-in-the-subscription-economy)
 27 [the-subscription-economy](https://www.subscribed.com/read/news-and-editorial/ubs-declares-its-worth-investing-in-the-subscription-economy); Business 2 Community, *The Subscription Economy Is Booming Right*
 28 *Now. But Are You Reaping the Full Benefits?* (Oct. 7, 2021),
[https://www.business2community.com/ecommerce/the-subscription-economy-is-booming-right-](https://www.business2community.com/ecommerce/the-subscription-economy-is-booming-right-now-but-are-you-reaping-the-full-benefits-02434851)
[now-but-are-you-reaping-the-full-benefits-02434851](https://www.business2community.com/ecommerce/the-subscription-economy-is-booming-right-now-but-are-you-reaping-the-full-benefits-02434851).

1 growth rate of 18%, which makes the subscription economy “one of the fastest-growing industries
2 globally.”⁵

3 15. The production, sale, and distribution of subscription-based products and services is
4 a booming industry that has exploded in popularity over the past few years. According to *Forbes*,
5 “[t]he subscription e-commerce market has grown by more than 100% percent a year over the past
6 five years, with the largest retailers generating more than \$2.6B in sales in 2016, up from \$57.0M in
7 2011.”⁶ Following 2016, market growth within the industry increased exponentially, reaching \$650
8 billion in 2020.⁷ “As such, the financials of companies with subscription business models[] ...
9 improved dramatically in 2020 thanks to limited revenue volatility and strong cash flow
10 generation.”⁸ Thus, “[t]he share prices of most subscription companies have performed well in
11 recent years.”⁹

12 16. The expansion of the subscription e-commerce market shows no signs of slowing.
13 “We’re now in the subscriptions era, and the pandemic is accelerating its takeover. During the
14 COVID-19 lockdowns, many digital-based subscription business models fared well due to their
15 promise of convenience and strong business continuity.”¹⁰ According to *The Washington Post*,
16 “[s]ubscriptions boomed during the coronavirus pandemic as Americans largely stuck in shutdown
17 mode flocked to digital entertainment[] ... The subscription economy was on the rise before the
18

19 ⁵ UBS, *Investing in digital subscriptions* (Mar. 10, 2021), *supra* (“[Growth] was seen across many
20 areas, including e-commerce, video streaming, gaming, cloud-based applications, etc.”); *see also*
21 Juniper Research, *Subscriptions For Physical Goods To Overtake Digital Subscriptions By 2025;*
22 *Growing To Over \$263bn Globally* (Oct. 12, 2020),
<https://www.juniperresearch.com/press/subscriptions-for-physical-goods-to-overtake>
(acknowledging “the significant lead the digital sector has had in th[e] area[of digital service
23 subscriptions]”).

24 ⁶ *Forbes*, *The State Of The Subscription Economy, 2018* (Mar. 4, 2018),
[https://www.forbes.com/sites/louiscolombus/2018/03/04/the-state-of-the-subscription-economy-](https://www.forbes.com/sites/louiscolombus/2018/03/04/the-state-of-the-subscription-economy-2018/#6ad8251a53ef)
25 [2018/#6ad8251a53ef](https://www.forbes.com/sites/louiscolombus/2018/03/04/the-state-of-the-subscription-economy-2018/#6ad8251a53ef).

26 ⁷ *See* UBS, *Investing in digital subscriptions* (Mar. 10, 2021), *supra*.

27 ⁸ *Id.*

28 ⁹ *Id.*

¹⁰ *Id.*

1 pandemic, but its wider and deeper reach in nearly every industry is expected to last, even after the
 2 pandemic subsides in the United States.”¹¹

3 17. However, as *The Washington Post* has noted, there are downsides associated with the
 4 subscription-based business model.¹² While the subscription e-commerce market has low barriers
 5 and is thus easy to enter, it is considerably more difficult for retailers to dominate the market due to
 6 the “highly competitive prices and broad similarities among the leading players.”¹³ In particular,
 7 retailers struggle with the fact that “[c]hurn rates are high, [] and consumers quickly cancel services
 8 that don’t deliver superior end-to-end experiences.”¹⁴ Yet, retailers have also recognized that, where
 9 the recurring nature of the service, billing practices, or cancellation process is unclear or
 10 complicated, “consumers may lose interest but be too harried to take the extra step of canceling their
 11 membership[s].”¹⁵ As these companies have realized, “[t]he real money is in the inertia.”¹⁶ As a
 12 result, “[m]any e-commerce sites work with third-party vendors to implement more manipulative
 13 designs.”¹⁷ That is, to facilitate consumer inertia, a number of subscription e-commerce companies,
 14

15 ¹¹ The Washington Post, *Everything’s becoming a subscription, and the pandemic is partly to blame*
 16 (June 1, 2021), [https://www.washingtonpost.com/business/2021/06/01/subscription-boom-](https://www.washingtonpost.com/business/2021/06/01/subscription-boom-pandemic/)
 17 [pandemic/](https://www.washingtonpost.com/business/2021/06/01/subscription-boom-pandemic/) (noting that “e-commerce and entertainment subscriptions to sites such as Netflix, Hulu
 18 and Disney Plus made headlines during the pandemic for soaring growth”).

19 ¹² The Washington Post, *Little-box retailing: Subscription services offer new possibilities to*
 20 *consumers, major outlets* (Apr. 7, 2014),
 21 [https://www.washingtonpost.com/business/economy/tktktktk/2014/04/07/f68135b6-a92b-11e3-](https://www.washingtonpost.com/business/economy/tktktktk/2014/04/07/f68135b6-a92b-11e3-8d62-419db477a0e6_story.html)
 22 [8d62-419db477a0e6_story.html](https://www.washingtonpost.com/business/economy/tktktktk/2014/04/07/f68135b6-a92b-11e3-8d62-419db477a0e6_story.html).

23 ¹³ McKinsey & Company, *Thinking inside the subscription box: New research on e-commerce*
 24 *consumers* (Feb. 2018), [https://www.mckinsey.com/industries/technology-media-and-](https://www.mckinsey.com/industries/technology-media-and-telecommunications/our-insights/thinking-inside-the-subscription-box-new-research-on-ecommerce-consumers#0)
 25 [telecommunications/our-insights/thinking-inside-the-subscription-box-new-research-on-](https://www.mckinsey.com/industries/technology-media-and-telecommunications/our-insights/thinking-inside-the-subscription-box-new-research-on-ecommerce-consumers#0)
 26 [ecommerce-consumers#0](https://www.mckinsey.com/industries/technology-media-and-telecommunications/our-insights/thinking-inside-the-subscription-box-new-research-on-ecommerce-consumers#0).

27 ¹⁴ *Id.*

28 ¹⁵ The Washington Post, *Little-box retailing: Subscription services offer new possibilities to*
 consumers, major outlets (Apr. 7, 2014),
[https://www.washingtonpost.com/business/economy/tktktktk/2014/04/07/f68135b6-a92b-11e3-](https://www.washingtonpost.com/business/economy/tktktktk/2014/04/07/f68135b6-a92b-11e3-8d62-419db477a0e6_story.html)
[8d62-419db477a0e6_story.html](https://www.washingtonpost.com/business/economy/tktktktk/2014/04/07/f68135b6-a92b-11e3-8d62-419db477a0e6_story.html).

¹⁶ *Id.*

¹⁷ Business Insider, *A new study from Princeton reveals how shopping websites use 'dark patterns' to trick you into buying things you didn't actually want* (Jun. 25, 2019),
<https://www.businessinsider.com/dark-patterns-online-shopping-princeton-2019-6>.

1 including Defendant, “are now taking advantage of subscriptions in order to trick users into signing
 2 up for expensive and recurring plans. They do this by intentionally confusing users with the design
 3 and flow of their website and apps, *e.g.*, by making promises of ‘free trials’ that convert after only a
 4 matter of days, and other misleading tactics,” such as failure to fully disclose the terms of its
 5 automatic renewal programs.¹⁸

6 18. To make matters worse, once enrolled in the subscription, “[o]ne of the biggest
 7 complaints consumers have about brand/retailers is that it’s often difficult to discontinue a
 8 subscription marketing plan.”¹⁹ Moreover, “the rapid growth of subscriptions has created a host of
 9 challenges for the economy, far outpacing the government’s ability to scrutinize aggressive
 10 marketing practices and ensure that consumers are being treated fairly, consumer advocates say.”²⁰
 11 For instance, numerous companies, including Defendant, have resorted to using “dark patterns” on
 12 their e-commerce platforms. A dark pattern is “a user interface carefully crafted to trick users into
 13 doing things they might not otherwise do, such as ... signing up for recurring bills.”²¹ Thus, although
 14 “Federal Trade Commission regulators are looking at ways to make it harder for companies to trap
 15 consumers into monthly subscriptions that drain their bank accounts[and] attempting to respond to
 16 a proliferation of abuses by some companies over the past few years[.]”²² widespread utilization of
 17 misleading dark patterns and deliberate omissions persist.

18
 19
 20 ¹⁸ TechCrunch, *Sneaky subscriptions are plaguing the App Store* (Oct. 15, 2018),
<https://techcrunch.com/2018/10/15/sneaky-subscriptions-are-plaguing-the-app-store/>.

21 ¹⁹ The Washington Post, *Everything’s becoming a subscription, and the pandemic is partly to blame*
 22 (June 1, 2021), *supra* (“‘Subscription services are a sneaky wallet drain,’ said Angela Myers, 29, of
 23 Pittsburgh. ‘You keep signing up for things and they make it really hard to cancel.’”); *see also* New
 24 Media and Marketing, *The problem with subscription marketing* (Mar. 17, 2019),
<https://www.newmediaandmarketing.com/the-problem-with-subscription-marketing/>.

25 ²⁰ *Id.*

26 ²¹ UX Design, *Dark patterns in UX: how designers should be responsible for their actions* (Apr. 15,
 27 2018), <https://uxdesign.cc/dark-patterns-in-ux-design-7009a83b233c> (quoting UX designer Harry
 28 Brignull (PhD Cognitive Science), who coined the term “Dark Patters” in August 2010).

²² The Washington Post, *Everything’s becoming a subscription, and the pandemic is partly to blame*
 (June 1, 2021), *supra*.

19. Defendant successfully capitalized on this demand. In fact, Defendant’s growth in revenue and subscriber count with respect to its Subscriptions coincides with a sharp decline in subscriber satisfaction as the Subscriptions and the platforms from which they operate have become riddled with “dark patterns.” Specifically, Defendant has used various types of dark patterns, including but not limited to “Roach Motel,”²³ “Misdirection,”²⁴ and “Forced Continuity,”²⁵ in order to prevent users from canceling their Subscriptions by way of adopting complex cancellation procedures to increase the friction in the subscription cancellation process. Defendant’s utilization of these dark patterns – especially in conjunction with its failure to fully disclose the terms of its automatic-renewal programs (discussed further below) – has led to a reduction in churn rates by making it next to impossible for subscribers to cancel their Subscriptions. It has further led to an increase in accidental or unintentional sign-ups by consumers for paid Subscriptions, in effect increasing subscriber count and, thus, Defendant’s overall revenues from renewal fees.²⁶

20. As discussed below, Defendant has employed a host of dark patterns in its Website and social-media advertisements to lure and deceive millions of consumers into becoming and

²³ “Roach Motel” refers to a “design [that] makes it very easy for [consumers] to get into a certain situation, but then makes it hard for [consumers] to get out of it (e.g. a subscription).” <https://www.darkpatterns.org/types-of-dark-pattern/roach-motel>.

²⁴ “Misdirection” is a type of dark pattern where a website’s “design purposefully focuses [customers’] attention on one thing in order to distract [them] attention from another.” In many cases, “[w]hat’s deceptive is the way [the website] presents [purchase] options: it uses misdirection to hide what is actually happening[.]” <https://www.darkpatterns.org/types-of-dark-pattern/misdirection>.

²⁵ One example of “Forced Continuity,” another type of dark pattern, is where customers’ sign up for a “free trial with a service[that] comes to an end and [their] credit card silently starts getting charged without any warning. [The subscriber is] are then not given an easy way to cancel the automatic renewal.” <https://www.darkpatterns.org/types-of-dark-pattern/forced-continuity>.

²⁶ See Gizmodo, *Pervasive ‘Dark Patterns’ Are Fooling People Into Signing Up for Services They Don’t Want* (Sep. 15, 2022), <https://gizmodo.com/dark-patterns-ui-cancel-subscription-1849542166> (“As much as you think you have full control of you and your wallet, it’s getting increasingly difficult for anybody using an app or a website to avoid getting suckered into surrendering your money or personal information to misleading or tricky UI design. ... Tech companies and online retailers [] lure users into signing up for subscription services while obscuring costs or charges, then making it difficult to actually cancel. Some dark patterns include confusing users in dense terms of service to obscure key limitations of products or junk fees attached to their use.”)

1 remaining enrolled in AG1 Subscriptions. That is the precise conduct that California's legislature
2 sought to prevent in enacting California's Automatic Renewal Law.

3 **B. California's Automatic Renewal Law**

4 21. In 2010, the California Legislature enacted the Automatic Renewal Law ("ARL"),
5 Cal. Bus. & Prof. Code §§ 17600, *et seq.*, with the intent to "end the practice of ongoing charging
6 of consumer credit or debit cards or third party payment accounts without the consumers' explicit
7 consent for ongoing shipments of a product or ongoing deliveries of service." Cal. Bus. & Prof.
8 Code § 17600 (statement of legislative intent).

9 22. The ARL makes it "unlawful for any business making an automatic renewal or
10 continuous service offer to a consumer in this state to do any of the following:"

11 (1) Fail to present the automatic renewal offer terms or continuous
12 service offer terms in a clear and conspicuous manner before the
13 subscription or purchasing agreement is fulfilled and in visual
14 proximity[] ... to the request for consent to the offer. If the offer also
15 includes a free gift or trial, the offer shall include a clear and
16 conspicuous explanation of the price that will be charged after the trial
ends or the manner in which the subscription or purchasing agreement
pricing will change upon conclusion of the trial.

17 (2) Charge the consumer's credit or debit card, or the consumer's
18 account with a third party, for an automatic renewal or continuous
19 service without first obtaining the consumer's affirmative consent to
20 the agreement containing the automatic renewal offer terms or
continuous service offer terms, including the terms of an automatic
renewal offer or continuous service offer that is made at a promotional
or discounted price for a limited period of time.

21 (3) Fail to provide an acknowledgment that includes the automatic
22 renewal offer terms or continuous service offer terms, cancellation
23 policy, and information regarding how to cancel in a manner that is
24 capable of being retained by the consumer. If the automatic renewal
offer or continuous service offer includes a free gift or trial, the
business shall also disclose in the acknowledgment how to cancel, and
25 allow the consumer to cancel, the automatic renewal or continuous
service before the consumer pays for the goods or services.

26 Cal. Bus. & Prof. Code § 17602(a)(1)-(3).

27 23. The ARL also requires that, prior to the completion of the initial order for the
28 automatic renewal or continuous service, sellers must explain the price to be charged when the

1 promotion or free trial ends. *See* Cal. Bus. & Prof. Code § 17602(a)(1), *supra*. If the initial offer is
 2 at a promotional price that is only for a limited time and will increase later, the seller must obtain
 3 consumer consent to the non-discounted price prior to billing. *See id.* Sellers must also notify
 4 consumers in the acknowledgment about how to cancel the free trial before they are charged. *See*
 5 Cal. Bus. & Prof. Code § 17602(a)(3), *supra*.

6 24. Section 17602(c) of the ARL further provides:

7 A business that makes an automatic renewal offer or continuous
 8 service offer **shall provide a toll-free telephone number, electronic**
 9 **mail address**, a postal address if the seller directly bills the consumer,
 10 **or it shall provide another cost-effective, timely, and easy-to-use**
 11 **mechanism for cancellation** that shall be described in the
 12 acknowledgment specified in paragraph (3) of subdivision (a).

13 Cal. Bus. & Prof. Code § 17602(c). (emphasis added).

14 25. Additionally, the ARL also requires e-commerce sellers, doing business in California,
 15 to allow online cancellation of auto-renewing memberships or recurring purchases that were initiated
 16 online. Specifically, Section 17602(d) provides:

17 [A] business that allows a consumer to accept an automatic renewal or
 18 continuous service offer online shall allow a consumer to terminate the
 19 automatic renewal or continuous service ***exclusively online, at will,***
 20 ***and without engaging any further steps that obstruct or delay the***
 21 ***consumer's ability to terminate the automatic renewal or continuous***
 22 ***service immediately.***

23 Cal. Bus. & Prof. Code § 17602(d)(1) (emphasis added).

24 26. The ARL further specifies that a seller who provides an automatic offer “shall provide
 25 a method of termination that is online in the form of either of the following: (A) A prominently
 26 located direct link or button which may be located within either a customer account or profile, or
 27 within either device or user settings[; or] (B) By an immediately accessible termination email
 28 formatted and provided by the business that a consumer can send to the business without additional
 information.” Cal. Bus. & Prof. Code § 17602(d)(1)(A)-(B).

27 27. Section 17601(a) of the ARL defines the term “Automatic renewal” as a “plan or
 28 arrangement in which a paid subscription or purchasing agreement is automatically renewed at the
 end of a definite term for a subsequent term.” Cal. Bus. & Prof. Code § 17601(a).

28. Section 17601 of the ARL defines the term “Automatic renewal offer terms” as “the following clear and conspicuous disclosures: (1) That the subscription or purchasing agreement will continue until the consumer cancels. (2) The description of the cancellation policy that applies to the offer. (3) The recurring charges that will be charged to the consumer’s credit or debit card or payment account with a third party as part of the automatic renewal plan or arrangement, and that the amount of the charge may change, if that is the case, and the amount to which the charge will change, if known. (4) The length of the automatic renewal term or that the service is continuous, unless the length of the term is chosen by the consumer. (5) The minimum purchase obligation, if any.” Cal. Bus. & Prof. Code § 17601, *et seq.*

29. The ARL defines “clear and conspicuous” or “clearly and conspicuously” meaning “in larger type than the surrounding text, or in contrasting type, font, or color to the surrounding text of the same size, or set off from the surrounding text of the same size by symbol or other marks, in a manner that clearly calls attention to the language.” Cal. Bus. & Prof. Code § 17601.

30. Finally, Section 17603 of the ARL provides that where a “business sends any goods, wares, merchandise, or products to a consumer, under a continuous service agreement or automatic renewal of a purchase, without first obtaining the consumer’s affirmative consent[,]” the material sent will be deemed “an unconditional gift to the consumer, who may use or dispose of the same in any manner he or she sees fit without any obligation whatsoever on the consumer’s part to the business[.]” Cal. Bus. & Prof. Code § 17603.

31. As alleged below, Defendant’s practices on the Website and its social-media advertisements systematically violate Sections 17602(a)(1), 17602(a)(2), 17602(a)(3), 17602(c), and 17602(d) of the ARL.

C. Defendant’s Business: The Subscription Enrollment Process

32. At all relevant times, Defendant offered, via the Website and through social-media advertisements (including on Instagram), nutritional supplements to consumers.

33. When a consumer purchases a product from Defendant on its website or through one of its social-media advertisements, Defendant surreptitiously enrolls the consumer in a AG1

1 Subscription that, unbeknownst to the consumer at the time, results in the consumer's Payment
2 Method being assessed a recurring charge each and every month, in perpetuity (or until canceled by
3 the consumer).

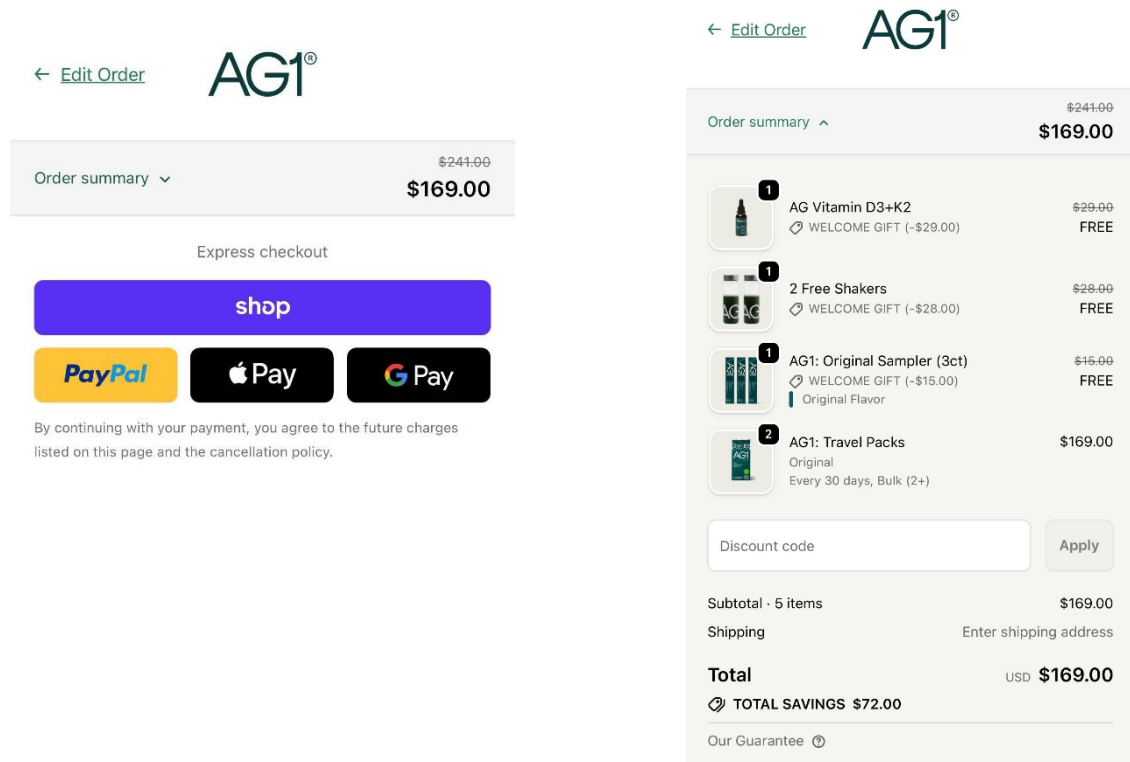
4 34. Defendant's AG1 Subscriptions constitute automatic renewal and/or continuous
5 service plans or arrangements for the purposes of Cal. Bus. & Prof. Code § 17601.

6 35. Regardless of whether a consumer purchases a product from Defendant on its website
7 or through one of its social-media advertisements, the process of making the purchase – and
8 becoming unknowingly enrolled in a AG1 Subscription – is substantially the same. Upon navigating
9 the final screen of the checkout process (the "Checkout Page"), consumers encounter a page which
10 fails to comply with the ARL in numerous respects.

11 36. Prior to enrolling Plaintiff and other Californians in AG1 Subscriptions, the ARL
12 required Defendant to "present the automatic renewal offer terms or continuous service offer terms
13 in a clear and conspicuous manner before the subscription or purchasing agreement is fulfilled and
14 in visual proximity[] ... to the request for consent to the offer." Cal. Bus. & Prof. Code § 17602(a)(1)
15 (emphasis added). Under the ARL, a "clear and conspicuous" disclosure "means in larger type than
16 the surrounding text, or in contrasting type, font, or color to the surrounding text of the same size,
17 or set off from the surrounding text of the same size by symbols or other marks, in a manner that
18 clearly calls attention to the language." Cal. Bus. & Prof. Code §17601(3).

19 37. On the Checkout Page, Defendant failed to present to Plaintiff or any member of the
20 Class the terms of the AG1 Subscriptions in "larger type than the surrounding text, or in contrasting
21 type, font, or color to the surrounding text of the same size, or set off from the surrounding text of
22 the same size by symbols or other marks, in a manner that clearly calls attention to the language."
23 *See id.* Instead, the only statement provided on the Checkout Page concerning AG1 Subscriptions
24 appeared in miniscule, inconspicuous font (much smaller than the surrounding text on the Checkout
25 Page), ***below*** the payment buttons that consumers must click to place an order. The screenshots
26
27
28

below show the Checkout Page as it appears when a visitor first arrives, as well as after they open the dropdown menu or scroll down to the credit card payment button:²⁷



38. The layout and text of the Checkout Page for each of the AG1 Subscriptions is aesthetically and functionally similar to the Checkout Page for the above-illustrated AG1 Subscription. In all cases, the relevant portion of the Checkout Page fails to adequately disclose the automatic renewal terms associated with Defendant's AG1 Subscriptions in the manner required by law

39. Specifically, Defendant failed to "first obtain[] [any] consumer's affirmative consent to [any] agreement" with respect to the AG1 Subscription, let alone any such agreement "containing the automatic renewal offer terms or continuous service offer terms, including the terms of an automatic renewal offer or continuous service offer that is made at a promotional or discounted price for a limited period of time." Cal. Bus. & Prof. Code § 17602(a)(2). As illustrated by the Checkout

²⁷ The representative screenshots were taken on February 3, 2026.

1 Page above, although the relevant portion mentions that “[b]y continuing with your payment, you
2 agree to the future charges listed on this page and the cancellation policy,” *see supra* ¶ 37, the
3 disclosure does not provide the exact amount of the recurring charges, the billing frequency, or a full
4 description of the cancellation policy pertaining to the AG1 Subscription. Indeed, the only place
5 where a consumer could find any of this information would be by expanding the “Order summary”
6 drop-down. *Id.* Yet, even if they did so, the dropdown lists multiple products, and the AG1
7 Subscription simply includes a minuscule statement below stating “[e]very 30 days.” *Id.* Further, the
8 disclosure also omits the taxes and shipping fees associated with the subscription. Aside from being
9 incomplete and inconspicuous, those statements are even more misleading because Defendant
10 includes additional products with strike-through prices without indicating whether those products, or
11 corresponding charges, are also part of the subscription. This language was, and did, mislead
12 consumers about the true nature of the recurring charges. Similarly, the deadline for canceling
13 recurring charges and other aspects of the cancellation policy are completely missing.

14 40. Furthermore, at no point during the checkout process does Defendant require
15 consumers to read or affirmatively agree to any terms of service associated with their AG1
16 Subscriptions, *i.e.*, by requiring consumers to select or click a “checkbox” next to the automatic
17 renewal offer terms to complete the checkout process. Importantly, the disclosure in the relevant
18 portion of the Checkout Page does not indicate what action a consumer must take to be bound to the
19 AG1 Subscriptions’ recurring charges. Specifically, the disclosure states that “[b]y continuing with
20 your payment, you agree to the future charges listed on this page and the cancellation policy.” *See*
21 *supra* ¶ 37. However, the disclosure does not state that clicking the payment buttons constitutes
22 agreement to those terms. Finally, because the disclosure is not visible unless consumers open the
23 drop-down box (which they have no reason to do so), Plaintiff and the Class members could not
24 have seen or agreed to the hidden terms. *Id.* Accordingly, when Defendant automatically renews
25 customers’ AG1 Subscriptions, Defendant charges consumers’ Payment Methods without first
26 obtaining their affirmative consent to the agreement containing the automatic renewal offer terms,
27 in violation of Cal. Bus. & Prof. Code § 17602(a)(2).
28

1 41. Finally, after enrolling a consumer in a AG1 Subscription, the ARL required
2 Defendant to “provide an acknowledgment that includes the automatic renewal offer terms or
3 continuous service offer terms, cancellation policy, and information regarding how to cancel in a
4 manner that is capable of being retained by the consumer.” Cal. Bus. & Prof. Code § 17602(a)(3).

5 42. After Plaintiff and members of the Class placed orders on the Checkout Page,
6 Defendant sent them each the same pro forma e-mail regarding their purchase (the
7 “Acknowledgment Email”).

8 43. The post-order Acknowledgment Emails that Defendant systematically sent to its
9 customers (including to Plaintiff and all proposed Class members) uniformly failed to include “the
10 automatic renewal offer terms or continuous service offer terms, cancellation policy, and information
11 regarding how to cancel in a manner that is capable of being retained by the consumer,” as required
12 by Cal. Bus. & Prof. Code § 17602(a)(3). Specifically, Defendant’s Acknowledgment Emails failed
13 to adequately disclose: that the AG1 Subscription “will continue until the consumer cancels[,]” Cal.
14 Bus. & Prof. Code § 17601(b)(1); a statement of “[t]he recurring charges that will be charged to the
15 consumer’s [Payment Method] as part of the automatic renewal plan or arrangement, and that the
16 amount of the charge may change, [and] if that is the case, and the amount to which the charge will
17 change, Cal. Bus. & Prof. Code § 17601(b)(3); or “[t]he length of the automatic renewal term or that
18 the service is continuous, unless the length of the term is chosen by the consumer[,]” Cal. Bus. &
19 Prof. Code § 17601(b)(4). As with the Checkout Page, disclosures of these required automatic
20 renewal terms are either missing altogether, are deceptively incomplete, objectively inaccurate,
21 and/or are inconspicuously buried in the tiny fine print at the bottom of the Acknowledgment Email.
22 Further, the Acknowledgment Emails fail to provide a toll-free telephone number or describe another
23 cost-effective, timely, and easy-to-use mechanism for cancellation of the AG1 Subscriptions, and,
24 in fact, Defendant makes it exceedingly difficult and unnecessarily confusing for consumers to
25 cancel AG1 Subscriptions. Accordingly, each of the Acknowledgment Emails that Defendant sent
26 to Plaintiff and Class members violated sections 17602(a)(3), 17602(b), and 17602(c) of the ARL.

1 44. During the time period relevant to this action, the form and content of the
2 Acknowledgment Email sent by Defendant to each member of the putative Class were the same, in
3 all material respects, as the Acknowledgment Email that Defendant sent to Plaintiff.

4 45. In sum, during the relevant time period, Defendant's deficient pre- and post-purchase
5 disclosures to Plaintiff and Class members concerning the AG1 Subscriptions were entirely non-
6 compliant with the ARL.

7 46. Because Defendant charged Plaintiff's and its other customers' Payment Methods in
8 violation of the ARL, all goods, wares, merchandise, and/or products sent to Plaintiff and Class
9 members upon the automatic renewal of their continuous service agreements are deemed to be
10 "unconditional gifts" pursuant to Cal. Bus. & Prof. Code § 17603.

11 47. As a direct result of Defendant's unlawful conduct described above, Plaintiff and
12 putative Class members have incurred substantial financial injury in the form of all monies
13 withdrawn from their Payment Methods in connection with the AG1 Subscriptions in which they
14 were surreptitiously enrolled by Defendant.

15 **D. Defendant misled Plaintiff regarding its automatic renewal**
16 **subscriptions.**

17 48. On March 5, 2025, Mr. Hoke made a purchase of two "AG1: Travel Packs" from
18 Defendant's Website for \$169.00 (excluding shipping and taxes). His enrollment process was
19 virtually identical, in design and layout, to the pictures depicting the checkout process described
20 above. *See supra* ¶ 37. When Mr. Hoke signed up, he thought he was simply placing a one-time
21 purchase of Defendant's products plus three additional "gifts." Due to Defendant's misleading and
22 incomplete ARL disclosures, Mr. Hoke was unaware of the length, price, or cancellation policy
23 associated with the AG1 Subscription. *See supra* ¶¶ 39-41. Finally, Mr. Hoke did not, and could not,
24 have given unambiguous assent to those terms because the disclosure stated "[b]y continuing with
25 your payment, you agree to the future charges listed on this page and the cancellation policy," yet
26 he clicked on the Apple Pay button – an act which is untethered from the terms of the disclosure.
27 *See supra* ¶ 40. In short, Mr. Hoke did not expect, want, or consent to Defendant's automatic renewal
28 billing.

elements. In short, significant differences in proof and certainty establish that any potential legal claim cannot serve as an adequate remedy at law.

52. Equitable relief is also appropriate because Plaintiff may lack an adequate remedy at law if, for instance, damages resulting from his purchase of the AG1 Subscription is determined to be an amount less than the total expenditure in connection with that subscription. Without compensation for the full price of the AG1 Subscription, Plaintiff would be left without the parity in purchasing power to which he is entitled. Finally, Plaintiff is entitled to equitable relief because the AG1 Subscriptions were, by operation of law, “unconditional gifts” to Plaintiff and putative Class members (*see* Cal. Bus. & Prof. Code § 17603) – and thus Plaintiff and Class members already owned the goods, tools, and benefits of the subscriptions as their personal property at the time Defendant withdrew monies from their Payment Methods as consideration for access to the same, without any legal or contractual authority to do so.

CLASS ACTION ALLEGATIONS

53. ***Class Definition.*** Plaintiff brings this action on behalf of a class of similarly situated individuals, defined as follows (collectively, the “Class”):

All persons in the State of California who, within the applicable limitation period, up to and including the date of final judgment in this action, were charged a renewal fee for a AG1 Subscription by Defendant.

54. Plaintiff reserves the right to amend the definition of the Class if discovery or further investigation reveals that the Class should be expanded or otherwise modified.

55. Specifically excluded from the Class are Defendant and any entities in which Defendant has a controlling interest, Defendant’s agents and employees, the judge to whom this action is assigned, members of the judge’s staff, and the judge’s immediate family.

56. Plaintiff reserves the right to amend the definition of the Class if discovery or further investigation reveals that the Class should be expanded or otherwise modified.

57. ***Numerosity.*** The Class is so numerous that their individual joinder herein is impracticable. On information and belief, the Class comprise at least millions of consumers. The precise number of the members of the Class and their identities are unknown to Plaintiff at this time

1 but may be determined through discovery. The members of the Class may be notified of the
2 pendency of this action by mail and/or publication through the distribution records of Defendant.

3 58. ***Commonality and Predominance.*** Common questions of law and fact exist as to all
4 the members of the Class and predominate over questions affecting only individual members.
5 Common legal and factual questions include, but are not limited to: (a) whether Defendant's AG1
6 Subscriptions constitute "Automatic renewal[s]" within the meaning of Cal. Bus. & Prof. Code §
7 17601(a); (b) whether Defendant failed to present the automatic renewal offer terms, or continuous
8 service offer terms, in a clear and conspicuous manner before the subscription or purchasing
9 agreement was fulfilled and in visual proximity to the request for consent to the offer, in violation
10 of Cal. Bus. & Prof. Code § 17602(a)(1); (c) whether Defendant charged Plaintiff's and the Class
11 members' Payment Method for an automatic renewal or continuous service without first obtaining
12 their affirmative consent to the automatic renewal offer terms or continuous service offer terms in
13 violation of Cal. Bus. & Prof. Code § 17602(a)(2); (d) whether Defendant failed to provide an
14 acknowledgment that included the automatic renewal or continuous service offer terms, cancellation
15 policy, and information on how to cancel in a manner that is capable of being retained by Plaintiff
16 and the Class members, in violation of Cal. Bus. & Prof. Code § 17602(a)(3); (e) whether the goods
17 and services provided by Defendant are deemed an "unconditional gift" in accordance with Cal. Bus.
18 & Prof. Code § 17603; (f) whether Defendant's conduct alleged herein violated California's False
19 Advertising Law ("FAL"), Cal. Bus. & Prof. Code §§ 17500, et seq., California's Consumers Legal
20 Remedies Act ("CLRA"), Cal. Civ. Code §§ 1750, et seq., and/or California's Unfair Competition
21 Law ("UCL"), Cal. Bus. & Prof. Code §§ 17200, et seq.; (g) whether Defendant's conduct alleged
22 herein constitutes conversion and/or unjust enrichment; (h) whether Plaintiff and the Class are
23 entitled to damages and/or restitution; (i) whether Defendant should be enjoined from further
24 engaging in the misconduct alleged herein; and (j) whether Plaintiff and the Class are entitled to
25 attorneys' fees and costs under California Code of Civil Procedure § 1021.5.

26 59. ***Typicality.*** The claims of Plaintiff are typical of the claims of the Class in that
27 Plaintiff and the Class sustained damages as a result of Defendant's uniform wrongful conduct,
28 based upon Defendant's failure to obtain Plaintiff's and the Class members affirmative consent to

1 the automatic renewal offer terms or continuous service offer terms associated with the AG1
2 Subscriptions before charging their Payment Methods.

3 60. **Adequacy.** Plaintiff will fairly and adequately protect the interests of the members
4 of the Class. Plaintiff has no interests antagonistic to the Class' interests, and Plaintiff has retained
5 counsel that has considerable experience and success in prosecuting complex class actions and
6 consumer-protection cases.

7 61. **Superiority.** A class action is superior to all other available methods for the fair and
8 efficient adjudication of this controversy for, *inter alia*, the following reasons: prosecutions of
9 individual actions are economically impractical for members of the Class; the Class are readily
10 definable; prosecution as a class action avoids repetitious litigation and duplicative litigation costs,
11 conserves judicial resources, and ensures uniformity of decisions; and prosecution as a class action
12 permits claims to be handled in an orderly and expeditious manner.

13 62. Defendant has acted or failed to act on grounds generally applicable to the Class,
14 thereby making appropriate final injunctive relief with respect to the Class as a whole.

15 63. Without a class action, Defendant will continue a course of action that will result in
16 further damages to Plaintiff and the Class and will likely retain the benefits of its wrongdoing.

17 64. Based on the foregoing allegations, Plaintiff's claims for relief include those set forth
18 below.

19 **COUNT I**

20 **Violations of California's False Advertising Law ("FAL"),** 21 **Cal. Bus. & Prof. Code §§ 17500, *et seq.*** **(On behalf of Plaintiff and the Class)**

22 65. Plaintiff re-alleges and incorporates by reference every allegation set forth in the
23 preceding paragraphs as though alleged in this Count.

24 66. Plaintiff brings this claim individually and on behalf of the members of the Class
25 against Defendant.

26 67. California's False Advertising Law, Cal. Bus. & Prof. Code §§ 17500, *et seq.*, makes
27 it "unlawful for any person to make or disseminate or cause to be made or disseminated before the
28 public in this state, ...in any advertising device ... or in any other manner or means whatever,

1 including over the Internet, any statement, concerning ... personal property or services, professional
2 or otherwise, or performance or disposition thereof, which is untrue or misleading and which is
3 known, or which by the exercise of reasonable care should be known, to be untrue or misleading.”

4 68. Defendant has violated, and continues to violate, section 17500 of the Business and
5 Professions Code by disseminating untrue and misleading advertisements to Plaintiff and the
6 members of the Class.

7 69. As alleged more fully above, Defendant violated, and continues to violate, section
8 17500 of the FAL through its misrepresentations and omissions made to consumers before and after
9 enrollment into its AG1 Subscriptions regarding the terms of payment for and cancellation of a
10 consumer’s automatic payments. Specifically, Defendant is silent regarding the material terms of
11 its AG1 Subscriptions policies, including the recurring fees (including taxes), the products that form
12 part of the subscription, and how and when to cancel the subscriptions. These misrepresentations
13 and omissions on the Checkout Page and the Acknowledgment Email constitute false and deceptive
14 advertisements.

15 70. Defendant’s actions in violation of the FAL, as described herein, were false and
16 misleading, such that the general public is and was likely to be deceived.

17 71. Plaintiff and the members of the Class did not learn of Defendant’s automatic
18 payment policies until after they had already signed up and started paying for Defendant’s AG1
19 Subscriptions.

20 72. As such, Plaintiff and the members of the Class saw, read, and reasonably relied on
21 Defendant’s statements and omissions to their detriment.

22 73. In addition, class-wide reliance can be inferred because Defendant’s representations
23 were material, *i.e.*, a reasonable consumer would consider them important in deciding whether to
24 enroll in the AG1 Subscriptions and deciding when to cancel them.

25 74. Defendant’s representations were a substantial factor and proximate cause in causing
26 damages and losses to Plaintiff and the members of the Class.

27 75. Plaintiff and the members of the Class suffered economic injury as a direct result of
28 Defendant’s conduct because they were induced to purchase AG1 Subscriptions and/or pay renewal

1 fees they would not have otherwise paid. Had Defendant fully and clearly disclosed the terms
 2 associated with the AG1 Subscriptions, Plaintiff and the members of the Class would not have
 3 subscribed to the AG1 Subscriptions, or they would have canceled their AG1 Subscriptions earlier,
 4 i.e., prior to the expiration of the initial subscription period.

5 76. Plaintiff and the members of the Class seek restitution, attorneys' fees, and all other
 6 relief that the Court deems proper.

7 **COUNT II**
 8 **Violations of California's Consumers Legal Remedies Act ("CLRA"),**
 9 **Cal. Civ. Code §§ 1750, *et seq.***
 10 **(On behalf of Plaintiff and the Class)**

11 77. Plaintiff re-alleges and incorporates by reference every allegation set forth in the
 12 preceding paragraphs as though alleged in this Count.

13 78. Plaintiff brings this claim individually and on behalf of the members of the Class
 14 against Defendant.

15 79. Plaintiff and the members of the Class are "consumers" within the meaning of Cal.
 16 Civil Code § 1761(d) in that Plaintiff and the Class sought or acquired Defendant's goods and/or
 17 services for personal, family, or household purposes.

18 80. Defendant's selection and/or subscription offers and the other products pertaining
 19 thereto are "goods" and/or "services" within the meaning of Cal. Civil Code § 1761(a) and (b). The
 20 purchases by Plaintiff and the Class are "transactions" within the meaning of Cal. Civil Code §
 21 1761(e).

22 81. The acts and practices of Defendant as described above were intended to deceive
 23 Plaintiff and the Class as described herein, and have resulted, and will result, in damages to Plaintiff
 24 and the Class. These actions violated, and continue to violate, the CLRA in at least the following
 25 respects: (a) Defendant's representations and omissions about the nature of the AG1 Subscriptions
 26 billing, cancellation, automatic payment terms, policies, and requirements conveyed that they have
 27 characteristics, uses, and/or benefits, which they do not, in violation of Cal. Civil Code § 1770(a)(5);
 28 and (b) Defendant's acts and practices constitute the advertisement of the goods in question without
 the intent to sell them as advertised, in violation of Cal. Civil Code § 1770(a)(9).

82. Plaintiff and the members of the Class suffered economic injury as a direct result of Defendant's conduct because they were induced to purchase AG1 Subscriptions and/or pay renewal fees they would not have otherwise paid. Had Defendant fully and clearly disclosed the terms associated with the AG1 Subscriptions, Plaintiff and the members of the Class would not have subscribed to the AG1 Subscriptions, or they would have canceled their AG1 Subscriptions earlier, *i.e.*, prior to the expiration of the initial subscription period.

83. Plaintiff, on behalf of themselves and all other members of the Class, seeks an injunction prohibiting Defendant from continuing its unlawful practices in violation of the CLRA.

84. In compliance with the provisions of California Civil Code § 1782, Plaintiff sent written notice to Defendant on February 3, 2026, informing Defendant of his intention to seek damages under California Civil Code § 1750. The letter was sent via certified mail, return receipt requested, advising Defendant that it was in violation of the CLRA and demanding that it cease and desist from such violations and make full restitution by refunding the monies received therefrom. The letter expressly stated that it was sent on behalf of Plaintiff and "all other persons similarly situated." Accordingly, if Defendant fails to take corrective action within 30 days of receipt of the demand letter, Plaintiff will amend their complaint to include a request for damages as permitted by Civil Code § 1782(d) for Defendant's violations of the CLRA.

COUNT III
Violations of California's Unfair Competition Law ("UCL"),
Cal. Bus. & Prof. Code §§ 17200, *et seq.*
(On behalf of Plaintiff and the Class)

85. Plaintiff re-alleges and incorporates by reference every allegation set forth in the preceding paragraphs as though alleged in this Count.

86. Plaintiff brings this claim individually and on behalf of the members of the Class against Defendant.

87. The UCL prohibits unfair competition in the form of "any unlawful, unfair, or fraudulent business act or practice and unfair, deceptive, untrue or misleading advertising and any act[.]" Cal. Bus. & Prof. Code § 17200. The UCL allows "a person who has suffered injury in fact and has lost money or property" to prosecute a civil action for violation of the UCL. Cal. Bus. &

1 Prof. Code § 17204. Such a person may bring such an action on behalf of himself or herself and
 2 others similarly situated who are affected by the unlawful and/or unfair business practice or act.

3 88. As alleged in detail above, and incorporated herein by reference, Defendant's
 4 deceptive enrollment process and false sales of the AG1 Subscriptions violate the UCL's
 5 proscription against engaging in **Unlawful Business Practices** through its violations of the FAL,
 6 Cal. Bus. & Prof. Code § 17500, *et seq.*; CLRA, Cal. Civ. Code § 1770, *et seq.*; the ARL, Cal. Bus.
 7 & Prof. Code § 17602, *et seq.*; and ROSCA, 15 U.S.C. § 8403, *et seq.*

8 89. As alleged in detail above, Defendant violated the ARL and ROSCA by failing to:
 9 (a) provide the auto-renewal terms associated with its AG1 Subscriptions "in a clear and conspicuous
 10 manner before the subscription or purchasing agreement is fulfilled and in visual proximity[] ... to
 11 the request for consent to the offer," in violation of Cal. Bus. & Prof. Code § 17602(a)(1); (b) obtain
 12 the affirmative consent of Plaintiff and the Class to those terms before charging their Payment
 13 Methods, in violation of Cal. Bus. & Prof. Code § 17602(a)(2); and (c) provide an acknowledgment
 14 that includes the automatic renewal or continuous service offer terms, cancellation policy, and
 15 information regarding how to cancel in a manner that is capable of being retained by the consumer,
 16 in violation of Cal. Bus. & Prof. Code §§ 17602(a)(3). Defendant also makes it exceedingly difficult
 17 and unnecessarily confusing for consumers to cancel their AG1 Subscriptions, in violation of Cal.
 18 Bus. & Prof. Code § 17602(b).

19 90. Each of these acts and practices constitutes an independent violation of the ARL,
 20 ROSCA, the FAL, and CLRA, and thus an independent violation of the UCL.

21 91. Defendant has also violated the UCL's proscription against engaging **in Unfair**
 22 **Business Practices**. Defendant's acts, omissions, misrepresentations, practices and non-disclosures
 23 as alleged herein also constitute "unfair" business acts and practices within the meaning of Business
 24 & Professions Code § 17200, *et seq.* in that Defendant's conduct is substantially injurious to
 25 consumers, offends public policy, and is immoral, unethical, oppressive, and unscrupulous as the
 26 gravity of the conduct outweighs any alleged benefits attributable to such conduct.

27 92. There is no public utility to Defendant's illegal automatic renewal practices. The
 28 gravity of the consequences of Defendant's conduct as described above outweigh any justification,

1 motive, or reason thereof, particularly considering the available legal alternatives for subscriptions
2 in the marketplace. Defendant's illegal auto-renewal and false sales practices only injure healthy
3 competition and harm consumers.

4 93. Plaintiff and the Class could not have reasonably avoided this injury. Defendant's
5 representations and omissions were deceptive to reasonable consumers like Plaintiff and the Class
6 members.

7 94. Defendant also violated established public policy by violating the ARL, FAL, CLRA,
8 and ROSCA. The unfairness of these practices is tethered to the legislatively declared policy from
9 each of those statutes.

10 95. Defendant has also violated the UCL's proscription against engaging **in Deceptive**
11 **Business Practices.** As alleged in detail above, Defendant committed deceptive acts by enrolling
12 consumers in automatically recurring subscriptions in violation of the FAL, CLRA, ARL and
13 ROSCA.

14 96. Specifically, Defendant committed deceptive acts by including misleading language
15 and omitting material facts about the auto-renewal features of the AG1 Subscriptions. These
16 representations were false and misleading.

17 97. Defendant's representations were misleading to Plaintiff and other reasonable
18 consumers.

19 * * *

20 98. For all prongs, Defendant's representations were intended to induce reliance, and
21 Plaintiff saw, read, and reasonably relied on them when enrolling in their AG1 Subscriptions.
22 Defendant's representations were a substantial factor in Plaintiff's purchasing decisions.

23 99. In addition, class-wide reliance can be inferred because Defendant's representations
24 were material, *i.e.*, a reasonable consumer would consider them important in deciding whether to
25 enroll in the AG1 Subscriptions and deciding when to cancel them.

26 100. Defendant's violations have continuing and adverse effects because Defendant's
27 unlawful conduct is continuing, with no indication that Defendant intends to cease this unlawful
28

1 course of conduct. The public and the Class are subject to ongoing harm because the unlawful and/or
 2 unfair business practices associated with the AG1 Subscriptions are still used by Defendant today.

3 101. Defendant's representations were a substantial factor and proximate cause in causing
 4 damages and losses to Plaintiff and the members of the Class.

5 102. Plaintiff and the members of the Class suffered economic injury as a direct result of
 6 Defendant's conduct because they were induced to purchase AG1 Subscriptions and/or pay renewal
 7 fees they would not have otherwise paid. Had Defendant fully and clearly disclosed the terms
 8 associated with the AG1 Subscriptions, Plaintiff and the members of the Class would not have
 9 subscribed to the AG1 Subscriptions, or they would have canceled their AG1 Subscriptions earlier,
 10 *i.e.*, prior to the expiration of the initial subscription period.

11 103. Furthermore, Plaintiff and the members of the Class suffered economic injury as a
 12 direct result of Defendant's conduct because all products received from Defendant in violation of
 13 the ARL constitute "unconditional gifts." *See* Cal. Bus. Prof. Code § 17603. As such, Defendant
 14 has received, and continues to hold, unlawfully obtained property and money belonging to Plaintiff
 15 and the Class members in the form of payments made by Plaintiff and the Class members for their
 16 AG1 Subscriptions.

17 104. Pursuant to California Business and Professional Code § 17203, Plaintiff and the
 18 Class members seek restitution, attorneys' fees, and all other relief that the Court deems proper.

19 **COUNT IV**
 20 **Negligent Misrepresentation**
 21 **(On behalf of Plaintiff and the Class)**

22 105. Plaintiff re-alleges and incorporates by reference the allegations contained in all
 23 preceding paragraphs of this complaint.

24 106. Plaintiff brings this claim individually and on behalf of the members of the Class
 25 against Defendant under the laws of California.

26 107. As discussed above, Defendant made false representations and material omissions of
 27 fact to Plaintiff and the Class concerning the AG1 Subscriptions' billing, cancellation, automatic
 28 payment terms, policies, and requirements.

1 117. As discussed above, Defendant made false representations and material omissions of
2 fact to Plaintiff and the Class concerning the AG1 Subscriptions' billing, cancellation, automatic
3 payment terms, policies, and requirements.

4 118. These representations and material omissions of fact were false and misleading.

5 119. When Defendant made these misrepresentations and material omissions of fact, it
6 knew that they were false and misleading at the time they were made and/or Defendant acted
7 recklessly in making the misrepresentations and omissions.

8 120. Defendant intended that Plaintiff and the members of the Class members rely on these
9 representations and material omissions of fact and Plaintiff reasonably relied on them.

10 121. In addition, class-wide reliance can be inferred because Defendant's
11 misrepresentations and omissions were material, i.e., a reasonable consumer would consider them
12 important in deciding whether to enroll in Defendant's AG1 Subscriptions.

13 122. Defendant's misrepresentations and omissions were a substantial factor and
14 proximate cause in causing damages and losses to Plaintiff and the members of the Class.

15 123. Plaintiff and the members of the Class suffered economic injury as a direct and
16 proximate result of Defendant's conduct because they were induced to purchase AG1 Subscriptions
17 and/or pay renewal fees they would not have otherwise paid. Had Defendant fully and clearly
18 disclosed the terms associated with the AG1 Subscriptions, Plaintiff and the members of the Class
19 would not have subscribed to the AG1 Subscriptions, or they would have canceled their AG1
20 Subscriptions earlier, i.e., prior to the expiration of the initial subscription period.

21 124. For the intentional misrepresentation claims, Plaintiff seeks all damages available,
22 including expectation damages, punitive damages, and/or damages measured by the price premium
23 charged to Plaintiff and the Class as a result of Defendant's unlawful conduct.

COUNT VI
Unjust Enrichment / Restitution
(On behalf of Plaintiff and the Class)

125. Plaintiff re-alleges and incorporates by reference every allegation set forth in the preceding paragraphs as though alleged in this Count.

126. Plaintiff brings this claim individually and on behalf of the members of the Class against Defendant under the laws of California, in the alternative.

127. Plaintiff and the Class conferred benefits on Defendant by purchasing the AG1 Subscriptions.

128. Defendant has been unjustly enriched in retaining the revenues derived from Plaintiff and the Class purchases of the AG1 Subscriptions. Retention of those monies under these circumstances is unjust and inequitable because Defendant's misrepresentations and material omissions of fact regarding the AG1 Subscriptions, in violation of California and federal laws, induced Plaintiff and the members of the Class to purchase the AG1 Subscriptions under false pretenses. These material misrepresentations and omissions of fact caused injuries to Plaintiff and the members of the Class because they would not have purchased the AG1 Subscriptions at all, or on the same terms, if the true facts were known.

129. Due to Defendant's misrepresentations and violation of California and federal laws, its contracts with Plaintiff and the members of the Class are void or voidable.

130. Furthermore, since Plaintiff never clicked on any button that would bind him to any of Defendant's disclosures, clicking on the Apple Pay button instead, he never gave unambiguous consent to any of Defendant's auto-renewal terms. As such, his contract, and those of the other ARL Class members who clicked other payment buttons, are also void as a matter of law.

131. Plaintiff and the members of the Class seek restitution, and in the alternative, rescission.

132. For the quasi-contract/unjust enrichment claims, Plaintiff seeks all available equitable relief, including injunctive relief, disgorgement, and restitution in the form of a full refund

1 and/or measured by the price premium charged to Plaintiff and the members of the Class as a result
2 of Defendant's unlawful conduct.

3 **PRAYER FOR RELIEF**

4 WHEREFORE, Plaintiff, individually and on behalf of all others similarly situated, seeks
5 judgment against Defendant, as follows:

- 6 a. For an order certifying the Class and naming Plaintiff as a representative of the
7 Class and Plaintiff's attorneys as Class Counsel to represent the Class;
8 b. For an order declaring Defendant's conduct violates the statutes referenced herein;
9 c. For an order finding in favor of Plaintiff and the Class on all counts asserted herein;
10 d. For actual, expectation, reliance, compensatory, statutory, and/or punitive damages
in amounts to be determined by the Court and/or jury;
11 e. For prejudgment interest on all amounts awarded;
12 f. For rescission, restitution and all other forms of equitable relief;
13 g. For injunctive relief as pleaded or as the Court may deem proper; and
14 h. For an order awarding Plaintiff and the Class their reasonable attorneys' fees,
15 expenses, and costs of suit.

16 **DEMAND FOR TRIAL BY JURY**

17 Pursuant to Federal Rule of Civil Procedure 38(b), Plaintiff demands a trial by jury of any
18 and all issues in this action so triable as of right.
19

20 Dated: February 3, 2026.

Respectfully submitted,

21
22 By: /s/ Adrian Gucovski

23 Adrian Gucovski (SBN 360988)
24 **GUCOVSKI LAW FIRM, PLLC.**
25 Adrian Gucovski (SBN 360988)
165 Broadway, Fl. 23
26 New York, NY 10006
Telephone: (212) 884-4230
27 Facsimile: (212) 884-4230
E-Mail: adrian@gucovschilaw.com
28

-and-

HEDIN LLP

Frank S. Hedin (SBN 291289)

1395 Brickell Ave., Suite 610

Miami, Florida 33131-3302

Telephone: (305) 357-2107

Facsimile: (305) 200-8801

E-Mail: fhedin@hedinllp.com

Attorneys for Plaintiff