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JENNIFER BONJEAN
CLERK OF THE CIRCUIT COURT
MORGAN COUNTY, ILLINOIS

LAW DIVISION OF MORGAN COUNTY, ILLINOIS

Krystal Bradley, individually and on behalf of all others similarly situated, Plaintiff, v. RevTrak, Inc., Defendant.	No. 2026MR3 Jury Trial Demanded

CLASS ACTION COMPLAINT

Plaintiff, Krystal Bradley ("Plaintiff"), individually and on behalf of other similarly situated individuals, brings this Class Action Complaint and demand for jury trial against Defendant, RevTrak, Inc. ("Defendant"), and in support states as follows:

NATURE OF THE ACTION

1. Defendant's core business is providing online payment technology for K-12 school districts across the United States to allow parents to pay school fees (for school trips, athletics, etc.) or add money to student lunch accounts.

2. Defendant integrates its payment platform with various companies that specialize in providing electronic portals to school districts that manage everything related to students, staff, and district operations, including student demographics, schedules, attendance, grades, discipline, special education plans, parent and student portals, state reporting, human resources, payroll, and finance ("Online Student Information Systems").

3. The Online Student Information Systems portals do not themselves process transactions for mandatory fees or lunch money paid by parents. Instead, the school districts enter

into merchant agreements with Defendant, whereby Defendant provides payment processing for those fees via Defendant's online payment portal.

4. Parents are automatically directed from the Online Student Information Systems to Defendant's online payment portal when they pay a school related fee or add money to a lunch account.

5. This class action challenges Defendant's business practice of adding a "Software Admin Fee" each time a parent pays a school-related fee or adds to their child's lunch account balance through Defendant's online portal.

6. The Software Admin Fee is disclosed for the first time to parents only at the very end of the checkout process. It is not disclosed or authorized in any terms of use, account setup, or other pre-transaction materials provided by Defendant.

7. In reality, the Software Admin Fee is actually a credit/debit card surcharge imposed and collected by Defendant.

8. Because credit and debit card surcharges are heavily regulated and must be clearly disclosed upfront, Defendant's practice of charging the Software Admin Fee is unfair and deceptive in violation of Minnesota and Illinois law.

9. Defendant's imposition of a transaction-based Software Admin Fee, revealed only at checkout, is a deceptive "drip pricing" scheme. Defendant does not disclose the fee in its terms of use, during account setup, or in any pre-transaction notice, thereby misleading consumers about the total true cost of the transaction. By concealing the fee until the final stage of the transaction, Defendant prevents Plaintiff and class members from making informed purchasing decisions. This practice creates a materially misleading impression of the total price and unfairly surprises consumers at the point of payment.

10. Specifically, when a parent logs into an Online Student Information Systems portal and selects a school-related fee (lunch account deposits, field trips, registration fees, technology fees, etc.), there is no disclosure of any Software Admin Fee being paid to Defendant. The parent selects the amount to pay, clicks to continue, and is automatically transferred—without any alternative option—to Defendant's payment portal to complete the transaction.

11. Upon first entering Defendant's payment portal, parents must create a RevTrak Web Store account and accept Defendant's Terms of Use. Defendant's Terms of Use do not authorize any Software Admin Fee, surcharge, convenience fee, or similar additional charge to be paid by the parent. There is also no mention of the Software Admin Fee at any point during account creation.

12. Only after the parent has been transferred from the Online Student Information System to Defendant's payment portal and reached the final payment screen—by which point the parent has no realistic ability to abandon the transaction without losing the underlying school service (lunch money, field trip registration, yearbook, etc.)—does Defendant unilaterally add the Software Admin Fee to the total. Defendant presents this fee as mandatory, without prior notice or consent.

13. Parents therefore face a coercive choice: either pay the unauthorized and undisclosed Software Admin Fee every time they make a school payment online, or refuse to pay the fee and leave their child without lunch money, unable to participate in field trips, or unable to satisfy required school fees. This is not a meaningful choice for parents; it is a hidden profit center for Defendant that parents are forced to pay in order to meet basic school-related obligations for their children.

14. While in theory, some school districts may offer fee-free options in the form of allowing parents to send cash or check with a student, or deliver the funds to the school themselves, these are not meaningful options for many parents. As explained by the Consumer Financial Protection Bureau ("CFPB"), "even if families are aware of alternative options for paying school-related expenses, they may also potentially come with their own costs and limitations, in the form of transportation costs or difficulty accessing financial services."[1]

15. For example, one school district specifies that they do not accept cash but will accept cashier's checks or money orders to pay for school lunch. These banking services may be difficult to access for some families, making it more expensive to avoid fees.[2]

16. As the CFBP observed, "Many types of bill payments incur costs for consumers... Some payment instruments can be costly to obtain, such as money orders and checks, while others can be costly to use, such as some credit cards. Consumers usually incur the highest costs when paying a bill in person (regardless of payment instrument) due to transportation costs and the lowest costs when paying over the phone or online; paying through the mail, which incurs postage costs, is somewhere in between."[3]

17. As a result, many parents will have no choice but to continue paying online, and incurring excessive charges, unless Defendant's practice is enjoined.

18. Defendant's last-minute imposition of an unavoidable, excessive surcharge is unfair, deceptive, misleading, and unlawful under the Minnesota Deceptive Trade Practices Act ("MDTPA") and the Minnesota Consumer Fraud Act ("MCFA") (which apply to the nationwide

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[1] https://www.consumerfinance.gov/data-research/research-reports/issue-spotlight-costs-of-electronic-payments-in-k-12-schools (Section 5.1).
[2] *Id.*, at Footnote 60.
[3] *Id.*

class because Defendant is a Minnesota corporation that devised, directed, and controlled the challenged conduct from Minnesota) and the Illinois Consumer Fraud and Deceptive Business Practices Act ("ICFA") (which protects the Illinois subclass).

19. Plaintiff and class members seek refunds of all Software Admin Fees paid to Defendant, as well as injunctive relief to halt Defendant's unfair and deceptive practices.

JURISDICTION AND VENUE

20. This Court has personal jurisdiction over Defendant pursuant to 735 ILCS 5/2-209 because Defendant conducts business transactions in Morgan County, Illinois, and committed statutory violations in Morgan County, Illinois.

21. Venue is proper in this county under 735 ILCS 5/2-101 because the transaction or some part thereof out of which these causes of action arose occurred in Morgan County, Illinois.

PARTIES

22. Plaintiff is a natural person and citizen of Illinois, who resides in Morgan County, Illinois.

23. Defendant is a Minnesota corporation with a principal place of business in Minneapolis, Minnesota.

Minnesota Law Applies to the Nationwide Class

24. At all relevant times, Defendant directed, managed, and controlled its business operations, policies, fee-setting decisions, consumer-facing disclosures, and payment-processing practices from within Minnesota.

25. The decisions to create, assess, structure, and implement the Software Admin Fee challenged in this action were made by Defendant personnel operating in Minnesota.

26. Defendant's design of its payment interface, including the disclosures (or lack thereof) associated with the Software Admin Fee, was developed, approved, and deployed from Minnesota.

27. Defendant conducts substantial interstate commerce from its Minnesota headquarters, and the conduct at issue emanated from Minnesota uniformly to consumers nationwide.

28. Minnesota has a significant interest in the regulation of Minnesota-incorporated entities and the business practices of companies operating from within its borders.

29. The conduct forming the basis of Plaintiff's and the class members' claims—including the creation, authorization, implementation, and concealment of the Software Administrative Fee—occurred in and emanated from Minnesota.

30. Because the material decisions at issue were formulated in Minnesota and disseminated nationwide from Minnesota, Minnesota has the most significant relationship to the claims and issues alleged in this action.

31. Minnesota's consumer-protection statutes, including Minn. Stat. §§ 325D and 325F, reflect a strong policy of regulating deceptive and unfair practices by companies operating in Minnesota.

32. Minnesota has a materially greater interest than any other state in ensuring that its corporate citizens do not employ uniform deceptive or unfair practices that affect consumers nationwide.

33. Applying Minnesota law enforces Minnesota's interest in holding its corporate citizens accountable for actions taken within Minnesota and transmitted uniformly to residents of all states.

34. Defendant imposes the Software Administrative Fee on all consumers who make payments through its interface, regardless of the consumer's state of residence, using a standardized, uniform payment interface that does not vary from state to state.

35. The misconduct by Defendant (*i.e.,* the assessment of an undisclosed and unauthorized Software Admin Fee) was directed uniformly from Minnesota to all class members nationwide.

36. Because the same conduct, the same Software Admin Fee, and the same lack of disclosure apply across all states, application of Minnesota law to the claims of the Nationwide Class is appropriate and promotes consistency and efficiency in adjudication.

37. Applying Minnesota law ensures uniform treatment of all Nationwide Class members and avoids the need to apply differing state laws to identical conduct originating from Minnesota.

GENERAL FACTUAL ALLEGATIONS

A. Defendant's Software Admin Fee

38. Defendant is one of the largest K-12 payment processors in the country, with over 1,300 school districts using its payment portal.[4]

39. Defendant offers schools across the country the "RevTrak Web Store," an electronic payment portal for parents to pay school-imposed fees and deposit funds for school lunches.

[4] https://www.vancopayments.com/education/online-payment-processing; https://www.revtrak.com/education-demo#:~:text=Easily%20Take%20All%20School%20Payments,see%20how%201%2C300+%20RevTrak%20districts:

40. For school lunch payments, the online portal allows parents to deposit funds into a student account that functions like a stored-value card similar to a prepaid credit/debit card.

41. By paying fees or adding lunch money electronically, parents avoid having their children carry cash or checks to school, staff potentially losing cash or checks given by children, travel costs associated with parents bringing cash or checks to the school, and/or parents taking time off work to bring payments to school.

42. To carry out the RevTrak Web Store operations, Defendant enters into Merchant Agreements with the school districts, which makes each school a "merchant." (A sample RevTrak Merchant Agreement for Liberty Common School is attached as **Exhibit A**.)

43. As merchants, the school districts are bound by the rules imposed by the major credit card companies such as Visa, Mastercard, American Express, and Discover. In fact, RevTrak's agreements with the school districts expressly incorporate the credit card companies' rules. For example, Revtrak's Merchant Agreement with Davis Joint Unified School District (attached as **Exhibit B**) provides:

> This Agreement includes the terms of this Agreement and all exhibits hereto as well as the Rules and our Privacy Policy incorporated herein by reference, which describes our collection and use of Merchant's information through the Services. The VISA, MasterCard and Discover Rules are available on their respective websites at http://usa.visa.com/customers/ and http://www.mastercard.com/us/Sub-merchant/ and http://www.discovernetwork.com/customers/. The NACHA Rules are available at for purchase at https://www.nacha.org/rules

44. Defendant's RevTrak Web Store provides two separate profit streams for Defendant. First, Defendant charges the school districts a "Monthly Fee" for its payment processing services.

45. Second, Defendant charges school districts an additional credit/debit card surcharge percentage (Defendant's merchant agreement calls these "Online Transactions") each time a parent pays a fee or adds school lunch money to an account. The Online Transactions fee far exceeds the actual cost Defendant incurs for processing a transaction.

46. The Software Admin Fee is a mechanism by which Defendant passes this percentage processing fee from the school districts on to the parents.

47. Software Admin Fees can be structured as a flat fee or as a percentage of the transaction.

48. A sample agreement between RevTrak and a school district illustrates how this works (in this instance, the Software Admin Fee is called a "Service Fee" and is charged as a percentage of the transaction):

> The cost of accepting debit/credit card payments is 3.99% of the total debit/credit card payments received. A 4.15% non-refundable Service Fee is charged to the customer to offset the 3.99% RevTrak fee. Therefore, the total debit/credit card payment received for a $50.00 product will be $52.08 ($50.00 + 4.15% Service Fee). The 3.99% RevTrak fee for this $52.08 is $2.08. So, the $2.08 non-refundable Service Fee received covers the $2.08 RevTrak fee paid.

Exhibit C.

49. In other words, the consumer is paying a Software Admin Fee that is passed through and goes directly to Revtrak. The fee is effectively a hidden surcharge on the card transaction, disclosed only at checkout, and serves no purpose other than to shift Defendant's processing cost (and more) onto consumers. This enables Defendant to inflate the Online Transaction fee.

50. In the above example, the 4.15% non-refundable Service Fee (the Software Admin Fee) exceeds all percentage amounts permitted to be charged by the credit card companies. While a school district could choose to pay the Online Transaction fee itself, the inflated rate significantly cuts into the school's funds (because the school wouldn't receive the full amount of each payment).

Thus, Defendant provides a mechanism to pass through the Online Transaction fee to parents via the Software Admin Fee. The Software Admin Fee, however, is always charged, collected, and retained entirely by Defendant.

51. In Plaintiff's school district, the Software Admin Fee is charged to parents as a $2 flat fee regardless of the amount of the transaction. This means that, for any payment under $50, the $2 Software Admin Fee violates the credit card company rules. And it also means that for wealthy parents, who can afford to add hundreds of dollars to their children's lunch accounts at a time, the fee works out to be a relatively small percentage of the amount added. For parents who live paycheck-to-paycheck and can only afford to add $10 or $20 at a time, however, the fee can amount to as much as 20%. In other words, Defendant makes most of its money off the backs of the poor parents, who can only afford to add small amounts each time, and therefore have to recharge their children's accounts often, paying the Software Admin Fee each time.[5]

B. Defendant's Software Admin Fee Violates the Credit Card Companies' Rules

52. Because Defendant processes credit and debit card payments from parents on behalf of school districts (the merchants), Defendant acts as an agent of the school districts and is bound by the school district agreements that require adherence to the credit card companies' rules (Visa, Mastercard, Discover, and American Express).

53. Accordingly, Defendant must follow all card network rules regarding surcharges, service fees, and convenience fees when it charges parents the Software Admin Fee as the School's payment agent.

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[5] *See* https://www.consumerfinance.gov/data-research/research-reports/issue-spotlight-costs-of-electronic-payments-in-k-12-schools (Section 5.4).

54. Defendant's imposition of the Software Admin Fee violates multiple card network rules.

55. All major credit card companies require that any credit/debit card surcharge be clearly and prominently disclosed to the consumer at the point of entry and the point of transaction; moreover, at the point of transaction, this disclosure must include the exact amount or percentage of the surcharge and a statement that the surcharge is not in an amount greater than the applicable merchant discount rate. As described below, Defendant did not follow these rules when acting on behalf of its merchant school districts.

56. Using the Visa Rules as an example (*see* **Exhibit D**, Visa Rules § 5, excerpted below), Visa requires clear disclosure of surcharges and caps them at a merchant's cost of acceptance (and never above a set percentage):

5.5.1.8 Credit Card Surcharge Maximum Amount – Canada, US Region, and US Territories

In the Canada Region: A Credit Card Surcharge assessed at the product level or brand level, as specified in *Section 5.5.1.7, Credit Card Surcharge Requirements – Canada, US Region, and US Territories*, must not exceed the Merchant's Visa Credit Card Surcharge Cap.

In the US Region or a US Territory: The Credit Card Surcharge maximum amount is 3.00%.

In the US Region or a US Territory: A Credit Card Surcharge assessed at the brand level, as specified in *Section 5.5.1.7, Credit Card Surcharge Requirements – Canada, US Region, and US Territories*, must not exceed the Merchant's Visa Surcharge Cap.

In the US Region or a US Territory: A Credit Card Surcharge assessed at the product level, as specified in *Section 5.5.1.7, Credit Card Surcharge Requirements – Canada, US Region, and US Territories*, must not exceed the Merchant's Visa Credit Card Surcharge Cap less the Debit Card Cost of Acceptance.

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In the Canada Region, US Region or a US Territory: In no case may the Credit Card Surcharge amount exceed the Maximum Surcharge Cap.

5.5.1.9 Credit Card Surcharge Disclosure Requirements – Canada, US Region, and US Territories

In the Canada Region, US Region, or a US Territory: A Merchant must, at both the point of entry into the Merchant Outlet and the Point-of-Transaction, clearly and prominently disclose any Credit Card Surcharge that will be assessed.

The disclosure at the Point-of-Transaction must include all of the following:

- The exact amount or percentage of the Credit Card Surcharge
- A statement that the Credit Card Surcharge is being assessed by the Merchant and is only applicable to credit Transactions
- In the US Region or a US Territory: A statement that the Credit Card Surcharge amount is not greater than the applicable Merchant Discount Rate for Visa Credit Card Transactions at the Merchant

For example, the requirement for clear and prominent disclosure will be satisfied if the disclosure is made consistent with *Table 5-3, Surcharge Disclosure – Canada Region, US Region, and US Territories*:

Table 5-3: Surcharge Disclosure – Canada Region, US Region, and US Territories

Transaction Type	Point-of-Entry	Point-of-Transaction
Face-to-Face Transaction	Main entrance(s) of the Merchant Outlet, in a minimum 32-point Arial font, but in any case no smaller or less prominent than surrounding text	Every customer checkout or payment location, in a minimum 16-point Arial font, but in any case no smaller or less prominent than surrounding text
Electronic Commerce Transaction	The first page that references credit card brands accepted, in a minimum 10-point Arial font, but in any case no smaller or less prominent than surrounding text	Checkout page, in a minimum 10-point Arial font, but in any case no smaller or less prominent than surrounding text
Mail order Transaction	The first page of the catalog that references credit card brands accepted, in a minimum 8-point Arial font, but in any case no smaller or less prominent than surrounding text	Mail order form, in a minimum 10-point Arial font, but in any case no smaller or less prominent than surrounding text

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Table 5-3: Surcharge Disclosure – Canada Region, US Region, and US Territories (continued)

Transaction Type	Point-of-Entry	Point-of-Transaction
Telephone order Transaction	The first page of the catalog that references credit card brands accepted, in a minimum 8-point Arial font, but in any case no smaller or less prominent than surrounding text	Verbal notice from the telephone order clerk, including Credit Card Surcharge amount
Unattended Cardholder-Activated Terminal	Main entrance(s) of the Merchant Outlet (if applicable) (for example: gas [petrol] station store) in a minimum 32-point Arial font, but in any case no smaller or less prominent than surrounding text	On the Unattended Cardholder-Activated Terminal or virtual disclosure on the payment terminal screen, in a minimum 16-point Arial font, but in any case no smaller or less prominent than surrounding text

For an Electronic Commerce Transaction, a Mail/Phone Order Transaction, and an Unattended Transaction, the Cardholder must be provided the opportunity to cancel the Transaction subsequent to the Credit Card Surcharge disclosure.

In the US Region or a US Territory: Merchants with Acceptance Devices that offer Cardholder choice for debit Transactions in the form of "credit" and "debit" buttons must ensure that both:

- Debit Card Transactions are not assessed a Credit Card Surcharge
- It is made clear to the Cardholder that surcharges are not permitted on debit Transactions regardless of whether a Cardholder selects the "credit" or "debit" button

57. Mastercard, Discover, and American Express have similar requirements mandating clear advance notice to consumers before any surcharge is imposed.

58. Under all applicable card network rules, Defendant's Software Admin Fee—which is disclosed only at the final checkout screen and often exceeds the maximum percentage permitted—is impermissible.

C. The Payment Interface

59. In the K-12 online payment industry, Defendant has a dominant position due to its deep, legacy integration with Skyward, a widely-used Online Student Information System (used by over 2,400 school districts in at least 22 states, including Plaintiff's district, Jacksonville SD 117).

60. Skyward has historically maintained a closed and highly controlled integration environment, restricting which payment vendors can interface with its system. Unlike newer Online Student Information Systems that support open application programming interfaces ("API") or allow widespread third-party connections, Skyward restricts payment vendors and has maintained a narrow group of "preferred" or "native" integration partners.

61. Defendant is one of Skyward's longest-standing and most tightly integrated partners.

62. This privileged integration gives Defendant substantial control over the payment process, including the user interface, fee presentation, and final transaction total that the consumer sees.

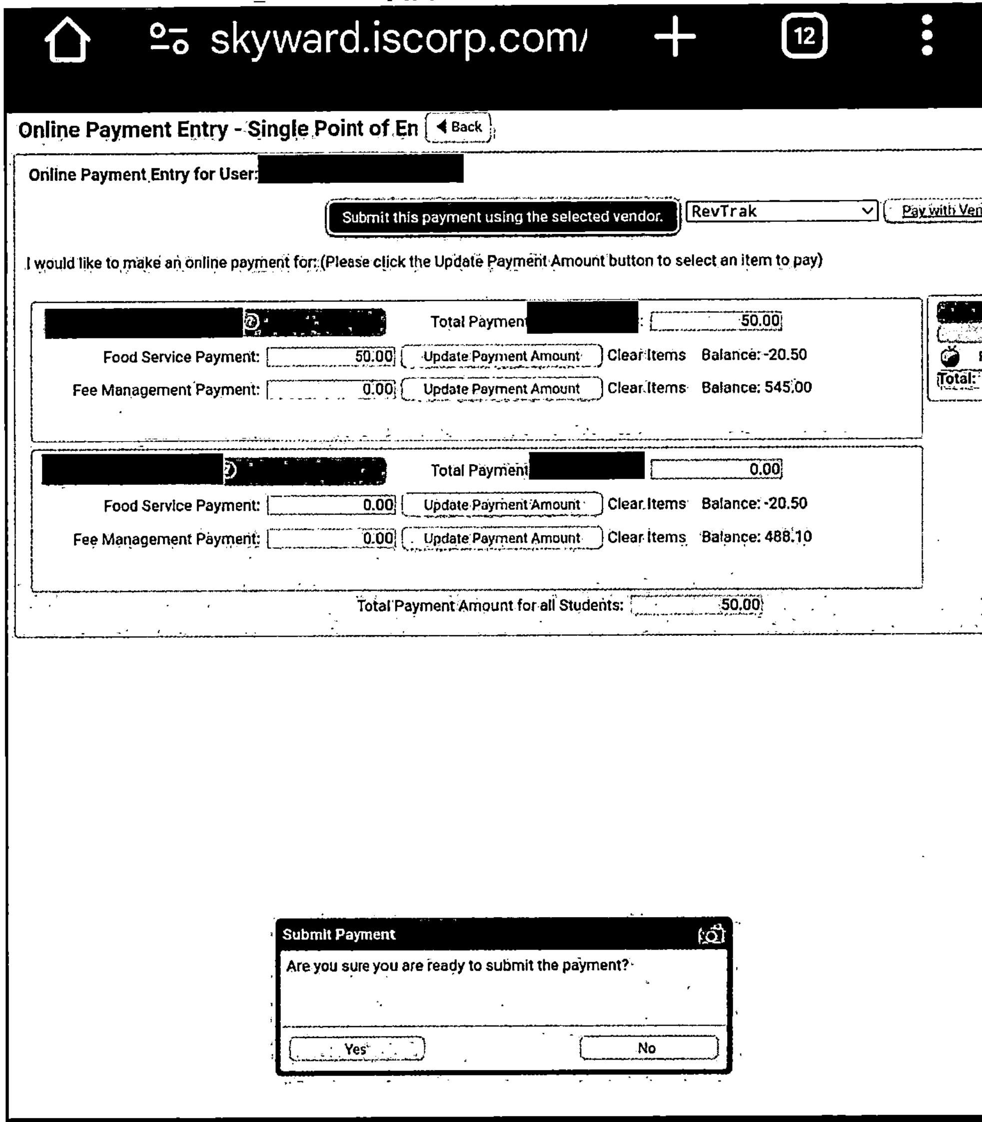
63. Defendant leveraged this control to impose a mandatory Software Admin Fee that Defendant unlawfully fails to disclose prior to checkout.

(1) Parents' Lunch Money Payment Process

64. A parent's payment journey does not begin in Defendant's RevTrak payment portal. It begins in an Online Student Information System, like Skyward, which displays the fees or charges due and allows the parent to enter a payment amount.

65. For example, Skyward[6] might list items such as "Food Service Payment" (lunch money) or "Fee Management Payment" (school fees), along with the current balance or amount due. The parent selects or inputs the amount to pay and clicks to proceed. Skyward then asks for confirmation – specifically, "Are you sure you are ready to submit the payment?" as depicted below.

[6] For purposes of this complaint, Skyward will be used as the example for an Online Student Information System because that is the system used by Plaintiff's school district.



66. Skyward's interface provides no indication of any additional fee associated with the transaction. Nothing on the Skyward platform indicates that the amount the parent has selected will increase later due to an added charge.

67. Skyward also does not present any Terms of Use or other disclosures that would authorize a third-party payment vendor to tack on fees beyond the amount the parent intends to pay.

(2) Parents' Forced Transition from Skyward to Defendant's Payment Portal

68. Once the parent confirms the payment amount in Skyward, the system automatically transfers the parent to Defendant's RevTrak Web Store payment portal to complete the transaction.

69. This transfer is automatic and mandatory. There is no option for the parent to complete the payment in Skyward or to use a different online payment processor; parents cannot finish the transaction without entering Defendant's portal.

70. Upon first entering Defendant's payment portal, parents are required to create a Web Store account with Defendant.

71. Nothing in the account creation process authorizes Defendant to charge a Software Admin Fee.

72. In particular, Defendant's online terms of use (titled "Policies") do not disclose or authorize any Software Admin Fee to be charged to parents. (Defendant's Terms of Use, attached as **Exhibit E**.)

73. Defendant's Frequently Asked Questions, available to users, likewise do not disclose or authorize any Software Admin Fee. (Defendant's FAQ, attached as **Exhibit F**.)

74. Defendant's policies and account creation process fail to disclose that the Software Admin Fee is imposed as a result of the Merchant Agreement with the school.

75. At no point prior to the final payment screen does Defendant disclose that any additional fee will be added to the amount the parent selected in Skyward.

76. Only after the parent has navigated all steps, entered payment information, and is about to finalize the transaction does Defendant reveal, for the first time, that it has unilaterally

appended a mandatory Software Admin Fee to the transaction. This occurs at the final checkout screen:

jsd117.revtrak.net/che

CHECKOUT Turn High Contrast Mode On

BILLING Edit

BILL TO:

PAYMENT METHOD Change

VISA Visa

ITEMS

SKYWARD FOOD SERVICE PAYMENT $50.00
Quantity: 1
For:

SOFTWARE ADMIN FEE $2.00
TOTAL $52.00

77. In sum, Defendant's Software Admin Fee is: (a) automatically added, with no opt-out; (b) added after the parent selected the amount in Skyward; (c) not authorized by Skyward; (d) not disclosed in Defendant's online Policies or account creation process; and (e) not reasonably expected by consumers – especially since the fee does not comply with credit card network rules.

78. Because the fee is revealed only after users have invested their time and entered their payment information, it operates as a "gotcha" charge – highly coercive and not reasonably avoidable.

79. Federal guidance, including FTC rulemaking, identifies this practice as classic "drip pricing" – a deceptive practice where mandatory fees are revealed only at the last moment.

D. The Nature of the Software Admin Fee

80. Defendant misrepresents to parents the nature and purpose of the Software Admin Fee. By labeling this pass-through charge as a "Software Admin Fee," Defendant suggests that it is a fee for administering a payment platform. In truth, the Software Admin Fee is simply an excessive charge for payment processing.

81. Defendant's characterization of the charge as a "Software Admin Fee" is false and deceptive because (1) the amount charged bears no reasonable relationship to the costs Defendant incurs to process transactions or maintain its website (the fee far exceeds any actual cost); (2) the Software Admin Fee often results in an effective surcharge percentage far above what credit card rules permit; and (3) the Software Admin fee is charged primarily as a profit mechanism for Defendant.

82. As mentioned above, credit/debit card surcharges must be clearly disclosed so that consumers know what they are being charged and can inquire with their card issuer about the legitimacy of the surcharge. All major credit card companies have specific rules governing how surcharges may be imposed, including limits on the amount and requirements for prior notice to the consumer. As noted above, Defendant's Merchant Agreements require compliance with all such rules. Yet Defendant's presentation of the "Software Admin Fee"—essentially just dropping the fee name on the checkout page without explanation—fails to meet applicable requirements and is therefore unfair and deceptive.

83. Moreover, Defendant's presentation of the Software Admin Fee is false and deceptive because the fee is actually a credit/debit card surcharge imposed and collected entirely

by Defendant under its Merchant Agreements with no disclosure that the fee is imposed by Defendant rather than by the school district.

84. Some school districts have found it necessary to dispel this confusion. For example, the Avon Grove School District released the following notice to parents making payments online: "RevTrak charges a software administration fee for their online payment service. The Avon Grove School District does not receive any part of the software administration fee."[7]

85. In fact, the entire Software Admin Fee is charged and collected solely by Defendant.

E. Plaintiff's Facts

86. Plaintiff has two children enrolled in Jacksonville School District 117 schools.

87. Plaintiff maintains a parent account on the Skyward system used by the District.

88. At no time during her registration or use of the Skyward system did the system disclose or authorize Defendant to charge a Software Admin Fee in addition to the cost of any school-related fees or lunch payments.

89. Plaintiff has paid a Software Admin Fee on multiple occasions when paying her children's school fees and lunch money balances online, using both a Visa and Mastercard.

90. To make these payments, Plaintiff first logged into Skyward and selected an amount to pay for the fee or lunch money.

91. Plaintiff then confirmed that she wanted to proceed with the transaction.

92. Nowhere on Skyward's platform (including in the pop-up confirmation prompt) was there any disclosure of an additional Software Admin Fee for paying electronically.

[7] https://www.avongrove.org/district/administration/business-manager/financial/studentfeeinfo?utm

93. Once Plaintiff proceeded to payment, she was directed to Defendant's Web Store payment portal.

94. During Plaintiff's first use of Defendant's Web Store payment portal, she was required to create an account with Defendant.

95. Defendant's Terms of Use did not authorize or disclose a Software Admin Fee to be charged on top of any transaction amount.

96. Nothing in Plaintiff's account creation with Defendant's Web Store authorized or disclosed that a Software Admin Fee would be charged at checkout for each school fee or lunch money transaction.

97. It is not practical for Plaintiff to send cash or checks to pay for school fees or lunch money, nor for Plaintiff to drive to the school herself to make those payments.

98. In sum: there was no disclosure of Defendant's Software Admin fee within Skyward's portal or terms of use; no disclosure of the fee during Defendant's account set up process or in its terms of use or website; no explanation anywhere of how the fee is calculated; no upfront notice about the fee before Plaintiff invested time in making the online payment; and the Software Admin Fee only appeared at the final payment screen.

99. Plaintiff made these school payments through Defendant's portal and paid the Software Admin Fee with her Visa and Mastercard, making the transactions subject to Visa's and Mastercard's rules.

100. Plaintiff paid the Software Admin Fees believing them to be permissible, required by, and paid to, the school district. She was unaware that the Software Admin Fee was actually a credit/debit card surcharge charged by Defendant for using her credit card to pay school charges. She paid the Software Admin Fee only because she was deceived by Defendant.

101. A reasonable consumer in Plaintiff's position would likewise be confused or misled to believe that the Software Admin Fee was being charged by the school or was otherwise a normal part of the transaction, rather than a unilateral surcharge by Defendant.

102. Defendant retained the entire amount of each Software Admin Fee paid by Plaintiff.

103. Plaintiff suffered actual damages in the amount of the Software Admin Fees she paid.

104. Plaintiff will regularly need to use Defendant's service for future school-related payments (monthly lunch funds, annual fees, etc.), meaning the deception and harm will repeat each time unless enjoined.

105. Plaintiff and class members seek damages, injunctive relief, and recovery of their attorneys' fees and costs under the MDTPA, MCFA, and ICFA, as provided by law.

Class Action Allegations

106. Plaintiff brings this action pursuant to 735 ILCS 5/2-801, on behalf of herself and a class of similarly situated individuals, defined as follows:

The Classes are:

NATIONWIDE CLASS: All persons in the United States who had an account with Defendant and paid a Software Admin Fee to Defendant.

ILLINOIS SUBCLASS: All persons who resided in the State of Illinois who had an account with Defendant and paid a Software Admin Fee to Defendant.

Excluded from the Class are: (i) any judge or magistrate judge presiding over this action and members of their staff, as well as members of their families; (ii) Defendant, Defendant's predecessors, parents, successors, heirs, assigns, subsidiaries, and any entity in which any Defendant has a controlling interest; (iii) persons who properly execute and file a timely request for exclusion from the Class; (iv) persons whose claims in this matter have been finally adjudicated on the merits or otherwise released; (v) counsel for the Parties; and (vi) the legal representatives, successors, and assigns of any such excluded persons.

The Nationwide Class and Illinois Subclass are collectively referred to as the "Class."

107. Because Defendant directs its business practices and decisions from Minnesota, Minnesota law applies to the claims of all members of the Nationwide Class.

108. **Numerosity:** Due to the number of school districts Defendant serves (over 1,300), the Class is believed to comprise many thousands of members. It is, therefore, impractical to join each member of the Class as a named Plaintiff. Moreover, because each individual fee is relatively small, individual class members have little incentive to bring separate actions. Accordingly, utilization of the class action mechanism is the most economically feasible means of determining and adjudicating the merits of this litigation.

109. **Commonality and Predominance:** Based on Defendant's publicly available Merchant Agreements, it appears that Defendant used Merchant Agreements during the class period that do not materially vary from one school district to another. While the amounts of the Software Admin Fee may vary slightly by school, the differences are minor and merely mathematical for damages calculations. Regardless, Defendant uniformly fails to accurately disclose the credit/debit card surcharges and systematically only discloses a Software Admin Fee for the first time at the last step of checkout.

110. Common questions of law and fact therefore exist as to all members of the Class, and those questions predominate over questions affecting only individual members of the Class. Common legal and factual questions include, but are not necessarily limited to, the following:

(a) Whether Defendant's practice of disclosing the Software Admin Fee only at checkout constitutes unfair and deceptive drip pricing;

(b) Whether Defendant's representations regarding the Software Admin Fee would likely mislead consumers to believe the fee was charged by the school districts or otherwise authorized;

(c) Whether Defendant's Software Admin Fee was actually a credit/debit card surcharge passed on to consumers;

(d) Whether Defendant's terms of use and/or account signup authorized Defendant to charge a Software Admin Fee;

(e) Whether Defendant's imposition of the Software Admin Fee violated the credit card companies' rules;

(f) Whether Defendant's conduct violated MCFA, MDTPA, and ICFA; and

(g) Whether Defendant's actions caused injury to Plaintiff and Class members, and if so, the appropriate measure of damages.

111. **Adequate Representation:** Plaintiff has retained and is represented by qualified and competent counsel who is highly experienced in complex class action litigation. Plaintiff and her counsel are committed to vigorously prosecuting this class action. Moreover, Plaintiff can fairly and adequately represent and protect the interests of the Class. Neither Plaintiff nor her counsel has any interest adverse to, or in conflict with, the interests of the absent members of the Class. Plaintiff has raised viable statutory claims of the type reasonably expected to be raised by members of the Class and will vigorously pursue those claims. If necessary, Plaintiff may seek leave of this Court to amend this complaint to include additional class representatives to represent the Class, additional claims as may be appropriate, or to amend the Class definition.

112. **Appropriateness.** A class action is an appropriate mechanism for the fair and efficient adjudication of this controversy because individual litigation of the claims of all Class

members is impracticable. Even if every member of the Class could afford to pursue individual litigation, the Court system could not. It would be unduly burdensome to the courts in which individual litigation of numerous cases would proceed. Individualized litigation would also present the potential for varying, inconsistent, or contradictory judgments, and would magnify the delay and expense to all parties and to the court system resulting from multiple trials of the same factual issues. By contrast, the maintenance of this action as a class action, with respect to some or all of the issues presented herein, presents few management difficulties, conserves the resources of the parties and of the court system, and protects the rights of each member of the Class. Plaintiff anticipates no difficulty in the management of this action as a class action. Class-wide relief is essential to compliance with the MDTPA, MCFA and ICFA.

V. CAUSES OF ACTION

COUNT I

Violation of Minnesota's Deceptive Trade Practices Act
Minn. Stat. § 325D.44 subd. 1a
(On Behalf of the Nationwide Class)

113. Plaintiff repeats and re-alleges each and every allegation contained in paragraphs 1 through 112 above as if fully set forth herein.

114. Defendant is a "person" because it is a "business entity." Minn. Stat. § 325F.68, subd. 3. Defendant's business is centered around providing online payment technology for school districts across the United States to allow parents to pay school fees.

115. Minn. Stat. § 325D.44 subd. 1a provides, in pertinent part:

Subd. 1a. Advertisements, displays, or offers.

> (a) A person engages in a deceptive trade practice when, in the course of business, vocation, or occupation, the person advertises, displays, or offers a price for goods or services that does not include all mandatory fees or

> surcharges. If the person that disseminates an advertisement is independent of the advertiser, the person is not liable for the content of the advertisement.
>
> (b) For purposes of this subdivision, "mandatory fee" includes but is not limited to a fee or surcharge that:
>
> (1) must be paid in order to purchase the goods or services being advertised;
>
> (2) is not reasonably avoidable by the consumer; or
>
> (3) a reasonable person would expect to be included in the purchase of the goods or services being advertised.
>
> For the purposes of this subdivision, mandatory fee does not include taxes imposed by a government entity on the sale, use, purchase, receipt, or delivery of the goods or services.
>
> (c) A delivery platform is compliant with this subdivision if the platform satisfies all of the following requirements:
>
> (1) at the point when a consumer views and selects either a vendor or items for purchase, a delivery platform must display in a clear and conspicuous manner that an additional flat fee or percentage is charged. The disclosure must include the additional fee or percentage amount; and
>
> (2) after a consumer selects items for purchase, but prior to checkout, a delivery platform must display a subtotal page that itemizes the price of the menu items and the additional fee that is included in the total cost.

116. Defendant violated this provision by advertising or offering its school payment service at a price that did not include all mandatory fees or surcharges.

117. Specifically, when parents use a school's Online Student Information System to pay school fees or add money, the price displayed (the amount the parent chooses to pay) does not include Defendant's mandatory Software Admin Fee.

118. Defendant fails to ensure that its mandatory Software Admin Fee is disclosed at the time the price is first shown.

119. Because the Software Admin Fee is a mandatory fee (one that parents must pay to complete the transaction and cannot reasonably avoid), it must be disclosed at the time the price is offered, not first revealed at the moment of payment.

120. Plaintiff and the Nationwide Class saw and relied on the price shown on the school's Online Student Information System (with no additional fee disclosed).

121. When Plaintiff and Nationwide Class members proceeded to payment, they were automatically transferred to Defendant's payment portal, where the total price they had selected was increased by a mandatory Software Admin Fee charged and collected by Defendant.

122. By disclosing the Software Admin Fee only at checkout, Defendant lured consumers with a lower, incomplete price and then increased the price at the final step, after the consumer had already committed to the purchase based on the initial price. Defendant's disclosure of the Software Admin Fee at that late stage is not a disclosure prior to payment, because consumers had already relied on the earlier price representation and moved forward under the false impression that no mandatory fee would be added.

123. Plaintiff fell victim to this scheme. She logged into the school's system (Skyward), selected amounts to pay for school fees or lunch money, and saw no indication of any Software Admin Fee at that time.

124. Each member of the Nationwide Class likewise selected an amount to pay on the school's system with no disclosure or notice of any Software Admin Fee or any indication that the price could increase.

125. Defendant had integration relationships with the student information system platforms and knew that the prices shown on those systems did not include a Software Admin Fee or any notice of such a fee. Defendant willfully and intentionally structured the process so that the fee would only be revealed on its own portal.

126. Plaintiff and Nationwide Class members suffered monetary loss as a direct and proximate result of Defendant's unlawful conduct, including paying undisclosed and unauthorized surcharges.

127. Because there are no feasible alternative options, Plaintiff and Nationwide Class members, as parents in the school district, will regularly need to use Defendant's service for future school-related payments (monthly lunch funds, annual fees, etc.), meaning the deception and harm will continue unless enjoined.

128. Plaintiff and Class members are entitled to all relief authorized by Minn. Stat. § 325D.44 and § 325D.45, including injunctive relief to stop the deceptive practice, and an award of attorneys' fees and costs (given the willful and egregious nature of Defendant's conduct).

COUNT II
Violation of Minnesota's Deceptive Trade Practices Act
Minn. Stat. § 325D.44 subd. 1
(On Behalf of the Nationwide Class)

129. Plaintiff repeats and re-alleges each and every allegation contained in paragraphs 1 through 112 above as if fully set forth herein.

130. Defendant is a "person" because it is a "business entity." Minn. Stat. § 325F.68, subd. 3. Defendant's business is centered around providing online payment technology for school districts across the United States to allow parents to pay school fees.

131. Defendant's conduct violates multiple provisions of Minn. Stat. § 325D.44, subd. 1, which provides that a person engages in a deceptive trade practice when, in the course of business, vocation, or occupation, the person:

(1) passes off goods or services as those of another;

(2) causes likelihood of confusion or of misunderstanding as to the source, sponsorship, approval, or certification of goods or services;

> (3) causes likelihood of confusion or misunderstanding as to . . . certification by another; . . .
>
> (5) represents that goods or services have sponsorship [and] approval . . . that they do not have . . .
>
> (9) advertises goods or services with intent not to sell them as advertised; . . . .
>
> (13) engages in . . . unfair or unconscionable acts or practices; or
>
> (14) engages in any other conduct which similarly creates a likelihood of confusion or of misunderstanding.

132. By misrepresenting who was charging and collecting the Software Admin Fee, Defendant caused confusion or misunderstanding regarding the source and approval of the fee, in violation of Minn. Stat. § 325D.44, subd. 1(1), (2), (3), and (5). Parents were led to believe the fee was charged by (and for the benefit of) the school district, when in fact it was charged and retained by Defendant.

133. By the same conduct, and by hiding the true nature and basis of the fee, Defendant engaged in unfair or unconscionable acts or practices and other misleading conduct, in violation of Minn. Stat. § 325D.44, subd. 1(13) and (14). Defendant made misleading statements and material omissions regarding the Software Admin Fee and imposed a surcharge in a manner that violated applicable credit card network rules and the Merchant Agreements (of which parents are intended third-party beneficiaries).

134. Defendant omitted material facts by failing to disclose: the true nature of the Software Admin Fee as a credit/debit card surcharge; the reason it was imposed (to offset Defendant's own fee to the school); who actually received the fee (Defendant, not the school); and how the amount was determined. Given that the fee was, in fact, a card surcharge levied by Defendant, Defendant should have explained these facts to parents, as required by the credit card rules and basic standards of honest dealing.

135. Defendant flouted the specific disclosure requirements of the credit card networks for surcharges—requirements intended to benefit and protect consumers. As set forth above, credit card network rules mandate that merchants clearly and prominently disclose any surcharge, yet Defendant did not provide these disclosures to Plaintiff and the Class. And perhaps more egregiously, Defendant imposed a surcharge that often far exceeded any possible permissible surcharge under any credit card network rules.

136. Defendant's conduct is unfair and unconscionable under subd. 1(13). Minnesota law (Minn. Stat. § 325D.44, subd. 2) directs that the standard for unfairness is the one set out in Minn. Stat. § 325F.69, subd. 8 (Minnesota's Consumer Fraud Act). Under that standard, an act is unfair or unconscionable if it (1) offends public policy, (2) is unethical, oppressive, or unscrupulous, or (3) causes substantial injury to consumers. Defendant's conduct meets each of these criteria.

137. Minnesota has a clear public policy requiring transparent pricing and disclosure of mandatory fees (as clearly evidenced by the recently-enacted "drip pricing" prohibition reflected in § 325D.44 subd. 1a, as well as other statutes). Defendant's scheme of hiding the fee until the end of parents' transactions offends that public policy. Additionally, Defendant's disregard for credit card surcharge rules (designed to protect consumers from surprise fees) violates long-established public policy against bait-and-switch pricing practices.

138. Defendant's conduct was also unethical and oppressive. Defendant deliberately labeled a credit-card surcharge as a vague "Software Admin Fee," concealing its true nature. And it chose to obscure this fee until final checkout, effectively ambushing parents who had already committed time to completing the transaction. Parents had no realistic alternative given that

avoiding the fee meant potentially depriving their children of necessary school services. Imposing a hidden fee under these circumstances is a classic "gotcha" tactic—unscrupulous and coercive.

139. Moreover, Defendant charged more than its actual processing cost (e.g., charging 4.15% to cover a 3.99% cost, or $2 flat fee even on small payments), indicating it was exploiting the fee as a profit center, which is unethical when done without transparency.

140. Defendant's conduct also created a likelihood of confusion or misunderstanding under subd. 1(14), similar to the kinds of deception enumerated in other subsections. Defendant created standard form terms of use it required parents to agree to when they created Web Store accounts, but never mentioned or disclosed the fee until the last step of checkout. This gave a false impression that there were no additional fees, and/or that if a fee appeared, it was appropriate and sanctioned by the school. This scenario clearly fostered confusion and misunderstanding among consumers.

141. Defendant's practice caused substantial injury to consumers. Each parent who paid Defendant's surcharge suffered a monetary loss that they did not bargain for. These fees accumulated to significant sums across the Class. The injury was not reasonably avoidable (short of going to great lengths to pay by other means or forgoing required payments) and had no countervailing benefit to consumers. In fact, 100% of the fee went to Defendant for its own benefit, providing no added service to the parent or school. These hidden fees also distorted consumers' financial decision-making and budgeting for school expenses.

142. As a direct and proximate result of Defendant's deceptive and unfair practices, Plaintiff and the Nationwide Class suffered actual damages in the form of the Software Admin Fees they paid.

143. Plaintiff and Nationwide Class members, as parents in the school district, will regularly need to use Defendant's service for future school-related payments (monthly lunch funds, annual fees, etc.), meaning the deception and harm will continue unless enjoined.

144. Plaintiff and Class members are entitled to all relief authorized by Minn. Stat. § 325D.44 and § 325D.45, including injunctive relief to stop the deceptive practice, and an award of attorneys' fees and costs (given the willful and egregious nature of Defendant's conduct).

COUNT III
Violation of Minnesota's Consumer Fraud Act
Minn. Stat. § 325F.69
(On Behalf of the Nationwide Class)

145. Plaintiff repeats and re-alleges each and every allegation contained in paragraphs 1 through 112 above as if fully set forth herein.

146. Under Minn. Stat. § 325F.68, subd. 3, Defendant is a "person" because it is a "business entity." Defendant's business is centered around providing online payment technology for school districts across the United States to allow parents to pay school fees.

147. The term "merchandise" under Minn. Stat. § 325F.68, subd. 2 includes services. Defendant's online payment processing service (for which the Software Admin Fee was charged) is a service furnished in connection with consumer transactions. Defendant's deceptive and unfair practices were employed "in connection with the sale" of this service to Plaintiff and Class members.

148. Minn. Stat. § 325F.69, subd. 1 provides: "The act, use, or employment by any person of any fraud, unfair or unconscionable practice, false pretense, false promise, misrepresentation, misleading statement, or deceptive practice, with the intent that others rely thereon in connection with the sale of any merchandise, whether or not any person has in fact been misled, deceived, or damaged thereby, is enjoinable."

149. Additionally, Minn. Stat. § 325F.69, subd. 8 (as referenced in Count II above) defines an unfair or unconscionable act or practice as any act that: "(1) offends public policy as established by the statutes, rules, or common law of Minnesota; (2) is unethical, oppressive, or unscrupulous; or (3) is substantially injurious to consumers."

150. Defendant's business practices, as described herein, constitute fraud, false pretense, false promise, misrepresentation, misleading statements, and deceptive practices, and they were undertaken with the intent that consumers rely on them in connection with the sale of Defendant's services (the online payment processing service).

151. Defendant's practices were also unfair and unconscionable as defined by the above standards, in that they offend public policy, are unethical and oppressive, and cause substantial injury to consumers, as detailed above.

152. As detailed above, Defendant made material misrepresentations and omissions to parents using its payment portal. Defendant misrepresented that it was entitled to charge the Software Admin Fee to parents, and that the fee amount was compliant with the rules of the credit card companies, and it omitted to disclose that: (a) the fee was a credit/debit card surcharge bearing no relationship to Defendant's costs; (b) it had no authority to impose an extra fee; and (c) the fee, in Plaintiff's case and many others, violated credit card network rules (for lack of disclosure and for exceeding allowable amounts).

153. Based on the above, a reasonable consumer would have been misled into believing that Defendant's Software Admin Fee was a legitimate charge that Defendant was authorized to impose and that complied with all applicable regulations or rules. In reality, Defendant had no contractual or legal authority to charge this fee to Plaintiff or Class Members, and the fee did not comply with card network rules governing surcharges.

154. Defendant also presented the Software Admin Fee in a manner that falsely implied the fee was being charged by the school district. Given that parents access Defendant's payment portal through the school's system and are paying a school expense, a reasonable consumer would assume any added "Software Admin Fee" was required by the school or for the school's benefit. In truth, Defendant keeps the entire fee. This misrepresentation of the fee's source is deceptive.

155. Defendant's acts and practices as described above were deceptive (involving misrepresentation and concealment of material facts) and also unfair. Concealing mandatory fees until the end of a transaction (drip pricing) violates the public policy embodied in laws like Minn. Stat. § 325D.44, subd. 1a, which was enacted to combat exactly such practices. Similarly, violating credit card network rules designed to protect consumers (by ensuring fee transparency and caps) offends public policy, as Minnesota law often looks to such rules in evaluating fairness.

156. Defendant's tactic of disguising a card surcharge as an innocuous fee, and disclosing it only at the last moment when parents are effectively locked in, is both unethical and oppressive. Parents had little practical choice but to accept the fee, making the transaction effectively a bait-and-switch. Presenting the Software Admin Fee only at checkout is a "gotcha" strategy designed to exploit consumer inertia and sunk costs, which is unscrupulous. Defendant also charged more than its cost and implied the fee was routine or authorized, which was deceptive and unethical.

157. Defendant's actions were done with the intent that others rely on the deception. Defendant intended for parents to rely on the initial price display (omitting the fee) and to rely on the legitimacy of the fee when it was finally presented, so that they would complete the transaction and pay the fee without protest. In other words, Defendant intended to induce parents to use its service and pay the surcharge under false pretenses.

158. Plaintiff and Nationwide Class members did, in fact, rely on Defendant's representations and omissions. Plaintiff believed that Defendant was authorized to charge the Software Admin Fee under the applicable terms (because she was never told otherwise) and believed the fee was a lawful surcharge under credit card network rules (because nothing indicated it wasn't). If Plaintiff had known that Defendant lacked authority to charge the fee and that the fee violated network surcharge rules, she would not have paid it or would have immediately contested it (including contacting her credit card issuer). However, due to Defendant's deception, she paid the fee without objection, unaware of the true situation.

159. Defendant's conduct caused monetary injury to Plaintiff and Class members, each of whom paid money they should not have had to pay. The total injury across all Class members is substantial. Consumers could not reasonably avoid the injury, given the structure of the transaction and the necessity of many school payments.

160. Accordingly, as a result of Defendant's violations of Minn. Stat. § 325F.69, Plaintiff and the Nationwide Class are entitled to recover the amounts of the Software Admin Fees they paid, as well as costs, disbursements, and reasonable attorneys' fees. Plaintiff and the Nationwide Class also seek appropriate equitable relief, including an injunction prohibiting Defendant from continuing the deceptive and unfair practices described herein, and such other relief as the Court deems just and proper under Minn. Stat. § 8.31, subd. 3a.

COUNT IV
Violation of Illinois Consumer Fraud and Deceptive Practices Act
815 ILCS 505/2
(On Behalf of the Illinois Subclass)

161. Plaintiff repeats and re-alleges each and every allegation contained in paragraphs 1 through 112 above as if fully set forth herein.

162. At all times relevant to this complaint, the Illinois Consumer Fraud and Deceptive Business Practices Act ("ICFA"), 815 ILCS 505/1, *et seq*. was in effect.

163. ICFA prohibits unfair or deceptive acts or practices, including, but not limited to, "misrepresentation or the concealment, suppression or omission of any material fact, with intent that others rely upon the concealment, suppression or omission of such material fact," or "the use or employment of any practice described in Section 2 of the 'Uniform Deceptive Trade Practices Act' [815 ILCS 510/2]" (815 ILCS 505/2), such as "conduct which . . . creates a likelihood of confusion or misunderstanding." 815 ILCS 510/2(12).

164. As detailed above, Defendant made material misrepresentations and omissions to parents using its payment portal. Defendant misrepresented that it was entitled to charge the Software Admin Fee to parents and that the fee amount was compliant with the rules of the credit card companies, and it omitted to disclose that: (a) the fee was a credit/debit card surcharge bearing no relationship to Defendant's costs; (b) it had no authority to impose an extra fee; and (c) the fee, in Plaintiff's case and many others, violated credit card network rules (for lack of disclosure and for exceeding allowable amounts).

165. A reasonable consumer in Plaintiff's position would have been misled into believing that Defendant's Software Admin Fee was a legitimate charge that Defendant was authorized to impose and that complied with all applicable regulations or rules. In reality, Defendant had no contractual or legal authority to charge this fee, and the fee did not comply with card network rules.

166. Defendant also presented the Software Admin Fee in a manner that falsely implied the fee was being charged by the school district. Given that parents access Defendant's payment portal through the school's system and are paying a school expense, a reasonable consumer would

assume any added "Software Admin Fee" was required by the school or for the school's benefit. In truth, Defendant keeps the entire fee. This misrepresentation of the fee's source (implying a school charge when it is actually Defendant's charge) is deceptive.

167. Defendant intended that Plaintiff and Illinois Subclass members rely on these misrepresentations and omissions. Defendant intended that Illinois consumers would proceed with their card payments under the impression that the fee was proper, authorized, and unavoidable. Defendant knew that if consumers understood the fee was unauthorized or excessive, they might refuse to pay or complain.

168. Plaintiff and Illinois Subclass members did, in fact, rely on Defendant's representations and omissions. Plaintiff believed that Defendant was authorized to charge the Software Admin Fee under the applicable terms (because she was never told otherwise) and believed the fee was a lawful surcharge under credit card network rules (because nothing indicated it wasn't). If Plaintiff had known that Defendant lacked authority to charge the fee and that the fee violated credit card surcharge rules, she would not have paid it or would have immediately contested it (including contacting her credit card issuer). However, due to Defendant's deception, she paid the fee without objection, unaware of the true situation.

169. Defendant's acts and practices as described above were deceptive (involving misrepresentation and concealment of material facts) and also unfair. They offended public policy (Illinois, like Minnesota and federal regulators, has a strong policy against hidden fees and deceptive pricing). They are oppressive and leave consumers with little choice (parents must either pay the surprise fee or undertake burdensome alternatives like in-person payment, which is not realistic for many transactions). And they cause substantial injury to consumers (monetary loss of fees that should not have been charged).

170. As a direct and proximate result of Defendant's deceptive and unfair acts, Plaintiff and Class members have been damaged in that they paid money they should not have had to pay. The total injury across all Class members is substantial. Consumers could not reasonably avoid the injury, given the structure of the transaction and the necessity of many school payments.

171. Pursuant to 815 ILCS 505/10a, Plaintiff and the Illinois Subclass seek relief including: actual economic damages (the return of the Software Admin Fees paid); injunctive relief prohibiting Defendant from continuing the unfair and deceptive practices; punitive damages as allowed by law (given the willful and egregious nature of Defendant's conduct); and an award of reasonable attorneys' fees and costs.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff, on behalf of herself and the putative Nationwide Class and Illinois Subclass, respectfully requests that this Court enter an Order:

A. Certifying this case as a class action on behalf of the classes defined above, appointing Plaintiff as representative of the classes, and appointing her counsel as Class Counsel;

B. Granting judgment in favor of Plaintiff and the National Class for violations of Minnesota's consumer protection statutes, and for an award of injunctive relief, actual damages, and costs of litigation and attorneys' fees pursuant to Minn. Stat. § 8.31, subd. 3a and Minn. Stat. § 325D.45;

C. Granting judgment in favor of Plaintiff and the Illinois Subclass, and for an award of actual damages, punitive damages, and attorneys' fees and costs, and other amounts recoverable pursuant to 815 ILCS 505/10(a);

D. Awarding pre-judgment and post-judgment interest at the maximum rate allowed by law; and

E. Awarding such other and further relief as equity and justice may require.

JURY TRIAL

Plaintiff demands a trial by jury for all issues so triable.

Dated: January 21, 2026

Respectfully submitted,

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