

1 Jonas B. Jacobson (Cal. Bar No. 269912)
2 jonas@dovel.com
3 Christin Cho (Cal. Bar No. 238173)
4 christin@dovel.com
5 Simon Franzini (Cal. Bar No. 287631)
6 simon@dovel.com
7 DOVEL & LUNER, LLP
8 201 Santa Monica Blvd., Suite 600
9 Santa Monica, California 90401
10 Telephone: (310) 656-7066
11 Facsimile: (310) 656-7069

12 *Attorneys for Plaintiff*

13 **UNITED STATES DISTRICT COURT**
14 **NORTHERN DISTRICT OF CALIFORNIA**

15 CESAR CEJUDO, individually and on behalf
16 of all others similarly situated,

17 *Plaintiff,*

18 v.

19 MUBI, INC.,

20 *Defendant.*

Case No. 5:25-cv-03652

CLASS ACTION COMPLAINT

JURY TRIAL DEMANDED

Table of Contents

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

I. Introduction..... 1

II. Parties..... 1

III. Jurisdiction and Venue..... 1

IV. Facts..... 2

 A. California’s Automatic Renewal Law..... 2

 B. MUBI violates the Automatic Renewal Law..... 4

 C. MUBI illegally charged Mr. Cejudo for an automatic subscription..... 7

V. Class Action Allegations..... 8

VI. Claims..... 9

 First Cause of Action: False Advertising Law (FAL)..... 9

 Second Cause of Action: Unfair Competition Law (UCL)..... 10

VII. Relief..... 11

VIII. Demand for Jury Trial..... 12

1 **I. Introduction.**

2 1. Companies that sell goods or services online often boost sales by enrolling their
3 customers in automatically renewing subscriptions. Some companies fail to make clear to consumers
4 that they are being signed up for automatic charges.

5 2. To protect Californians from these practices, California passed the Automatic
6 Renewal Law (the ARL). The ARL requires companies who sign consumers up for automatically
7 renewing purchases to provide “clear and conspicuous” disclosures about the autorenewal plan and
8 obtain “affirmative consent” to enroll consumers.

9 3. Defendant MUBI, Inc. is an online movie and video streaming service. It sells
10 monthly and yearly subscriptions to its library of streaming video content, along with weekly movie
11 tickets. MUBI also offers free trials, or a discounted trial period, to entice customers to sign up.

12 4. At the end of the membership or trial period, MUBI automatically enrolls consumers
13 for an additional month or year of membership and automatically charges the consumer’s payment
14 method. But MUBI does not provide clear and conspicuous disclosures or obtain affirmative consent
15 to do so. This violates the Automatic Renewal Law.

16 **II. Parties.**

17 5. Plaintiff Cesar Cejudo is domiciled in Panorama City, California.

18 6. The proposed class includes citizens of California.

19 7. Defendant MUBI, Inc. is a Delaware corporation with its principal place of
20 business at 215 Park Avenue South Fl. 12, New York, New York 10003.

21 **III. Jurisdiction and Venue.**

22 8. This Court has subject matter jurisdiction under 28 U.S.C. § 1332(d)(2). The amount
23 in controversy exceeds the sum or value of \$5,000,000, exclusive of interest and costs, and the matter
24 is a class action in which one or more members of the proposed class are citizens of a state different
25 from the Defendant.

26 9. MUBI has consented to personal jurisdiction. MUBI’s online terms state that any
27 dispute in connection with the terms shall be submitted to the “exclusive jurisdiction of the federal
28

1 and state courts located in Santa Clara County, California.”¹ Independently, the Court has personal
2 jurisdiction over Defendant because it does business in California. It advertises and sells MUBI
3 subscriptions in California. Due to Defendant’s actions, its subscriptions have been marketed and
4 sold to consumers in California (including Plaintiff), and harmed consumers in California. Plaintiff’s
5 claims arise out of Defendant’s contacts with this forum. Due to Defendant’s actions, Plaintiff
6 purchased Defendant’s MUBI subscription in California and was illegally auto-renewed in
7 California.

8 10. Venue is proper because MUBI’s terms elect this venue (“federal...courts located in
9 Santa Clara County, California”).

10 **IV. Facts.**

11 **A. California’s Automatic Renewal Law.**

12 11. The Automatic Renewal Law (“ARL”) is part of California’s False Advertising Law.
13 The purpose of the ARL is to “end the practice of ongoing” subscription charges “without the
14 consumers’ explicit consent.” Cal. Bus. & Prof. Code §17600. To this end, the law makes it illegal
15 for companies to charge consumers for automatically renewing subscriptions, unless the company
16 meets strict disclosure and consent requirements.

17 12. Under the ARL, a company must “present the automatic renewal offer terms or
18 continuous service offer terms in a clear and conspicuous manner before the subscription or
19 purchasing agreement is fulfilled and in visual proximity, or in the case of an offer conveyed by
20 voice, in temporal proximity, to the request for consent to the offer.” Cal. Bus. & Prof. Code
21 §17602(a)(1).

22 13. Also, if “the offer also includes a free gift or trial, the offer shall include a clear and
23 conspicuous explanation of the price that will be charged after the trial ends or the manner in which
24 the subscription or purchasing agreement pricing will change upon conclusion of the trial.” Cal. Bus.
25 & Prof. Code § 17602(a)(1).

26 14. The “automatic renewal offer terms” that must be presented include:
27
28

¹ https://mubi.com/en/terms_of_service

- 1 1) That the subscription or purchasing agreement will continue until the consumer
2 cancels.
- 3 2) The description of the cancellation policy that applies to the offer.
- 4 3) The recurring charges that will be charged to the consumer’s credit or debit card or
5 payment account with a third party as part of the automatic renewal plan or
6 arrangement, and that the amount of the charge may change, if that is the case, and
7 the amount to which the charge will change, if known.
- 8 4) The length of the automatic renewal term or that the service is continuous, unless the
9 length of the term is chosen by the consumer.
- 10 5) The minimum purchase obligation, if any.

11 Cal. Bus. & Prof. Code §17601(a)(2).

12 15. A “clear and conspicuous” disclosure “means in larger type than the surrounding text,
13 or in contrasting type, font, or color to the surrounding text of the same size, or set off from the
14 surrounding text of the same size by symbols or other marks, in a manner that clearly calls attention
15 to the language.” Cal. Bus. & Prof. Code §17601(a)(3).

16 16. After presenting all of this information, the company must then obtain the
17 “consumer’s affirmative consent to the agreement containing the automatic renewal offer terms or
18 continuous service offer terms.” Cal. Bus. & Prof. Code §17602(a)(2).

19 17. The ARL also has post-purchase acknowledgment requirements (required in addition
20 to the pre-purchase requirements described above). The post-purchase acknowledgment must include
21 “the automatic renewal offer terms or continuous service offer terms, cancellation policy, and
22 information regarding how to cancel in a manner that is capable of being retained by the consumer.”
23 Cal. Bus. & Prof. Code §17602(a)(3).

24 18. If a company automatically charges a consumer for products, in violation of the ARL,
25 the products are deemed an “unconditional gift to the consumer, who may use or dispose of the same
26 in any manner he or she sees fit without any obligation whatsoever on the consumer’s part to the
27 business.” Cal. Bus. & Prof. Code §17603. In other words, if a company charges a consumer for an
28

1 automatically renewing subscription, in violation of the ARL, the charges are illegal and must be
2 refunded.

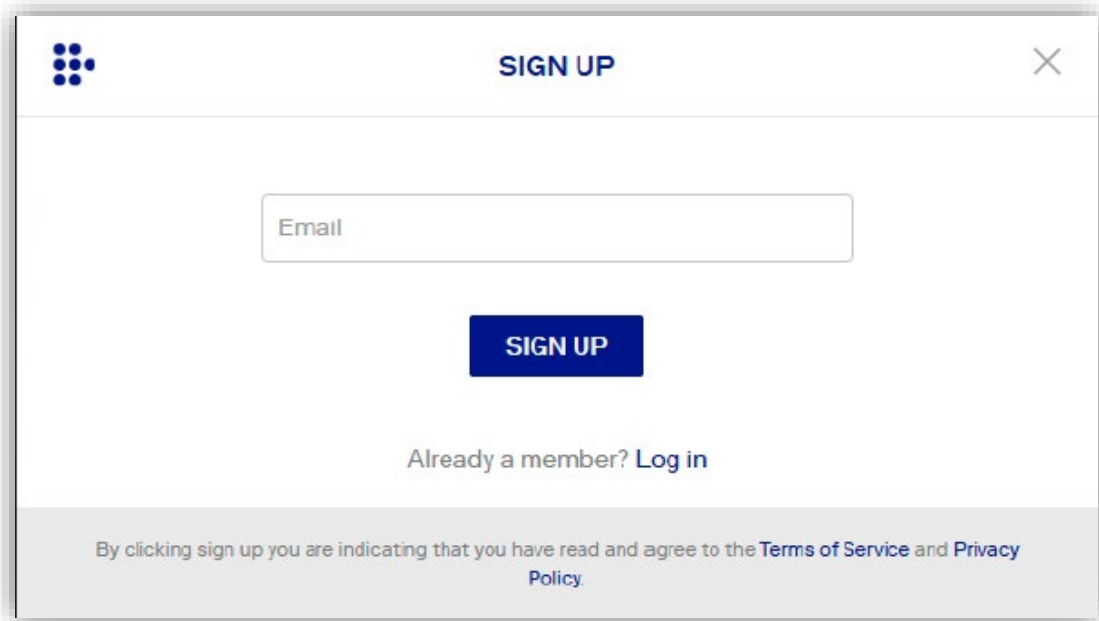
3 **B. MUBI violates the Automatic Renewal Law.**

4 19. MUBI sells movie streaming subscriptions through its website, mubi.com. Consumers
5 can sign up for the standard “MUBI” tier (which offers movie and video streaming) or the premium
6 “MUBI Go” tier (which offers the same streaming, plus a weekly movie ticket). The subscription can
7 be monthly or annual. MUBI entices consumers to enroll using free trials or discounted trial periods.

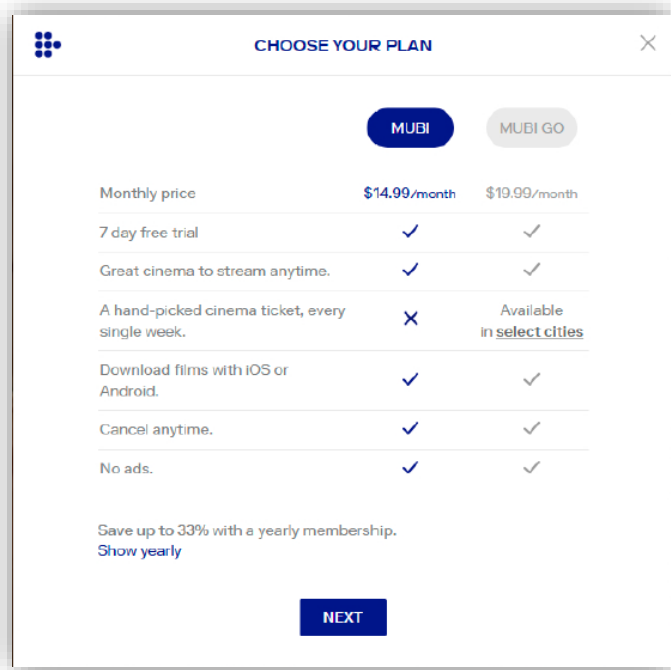
8 20. At the end of the trial period, or subscription term, MUBI automatically enrolls
9 customers in a new monthly or annual membership and automatically charges consumers’ payment
10 method.

11 21. MUBI’s enrollment process is substantially similar across its desktop and mobile
12 websites. The process is also substantially similar across MUBI’s trial offers (e.g. a 7-day free trial
13 or limited-time, reduced trial price). This process is illustrated below.

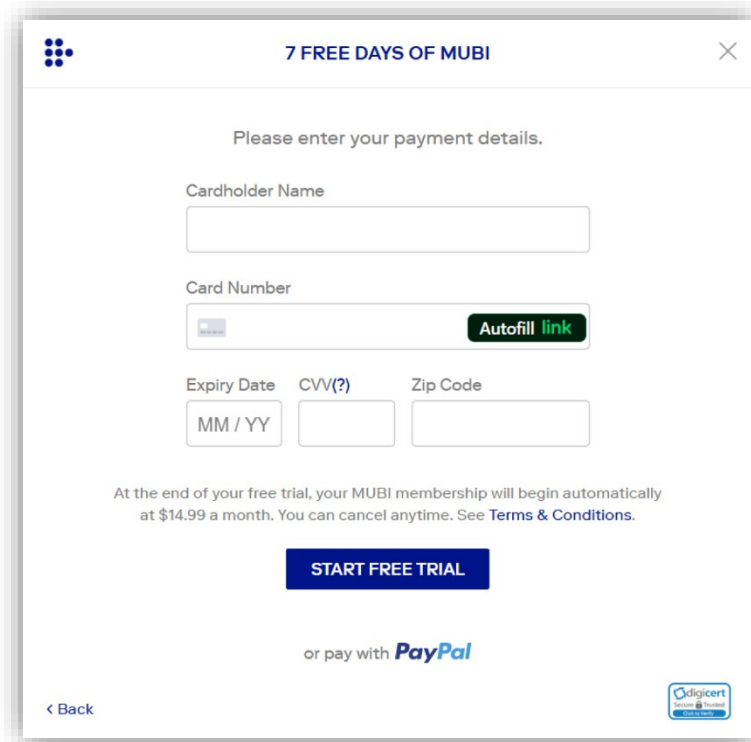
14 22. Consumers first create an account:



23. Consumers then choose either the “MUBI” or “MUBI Go” tier.



24. Consumers then enter their payment information. The following screen illustrates a 7-day free trial. But the process is substantially similar across trial offers:



1
2 25. In small, faded-grey text this screen says that, after the trial ends, “your MUBI
3 membership will begin automatically at \$14.99 a month.” As explained in detail below, this text is
4 not clear and conspicuous and is not compliant with the ARL.

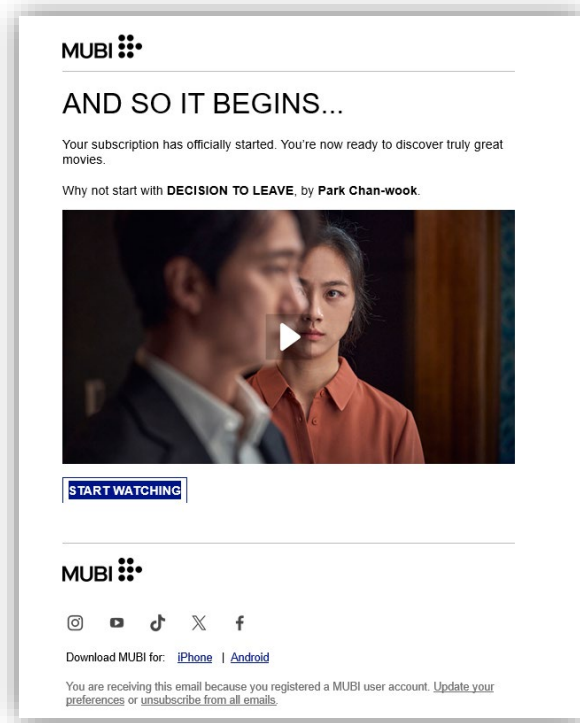
5 26. When consumers click “Start Free Trial,” they are enrolled. When the trial or
6 subscription period ends, their payment method is automatically charged for a new monthly or annual
7 subscription.

8 27. Under the ARL, a “clear and conspicuous” disclosure “means in larger type than the
9 surrounding text, or in contrasting type, font, or color to the surrounding text of the same size, or set
10 off from the surrounding text of the same size by symbols or other marks, in a manner that clearly
11 calls attention to the language.” Cal. Bus. & Prof. Code §17601(3). MUBI’s purported disclosure is
12 in smaller (not larger) font than the surrounding text. The faded-grey text is low contrast so that it
13 fades into the background. The text is not set off from the surrounding text in a manner that clearly
14 calls attention to it. Instead, the small font and low contrast are designed to go unnoticed. This is in
15 contrast to the large, bold font that is used to highlight “7 FREE DAYS OF MUBI” and “START
16 FREE TRIAL.”

17 28. MUBI’s payment screen also fails to require the user to press a button expressly
18 confirming that the user is agreeing to automatic renewal (MUBI does not say, for example: “By
19 clicking Start Free Trial, I agree to the autorenewal terms”).

20 29. MUBI’s disclosures are also misleading. A consumer cannot “cancel anytime.” If a
21 consumer cancels during the monthly term (or yearly term), MUBI charges them for the remainder of
22 the monthly (or yearly) term and only cancels the subscription when the monthly or yearly term ends.

23 30. MUBI also fails to send consumers a compliant post-purchase acknowledgment. The
24 post-purchase acknowledgment must include “the automatic renewal offer terms or continuous
25 service offer terms, cancellation policy, and information regarding how to cancel in a manner that is
26 capable of being retained by the consumer.” Cal. Bus. & Prof. Code §17602(a)(3). MUBI’s post-
27 purchase email fails to include this required information:
28



1
2
3
4
5
6
7
8
9
10
11
12
13 31. In sum, MUBI violates the Automatic Renewal Law in multiple ways. MUBI fails to
14 clearly and conspicuously disclose the required automatic renewal terms, get affirmative consent, or
15 provide a compliant post-purchase acknowledgment. As a result, its automatic charges are illegal and
16 must be refunded.

17 **C. MUBI illegally charged Mr. Cejudo for an automatic subscription.**

18 32. Mr. Cejudo signed up for a MUBI membership trial (offering 3 months for \$1),
19 through the MUBI website, on February 4, 2024. His enrollment process was substantially similar to
20 the process described above. And as described in detail above, MUBI’s enrollment process failed to
21 comply with the ARL. When Mr. Cejudo signed up, he did not know that, at the end of the trial
22 period, MUBI would automatically charge him \$14.99 and enroll him in an automatically renewing
23 monthly subscription. He did not expect, want, or consent to, this automatic renewal.

24 33. In May of 2024 (after the end of the 3-month trial), MUBI began automatically and
25 illegally charging Mr. Cejudo for \$14.99 a month. In May, Mr. Cejudo noticed the unwanted charge
26 on his bank statement and contacted MUBI customer service to attempt to cancel. Customer service
27 told him his account was cancelled and that “you will not be receiving any future charges.” But that
28

1 was not true. He was automatically charged again in June. He again contacted customer service for a
2 second time and only then was able to cancel and stop the charges.

3 34. If MUBI had complied with the ARL and made clear that it was going to
4 automatically charge Mr. Cejudo in this way, he would not have signed up in the first place or would
5 have cancelled before he was automatically charged.

6 35. Mr. Cejudo has no adequate remedy at law. The equitable claims asserted (the UCL
7 and FAL) offer relief, including restitution, that is more prompt, certain, and efficient than legal
8 damages.

9 **V. Class Action Allegations.**

10 36. Mr. Cejudo brings his claims for the following Class: All persons in California who
11 enrolled in a MUBI trial or plan through the website, were enrolled in an automatically renewing
12 MUBI subscription, and were charged for at least one subscription term after their initial trial period
13 or commitment period ended, during the applicable statute of limitations.

14 37. The following people are excluded from the Class: (1) any Judge or Magistrate Judge
15 presiding over this action and the members of their family; (2) Defendant, Defendant's subsidiaries,
16 parents, successors, predecessors, and any entity in which the Defendant or its parents have a
17 controlling interest and their current employees, officers and directors; (3) persons who properly
18 execute and file a timely request for exclusion from the Class; (4) persons whose claims in this matter
19 have been finally adjudicated on the merits or otherwise released; (5) Plaintiff's counsel and
20 Defendant's counsel, and their experts and consultants; and (6) the legal representatives, successors,
21 and assigns of any such excluded persons.

22 ***Numerosity & Ascertainability***

23 38. The proposed class contains members so numerous that it is impractical to bring every
24 individual claim. There are at least tens of thousands of class members.

25 39. Class members can be identified through Defendant's sales records and public notice.

26 ***Predominance of Common Questions***

27 40. Common questions of law and fact predominate over individual issues. Common
28 questions of law and fact include, without limitation: (1) whether MUBI's automatic renewal plans

1 violate the ARL and California consumer protection laws and; (2) restitution needed to compensate
2 Plaintiff and the class.

3 ***Typicality and Adequacy***

4 41. Plaintiff’s claims are typical of the class. Like the class, Plaintiff was illegally
5 charged for a MUBI subscription in California. There are no conflicts of interest between Plaintiff
6 and the class.

7 ***Superiority***

8 42. A class action is superior to all other available methods for the fair and efficient
9 adjudication of this litigation because individual litigation of each claim is impractical. It would be
10 unduly burdensome to have individual litigation of individual claims in separate lawsuits, every one
11 of which would present the issues presented in this lawsuit.

12 **VI. Claims.**

13 **First Cause of Action: False Advertising Law (FAL)**

14 43. Plaintiff incorporates the facts alleged above.

15 44. Plaintiff brings this claim individually and for the class.

16 45. The FAL authorizes a private right of action for any violation of Chapter 1, including
17 the ARL. See Cal. Bus. & Prof. Code § 17535 (actions can be brought by “any person who has
18 suffered injury in fact and has lost money or property as a result of a violation of this chapter”); §
19 17602 (ARL); *see Arnold v. Hearst Magazine Media, Inc.*, at *17-18 (S.D. Cal. Feb. 10, 2021)
20 (explaining how the FAL authorizes a private right of action under the ARL).

21 46. Defendant has violated Sections 17500 and 17602 of the Business and Professions
22 Code.

23 47. Defendant violated Section 17500 of the Business and Professions Code by
24 disseminating misleading advertisements concerning the automatically renewing nature of MUBI
25 memberships. As described in detail above, Defendant’s advertising of the MUBI subscriptions (and
26 its failure to display ARL compliant disclosures) misled reasonable consumers about the
27 automatically renewing nature of the plans.
28

1 48. The same conduct violates Section 17602 (the ARL). As alleged in detail above,
2 Defendant violated the ARL by failing to clearly and conspicuously present its automatic renewal
3 terms, failing to get affirmative consent, and failing to send a compliant post-purchase
4 acknowledgment.

5 49. Defendant reasonably should have known that its violations are misleading to
6 reasonable consumers.

7 50. Plaintiff relied upon Defendant's misleading representations and omissions, as
8 detailed above.

9 51. Classwide reliance can be inferred because Defendant's misrepresentations and
10 omissions were material, i.e., a reasonable consumer would consider them important in deciding
11 whether to buy the MUBI memberships or deciding when to cancel.

12 52. Defendant's violations were a substantial factor and proximate cause of economic
13 harm to Plaintiff and class members.

14 **Second Cause of Action: Unfair Competition Law (UCL)**

15 53. Plaintiff incorporates the facts alleged above.

16 54. Plaintiff brings this claim individually and for the class.

17 ***Unlawful***

18 55. Under the "unlawful" prong of the UCL, a violation of another law is treated as unfair
19 competition and is independently actionable. Defendant committed unlawful practices because, as
20 alleged above and incorporated here, it violated California's Automatic Renewal Law.

21 ***Unfair***

22 56. As alleged in detail above, Defendant committed "unfair" acts by enrolling consumers
23 in automatically recurring subscriptions, in violation of the ARL.

24 57. The harm to Plaintiff and the class greatly outweighs the public utility of Defendant's
25 conduct. There is no public utility to illegal automatic renewal practices. This injury was not
26 outweighed by any countervailing benefits to consumers or competition. Illegal auto-renewal
27 practices only injure healthy competition and harm consumers.

28

1 58. Plaintiff and the class could not have reasonably avoided this injury. Defendant’s
2 representations and omissions were deceiving to reasonable consumers like Plaintiff. There were
3 reasonably available alternatives to further Defendant’s legitimate business interests, such as
4 complying with the ARL.

5 59. Defendant violated established public policy by violating the ARL. The unfairness of
6 this practice is tethered to a legislatively declared policy (that of the FAL and ARL).

7 60. Defendant’s conduct, as alleged above, was immoral, unethical, oppressive,
8 unscrupulous, and substantially injurious to consumers.

9 ***Deceptive***

10 61. As alleged in detail above, Defendant committed “deceptive” acts by enrolling
11 consumers in automatically recurring subscriptions, in violation of the ARL.

12 62. Defendant’s representations and deficient ARL disclosures were misleading to
13 Plaintiff and other reasonable consumers.

14 63. Plaintiff relied upon Defendant’s misleading representations and omissions, as
15 detailed above.

16 * * *

17 64. Defendant’s violative conduct was a substantial factor and proximate cause of
18 economic harm to Plaintiff and class members.

19 **VII. Relief.**

20 65. Plaintiff seeks the following relief for himself and the proposed class:

- 21 • An order certifying the asserted claims, or issues raised, as a class action;
- 22 • A judgment in favor of Plaintiff and the class;
- 23 • Rescission;
- 24 • Restitution, disgorgement, and other just equitable relief;
- 25 • Pre- and post-judgement interest
- 26 • Reasonable attorneys’ fees and costs, as allowed by law; and
- 27 • Any additional relief that the Court deems reasonable and just.

28

1 **VIII. Demand for Jury Trial.**

2 66. Plaintiff demands the right to a jury trial on all claims so triable.

3
4 Dated: April 25, 2025

Respectfully submitted,

5 By: /s/ Jonas B. Jacobson

6 Jonas B. Jacobson (Cal. Bar No. 269912)

jonas@dovel.com

7 Christin Cho (Cal. Bar No. 238173)

christin@dovel.com

8 Simon Franzini (Cal. Bar No. 287631)

simon@dovel.com

9 DOVEL & LUNER, LLP

10 201 Santa Monica Blvd., Suite 600

11 Santa Monica, California 90401

12 Telephone: (310) 656-7066

13 Facsimile: (310) 656-7069

14 *Attorneys for Plaintiff*

CIVIL COVER SHEET

The JS-CAND 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved in its original form by the Judicial Conference of the United States in September 1974, is required for the Clerk of Court to initiate the civil docket sheet. (SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)

I. (a) PLAINTIFFS

CESAR CEJUDO

(b) County of Residence of First Listed Plaintiff Los Angeles (EXCEPT IN U.S. PLAINTIFF CASES)

(c) Attorneys (Firm Name, Address, and Telephone Number)

Jonas Jacobson; Christin Cho; Simon Franzini; Dovel & Luner LLP; 201 Santa Monica Blvd., Suite 600 Santa Monica, California 90401; Tel: (310) 656-7066

DEFENDANTS

MUBI, INC.

County of Residence of First Listed Defendant (IN U.S. PLAINTIFF CASES ONLY)

NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.

Attorneys (If Known)

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

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

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

Table with columns for Plaintiff (PTF) and Defendant (DEF) citizenship: Citizen of This State, Citizen of Another State, Citizen or Subject of a Foreign Country, Incorporated or Principal Place of Business In This State, Incorporated and Principal Place of Business In Another State, Foreign Nation.

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

Large table with categories: CONTRACT, REAL PROPERTY, TORTS, CIVIL RIGHTS, PRISONER PETITIONS, HABEAS CORPUS, OTHER, FORFEITURE/PENALTY, LABOR, IMMIGRATION, BANKRUPTCY, SOCIAL SECURITY, FEDERAL TAX SUITS, OTHER STATUTES.

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

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

VI. CAUSE OF ACTION

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

Brief description of cause: Consumer protection laws.

VII. REQUESTED IN COMPLAINT:

CHECK IF THIS IS A CLASS ACTION UNDER RULE 23, Fed. R. Civ. P. DEMAND \$

CHECK YES only if demanded in complaint: JURY DEMAND: Yes No

VIII. RELATED CASE(S), IF ANY (See instructions):

JUDGE DOCKET NUMBER

IX. DIVISIONAL ASSIGNMENT (Civil Local Rule 3-2)

(Place an "X" in One Box Only) SAN FRANCISCO/OAKLAND SAN JOSE EUREKA-MCKINLEYVILLE

DATE 04/25/2025

SIGNATURE OF ATTORNEY OF RECORD

/s/ Jonas Jacobson

INSTRUCTIONS FOR ATTORNEYS COMPLETING CIVIL COVER SHEET FORM JS-CAND 44

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

- I. a) **Plaintiffs-Defendants.** Enter names (last, first, middle initial) of plaintiff and defendant. If the plaintiff or defendant is a government agency, use only the full name or standard abbreviations. If the plaintiff or defendant is an official within a government agency, identify first the agency and then the official, giving both name and title.
 - b) **County of Residence.** For each civil case filed, except U.S. plaintiff cases, enter the name of the county where the first listed plaintiff resides at the time of filing. In U.S. plaintiff cases, enter the name of the county in which the first listed defendant resides at the time of filing. (NOTE: In land condemnation cases, the county of residence of the “defendant” is the location of the tract of land involved.)
 - c) **Attorneys.** Enter the firm name, address, telephone number, and attorney of record. If there are several attorneys, list them on an attachment, noting in this section “(see attachment).”
- II. Jurisdiction.** The basis of jurisdiction is set forth under Federal Rule of Civil Procedure 8(a), which requires that jurisdictions be shown in pleadings. Place an “X” in one of the boxes. If there is more than one basis of jurisdiction, precedence is given in the order shown below.
- (1) United States plaintiff. Jurisdiction based on 28 USC §§ 1345 and 1348. Suits by agencies and officers of the United States are included here.
 - (2) United States defendant. When the plaintiff is suing the United States, its officers or agencies, place an “X” in this box.
 - (3) Federal question. This refers to suits under 28 USC § 1331, where jurisdiction arises under the Constitution of the United States, an amendment to the Constitution, an act of Congress or a treaty of the United States. In cases where the U.S. is a party, the U.S. plaintiff or defendant code takes precedence, and box 1 or 2 should be marked.
 - (4) Diversity of citizenship. This refers to suits under 28 USC § 1332, where parties are citizens of different states. When Box 4 is checked, the citizenship of the different parties must be checked. (See Section III below; **NOTE: federal question actions take precedence over diversity cases.**)
- III. Residence (citizenship) of Principal Parties.** This section of the JS-CAND 44 is to be completed if diversity of citizenship was indicated above. Mark this section for each principal party.
- IV. Nature of Suit.** Place an “X” in the appropriate box. If the nature of suit cannot be determined, be sure the cause of action, in Section VI below, is sufficient to enable the deputy clerk or the statistical clerk(s) in the Administrative Office to determine the nature of suit. If the cause fits more than one nature of suit, select the most definitive.
- V. Origin.** Place an “X” in one of the six boxes.
- (1) Original Proceedings. Cases originating in the United States district courts.
 - (2) Removed from State Court. Proceedings initiated in state courts may be removed to the district courts under Title 28 USC § 1441. When the petition for removal is granted, check this box.
 - (3) Remanded from Appellate Court. Check this box for cases remanded to the district court for further action. Use the date of remand as the filing date.
 - (4) Reinstated or Reopened. Check this box for cases reinstated or reopened in the district court. Use the reopening date as the filing date.
 - (5) Transferred from Another District. For cases transferred under Title 28 USC § 1404(a). Do not use this for within district transfers or multidistrict litigation transfers.
 - (6) Multidistrict Litigation Transfer. Check this box when a multidistrict case is transferred into the district under authority of Title 28 USC § 1407. When this box is checked, do not check (5) above.
 - (8) Multidistrict Litigation Direct File. Check this box when a multidistrict litigation case is filed in the same district as the Master MDL docket. Please note that there is no Origin Code 7. Origin Code 7 was used for historical records and is no longer relevant due to changes in statute.
- VI. Cause of Action.** Report the civil statute directly related to the cause of action and give a brief description of the cause. **Do not cite jurisdictional statutes unless diversity.** Example: U.S. Civil Statute: 47 USC § 553. Brief Description: Unauthorized reception of cable service.
- VII. Requested in Complaint.** Class Action. Place an “X” in this box if you are filing a class action under Federal Rule of Civil Procedure 23. Demand. In this space enter the actual dollar amount being demanded or indicate other demand, such as a preliminary injunction. Jury Demand. Check the appropriate box to indicate whether or not a jury is being demanded.
- VIII. Related Cases.** This section of the JS-CAND 44 is used to identify related pending cases, if any. If there are related pending cases, insert the docket numbers and the corresponding judge names for such cases.
- IX. Divisional Assignment.** If the Nature of Suit is under Property Rights or Prisoner Petitions or the matter is a Securities Class Action, leave this section blank. For all other cases, identify the divisional venue according to Civil Local Rule 3-2: “the county in which a substantial part of the events or omissions which give rise to the claim occurred or in which a substantial part of the property that is the subject of the action is situated.”
- Date and Attorney Signature.** Date and sign the civil cover sheet.