

# EXHIBIT B

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16 **UNITED STATES DISTRICT COURT**  
17 **NORTHERN DISTRICT OF CALIFORNIA**

CV 10-02588

Case No: \_\_\_\_\_

18 STUART LOGAN, on behalf of himself  
19 and all others similarly situated,  
20  
21 Plaintiff,

22 v.

23 APPLE INC. and AT&T MOBILITY LLC,  
24 Defendants.

Pleading Type: Class Action

**COMPLAINT FOR:**

**VIOLATIONS OF THE FALSE  
ADVERTISING LAW;**

**VIOLATIONS OF THE UNFAIR  
COMPETITION LAW; AND**

**VIOLATIONS OF THE CONSUMER  
LEGAL REMEDIES ACT**

**Jury Trial Demanded**

FILED

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RICHARD W. WIEKING  
CLERK, U.S. DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA

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1 Plaintiff Stuart Logan, on behalf of himself and all others similarly situated, by and  
2 through undersigned counsel, hereby sues Defendants Apple Inc. (“Apple”) and AT&T Mobility  
3 LLC (“AT&T,” together with Apple, “Defendants”) and, upon information and belief and  
4 investigation of counsel, alleges as follows:

5 **SUMMARY OF THE ACTION**

6 1. This case is brought to remedy the harm caused by Defendants’ bait-and-switch  
7 tactics concerning wireless data service plans exclusively provided by AT&T for the Apple iPad  
8 with Wi-Fi + 3G (the “iPad 3G”).

9 2. Specifically, between January 27, 2010 and June 7, 2010, Defendants repeatedly  
10 represented, promised, and advertised that iPad 3G owners could purchase a wireless data  
11 service plan that provided unlimited data at a cost of \$29.99 per month.

12 3. Defendants further repeatedly represented, promised, and advertised that the  
13 unlimited data plan would be available on a pre-paid, no-contract basis, so that iPad 3G owners  
14 could activate unlimited 3G data service only when needed.

15 4. The no-contract, unlimited data plan was billed by Defendants as a “breakthrough  
16 deal.” Macworld called the plan one of the iPad’s “five best surprises,”<sup>1</sup> and it was extremely  
17 well-received in the press, and by Apple devotees. Defendants heavily publicized the availability  
18 of the no-contract, unlimited data plan for the iPad 3G throughout the Class Period (as defined  
19 below).

20 5. Based on Defendants’ repeated representations, promises, and advertisements  
21 about the no-contract, unlimited data plan, at least hundreds of thousands of individuals  
22 purchased iPad 3Gs—each paying a premium over iPad models fitted only with Wi-Fi—during  
23 the period of March 12, 2010 to June 7, 2010.

24 6. Notwithstanding Defendants’ repeated representations, promises, and  
25 advertisements concerning the availability of a no-contract, unlimited data plan for the iPad 3G,

26 \_\_\_\_\_  
27 <sup>1</sup> Dan Frakes, “The iPad’s five best surprises,” Macworld (Jan. 27, 2010), *available at*  
28 <http://www.macworld.com/article/145970/2010/01/bestipadsurprises.html>.

1 on June 2, 2010, Defendants announced that they were renegeing, and cancelling the unlimited  
2 data plan as of June 7, 2010. In contrast to their initial marketing blitz, relatively little effort was  
3 expended on this announcement.

4 7. Defendants' cancellation of the no-contract, unlimited data plan had a significant  
5 impact on the value of Plaintiff's and the Class Members' iPad 3Gs, as well as the manner in  
6 which they can be used.

7 8. Plaintiff, on behalf of himself and all others similarly situated, seeks relief from  
8 the Court for the harm caused by Defendants' blatant, fraudulent, and purposeful bait-and-  
9 switch. Plaintiff brings his claims as violations of California's False Advertising Law, Unfair  
10 Competition Law, and Consumer Legal Remedies Act.

11 **INTRADISTRICT ASSIGNMENT**

12 9. The acts and omissions giving rise to Plaintiff's claims occurred in Sonoma  
13 County.

14 **JURISDICTION & VENUE**

15 10. This Court has original jurisdiction under 28 U.S.C. § 1332(d)(2) (The Class  
16 Action Fairness Act) because the matter in controversy exceeds the sum or value of \$5,000,000  
17 exclusive of interest and costs and more than two-thirds of the members of the Class reside in  
18 states other than the state of which Defendants are citizens.

19 11. Venue is proper in this Court pursuant to 28 U.S.C. § 1391 because Plaintiff  
20 resides in and suffered injuries as a result of Defendants' acts in this District, many of the acts  
21 and transactions giving rise to this action occurred in this District, and Defendants (1) are  
22 authorized to conduct business in this District and have intentionally availed themselves of the  
23 laws and markets of this District through the promotion, marketing, distribution, and sale of its  
24 products in this District; (2) reside in this District, including one of the Defendant's headquarters;  
25 and (3) are subject to personal jurisdiction in this District.

26 12. In particular, the representations, claims and statements at issue in this case  
27 emanated from California. Those statements were first made during an Apple presentation held  
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1 in San Francisco. The statements were subsequently repeated on Apple's website, which is  
2 hosted in California, and in various press releases and advertisements, written and/or produced in  
3 California. AT&T's similar representations, claims and statements similarly emanated from  
4 AT&T operations and employees based in California, and AT&T's negotiations and contracts  
5 with Apple took place and arose, wholly or in large part, with a California corporation.

6 **PARTIES**

7 13. Plaintiff Stuart Logan is a resident of Sebastopol, California.

8 14. Defendant Apple Inc. is a California corporation with its headquarters and  
9 principal place of business in Cupertino, California.

10 15. Defendant AT&T Mobility LLC is a Delaware corporation with its principal place  
11 of business in Atlanta, Georgia. AT&T maintains extensive contacts with the State of California,  
12 and in particular with the Northern District. AT&T has operated in California since 1878. The  
13 company connected the first telephone call in California, constructed the country's first  
14 transcontinental phone line from California, and built California's largest fiber optic network,  
15 totaling more than 31,000 miles. Each day, AT&T handles more than 300 million phone calls a  
16 day in California.

17 16. In 2007, AT&T spent more than \$8.3 billion in California, including more than \$2  
18 billion in building and expanding broadband and wireless networks in California. Its 2007  
19 California payroll was \$3,412,500,000, representing more than 46,500 employees, at all levels,  
20 from retail salespersons, to high-level company managers.

21 17. AT&T paid \$1,275,440,000 in local and state taxes in California in 2007. AT&T  
22 has hundreds of retail stores throughout California, including over 100 retail stores in this  
23 District. It also maintains business operations in Sacramento, San Ramon, San Diego, Agoura  
24 Hills, Newport Beach, Los Angeles, Fresno, and San Francisco, including finance, advertising,  
25 and account management operations. 100% of residential customer locations in California have  
26 access to AT&T broadband service.



1 **FACTUAL ALLEGATIONS**

2 **THE IPAD 3G**

3 18. On January 27, 2010, Apple announced the release of the iPad.

4 19. The iPad is a 1.5-pound, high-resolution, LED-backlit, in-plane switching (IPS),  
5 9.7-inch display featuring a touch screen and powered by an Apple-designed microchip. It is a  
6 half-inch thick and is similar to an Apple iPod, but the size of a standard notepad. The regular,  
7 non-3G iPad is fitted with Wi-Fi connectivity; thus, to connect to the internet, its users must be  
8 within range of a wireless internet "hotspot." It retails for \$499 (16-gigabyte version), \$599 (32-  
9 gigabyte version), or \$699 (64-gigabyte version).

10 20. On January 27, 2010, Apple concurrently announced the release of the iPad 3G,  
11 which shares all of the regular iPad's features, but also includes internet connectivity through the  
12 3G network, a cellular telecommunication standard. The iPad 3G retails for between \$629 (16-  
13 gigabyte version), \$729 (32-gigabyte version), or \$829 (64-gigabyte version). Thus, the iPad 3G  
14 is sold at a premium of \$130 over the standard iPad.

15 21. AT&T is the exclusive United States provider of iPad 3G wireless data service.

16 **THE NO-CONTRACT, UNLIMITED DATA PLAN**

17 22. At the same time Apple announced the release of the iPad 3G, Defendants also  
18 announced the release of wireless data service plans to be provided exclusively by AT&T on its  
19 3G network.

20 23. Specifically, Defendants represented, promised, and advertised that iPad 3G  
21 owners would be able to purchase an unlimited data plan for \$29.99 per month, which could be  
22 activated month-by-month without a contract. Alternatively, iPad 3G owners could purchase a  
23 250-megabyte plan for \$14.99 per month.

24 24. Thus, if iPad 3G owners needed the unlimited plan one month, they could switch  
25 it on; if they did not need it the next month, they could switch it off entirely, or opt for the  
26 \$14.99, 250-megabyte plan; and if they needed it the third month, they could switch back to  
27 unlimited service. In other words, iPad 3G owners could jump between plans each month, or

1 have no 3G plan at all, based upon their needs and budget. Thus, iPad 3G owners would be able  
2 to purchase the most expensive, unlimited plan during months of heavy usage (for example,  
3 while travelling in the United States), while reverting to a cheaper plan or no 3G service at all  
4 during months of lighter usage.

5 25. The value and freedom that the no-contract, unlimited plan represented—billed a  
6 “breakthrough deal” between Apple and AT&T—was a major selling point of the iPad 3G.  
7 Plaintiff and the Class Members relied on Defendants’ representations, promises, and  
8 advertisements that the plan would be available in deciding to purchase their iPad 3Gs.

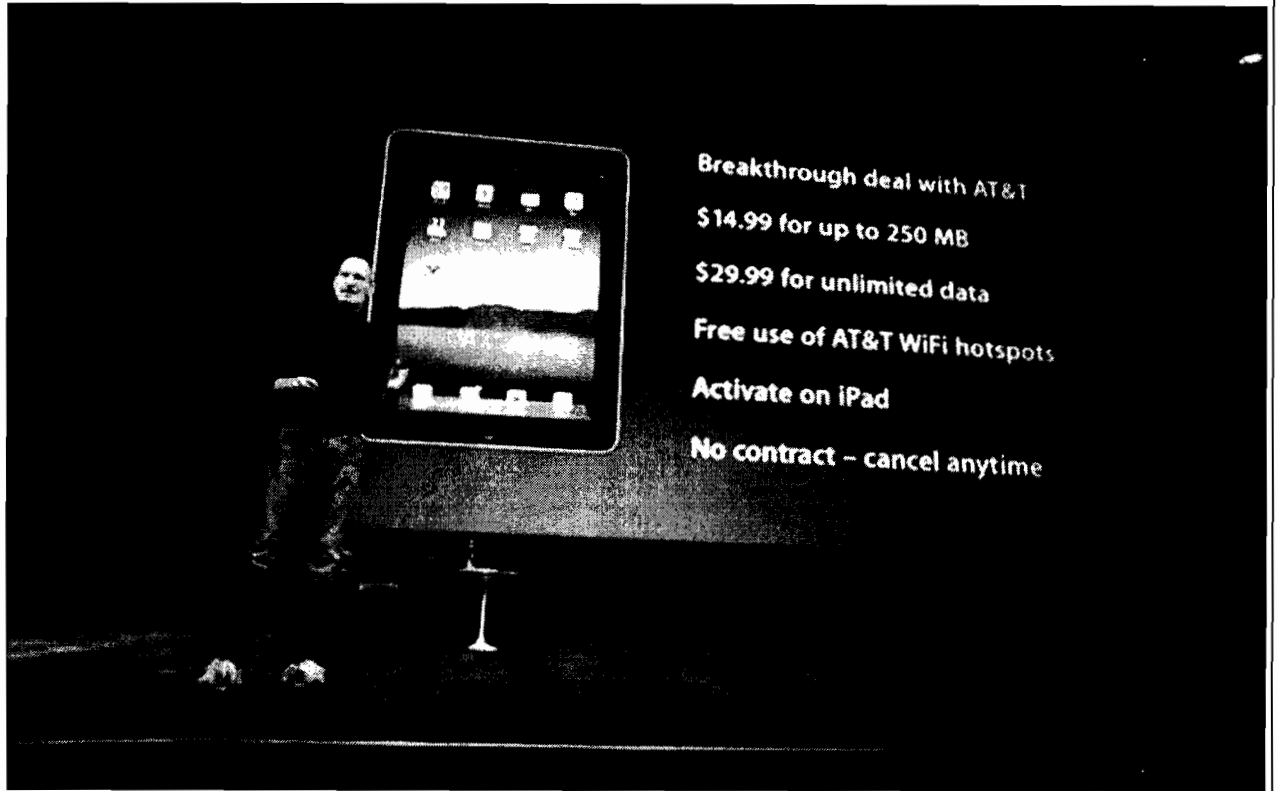
### 9 THE BAIT-AND-SWITCH

#### 10 Apple’s Representations, Promises And Advertisements Concerning The No-Contract, 11 Unlimited Data Plan

12 26. Apple announced the release of the iPad 3G in a video presentation given by  
13 Apple’s CEO, Steve Jobs, which was hosted on Apple’s website (the “January 27th Apple iPad  
14 Presentation”). During that presentation, Jobs made the following representations and promises  
15 about wireless data plans for the iPad 3G:

16 *Now, what does it cost for the data plans? Well, in the U.S., telecom companies*  
17 *usually charge about \$60 a month for a data plan for a laptop. We’ve got a real*  
18 *breakthrough here. We’ve got two awesome plans for iPad owners. The first one*  
19 *gives you up to 250 megabytes of data per month. That’s a fair bit of data. Most*  
20 *people will get by on that. Up to 250 megabytes of data per month, just \$14.99.*  
21 *\$14.99. And if you feel you need more, we have an unlimited plan for just \$29.99.*  
22 *So these are real breakthrough prices. We’ve got a breakthrough deal with*  
23 *AT&T. It’s providing the service. \$14.99 for up to 250 megabytes, \$29.99 for*  
24 *unlimited data. . . . And, there’s no contract, it’s prepay.<sup>2</sup>*

25  
26 <sup>2</sup>The video is available online at  
27 <http://www.youtube.com/watch?v=C7XtZKn6kt8&feature=related>. The quoted excerpt begins at  
28 6:57.



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27. Between approximately January 27, 2010 and June 7, 2010, Apple maintained a webpage titled, "iPad with Wi-Fi + 3G. The best way to stay connected." That webpage similarly represented, promised, and advertised the availability of a no-contract, unlimited data plan for the iPad 3G:

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AT&T 8:19 PM 79%

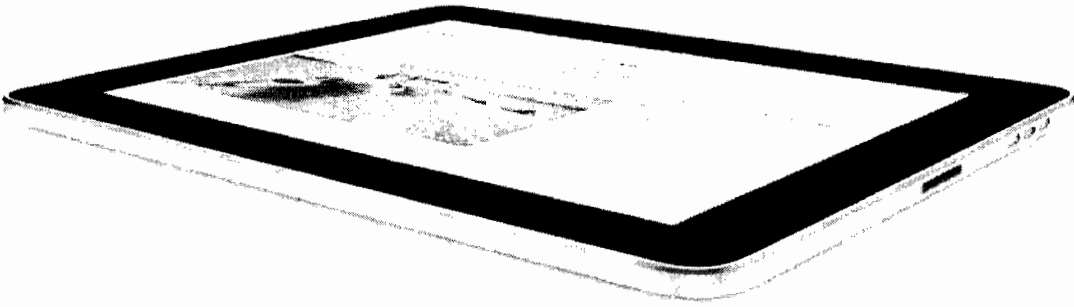
Apple - iPad - Stay connected everywhere you go.

www.apple.com/ipad/3g

Store Mac iPod iPhone iPad iTunes Support

iPad Features Links Apps & More Usability Downloadable Feedback

## iPad with Wi-Fi + 3G. The best way to stay connected.



**Take a network with you wherever you go.**

iPad with Wi-Fi + 3G offers satellite data speeds up to 7.2 Mbps over 3G cellular networks around the world. It's perfect when you're out and about with no access to a Wi-Fi network, because you can still get a fast connection for surfing the web, sending and receiving email, or getting directions. Since iPad seamlessly switches between 3G and even faster Wi-Fi, you always get the best connection available. And with AT&T Go! plans, you'll have access to over 20,000 Wi-Fi hotspots, including Starbucks, Barnes and Noble, and more.

**No-contract 3G service.**

In the United States, 3G service is available through a breakthrough deal with AT&T. You choose the amount of data per month you want to buy — 250MB or unlimited. If you choose the 250MB plan, you'll receive push-email messages as you get close to your monthly data limit so you can decide whether to turn off 3G or upgrade to the unlimited plan. Best of all, there's no long-term contract. So if you have a business trip or vacation approaching, just sign up for the month you'll be traveling and cancel when you get back. You don't need to visit a store to get 3G service. You can sign up, check your data usage, manage your account, or cancel your service — all from your iPad.

AT&T 3G Data Plans for iPad	
Data per month	Price per month
250MB	\$14.99
Unlimited	\$29.99

**Sign up, monitor, and manage your 3G service — all from your iPad.**

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1 28. The section of the Apple webpage pictured above titled “No-contract 3G service”  
2 reads:

3 In the United States, 3G service is available through a breakthrough deal with  
4 AT&T. You choose the amount of data per month you want to buy—250MB or  
5 unlimited. If you choose the 250MB plan, you’ll receive onscreen messages as  
6 you get close to your monthly data limit so you can decide whether to turn off 3G  
7 or upgrade to the unlimited plan. Best of all, there’s no long-term contract. So if  
8 you have a business trip or vacation approaching, just sign up for the month you’ll  
9 be traveling and cancel when you get back.

10 29. The Apple webpage pictured above includes an inset table, which reads:

**AT&T 3G Data Plans for iPad**

<b>Data per month</b>	<b>Price per month</b>
<b>250MB</b>	<b>\$14.99</b>
<b>Unlimited</b>	<b>\$29.99</b>

15 One month is based on 30 consecutive days, and starts  
16 at the date and time of your purchase.

17 30. Apple made further representations, promises, and advertisements about the  
18 availability of the no-contract, unlimited data plan for the iPad 3G in e-mails, press releases, and  
19 other advertisements. Such representations, promises, and advertisements were always the same,  
20 and as described above in paragraphs 26-29, throughout the period from January 27, 2010 to  
21 June 7, 2010.

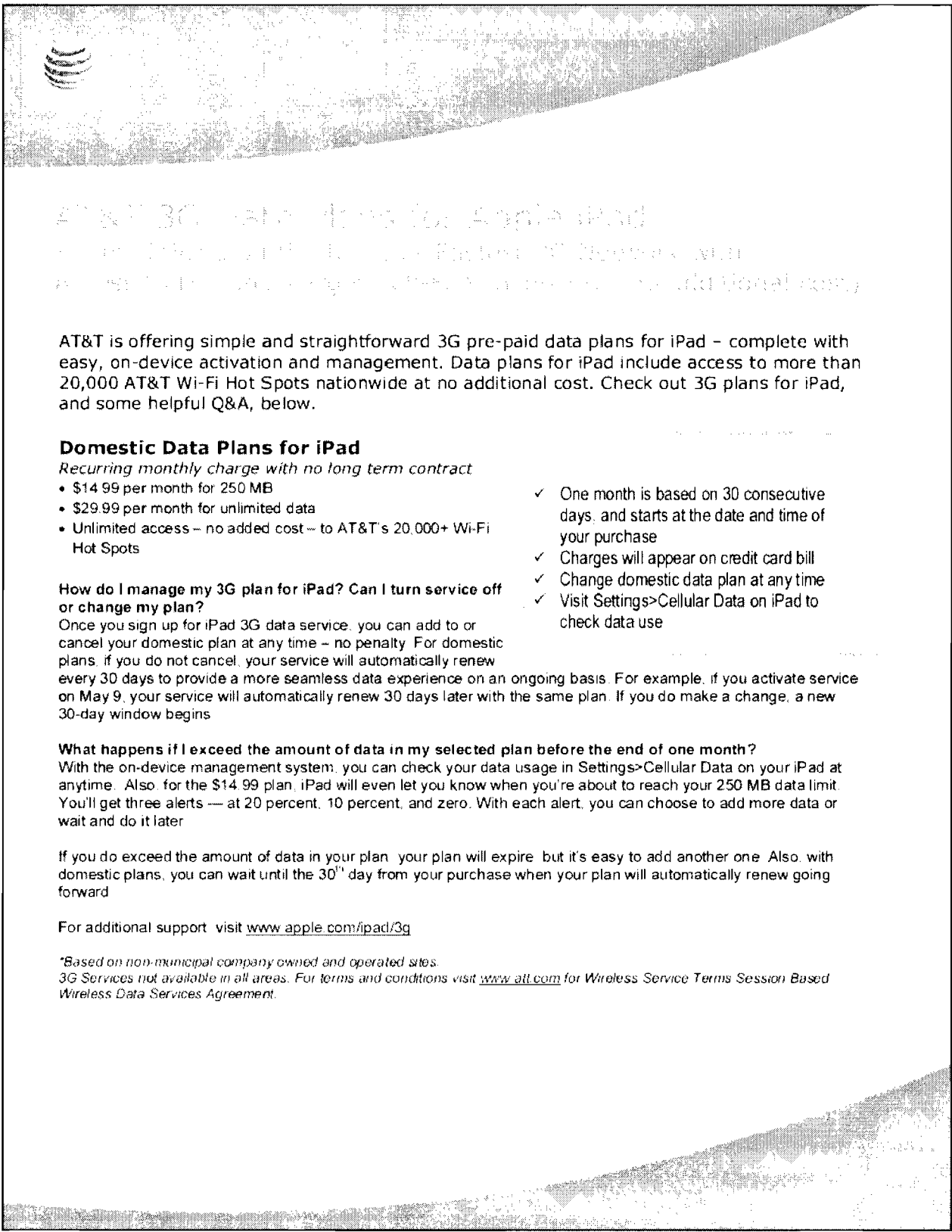
**AT&T’s Representations, Promises And Advertisements Concerning The No-Contract,  
22 Unlimited Data Plan**

23 31. On or about January 27, 2010, AT&T released a “fact sheet” concerning wireless  
24 data plans for the iPad 3G, which featured the same no-contract, unlimited data plan discussed  
25 above:

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1           32.     AT&T made identical representations about the no-contract, unlimited data plan  
2 for the iPad 3G in e-mails, press releases, its webpage, and in-store advertisements. Such  
3 representations were always the same, and as described above in paragraph 31, throughout the  
4 period from January 27, 2010 to June 7, 2010.

5 **Defendants Cancel The No-Contract, Unlimited Data Plan**

6           33.     On June 2, 2010, approximately three months after Apple began taking pre-orders  
7 for iPad 3Gs on March 12, 2010, and approximately one month after Apple began shipping pre-  
8 ordered iPad 3Gs and selling them in its retail stores on April 30, 2010, Defendants reneged on  
9 their promise of a no-contract, unlimited data plan for the iPad 3G.

10           34.     Instead, customers who activated an iPad 3G before June 7 can currently opt for  
11 an unlimited data plan only so long as they keep the plan *every* month, without even a day of  
12 interruption. Thus, this “grandfathering” rule forces customers to keep an unlimited plan  
13 continuously active to avoid losing it, *i.e.*, to enter into a *de facto* long-term contract. Once the  
14 plan is deactivated, even for a single day, the unlimited data option disappears forever.  
15 Consumers who activate an iPad 3G on or after June 7—even if they purchased the iPad 3G  
16 before June 7—are excluded entirely from the an unlimited data plan, even one missing the no-  
17 contract option.

18           35.     Because Defendants cancelled the plan just over 30 days after pre-ordered iPad  
19 3Gs began shipping, individuals who pre-ordered iPad 3Gs are unable to return their devices  
20 because the return period has now expired. This timing was done purposefully, to minimize the  
21 cost to Defendants of such returns.

22           36.     As a result of Defendants cancelling the no-contract, unlimited data plan, it is  
23 literally *impossible* for any iPad 3G owner—even “grandfathered” owners—ever to take  
24 advantage of the start-and-stop feature that Defendants represented, promised, and advertised  
25 from January 27, 2010 to June 7, 2010.

26           37.     Under a new plan called “DataPlus,” iPad 3G owners will receive 200 megabytes  
27 of data for \$15 per month (a plan 20% more expensive than the previously-announced plan,  
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1 which would provide an extra 50 megabytes of data for the same price). If customers exceed 200  
2 megabytes of data in a monthly billing cycle, they will automatically be billed an additional 200  
3 megabytes of data usage for \$15.

4 38. Alternatively, under a new plan called “DataPro,” iPad 3G owners will receive  
5 two gigabytes of data for \$25 per month. If customers exceed two gigabytes of data in a monthly  
6 billing cycle, they will automatically be billed an additional one gigabyte of data usage for \$10.

7 39. Many of the applications and activities for which the iPad 3G is most useful, and  
8 for which it is and was heavily marketed—like watching movies and listening to internet radio—  
9 will quickly exceed the limits of AT&T’s DataPlus and DataPro Plans, and cause “automatic” re-  
10 ups and additional billing that would not have existed under the no-contract, unlimited data plan.

11 **Defendants Represented, Promised And Advertised The No-Contract, Unlimited Data Plan**  
12 **With No Intention To Honor It**

13 40. Notwithstanding their early announcements and promises of the no-contract,  
14 unlimited data plan for the iPad 3G, Defendants never actually intended to offer iPad 3G owners  
15 such a plan. Instead, Defendants intentionally misrepresented the availability of the no-contract,  
16 unlimited data plan in order to induce Plaintiff and the Class Members to purchase the iPad 3G  
17 and thereby (a) drive up iPad 3G sales, and (b) be locked-in to actual wireless data service plan  
18 rates that are far less valuable than Defendants represented and promised.

19 41. Defendants were aware, well before announcing the change to the iPad 3G  
20 wireless data service plans, that the no-contract, unlimited data plan was not feasible, and would  
21 not actually be offered, notwithstanding their promises.

22 42. For example, during a December, 2009 UBS conference in New York, AT&T  
23 CEO Ralph de la Vega told investors that it was inevitable that high-bandwidth users on AT&T’s  
24 3G network will be charged for what they use. According to de la Vega, bandwidth-hungry  
25 devices, like the Apple iPhone 3G, have resulted in poor quality service on AT&T’s 3G network,  
26 including dropped calls and slow data.



1           43.     As of at least December, 2009, AT&T was aware of reports that showed 40% of  
2 its 3G network capacity is used by just 3% of smartphone users, with most bandwidth going to  
3 activities like streaming audio and video, available through various applications for download on  
4 the Apple iPhone 3G, and that iPhone 3G users consume 10 times the bandwidth of typical  
5 smartphone users.

6           44.     In light of these reports, de la Vega told investors that AT&T will give high-  
7 bandwidth users incentives to “reduce or modify” their usage.

8           45.     At around the same time, AT&T was internally considering cancelling the  
9 availability of unlimited data plans for the Apple iPhone.

10          46.     Notwithstanding the problems AT&T recognized with respect to the Apple  
11 iPhone 3G, AT&T represented that it had the ability to and would offer cheap, *unlimited* data to  
12 users of the iPad 3G—a device that is designed and marketed for its ability to *consume* data  
13 constantly, even more than the iPhone.

14          47.     Defendants knew when they made such representations that AT&T could not  
15 feasibly offer the no-contract, unlimited data plan, and had no intention of doing so. Instead,  
16 Defendants misrepresented the availability of the plan in order to induce Plaintiff and the Class  
17 Members to purchase iPad 3Gs, and thereby drive up the sales of iPad 3Gs and be locked-in to  
18 wireless data service through AT&T, at much greater rates than advertised.

19          48.     The sweeping change in the iPad 3G wireless data service plans was not decided  
20 upon by and among Defendants overnight or soon before their announcement on June 2, 2010;  
21 rather, Defendants were well aware, by the time the iPad 3G was available for pre-order on  
22 March 12, 2010, that the wireless data service plans would be switched, and that the no-contract,  
23 unlimited data plan would be cancelled.

24          49.     Defendants nevertheless represented, promised, and advertised the no-contract,  
25 unlimited data plan in order to increase pre-orders and purchases of the iPad 3G and drive up  
26 sales of both the iPad 3G and AT&T’s wireless data service plans for the iPad 3G.

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1 website, and in particular on the availability of the no-contract, unlimited data plan, including its  
2 switch-on-and-off feature, in deciding to purchase his iPad 3G.

3 57. Prior to ordering his iPad 3G, from approximately January 27, 2010 to April 19,  
4 2010, Mr. Logan regularly read a website that aggregates news stories concerning Apple,  
5 <http://www.macsurfer.com>. During that period, Mr. Logan read several articles, including  
6 articles from news sources such as *Time* and *Fortune* about the iPad 3G, including the option for  
7 250 megabytes of data for \$14.99 per month, or unlimited data for \$29.99 per month, which  
8 required no long-term contract, and which included a switch-on-and-off feature. The information  
9 for those articles was provided by Apple and AT&T through press releases and interviews, with  
10 the intention of inducing consumer reliance. Mr. Logan relied on the representations, promises,  
11 and advertisements of the available wireless data plans for the iPad 3G, and in particular on the  
12 availability of the no-contract, unlimited data plan, including the switch-on-and-off feature, in  
13 deciding to purchase his iPad 3G.

14 58. Prior to ordering is iPad 3G, from approximately January 27, 2010 to April 19,  
15 2010, Mr. Logan saw online and in-store advertisements and information provided by AT&T  
16 which represented and promised the availability of the no-contract, unlimited data plan for the  
17 iPad 3G. Mr. Logan relied on the representations, promises, and advertisements of the available  
18 wireless data plans for the iPad 3G, and in particular on the availability of the no-contract,  
19 unlimited data plan, including the switch-on-and-off feature, in deciding to purchase his iPad 3G.

20 59. Before receiving his iPad 3G, on May 1, 2010, Mr. Logan received an email from  
21 Apple with the subject line, "Thanks for purchasing your iPad." The email included a section  
22 called "Setting up 3G service is easy," which included a hyperlink titled "Learn more"(indicated  
23 in the portion circled below). Clicking the link lead to the same webpage described and pictured  
24 above in paragraph 27, *i.e.*, the website on Apple.com titled "iPad with Wi-Fi + 3G. The best  
25 way to stay connected."

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From: Apple <News@insideApple.Apple.com>  
Date: May 1, 2010 6:56:44 AM PDT  
To: Stuart Logan (email address redacted)  
Subject: Thanks for purchasing your iPad.



Welcome to iPad.  
We can't wait to show you around.

Learn about your iPad with video guided tours:



Learn about your iPad with video guided tours:

Learn about your iPad with video guided tours:

Discover apps made specifically for iPad.



Browse the App Store.

Discover the best apps for iPad. Browse the App Store to find the latest apps made specifically for iPad.



Play favorites from the iTunes Store.

Stream your favorite music, TV shows, and movies from the iTunes Store. Download and play them on your iPad.



Download the free iBooks app.

Download the free iBooks app to read your favorite books on your iPad.

Learn about iPad from our experts.

Watch our experts show you how to use your iPad. Learn about the latest features and how to get the most out of your iPad.

Find accessories for your iPad.

Find the perfect accessories for your iPad. From cases and keyboards to chargers and more, we have everything you need.



Get three great apps for getting things done. Try out our new apps for productivity and more.



Setting up 3G service is easy. Watch our video to get started with 3G service on your iPad. It's simple and takes just a few minutes.

A few handy iPad tips.



Add more apps to your Dock. You can add up to 12 apps to your Dock. To add more, simply touch and hold an app icon in the Dock, then tap the plus sign.



Use multitasking to switch between apps. To switch between apps, double-press the home button. Then, tap the app icon you want to use.



Keep track of your favorite books. Use the Bookmarks app to save your favorite books. You can also use the Bookmarks app to keep track of your reading progress.



1           60.     Mr. Logan relied on the representations and promises of the available wireless  
2 data plans for the iPad 3G contained in the “Thanks for purchasing your iPad” email and linked  
3 “iPad with Wi-Fi + 3G. The best way to stay connected” website, and in particular on the  
4 availability of the no-contract, unlimited data plan, including its switch-on-and-off feature, in  
5 deciding to keep, and not cancel, his order for an iPad 3G.

6           61.     Mr. Logan would not have purchased his iPad 3G but for Defendants’  
7 representations, promises and advertisements of the no-contract, unlimited data plan, and its  
8 switch-on-and-off feature. In particular, this plan fit his work (which requires periods of  
9 extended travel throughout the year) and lifestyle in such a manner that ownership of the iPad 3G  
10 was feasible and beneficial. Following the cancellation of the no-contract, unlimited data plan,  
11 Mr. Logan’s use and enjoyment of his iPad 3G is substantially altered and diminished, to the  
12 point that Mr. Logan would elect, if he could, to return the iPad 3G for a refund.

#### 13                                   **CLASS ACTION ALLEGATIONS**

14           62.     Plaintiff brings this action on behalf of himself and all others similarly situated on  
15 behalf of the following Class:

16           All persons (excluding officers, directors and employees of AT&T and Apple)  
17 who purchased, between January 27, 2010 and June 7, 2010 (hereinafter, the  
18 “Class Period”) an Apple iPad Wi-Fi + 3G in the United States for their own use,  
19 rather than resale or distribution.

20           63.     Questions of law and fact common to Plaintiff and the Class include:

- 21           a.     Whether Defendants contributed to, committed, and/or are responsible for  
22 the conduct alleged herein;
- 23           b.     Whether Defendants’ conduct constitutes the violations of law alleged  
24 herein;
- 25           c.     Whether Defendants active willfully, recklessly, negligently, or with gross  
26 negligence in the violations of law alleged herein; and
- 27
- 28



1           d.     Whether Class Members are entitled to, restitution, injunctive relief and  
2                    other equitable relief.

3           64.    By purchasing the iPad 3G, all Class members were subjected to the same  
4 wrongful conduct.

5           65.    Absent Defendants' deceptive claims and fraudulent omissions, Plaintiff and  
6 Class Members would not have purchased the iPad 3G.

7           66.    Plaintiff's claims are typical of the Class's claims. Plaintiff will fairly and  
8 adequately protect the interests of the Class, has no interests that are incompatible with the  
9 interests of the Class, and has retained counsel competent and experienced in class action  
10 litigation.

11          67.    The Class is sufficiently numerous, including at least hundreds of thousands of  
12 individuals who purchased the iPad 3G throughout the United States during the Class Period.

13          68.    Class representation is superior to other options for the resolution of the  
14 controversy. The relief sought for each Class Member is small. Absent the availability of class  
15 action procedures, it would be infeasible for Class Members to redress the wrongs done to them.

16          69.    Defendants have acted on grounds applicable to the Class, thereby making  
17 appropriate final injunctive relief or declaratory relief concerning the Class as a whole.

18          70.    Questions of law and fact common to the Class predominate over any questions  
19 affecting only individual members.

20          71.    Class treatment is appropriate under Fed. R. Civ. P. 23(a) and 23(b)(2). Plaintiff  
21 does not contemplate class notice if a class is certified under Fed. R. Civ. P. 23(b)(2), which does  
22 not require notice, but contemplates notice via publication if the Court determines class notice is  
23 required. Plaintiff will, if notice is required, confer with Defendants and seek to present the Court  
24 with a stipulation and proposed order concerning the details of a class notice plan.

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1 **FIRST CAUSE OF ACTION**

2 **Violations of the California False Advertising Law,**

3 **Bus. & Prof. Code §§ 17500 *et seq.***

4 72. Plaintiff realleges and incorporates the allegations elsewhere in the Complaint as  
5 if set forth in full herein.

6 73. In violation of Bus. & Prof. Code §§ 17500 *et seq.*, the advertisements and  
7 practices described herein were designed to, and did, result in the purchase of iPad 3Gs which  
8 were of a value substantially below that advertised.

9 74. Defendants knew and reasonably should have known that the advertisements and  
10 practices described herein were untrue and/or misleading.

11 75. As a result, Plaintiff, the Class, and the general public are entitled to injunctive  
12 and equitable relief, restitution, and an order for the disgorgement of funds by which Defendants  
13 were unjustly enriched.

14 **SECOND CAUSE OF ACTION**

15 **Violations of the California Unfair Competition Law,**

16 **Bus. & Prof. Code §§ 17200 *et seq.***

17 76. Plaintiff realleges and incorporates the allegations elsewhere in the Complaint as  
18 if set forth in full herein.

19 77. Bus. & Prof. Code §§ 17200 *et seq.* prohibits any “unlawful, unfair or fraudulent  
20 business act or practice.”

21 78. The acts, omissions, misrepresentations, practices, and non-disclosures of  
22 Defendants as alleged herein constitute “unlawful” business acts and practices in that  
23 Defendants’ conduct violates the False Advertising Law, and the Consumer Legal Remedies Act.

24 79. The acts, omissions, misrepresentations, practices, and non-disclosures of  
25 Defendants as alleged herein constitute “unfair” business acts and practices in that Defendants’  
26 conduct is immoral, unscrupulous, and offends public policy. Further, the gravity of Defendants’  
27 conduct outweighs any conceivable benefit of such conduct.

1 80. The acts, omissions, misrepresentations, practices and non-disclosures of  
2 Defendants as alleged herein constitute “fraudulent” business acts and practices in that  
3 Defendants’ conduct has a tendency to deceive the Class and the general public.

4 81. By violating the California Unfair Competition Law, Defendants also violated the  
5 common law of unfair competition.

6 82. In accordance with Bus. & Prof. Code § 17203, Plaintiff seeks an order enjoining  
7 Defendants from continuing to conduct business through unlawful, unfair, and/or fraudulent acts  
8 and practices and to commence a corrective advertising campaign.

9 83. Plaintiff further seeks an order for the disgorgement and restitution of all monies  
10 from the sale of iPad 3Gs, which were acquired through acts of unlawful, unfair, and/or  
11 fraudulent competition.

12 **THIRD CAUSE OF ACTION**

13 **Violations of the Consumer Legal Remedies Act,**

14 **Cal. Civ. Code §§ 1750 *et seq.***

15 84. Plaintiff realleges and incorporates the allegations elsewhere in the Complaint as  
16 if set forth in full herein.

17 85. Cal. Civ. Code §§ 1750 *et seq.* prohibits deceptive practices in connection with  
18 the conduct of a business that provides goods, property, or services primarily for personal,  
19 family, or household purposes.

20 86. Defendants’ policies, acts, and practices were designed to, and did, result in the  
21 purchase of iPad 3Gs primarily for personal, family, or household purposes, and violated, and  
22 continue to violate the following sections of the CLRA:

23 e. § 1770(a)(5): representing that goods or services have characteristics,  
24 uses, benefits or quantities which they do not have;

25 f. § 1770(a)(7): representing that goods or services are of a particular  
26 standard, quality, or grade, or that goods are of a particular style or model,  
27 if they are of another;

28

- 1 g. § 1770(a)(9): advertising goods or services with intent not to sell them as
- 2 advertised;
- 3 h. § 1770(a)(10): advertising goods or services with intent not to supply
- 4 reasonably expectable demand, unless the advertisement discloses a
- 5 limitation of quantity; and
- 6 i. § 1770(a)(16): representing that the subject of a transaction has been
- 7 supplied in accordance with a previous representation when it has not.

8 87. The conduct described herein by Defendants was done for profit as a deliberate  
9 corporate policy rather than an isolated incident, and was morally wrong, fraudulent, callous, and  
10 oppressive.

11 88. As a result, Plaintiff and the Class have suffered irreparable harm, seek, and are  
12 entitled to injunctive relief and restitution.

13 89. In compliance with Cal. Civ. Code § 1782, Plaintiff sent written notice to Apple  
14 and AT&T of his claims on June 11, 2010.

15 **PRAYER FOR RELIEF**

16 WHEREFORE, Plaintiff, on behalf of himself, all others similarly situated, and the  
17 general public, prays for judgment and relief against Defendants as follows:

18 A. Declaring this action to be a proper class action;

19 B. An Order directing Apple to accept from Plaintiff and the Class Members returns  
20 of any iPad 3Gs purchased during the Class Period, for full refund, with no restocking fee, for a  
21 period of six (6) months following the date of any such Order;

22 C. An Order enjoining Defendants from preventing Plaintiff and the Class Members  
23 from taking advantage of the no-contract, unlimited data plan Defendants promised and  
24 advertised, for a period of two (2) years, or whatever period the Court deems reasonable;

25 D. An Order requiring Defendants to disgorge all monies, revenues, and profits  
26 obtained by means of any wrongful act or practice;

1 E. An Order requiring Defendants to pay restitution to restore all funds acquired by  
2 means of any act or practice declared by this Court to be an unlawful, unfair, or fraudulent  
3 business act or practice, untrue or misleading advertising, or a violation of the CLRA, plus pre-  
4 and post-judgment interest thereon;

5 F. Costs, expenses and reasonable attorneys' fees; and

6 G. Any other and further relief the Court deems necessary, just, or proper.


7 **JURY DEMAND**

8 Plaintiff demands a trial by jury on all causes of action so triable.

9  
10 DATED: June 11, 2010

Respectfully Submitted,

11 **THE WESTON FIRM**

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13   
14 \_\_\_\_\_  
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24 ***Counsel for Plaintiff Stuart Logan  
and the Proposed Class***

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