

EXHIBIT H

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11 UNITED STATES DISTRICT COURT

12 SOUTHERN DISTRICT OF CALIFORNIA

13
14 ENNIS WHITE and GEORGE
15 CLEAVER, Individually and On
16 Behalf of All Others Similarly
Situated,

17 Plaintiffs,

18 v.

19
20 JPMORGAN CHASE & CO., and
21 CHASE BANK USA, N.A.

22 Defendants.

Case No. '11CV0297 MMAWVG

CLASS ACTION COMPLAINT

JURY TRIAL DEMANDED

1 Plaintiffs Ennis White (“White”) and George Cleaver (“Cleaver”), individually
2 and on behalf of all other persons similarly situated as defined below, bring this
3 action against Defendants, JPMorgan Chase & Co. and Chase Bank USA, N.A.
4 (referred to herein collectively as “Chase” or “Defendants”), state and allege as
5 follows:
6

7
8 **I. INTRODUCTION**

9 1. This is a proposed or putative class action brought on behalf of a class
10 of California residents who (1) were marketed by Chase to purchase and maintain the
11 Chase “Payment Protector” product, and (2) paid for the Chase “Payment Protector”
12 product (the “Class”).
13

14
15 2. Chase offers a variety of banking services to customers nationwide
16 including, but not limited to, the issuance of credit.
17

18 3. Chase does not extend or offer to extend credit to its cardholders through
19 Payment Protector. Chase offers Payment Protector as a separate product that is
20 distinct from its issuance of credit.
21

22 4. Chase markets and sells Payment Protector as a product that will prevent
23 purchasers from being “caught off guard” by providing benefits should they
24 experience an “unexpected life event”, such as unemployment or disability.
25

26 5. Chase charges purchasers \$.89 per hundred dollars of monthly account
27 ending balance on their Chase credit cards. In return, Chase tells purchasers that they
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1 are “enrolled” in the program and Chase will defer the minimum payments on the
2 credit card should the purchasers become unemployed or disabled or experience
3 another qualifying event. These promises are illusory.
4

5 6. Chase markets and sells Payment Protector through misleading
6 statements, incomplete statements, and misrepresentations. The product is sold
7 through print ads and direct telemarketing to existing Chase credit cardholders who
8 are generally in the “subprime” credit category.
9

10 7. Chase manipulates the Payment Protector sales process by
11 misrepresenting to purchasers that they will be protected in case of an “unexpected
12 life event” such as unemployment or disability, while failing to disclose all the
13 exclusions that make the product benefits unavailable to the cardholder.
14

15 8. At the time of sale, Chase does not ask those persons it solicits, and did
16 not ask Plaintiffs, any qualifying questions to determine if the potential purchaser is
17 eligible for Payment Protector benefits or to determine if such purchasers will ever
18 be eligible for Payment Protector benefits.
19

20 9. Defendants do not disclose the terms and limitations of Payment
21 Protector until after the consumer accepts and is charged for the product. The
22 documents that Defendants eventually provide to purchasers after the sale, including
23 Plaintiff, that purports to contain a list of exclusions or grounds for denial of benefits,
24 is misleading, incomplete, meaningless and incomprehensible to the average
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1 consumer.

2 10. The sales process is conducted without regard to eligibility and the
3 amounts charged for the product are so far in excess of the value of the product
4 provided that, on information and belief, only 3-5% of premiums are ever paid out as
5 benefits.
6

7
8 11. Not only are purchasers significantly overcharged for the Payment
9 Protector product, those purchasers who are denied benefits do not receive a refund
10 for premiums paid, even if they never qualified for coverage at the time of sale. The
11 purchasers have therefore paid Chase for a product that is entirely worthless to them.
12

13 12. Chase engages in a practice known as "post-claims underwriting." This
14 is the practice of selling a product without any inquiry into whether the customer is
15 qualified for benefits in the event of loss, and then determining that the customer is
16 not eligible for the benefits only at the time a claim for benefits is made.
17

18 13. Chase's practice of post-claims underwriting is made more egregious by
19 the fact that it does not refund premiums paid, even when it is clear the purchaser was
20 never eligible for the benefits in the first place.
21

22 14. Chase's practice of post-claims underwriting gives Chase the unfettered
23 incentive and right to arbitrarily and capriciously deny claims.
24

25 15. The Payment Protector claims process is difficult and onerous. Chase
26 imposes so many up-front bureaucratic hurdles through unreasonable and recurrent
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28

1 demands for claim forms, documentation, doctor's opinions, and the like that few
2 purchasers are able to get through the maze and establish a claim for benefits. All this
3 is required for a benefit that typically is no more than a deferral of minimum monthly
4 payments.
5

6
7 16. It is not possible for Plaintiffs to understand the terms, conditions,
8 restrictions, and bureaucratic hurdles in the claims process from the telephonic sales
9 disclosures and the written documents provided by Chase.
10

11 17. Payment Protector is a "mass" marketed product in that the marketing,
12 product management, and claims handling processes are applied in a uniform manner
13 so that all members of the proposed class were marketed in a virtually identical
14 manner and received standardized responses from Chase in response to claims for
15 benefits.
16

17
18 18. Chase's sales materials tell prospective purchasers that they will be
19 protected for events such as unemployment or disability. These statements are
20 misleading and deceptive.
21

22 19. Plaintiffs reasonably relied upon Chase's standardized sales
23 representations when they purchased Payment Protector. The proposed class
24 representatives were disabled (Clever) and unemployed (White) and requested
25 benefits payments and had their claim for benefits rejected. Plaintiffs and class
26 members did not receive a refund of premiums paid for Payment Protector even
27
28

1 though claims for benefits were denied. This experience is virtually identical to the
2 experience of the many thousands of purchasers of Payment Protector who applied
3 for benefits only to find out that they did not qualify for benefits and were not given
4 protection in their time of need, but instead were denied coverage despite having paid
5 for the product.
6
7

8 20. Chase manipulates the claims payment process in order to increase
9 profits by its various strategies that result in the denial of claims.
10

11 21. A common reason employed by Chase for denial of benefits is the
12 employment status of the cardholder at the time of sale, such as part-time
13 employment, self-employment, unemployment, seasonal employment, or employment
14 by a family member. The purchaser's status at the time of sale could easily have been
15 determined by Chase by asking a few simple questions, but Chase intentionally does
16 not ask those questions. Moreover, it is likely that Chase already has the purchaser's
17 employment status by virtue of materials readily available to it. This greatly
18 increased sales, particularly to people not qualified for the product.
19
20
21

22 22. As a result of Chase's deceptive marketing schemes and claims practices,
23 Plaintiffs and class members are induced to purchase a product that is virtually
24 worthless to them, and are significantly overcharged for the product.
25

26 23. The ratio of premiums charged to claims paid is excessive, which
27 illustrates that the value of the product was deceptively marketed to Plaintiffs and
28

1 class members.

2 24. Thus, Payment Protector benefits Chase, not purchasers, because Chase
3
4 is given access to information on the life and health status of cardholders, information
5 to which it would normally not have ongoing access. As a result, Chase can use this
6 information to limit or suspend credit to cardholders in their time of need, thereby
7 protecting itself.

8
9 25. Chase denies the vast majority of benefit claims. Even if a claim is paid,
10 the payment is in the form of a deferral of the monthly minimum payment due. With
11 a claims payment rate of 3-5% it is apparent that Chase's Payment Protector product
12 is little more than the imposition of an additional fee sold in the guise of a product
13 that will benefit its cardholders.
14
15

16 **II. JURISDICTION AND VENUE**

17
18 26. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §1331
19 because this action arises under the constitution or laws of the United States and
20 1332(d)(2) because the matter in controversy, upon information and belief, exceeds
21 \$5,000,000, exclusive of interest and costs, and this is a class action in which the
22 Class members and Defendants are citizens of different states.
23

24 27. Substantial acts which give rise to the causes of action asserted herein
25 occurred within this State and this judicial district.
26

27 28. Venue is proper in this Court because Plaintiffs reside in this District,
28

1 and many of the proposed Class members are residents of this District. Pursuant to
2 28 U.S.C. §1391(b), Chase is deemed to reside in this District because (1) it is subject
3 to personal jurisdiction in this District in that Chase has continuous and systematic
4 contacts with this State by issuing credit cards and offering products such as Payment
5 Protector, and (2) Chase sends monthly statements and sells products and services in
6 California to residents of this District.
7

8
9 29. To the extent that Chase raises any contractual or other impediment to
10 pursuit of these claims on a class action basis, Plaintiffs specifically allege, and will
11 prove, *inter alia*, that any alleged bar to class action proceedings is unconscionable,
12 unfair, and against the public policy of the State of California.
13
14

15 **III. PARTIES**

16 30. Plaintiff George Cleaver is a resident of the State of California, residing
17 in Porterville, Tulare County, California. Cleaver was solicited by Chase to purchase
18 Payment Protector, relied upon the representations of Chase in purchasing their
19 product, became disabled, filed a claim for benefits, and was denied benefits, thereby
20 suffering damages as more fully set out herein.
21
22

23 31. Plaintiff Ennis White is a resident of the State of California, residing in
24 San Diego County, California. White was solicited by Chase to purchase Payment
25 Protector, relied upon the representations of Chase in purchasing the product, lost his
26 job, filed a claim for benefits, and was denied benefits, thereby suffering damages as
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1 more fully set out herein.

2
3 32. Defendant JPMorgan Chase & Co. is a publicly traded holding company
4 incorporated in Delaware, with its principal place of business in New York, NY. The
5 corporation's agent for service is The Corporation Trust Company, 1209 Orange
6 Street, Wilmington, Delaware 19801.
7

8 33. Defendant Chase Bank USA, N.A. is incorporated in Delaware with its
9 principle place of business in New York, NY. Chase Bank's agent for service is The
10 Corporation Trust Company, 1209 Orange Street, Wilmington, Delaware 19801.
11

12 34. At all times herein mentioned, Defendants, and each of them, were the
13 agents, principals, employees, servants, partners, joint venturers, and representatives
14 of each other. In doing the acts hereinafter alleged, they each were acting within the
15 scope and course of their authority as such agents, principals, employees, servants,
16 partners, joint venturers, and representatives, and were acting with the permission and
17 consent of the other co-Defendant.
18
19

20 **IV. STATEMENT OF FACTS AND ALLEGATIONS**

21
22 35. Plaintiffs are among the thousands of California citizens who were
23 targeted by Chase as part of that company's credit card marketing programs, which
24 include Chase's sales of a product it calls "Payment Protector".
25

26 36. In September, 2008, Chase purchased the assets and liabilities of
27 Washington Mutual and is therefore liable for acts committed in the sale and
28

1 management of Credit Protector by Washington Mutual prior to the purchase.

2
3 37. Chase markets and sells "Payment Protector" as a product that Chase
4 tells cardholders will prevent cardholders from being "caught off guard" by providing
5 benefits to cardholders should they experience an "unexpected life event", such as
6 unemployment or disability. Chase charges the cardholder \$.89 per hundred dollars
7 of monthly account ending balance. In return, Chase tells the cardholder that they are
8 "enrolled" in the program and Chase will defer the minimum payments on the
9 cardholder's account should the cardholder become unemployed or disabled or
10 experiences another event that qualifies the cardholder for Payment Protector
11 benefits. These promises are illusory.

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13
14
15 38. Chase sells Payment Protector through misleading statements,
16 incomplete statements, and misrepresentations. The product is sold through print ads,
17 printed inserts mailed along with credit card statements and direct telemarketing to
18 existing cardholders who are generally in the "subprime" credit category.

19
20 39. Chase manipulates the Payment Protector sales process by
21 misrepresenting to cardholders that they will be protected in their time of need for
22 events such as unemployment or disability, and then denying claims when the
23 cardholder tries to use the benefit.

24
25
26 40. At the time of sale, Chase does not ask the cardholder any qualifying
27 questions to determine if the cardholder is eligible for Payment Protector benefits or
28

1 to determine if the cardholder will ever be eligible for Payment Protector benefits.
2
3 Defendants do not disclose the terms of Payment Protector until after the consumer
4 accepts or is charged for the product. The prolix documents that Chase eventually
5 provides to cardholders, including Plaintiffs, that purports to contain a list of
6 exclusions or grounds for denial of benefits, but those documents do not contain
7 complete information about the claims practices Chase uses when denying benefits,
8 and are worded in such a way that the documents are meaningless and
9
10
11 incomprehensible to the average consumer.

12 41. There are thousands of California Chase cardholders who have paid for
13 Payment Protector and are not eligible to receive benefits. The terms and exclusions
14 for Payment Protector are not adequately disclosed to consumers before the consumer
15 buys the product, and Payment Protector coverage is so restricted in benefits, and
16 processing claims under the coverage is made so difficult by Chase's use of numerous
17 bureaucratic hurdles, that the product is essentially worthless.
18

19
20 42. Chase makes no effort at the time of sale to determine if the Payment
21 Protector coverage is available to the consumer before charging for the product. For
22 example, numerous senior citizens and retired California residents are charged for
23 Payment Protector although they are excluded from receiving benefits by Chase
24 because they are not employed.
25

26
27 43. Despite the billions of dollars the Company earns from its operations,
28

1 Chase increases its income by intentionally developing and marketing the Payment
2 Protector product, a product which fails to provide promised benefits to thousands of
3 California residents who are charged for the “service”.

4
5 44. Payment Protector is a product or service that Chase sold to its California
6 credit cardholders during the class period for a price of \$.89 per \$100 of monthly
7 ending credit card balances.

8
9 45. Credit card companies, including Chase, have a substantial amount of
10 personal information about the cardholder. This information comes from the credit
11 card application and from other consumer research that Chase performs. At a
12 minimum, at the time of sale of the Payment Protector product, Chase has the
13 cardholder’s age, address, and zip code.

14
15 46. Chase’s marketing materials told California consumers that Payment
16 Protector would provide peace of mind if something unexpected should happen
17 because the minimum monthly payment on the cardholder’s account balance will be
18 deferred and that it would also help safeguard the cardholders good credit rating.

19
20 47. Chase promises California consumers that Payment Protector will defer
21 the minimum monthly payment if the cardholder or the secondary cardholder is
22 involuntarily unemployed or unable to work due to disability or experiences another
23 covered event.

24
25
26 48. Before selling the Payment Protector product, Chase does not review its
27
28

1 records or ask the cardholder a single question to determine if Payment Protector is
2 appropriate for the customer. Chase could easily ask the customer's age, physical
3 condition, or employment status, but Chase does not ask any of these questions.
4

5 49. The exclusions for payment of benefits for Payment Protector are not
6 disclosed to the customer at the time of sale. These are the exclusions that the
7 customer is not told of at the time the customer purchases Payment Protector:
8

- 9 (a) That some benefits are not available if you retire, or if you are already
10 retired;
- 11 (b) That some benefits are not available if you are not working;
- 12 (c) That some benefits are not available if you are self employed;
- 13 (d) That some benefits are not available if you are employed part time;
- 14 (e) That some benefits are not available if you are employed on a seasonal
15 basis;
- 16 (f) The definition of seasonal employment;
- 17 (g) The definition of part time employment;
- 18 (h) That some benefits are not available if you are hospitalized or disabled
19 at the time you purchase Payment Protector;
- 20 (i) That there will be no refund for premiums when your claim for benefits
21 is denied;
- 22 (j) That the consumer will continue to be charged for Payment Protector
23 even after being denied for coverage, until the consumer takes action to
24 stop Payment Protector;
- 25
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- 1 (k) Whether a co-cardholder has Payment Protector, or the distinction
- 2 between a primary cardholder and a secondary cardholder as applied to
- 3 eligibility for Payment Protector product lines.

- 4 (l) That the terms of the cardholder agreement would be unilaterally
- 5 modified by Chase upon purchasing Payment Protector;

- 6 (m) That temporary disability benefits may require verification by a
- 7 physician;

- 8 (n) That minimum payment benefits are limited to 24 months

- 9 (o) That benefits are not available for the first 30 days of hospitalization or
- 10 disability;

- 11 (p) That Payment Protector is not an insurance product; and
- 12
- 13 (q) That Payment Protector is not regulated by the California Insurance
- 14 Department.

15 50. Chase relies upon a deceptive practice known as “post claims
16 underwriting” to deny claims and increase profits. This is the practice of asking few
17 or no questions of the cardholder at the time of sale to determine if the customer is
18 qualified for the product, then when the customer attempts to use the “benefits” of
19 Payment Protector, Chase denies the benefits for a reason related to age, employment
20 status, physical condition, or one of the many other reasons for denial listed in the
21 preceding paragraph.
22

24 51. Chase does not have a policy of refunding unearned premiums, so
25 customers paid for Payment Protector for years, made an application for a benefit,
26 were turned down for benefit payments because of some reason for disqualification
27
28

1 that was not disclosed at the time of sale, and then receive no refund of the premiums
2 paid.
3

4 *Payment Protector compared to credit insurance*

5 52. The marketing of Payment Protector makes the product sound like a form
6 of credit insurance, but the customer is not told at the time of sale that the product is
7 not credit life, disability insurance or credit insurance.
8

9 53. Payment Protector is indistinguishable from credit insurance in that
10 premiums are charged to the customer on a monthly basis, the charges are based upon
11 an account balance on a specified date, and Chase promises it will make some form
12 of payment (or deferral) to the customer's credit account upon the occurrence of a
13 contingent event.
14
15

16 54. Chase's branding of this product as "Payment Protector" is a misleading
17 or deceptive act that constitutes an attempt to obscure or conceal the nature and value
18 of the product when selling it to California consumers.
19

20 55. Payment Protector was designed by Chase so that it could continue to
21 sell credit insurance products while avoiding the consumer protections provided by
22 the California Insurance Department, such as the licensing of sales agents, the
23 regulation of rates, the approval of methods of marketing, the regulation of products
24 that can be sold, and the regulation of claims practices.
25
26

27 56. California consumers who purchased Payment Protector received
28

1 documents days or weeks after the sale.

2
3 57. Among the Payment Protector documents some exclusions can be
4 deduced from a careful reading of the fine print. The exclusions are not clearly
5 written or prominently displayed, and it is not possible for the California consumer
6 to determine all of the exclusions that apply at the time the customer makes an
7 application for benefits for Payment Protector.
8

9
10 58. As a result of the undisclosed exclusions for Payment Protector benefits,
11 the value of the product is deceptively marketed, and all California cardholders
12 paying for Chase's Payment Protector product are damaged by paying for Payment
13 Protector.
14

15 59. The Payment Protector product is worthless to a large number of
16 California cardholders who paid for the product during the class period, in particular
17 senior citizens and retired persons.
18

19 *Unlawful Conduct of Chase in the Sale of Payment Protector.*

20
21 60. Chase typically markets Payment Protector to consumers who fall into
22 the "subprime" credit category and therefore have low credit limits on their credit
23 cards.
24

25 61. Chase sells the Payment Protector product as a service that will
26 safeguard the consumer's credit and provide peace of mind by making minimum
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1 credit card payments upon some contingency that results in the cardholder's inability
2 to make payments.
3

4 62. There appears to be a "credit life" feature to Payment Protector, although
5 this is buried in the fine print and is not described in the product information provided
6 at the time of sale, or thereafter, as credit life insurance.
7

8 63. Chase does not provide essential terms of the product at the time of sale.
9 Key terms governing Payment Protector are not disclosed.
10

11 64. The product terms and qualifiers that are disclosed after sale are
12 incomplete, misleading, deceptive, and difficult to read and understand for the
13 ordinary California Chase cardholder.
14

15 65. Chase has a duty to properly disclose the terms and conditions of
16 Payment Protector prior to, and at the time of, sale to the consumer. Chase's
17 deceptive marketing strategy is to sell the product while avoiding any questions of the
18 consumer that would identify whether the customer is eligible for the benefits of the
19 product. This results in many more sales than if qualifying questions were asked at
20 the time of sale. The ordinary consumer is not able to decipher or understand all of
21 the exclusions or definitions applied by Chase to Payment Protector in denying claims
22 for benefits, even from the most careful reading of the materials mailed to the
23 customer after the sale. Chase then asks qualifying questions when the customer files
24 a claim for benefits, thus eliminating a large number of consumers from receiving
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1 benefits.

2
3 66. Chase fails to provide adequate information regarding Payment Protector
4 coverage and restrictions prior to selling the product, and then provides information
5 about the product that is deceptive, misleading, obfuscatory, and incomplete.

6
7 67. As an example of misleading and obfuscatory language, Payment
8 Protector appears to be a financial product or service that is ordinarily sold as credit
9 life or disability insurance, yet the product materials carefully avoid any use of the
10 word "insurance". The product materials do, however, refer to making "claims",
11 which is either truthful (if this is insurance) or deceptive and misleading (if this
12 product is something other than insurance).
13
14

15 68. Although represented to the consumer as something in the nature of an
16 insurance product, the Payment Protector product is virtually worthless to many
17 California Chase cardholders because of the numerous restrictions and exclusions that
18 are imposed after the consumer buys the product, and because of the administrative
19 and bureaucratic hurdles that are placed in the way of the California consumer who
20 attempts to secure payments from Chase under this coverage.
21
22

23 69. This product is sold to California consumers without any consideration
24 for the circumstances of the consumer or any reasonable investigation into the
25 consumer's circumstances that may cause the product to be worthless to the
26 consumer. For instance, many California senior citizens and retired persons are
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1 charged for this product although they are categorically excluded from Payment
2 Protector payments should they become ill or incapacitated and unable to make credit
3 card payments.
4

5 70. The Payment Protector product serves Chase's interest in generating
6 additional fee income.
7

8 *After Enrolling As Many Cardholders as Possible in the Program Through*
9 *Deceptive Marketing, Chase Unfairly Limits the Chances of Paying Payment*
10 *Protector Claims.*

11 71. Chase does not deliver on the promises it makes in the marketing
12 material described above because of its use of the deceptive business practice known
13 as post-claim underwriting and because enrollees often fail to overcome the
14 bureaucratic hurdles that Chase imposes in order to manipulate the claims process in
15 its favor.
16

17 72. Chase employed the practice of post-claim underwriting to deny benefits
18 for reasons related to age, employment status, physical condition, or one of the many
19 other undisclosed reasons for denial.
20

21 73. Prior to imposing the Payment Protector charges, during the
22 telemarketing sales call, and at the time of sale, Chase does not ask a single question
23 to determine if Payment Protector is appropriate for the customer.
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1 74. Chase does not ask customers, and did not ask Plaintiffs, their
2 employment status even though the person's employment status is a reason Chase
3 uses to deny claims.
4

5 75. Chase's practices are designed and intended to collect as many fees as
6 possible, which are almost pure profit to Chase since Chase, as a result of its
7 unconscionable practices, pays few claims.
8

9 76. Payment Protector is sold to California consumers without any
10 consideration for the circumstances of the consumer or any reasonable investigation
11 into facts that may cause the product to be worthless to the consumer. For example,
12 senior citizens are charged for this product, although many could not receive benefits
13 for job loss, family leave, life events, or short term and long term disability benefits
14 should they become seriously ill and unable to make credit card payments.
15
16

17 77. Chase has sufficient information to determine the age and occupation of
18 the cardholder from materials readily available to it.
19

20 78. Chase also rejects claims based on its assertions that purchasers do not
21 satisfy the procedures that are contained in prolix documents that are received only
22 after the purchaser has enrolled in Payment Protector. These documents are written
23 in fine print, are confusing and obfuscatory, and are therefore essentially meaningless
24 and incomprehensible to the average purchaser.
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1 79. Chase denies job loss benefits to consumers who paid for Payment
2 Protector but did not meet one of numerous conditions on receiving benefits that are
3 not disclosed prior to or at the time of sale. For example, Chase may deny job loss
4 claims if it determines that the purchaser:
5

- 6 (a) resigned;
7
8 (b) retired;
9
10 (c) was subject to the scheduled termination of an employment contract;
11 (d) was subject to "termination of employment";
12 (e) was not "continuously employed for at least thirty hours per week
13 (fifteen (15) hours per week if you are a student) during the 90-day period
14 preceding the involuntary Unemployment";
15 (f) had "seasonal" as opposed to "permanent" employment;
16 (g) does not qualify for state unemployment benefits;
17 (h) does not sign up with a recognized employment agency after termination;
18 (i) lost their employment due to "criminal misconduct, unionized labor
19 dispute, or lockout";
20 (j) voluntarily forfeited employment salary, wages, or employment income;
21 or
22 (k) was self-employed.
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1 80. Similarly, a purchaser will be denied long-term disability benefits if she
2 does not meet numerous preconditions to receiving benefits that are not disclosed to
3 cardholders prior to or at the time of sale. For example, Chase will not pay Payment
4 Protector claims if it determines that the purchaser:
5

- 6 (a) was hospitalized or “totally disabled” prior to enrollment;
7
8 (b) had a previous deferral for the same or related medical condition;
9
10 (c) is unable to perform the material and substantial duties of his/her
11 occupation, or if not gainfully employed, unable to perform all normal
12 daily activities, for less than 30 days; or
13
14 (d) is unable to have their disability verified by a physician.

15 81. In addition, even if a purchaser satisfied all these requirements, Chase
16 leaves itself the right to alter or terminate the contract upon written notice to the
17 cardholder.
18

19 82. Further, when claims for Payment Protector benefits are denied,
20 Defendants have not implemented a process through which purchasers’ Payment
21 Protector premiums are refunded, even if the purchasers are deemed *per se* ineligible
22 for Payment Protector benefits from the outset. In fact, if purchasers are denied
23 Payment Protector benefits, Defendants neither affirmatively remove purchasers from
24 Payment Protector enrollment going forward, nor inform purchasers of their
25 continued obligation to pay for Payment Protector even though they have been
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1 deemed to be ineligible for benefits. In other words, even after Chase denies a
2 purchaser's claim, it continues to charge that purchaser for Payment Protector.
3

4 *Plaintiffs and Class Members Paid Unconscionable Fees for the Program*

5 83. Chase charged Plaintiffs and class members unconscionable fees for the
6 Program. The Program was virtually worthless to Plaintiffs and class members who
7 paid for protection, but were denied benefits.
8

9 84. Chase charged all class members unconscionable fees, whether or not
10 they have submitted a claim for Payment Protector. The amount of fees collected by
11 Chase from Plaintiffs and class members, at a rate of \$.89 per \$100, is unconscionable
12 and shocks the conscience because of the extreme infrequency with which it pays
13 class members claims, and because the charge for the "coverage" is excessive for the
14 "benefit" received.
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17 85. On information and belief, Chase has collected tens of millions of dollars
18 from class members. Yet, on information and belief, the expected "loss ratio" for
19 Payment Protector is in the range of 3% to 5%.
20

21 86. Upon information and belief, this credit card company paid out only
22 3-5% of the money it receive to cover claims. The remaining 95-97% goes to the
23 corporate coffers.
24

25 87. In contrast, loss ratios in the model rule proposed by the National
26 Association of Insurance Commissioners for credit life and disability insurance
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1 (which is regularly criticized as being of limited value to cardholders), is 60% and
2 most states have loss ratios of 50-60%. If state-regulated credit insurance companies
3 deny benefit claims, they must refund the excess premiums to the policyholders and
4 lower the premium rates charged going forward. Chase does not pay refunds of
5 Payment Protector fees when benefits are denied and it does not charge fees that are
6 rationally or reasonably based on loss-ratio experience.
7

8
9 88. This skewed ratio for Chase's payout from Payment Protector claims is
10 a direct result of Chase's deceptive scheme. Because of its deceptive marketing,
11 Chase attracts a high number of purchasers that pay .89 per \$100 in bill cycle credit
12 balance, resulting in estimated charges to its cardholders of tens or hundreds of
13 millions of dollars.
14
15

16 **V. FACTS AS TO PLAINTIFF ENNIS WHITE**
17

18 89. Chase solicited Ennis White in June, 2009 to "enroll" in Payment
19 Protector.
20

21 90. Chase made misleading statements to Mr. White when soliciting him by
22 phone and mail, and in the post-sale documents provided to Mr. White that set out the
23 terms and conditions of Payment Protector.
24

25 91. Plaintiff relied on Defendants' misleading and incomplete statements
26 concerning Payment Protector in deciding to "enroll" in Payment Protector.
27

28 92. Plaintiff paid exorbitantly high fees for Payment Protector.

1 93. Plaintiff lost his job and attempted to take advantage of the “benefits”
2 provided by Payment Protector. When Plaintiff called to activate benefits, he was
3 denied the benefits for which he had been paying.
4

5 94. Chase never refunded the premiums that Plaintiff paid for Payment
6 Protector, despite the fact that Chase denied his claim because it found he was
7 categorically ineligible due to his job status.
8

9 95. Chase continues to charge Mr. White for Payment Protector fees, despite
10 the fact that Chase determined that he was not eligible for benefits due to his
11 employment status.
12

13 96. Plaintiff relied upon the deceptive and misleading statements of Chase
14 when he agreed to purchase and pay for Payment Protector. Plaintiff’s reliance was
15 reasonable under the circumstances.
16

17 97. Plaintiff was charged a monthly fee for Payment Protector and paid those
18 fees.
19

20 98. Had Chase fully disclosed to Mr. White all of the material terms,
21 conditions, restrictions, documentation of claims for benefits and other obstructive
22 and bureaucratic hurdles and preconditions to receiving benefits, in other words, if
23 Plaintiff had known the truth about Payment Protector, he would not have “enrolled”
24 in the program and paid the fees.
25
26
27
28

1 99. Plaintiff suffered monetary damages as a direct and proximate result of
2 relying upon the deceptive and misleading statements of Chase when purchasing
3 Payment Protector.
4

5 **VI. FACTS AS TO PLAINTIFF GEORGE CLEAVER**

6 100. George Cleaver was solicited in June 2008 to “enroll” in Payment
7 Protector.
8

9 101. As indicated above, Defendants made misleading statements to Plaintiff
10 when soliciting him by phone and mail, and in the post-sale documents provided to
11 Mr. Cleaver that set out the terms and conditions of Payment Protector.
12

13 102. Plaintiff relied on Defendants’ misleading and incomplete statements
14 concerning Payment Protector when he decided to “enroll” in Payment Protector.
15

16 103. Plaintiff paid exorbitantly high fees for Payment Protector.
17

18 104. Plaintiff applied for Payment Protector benefits when he was
19 unemployed in 2010. When Plaintiff called to activate those benefits, he was denied
20 the benefits for which he had been paying.
21

22 105. Chase never refunded the premiums that Plaintiff paid for Payment
23 Protector, despite the fact that Chase denied his claim because it found he was
24 categorically ineligible for benefits.
25

26 106. Chase continues to charge Mr. Cleaver for the Payment Protector
27 product, despite the fact that Chase determined that he was not eligible for benefits.
28

1 107. Plaintiff relied upon the deceptive and misleading statements of Chase
2 when he agreed to purchase and pay for Payment Protector. Plaintiff's reliance was
3 reasonable under the circumstances.
4

5 108. Plaintiff was charged a monthly fee for Payment Protector and paid those
6 fees.
7

8 109. Had Chase fully disclosed to Mr. Cleaver all the terms, conditions,
9 restrictions, documentation of claims for benefits and other obstructive and
10 bureaucratic hurdles and preconditions to receiving benefits, in other words, if
11 Plaintiff had known the truth about Payment Protector, he would not have "enrolled"
12 in the program and paid the fees.
13
14

15 110. Plaintiff suffered monetary damages as a direct and proximate result of
16 relying upon the deceptive and misleading statements of Chase when purchasing
17 Payment Protector.
18

19 **VII. CLASS ACTION ALLEGATIONS**

20 111. Plaintiffs bring this action on their own behalf and on behalf of a Class
21 of all other persons similarly situated, pursuant to the provisions of Rule 23 of the
22 Federal Rules of Civil Procedure.
23

24 112. Plaintiffs seek certification of a Class of California consumers targeted
25 by Chase as part of its Payment Protector sales, billing, and marketing schemes, and
26 who paid for Payment Protector.
27
28

1 113. Excluded from the proposed Class are Defendants and any person, firm,
2 trust, corporation, or other entity related to or affiliated with Defendants, as well as
3 the Judge(s) assigned to this case. On information and belief, the Class is composed
4 of at least tens of thousands of persons who were Chase customers, the joinder of
5 which in one action would be impracticable.
6

7
8 114. The disposition of the claims of the proposed Class members through
9 this class action will benefit both the parties and the Court. The identities of
10 individual members of the Class are readily ascertainable through the Defendants'
11 billing records.
12

13 115. There is a well-defined community of interest in the questions of law and
14 fact involved affecting the members of the Class. The questions of law and fact
15 common to the Class predominate over questions affecting only individual Class
16 members, and include, but are not limited to, the following:
17

18 a. Whether the Defendants' sales, billing and marketing scheme as alleged
19 is fraudulent, deceptive, unlawful and/or unfair in violation of California's Unfair
20 Competition Law ("UCL") and Consumer Legal Remedies Act ("CLRA");
21

22 b. Whether Chase's common and uniform sales, billing and marketing
23 scheme related to the Payment Protector product as alleged herein constitutes a
24 deceptive trade practice as defined by California statutes;
25
26
27
28

1 c. Whether Plaintiffs and the Class members are entitled to restitution of
2 all amounts wrongfully acquired by Defendants through their common and uniform
3 scheme;
4

5 d. Whether Plaintiffs and the Class members are entitled to injunctive relief
6 requiring the disgorgement of all wrongfully collected fees by Chase;
7

8 e. Whether Plaintiffs and the Class members are entitled to prospective
9 injunctive relief enjoining Chase from continuing to engage in the fraudulent,
10 deceitful, unlawful and unfair common scheme as alleged herein; and
11

12 f. Whether Plaintiffs and the Class members are entitled to recover
13 compensatory and punitive damages as a result of the Defendants' wrongful scheme.
14

15 116. Plaintiffs assert claims that are typical of the Class, having all been
16 targeted by Chase as consumers who were improperly assessed charges for Payment
17 Protector. Plaintiffs and the Class members have similarly suffered harm arising from
18 Defendants' violations of the law as alleged herein.
19

20 117. Plaintiffs are adequate representatives of the Class because their interests
21 do not conflict with the interests of the Class members they seek to represent.
22 Plaintiffs will fairly and adequately represent and protect the interests of the Class.
23 Plaintiffs' interests are not antagonistic to those of the Class members. Plaintiffs have
24 retained counsel competent and experienced in the prosecution of class litigation.
25
26
27
28

1 118. A class action is superior to other available means for the fair and
2 efficient adjudication of Plaintiffs' and the Class members' claims. Plaintiffs and
3 members of the Class have suffered irreparable harm as a result of Defendants'
4 fraudulent, deceitful, unlawful, and unfair conduct. Because of the size of the
5 individual Class members' claims, few, if any, Class members could afford to seek
6 legal redress for the wrongs complained of herein. Absent the class action, Class
7 members will continue to suffer losses, the violations of the law described herein will
8 continue without remedy, and Defendants will be permitted to retain the proceeds of
9 their misdeeds. Defendants continue to engage in the unlawful, unfair, and
10 unconscionable conduct that is the subject of this Complaint.
11

12
13
14
15 **VIII. PROPOSED CLASS DEFINITION**

16 119. Plaintiffs seek certification of a Class defined as California citizens and
17 consumers who (1) were marketed by Chase to purchase and maintain the Chase
18 "Payment Protector" product and (2) paid for the Chase "Payment Protector" product.
19

20 **IX. CAUSES OF ACTION**

21
22 **FIRST CAUSE OF ACTION**
23 **Violation of Business & Professions Code §§17200, et seq.**

24 120. Plaintiffs reallege and incorporate herein by reference each of the
25 foregoing paragraphs, and further alleges as follows.
26
27
28

1 121. Plaintiffs assert this cause of action on behalf of themselves and those
2 similarly situated residing within the State of California.
3

4 122. The Unfair Business Practices Act (“UBPA”) defines unfair business
5 competition to include any “unfair,” “unlawful,” or “fraudulent” business act or
6 practice. California Business & Professions Code §17200, et seq. The Act also
7 provides for injunctive relief and restitution for violations.
8

9 123. Defendants’ misleading marketing scheme related to Payment Protector
10 violated the Consumer Legal Remedies Act and is therefore unlawful pursuant to
11 California Business & Professions Code §17200, et seq.
12

13 124. Defendants’ deceptive marketing scheme related to the Payment
14 Protector product constitutes unfair practices within the meaning of California
15 Business & Professions Code §17200, et seq.
16

17 125. Moreover, Defendants’ Payment Protector policies and practices are
18 substantively and procedurally unconscionable in the following material respects,
19 among others:
20

21 a. Defendants do not provide the terms and conditions of the
22 Payment Protector product to subscribers until after they have purchased the
23 product;
24

25 b. Defendants do not alert customers that certain individuals
26 are *per se* ineligible for Payment Protector benefits, including but not limited
27
28

1 to retired, unemployed, employed by family members, persons employed on a
2 part-time or seasonal basis and those who are disabled;

3
4 c. the amount charged in fees for Payment Protector is not
5 rationally related to the amount of value that the Payment Protector product
6 provides to subscribers, nor is the value of Payment Protector computable or
7 discernable by purchasers;

8
9 d. the written documents Defendants eventually provide, do
10 not provide purchasers with sufficient information to understand the terms and
11 conditions of the Payment Protector product;

12
13 e. the written documents Defendants eventually provide to
14 purchasers are contracts of adhesion in that they are standardized forms,
15 imposed and drafted by Defendants, who are a parties of vastly superior
16 bargaining strength, and only relegates to the purchaser the opportunity to
17 adhere to them or reject the agreement in its entirety.

18
19
20 126. By engaging in the above described acts and practices, Defendants have
21 committed one or more acts of unfair competition within the meaning of California
22 Business & Professions Code §17200, et seq.

23
24 127. Defendants' acts and practices as described herein have deceived and/or
25 are likely to deceive members of the consuming public.
26
27
28

1 128. Plaintiffs relied on Defendants' misleading and incomplete information
2 detailed herein regarding Payment Protector in deciding to "enroll" in Payment
3 Protector.
4

5 129. As a result of the conduct described above, Defendants have been and
6 will be unjustly enriched at the expense of Plaintiffs and members of the proposed
7 Class. Specifically, Defendants have been unjustly enriched by the profits from
8 California consumers who pay for the Payment Protector.
9

10 130. Pursuant to California Business & Professions Code §§17203, Plaintiffs
11 seek an order of this Court for Defendants to fully disclose the true nature of its
12 misrepresentations. Plaintiffs additionally request an order requiring Defendants to
13 disgorge its ill-gotten gains and award Plaintiffs full restitution of all monies
14 wrongfully acquired by Defendants by means of such acts of unfair competition, plus
15 interest and attorneys' fees so as to restore any and all monies to Plaintiffs and
16 members of the proposed Class which were acquired and obtained by means of such
17 unfair competition, misrepresentations and omissions, and which ill-gotten gains are
18 still retained by Defendants. Plaintiffs and members of the proposed Class may be
19 irreparably harmed and/or denied an effective and complete remedy if such an order
20 is not granted.
21
22
23
24
25

26 131. Defendants, through their acts of unlawful and unfair competition, have
27 acquired money from Plaintiffs and the members of the proposed Class. Thus,
28

1 Plaintiffs and the members of the proposed Class request that this Court restore this
2 money to them, and enjoin Defendants from continuing to violate California Business
3 & Professions Code §17200, et seq., as discussed above.
4

5 132. Such conduct is ongoing and continues to this date. Plaintiffs and the
6 proposed Class members are therefore entitled to the relief described below.
7

8 133. Plaintiffs seek reasonable attorneys' fees pursuant to, inter alia, Code of
9 Civil Procedure, §1021.5
10

11 **SECOND CAUSE OF ACTION**
12 **Violations of Consumer Legal Remedies Act,**
13 **California Civil Code §1750 et seq.**

14 134. Plaintiffs reallege and incorporates herein by reference each of the
15 foregoing paragraphs, and further alleges as follows.

16 135. At all relevant times, Plaintiffs were each a "consumer," as that term is
17 defined in Civ. Code § 1761(d).
18

19 136. At all relevant times, Payment Protector constituted "services," as that
20 term is defined in Civ. Code § 1761(a).
21

22 137. At all relevant times, defendants were "persons," as that term is defined
23 in Civ. Code §1761(c).
24

25 138. At all relevant times, Plaintiffs' purchase of Payment Protector
26 constituted a "transaction," as that term is defined in Civ. Code § 1761(e).
27
28

1 139. The policies, acts, and practices described in this Complaint were
2 intended to and did result in the sale of the Payment Protector service to consumers.
3
4 By offering the Payment Protector service to the public, Defendants withheld material
5 terms from consumers prior to activation of Payment Protector charges, including the
6 limitations, restrictions and exclusions associated with the service.
7

8 140. Plaintiffs relied on Defendants' misleading and incomplete information
9 detailed herein regarding Payment Protector in deciding to "enroll" in Payment
10 Protector.
11

12 141. Defendants' practices, acts, policies, and course of conduct violated the
13 California Consumer Legal Remedies Act, California Civil Code §1750 et seq., (the
14 "CLRA"), in that Defendants represented that its services had uses and benefits which
15 they do not have in violation of §1770(a)(5) of the CLRA.
16

17 142. Defendants' practices, acts, policies, and course of conduct violated the
18 CLRA in that Defendants represented that its services were of a particular standard,
19 quality, or grade, when they were of another in violation of §1770(a)(7) of the CLRA.
20

21 143. Defendants' practices, acts, policies, and course of conduct violated the
22 CLRA in that Defendants advertised its services with intent not to sell them as
23 advertised in violation of §1770(a)(9) of the CLRA.
24

25 144. Plaintiffs seek restitution of all monies received by Defendants as a
26 result of sales of Payment Protector as provided in California Civil Code §1780.
27
28

1 Plaintiffs are informed and believes that the amount of said restitution is unknown at
2 this time, but will seek relief to amend this complaint at the time of trial when the
3 same has been ascertained.
4

5 145. Plaintiffs seek injunctive relief for the CLRA claims alleged in this
6 Complaint. Plaintiffs' counsel has served on Defendants, contemporaneously with
7 the filing of this Complaint, a CLRA notice letter in accordance with California Civil
8 Code §1782(a). Plaintiffs will amend this Complaint to assert claims for additional
9 relief under the CLRA in the event Defendants do not rectify these issues within the
10 appropriate time period outlined in the CLRA.
11
12

13 **THIRD CAUSE OF ACTION**
14 **Unjust Enrichment**

15 146. Plaintiffs restate and reallege the preceding paragraphs of the Complaint
16 as though fully set out here.
17

18 147. In seeking to sell Payment Protection to Plaintiffs and members of the
19 Class, Defendants withheld material terms from consumers, including the numerous
20 limitations, restrictions and exclusions associated with the product.
21

22 148. Defendants were unjustly enriched by the practice of withholding
23 material terms of Payment Protector until after the service was charged to the
24 consumer's credit card.
25
26
27
28

1 149. Defendants were unjustly enriched by their practices of making it so
2 difficult for consumers to actually receive payment for Payment Protector, or cancel
3 it, that the service was rendered worthless. Such acts were, and are, unconscionable.

4
5 150. Defendants were unjustly enriched by charging Plaintiffs and Class
6 members for illusory benefits.
7

8 151. Defendants were unjustly enriched by charging Plaintiffs and Class
9 members who were unable by the terms of Payment Protector service, to collect their
10 benefits.
11

12 152. As a result of Defendants' actions, which constitute unjust enrichment,
13 Plaintiffs and Class members suffered actual damages, for which Defendants are
14 liable. Defendants' liability for such damages should be measured by the extent of
15 Defendants' unjust enrichment.
16

17
18 **PRAYER FOR RELIEF**

19 WHEREFORE, Plaintiffs, on behalf of themselves and on behalf of the
20 members of the Class defined herein, pray for judgment and relief on all Cause of
21 Action as follows:
22

23 A. An order certifying that the action may be maintained as a class action
24 as defined wherein;
25

26 B. A temporary, preliminary and/or permanent order:
27
28

1 1. enjoining Defendants from pursuing the policies, acts and
2 practices complained of herein;

3
4 2. enjoining the above-described wrongful acts and practices of
5 Defendants; and

6
7 3. providing restitution to all consumers who improperly incurred
8 charges and/or expenses, as a result of Defendants' wrongdoing.

9 C. An order requiring disgorgement of Defendants' ill-gotten gains, paying
10 of restitution to Plaintiffs and all members of the proposed Class, and to restoring all
11 funds acquired by means of any act or practice declared by this Court to be an
12 unlawful, fraudulent or unfair business act or practice, a violation of laws, statutes or
13 regulations, or constituting unfair competition;

14
15 D. For distribution of any moneys recovered on behalf of members of the
16 proposed Class, via fluid recovery or cy pres recovery where necessary to prevent
17 Defendants from retaining the benefits of its wrongful conduct;

18
19 E. Reasonable attorneys' fees pursuant to, inter alia, Code of Civil
20 Procedure, §1021.5;

21
22 F. Costs of this lawsuit;

23 G. Pre- and post-judgment interest; and

24
25 H. Such other and further relief as the Court may deem necessary or
26 appropriate.
27
28

1 **DEMAND FOR JURY TRIAL**

2 Pursuant to Rule 38(a) of the Federal Rules of Civil Procedure, Plaintiffs
3
4 demand a jury trial as to all issues triable by a jury.

5 DATED: February 11, 2011

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Counsel for Plaintiffs

JS 44 (Rev. 12/07)

CIVIL COVER SHEET

The JS 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 by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON THE REVERSE OF THE FORM.)

I. (a) PLAINTIFFS

ENNIS WHITE; GEORGE CLEAVER

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

(c) Attorney's (Firm Name, Address, and Telephone Number)

Marc L. Godino, Glancy Binkow & Goldberg LLP, 1801 Avenue of the Stars, Suite 311, Los Angeles, CA 90067 (310) 201-9150

DEFENDANTS

JPMORGAN CHASE & CO.; CHASE BANK USA, N.A.

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

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

Attorneys (If Known)

'11CV0297 MMA WVG

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)

- | | | | | | |
|---|---------------------------------------|----------------------------|---|----------------------------|---------------------------------------|
| | PTF | DEF | | PTF | DEF |
| Citizen of This State | <input checked="" type="checkbox"/> 1 | <input type="checkbox"/> 1 | Incorporated or Principal Place of Business In This State | <input type="checkbox"/> 4 | <input type="checkbox"/> 4 |
| Citizen of Another State | <input type="checkbox"/> 2 | <input type="checkbox"/> 2 | Incorporated and Principal Place of Business In Another State | <input type="checkbox"/> 5 | <input checked="" type="checkbox"/> 5 |
| Citizen or Subject of a Foreign Country | <input type="checkbox"/> 3 | <input type="checkbox"/> 3 | Foreign Nation | <input type="checkbox"/> 6 | <input type="checkbox"/> 6 |

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

CONTRACT	TORTS	REAL PROPERTY	LABOR	IMMIGRATION	FOREFEITURE/PENALTY	BANKRUPTCY	OTHER STATUTES
<input type="checkbox"/> 110 Insurance <input type="checkbox"/> 120 Marine <input type="checkbox"/> 130 Miller Act <input type="checkbox"/> 140 Negotiable Instrument <input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment <input type="checkbox"/> 151 Medicare Act <input type="checkbox"/> 152 Recovery of Defaulted Student Loans (Excl. Veterans) <input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits <input type="checkbox"/> 160 Stockholders' Suits <input type="checkbox"/> 190 Other Contract <input type="checkbox"/> 195 Contract Product Liability <input type="checkbox"/> 196 Franchise	PERSONAL INJURY <input type="checkbox"/> 310 Airplane <input type="checkbox"/> 315 Airplane Product Liability <input type="checkbox"/> 320 Assault, Libel & Slander <input type="checkbox"/> 330 Federal Employers' Liability <input type="checkbox"/> 340 Marine <input type="checkbox"/> 345 Marine Product Liability <input type="checkbox"/> 350 Motor Vehicle <input type="checkbox"/> 355 Motor Vehicle Product Liability <input type="checkbox"/> 360 Other Personal Injury	<input type="checkbox"/> 210 Land Condemnation <input type="checkbox"/> 220 Foreclosure <input type="checkbox"/> 230 Rent Lease & Ejectment <input type="checkbox"/> 240 Torts to Land <input type="checkbox"/> 245 Tort Product Liability <input type="checkbox"/> 290 All Other Real Property	<input type="checkbox"/> 362 Personal Injury - Med. Malpractice <input type="checkbox"/> 365 Personal Injury - Product Liability <input type="checkbox"/> 368 Asbestos Personal Injury Product Liability PERSONAL PROPERTY <input type="checkbox"/> 370 Other Fraud <input type="checkbox"/> 371 Truth in Lending <input type="checkbox"/> 380 Other Personal Property Damage <input type="checkbox"/> 385 Property Damage Product Liability	<input type="checkbox"/> 462 Naturalization Application <input type="checkbox"/> 463 Habeas Corpus - Alien Detainee <input type="checkbox"/> 465 Other Immigration Actions	<input type="checkbox"/> 610 Agriculture <input type="checkbox"/> 620 Other Food & Drug <input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC 881 <input type="checkbox"/> 630 Liquor Laws <input type="checkbox"/> 640 R.R. & Truck <input type="checkbox"/> 650 Airline Regs. <input type="checkbox"/> 660 Occupational Safety/Health <input type="checkbox"/> 690 Other	<input type="checkbox"/> 422 Appeal 28 USC 158 <input type="checkbox"/> 423 Withdrawal 28 USC 157 PROPERTY RIGHTS <input type="checkbox"/> 820 Copyrights <input type="checkbox"/> 830 Patent <input type="checkbox"/> 840 Trademark	<input type="checkbox"/> 400 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <input checked="" type="checkbox"/> 480 Consumer Credit <input type="checkbox"/> 490 Cable/Sat TV <input type="checkbox"/> 810 Selective Service <input type="checkbox"/> 850 Securities/Commodities/Exchange <input type="checkbox"/> 875 Customer Challenge 12 USC 3410 <input type="checkbox"/> 890 Other Statutory Actions <input type="checkbox"/> 891 Agricultural Acts <input type="checkbox"/> 892 Economic Stabilization Act <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 894 Energy Allocation Act <input type="checkbox"/> 895 Freedom of Information Act <input type="checkbox"/> 900 Appeal of Fee Determination Under Equal Access to Justice <input type="checkbox"/> 950 Constitutionality of State 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
- 7 Appeal to District Judge from Magistrate Judgment

VI. CAUSE OF ACTION

Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity):
28 USC 1331

Brief description of cause:
Unjust enrichment; violation of Business & Professions Code; violations of the CLRA

VII. REQUESTED IN COMPLAINT:

CHECK IF THIS IS A CLASS ACTION UNDER F.R.C.P. 23

DEMAND \$ _____

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

VIII. RELATED CASE(S) IF ANY

(See instructions): JUDGE _____

DOCKET NUMBER _____

DATE

02/11/2011

SIGNATURE OF ATTORNEY OF RECORD

s/Marc L. Godino (182689)

FOR OFFICE USE ONLY

RECEIPT # _____ AMOUNT _____ APPLYING IFP _____ JUDGE _____ MAG. JUDGE _____