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Todd M. Friedman (SBN 216752)
Adrian R. Bacon (SBN 280332)
Meghan E. George (SBN 274525)
Thomas E. Wheeler (SBN 308789)
LAW OFFICES OF TODD M. FRIEDMAN, P.C.
21550 Oxnard St. Suite 780,
Woodland Hills, CA 91367
Phone: 877-206-4741
Fax: 866-633-0228
tfriedman@toddfllaw.com
abacon@toddfllaw.com
mgeorge@toddfllaw.com
twheeler@toddfllaw.com
Attorneys for Plaintiff

SAN LUIS OBISPO SUPERIOR COURT
BY [Signature]
M. Zapata, Deputy Clerk

**SUPERIOR COURT OF CALIFORNIA
COUNTY OF SAN LUIS OBISPO**

SANDRA WARNOCK, individually and on)
behalf of all others similarly situated,)
Plaintiff,)

vs.)

PEOPLECONNECT INC. d/b/a Intelius, and)
DOES 1-10,)
Defendant(s).)

Case No. 19CV-0539

CLASS ACTION

COMPLAINT FOR VIOLATIONS OF:

1. VIOLATIONS OF CALIFORNIA BUSINESS AND PROFESSIONS CODE § 17200, ET. SEQ
2. VIOLATIONS OF CALIFORNIA BUSINESS AND PROFESSIONS CODE § 17500, ET. SEQ
3. VIOLATIONS OF THE CONSUMER LEGAL REMEDIES ACT, CAL. CIV. C. § 1750, ET. SEQ.

DEMAND FOR JURY TRIAL

Plaintiff Sandra Warnock (“Plaintiff”), on behalf of herself and all others similarly situated, alleges the following against Defendant PeopleConnect Inc. d/b/a Intelius upon information and belief based upon personal knowledge:

1 **INTRODUCTION**

2 1. Plaintiff’s Class Action Complaint is brought pursuant to the Unfair Competition
3 Law, Cal. Bus. & Prof. C. § 17200 et. seq. (“UCL”), False Advertising Law, Cal. Bus. & Prof.
4 C. § 17500 et. seq. (“FAL”), and Consumer Legal Remedies Act, Cal. Civ. C. § 1750 et. seq.
5 (“CLRA”) arising out of Defendant’s unlawful and fraudulent practices in not properly disclosing
6 its auto-renewal policy on its Intelius.com website, which additionally violates the California
7 Automatic Purchase Renewal Statute Cal. Bus. & Prof. Code § 17600, et seq. (“CAPRS”).

8 2. Plaintiff, individually, and on behalf of all others similarly situated, brings this
9 Complaint for damages, injunctive relief, and any other available legal or equitable remedies,
10 resulting from the illegal actions of Defendant charging Plaintiff’s and also the Class members
11 for its auto-renewal policy which is not clearly and conspicuously disclosed on its website when
12 inducing consumers to make purchases. Plaintiff alleges as follows upon personal knowledge as
13 to herself and her own acts and experiences, and, as to all other matters, upon information and
14 belief, including investigation conducted by her attorneys.

15 3. Plaintiff alleges as follows upon personal knowledge as to herself and her own
16 acts and experiences, and, as to all other matters, upon information and belief, including
17 investigation conducted by her attorneys.

18 **JURISDICTION AND VENUE**

19 4. This class action is brought pursuant to California Code of Civil Procedure
20 (“CCP”) section 382. All claims in this matter arise exclusively under California law.

21 5. This matter is properly venued in the Superior Court of San Luis Obispo County,
22 in that Plaintiff purchased the “search” (“Product”) from Defendant online while residing in
23 California and Defendant is headquartered in Long Beach, California which is within this
24 County.

25 **PARTIES**

26 6. Plaintiff, Sandra Warnock (“Plaintiff”), is a natural person residing in San Luis
27 Obispo County in the state of California, and is a “person” as defined by Cal. Bus. & Prof. Code
28 § 17201.

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15. Plaintiff was charged the \$29.95 renewal fee by Defendant after having the Product be represented as costing \$0.95 and agreeing to purchase it based on that representation.

16. After being charged the renewal fee, Plaintiff attempted to contact Defendant by the phone number listed on the renewal charge, however the phone number was disconnected. Plaintiff additionally called Defendant on its customer service line, however was unable to reach anyone to cancel or refund the charge.

17. Had Defendant clearly and conspicuously advertised that its \$0.95 search actually cost \$29.95 per month, Plaintiff would not have purchased Defendant's search.

18. Furthermore, Plaintiff did not discover, nor could she have discovered, the true

1 nature of the Product until after Plaintiff's purchase and Defendant's subsequent automatic
2 renewal charge.

3 19. Plaintiff relied on the fact that the Product would cost \$0.95 as prominently
4 advertised.

5 20. Knowledge of the true price of Defendant's Product would have impacted
6 Plaintiff's decision to purchase the search from Defendant. Plaintiff would have found it
7 important to her purchase decision to know exactly what she was purchasing.

8 21. Plaintiff felt ripped off and cheated by Defendant entering into an automatic
9 renewal plan. Plaintiff believes that Defendant will continue its action of duping consumers
10 into purchasing Products for incredibly low prices when in reality it enters them into expensive
11 auto renewal plans that are not clearly or conspicuously disclosed unless Defendant's practices
12 are halted by way of an injunction.

13 22. As a result of Defendant's fraudulent practices, described herein, Plaintiff has
14 suffered emotional distress, wasted time, loss of money, and anxiety.

15 23. Such sales tactics rely on falsities and have a tendency to mislead and deceive
16 a reasonable consumer.

17 24. In purchasing the Product, Plaintiff relied upon Defendant's representations.

18 25. Plaintiff alleges such activity to be in violation of California's Automatic
19 Purchase Renewal Statute Cal. Bus. & Prof. Code § 17600, et seq. ("CAPRS"), and its
20 surrounding regulations.

21 26. At all times relevant, Defendant made and continues to make automatic renewal
22 offers and continuous service offers, as those terms are defined by Cal. Bus. & Prof. Code §
23 17600, et seq. ("California's Automatic Purchase Renewal Statute") to Plaintiff and other
24 consumers similarly situated.

25 27. At the time Plaintiff purchased the Product, Defendant failed to present
26 Defendant's automatic renewal offer terms or continuous service offer terms in a clear and
27 conspicuous manner, as defined by California's Automatic Purchase Renewal Statute, before
28 the subscription or purchasing agreement was fulfilled, and in visual or temporal proximity to

1 Defendant's request for consent to the offer.

2 28. At the time Plaintiff subscribed to Defendant's services, Plaintiff was subjected
3 to Defendant's unlawful policies and/or practices, as set forth herein, in violation of Cal. Bus. &
4 Prof. Code § 17600, et seq.

5 29. The material circumstances surrounding this experience by Plaintiff were the
6 same, or nearly the same, as the other class members Plaintiff proposes to represent, and Plaintiff
7 and all putative class members were required to pay, and did pay, money for the Products
8 marketed and sold by Defendant.

9 **CLASS ACTION ALLEGATIONS**

10 30. Plaintiff brings this action, on behalf of herself and all others similarly situated, and
11 thus, seeks class certification under California Code of Civil Procedure § 382.

12 31. Plaintiff brings this action on behalf of herself and all others similarly situated,
13 as a member of the Class defined as follows:

14 All persons in California who purchased a Product from Defendant
15 and were entered into and charged an automatic renewal by
16 Defendant within the four years prior to the filing of this
17 Complaint.

18 32. Plaintiff represents, and is a member of The Class, consisting of all persons in
19 California who purchased a Product from Defendant and were entered into and charged an
20 automatic renewal by Defendant within the four years prior to the filing of this Complaint.

21 33. Defendant, its employees and agents are excluded from The Class. Plaintiff does
22 not know the number of members in The Class, but believes the Class members number in the
23 thousands, if not more. Thus, this matter should be certified as a Class Action to assist in the
24 expeditious litigation of the matter.

25 34. The Class is so numerous that the individual joinder of all of their members is
26 impractical. While the exact number and identities of The Class members are unknown to
27 Plaintiff at this time and can only be ascertained through appropriate discovery, Plaintiff is
28 informed and believes and thereon alleges that The Class includes thousands of members.

1 Plaintiff alleges that The Class members may be ascertained by the records maintained by
2 Defendant.

3 35. There are questions of law and fact common to the Class affecting the parties to
4 be represented. The questions of law and fact to the Class predominate over questions which
5 may affect individual Class members and include, but are not necessarily limited to, the
6 following:

- 7 (a) Whether Defendant failed to provide clear and conspicuous notice to
8 Plaintiff and Class Members regarding the terms of its Product's auto
9 renewal costs;
- 10 (b) Whether Defendant engaged in unlawful, unfair, or deceptive business
11 practices in selling Products to Plaintiff and other Class Members;
- 12 (c) Whether Defendant made misrepresentations with respect to the
13 Products sold to consumers;
- 14 (d) Whether Defendant profited from the sale of the wrongly advertised
15 Products;
- 16 (e) Whether Defendant violated California Bus. & Prof. Code § 17200, et
17 seq., California Bus. & Prof. Code § 17500, et seq., and Cal. Civ. C.
18 §1750 et seq.;
- 19 (f) Whether Plaintiff and Class Members are entitled to equitable and/or
20 injunctive relief;
- 21 (g) Whether Defendant's unlawful, unfair, and/or deceptive practices
22 harmed Plaintiff and Class Members; and
- 23 (h) The method of calculation and extent of damages for Plaintiff and Class
24 Members.
25

26 36. As someone who was charged for an automatic renewal by Defendant after failing
27 to disclose the terms clearly and conspicuously, Plaintiff is asserting claims that are typical of
28 The Class.

1 by the exercise of reasonable care should be known, to be untrue or misleading . . . [or] to so
2 make or disseminate or cause to be so made or disseminated any such statement as part of a
3 plan or scheme with the intent not to sell that personal property or those services, professional
4 or otherwise, so advertised at the price stated therein, or as so advertised.”

5 44. California Business and Professions Code section 17500, *et seq.*'s prohibition
6 against false advertising extends to the use of false or misleading written statements.

7 45. Defendant misled consumers by making misrepresentations and untrue statements
8 about the Products, namely, Defendant represents its price as a certain amount when in reality
9 it would result in entering into an expensive and not clearly nor conspicuously disclosed auto
10 renewal plan, and made false representations to Plaintiff and other putative class members in
11 order to solicit these transactions.

12 46. Defendant knew that its representations and omissions were untrue and misleading,
13 and deliberately made the aforementioned representations and omissions in order to deceive
14 reasonable consumers like Plaintiff and other Class Members.

15 47. As a direct and proximate result of Defendant's misleading and false advertising,
16 Plaintiff and the other Class Members have suffered injury in fact and have lost money,
17 property, time, and attention. Plaintiff reasonably relied upon Defendant's representations
18 regarding the Products. In reasonable reliance on Defendant's false advertisements, Plaintiff
19 and other Class Members purchased the Products. In turn Plaintiff and other Class Members
20 ended up with Products that resulted in them being charged automatic renewal fees, and
21 therefore Plaintiff and other Class Members have suffered injury in fact.

22 48. Plaintiff alleges that these false and misleading representations made by Defendant
23 constitute a “scheme with the intent not to sell that personal property or those services,
24 professional or otherwise, so advertised at the price stated therein, or as so advertised.”
25

26 49. The misleading and false advertising described herein presents a continuing threat
27 to Plaintiff and the Class Members in that Defendant persists and continues to engage in these
28 practices, and will not cease doing so unless and until forced to do so by this Court. Defendant's

1 conduct will continue to cause irreparable injury to consumers unless enjoined or restrained.
2 Plaintiff is entitled to preliminary and permanent injunctive relief ordering Defendant to cease
3 its false advertising, as well as disgorgement and restitution to Plaintiff and all Class Members
4 of Defendant's revenues associated with its false advertising, or such portion of those revenues
5 as the Court may find equitable.

6 **SECOND CAUSE OF ACTION**

7 **Violation of Unfair Business Practices Act**

8 **(Cal. Bus. & Prof. Code §§ 17200 *et seq.*)**

9 50. Plaintiff incorporates by reference each allegation set forth above as fully set forth
10 herein.

11 51. Actions for relief under the unfair competition law may be based on any business
12 act or practice that is within the broad definition of the UCL. Such violations of the UCL occur
13 as a result of unlawful, unfair or fraudulent business acts and practices. A plaintiff is required
14 to provide evidence of a causal connection between a defendants' business practices and the
15 alleged harm--that is, evidence that the defendants' conduct caused or was likely to cause
16 substantial injury. It is insufficient for a plaintiff to show merely that the Defendant's conduct
17 created a risk of harm. Furthermore, the "act or practice" aspect of the statutory definition of
18 unfair competition covers any single act of misconduct, as well as ongoing misconduct.

19 **UNFAIR**

20 52. California Business & Professions Code § 17200 prohibits any "unfair . . . business
21 act or practice." Defendant's acts, omissions, misrepresentations, and practices as alleged
22 herein also constitute "unfair" business acts and practices within the meaning of the UCL in
23 that its conduct is substantially injurious to consumers, offends public policy, and is immoral,
24 unethical, oppressive, and unscrupulous as the gravity of the conduct outweighs any alleged
25 benefits attributable to such conduct. There were reasonably available alternatives to further
26 Defendant's legitimate business interests, other than the conduct described herein. Plaintiff
27 reserves the right to allege further conduct which constitutes other unfair business acts or
28

1 practices. Such conduct is ongoing and continues to this date.

2 53. In order to satisfy the “unfair” prong of the UCL, a consumer must show that the
3 injury: (1) is substantial; (2) is not outweighed by any countervailing benefits to consumers or
4 competition; and (3) is not one that consumers themselves could reasonably have avoided.

5 54. Here, Defendant’s conduct has caused and continues to cause substantial injury to
6 Plaintiff and members of the Class. Plaintiff and members of the Class have suffered injury in
7 fact due to Defendant’s decision to sell them falsely described Products. Thus, Defendant’s
8 conduct has caused substantial injury to Plaintiff and the members of the Class.

9 55. Moreover, Defendant’s conduct as alleged herein solely benefits Defendant while
10 providing no benefit of any kind to any consumer. Such deception utilized by Defendant
11 convinced Plaintiff and members of the Class that the Products were of a certain price in order
12 to induce them to spend money on said Products. In fact, knowing that Products would actually
13 enter the purchasers into an expensive automatic renewal plan, Defendant unfairly profited
14 from their sale. Thus, the injury suffered by Plaintiff and the members of the Class is not
15 outweighed by any countervailing benefits to consumers.
16

17 56. Finally, the injury suffered by Plaintiff and members of the Class is not an injury
18 that these consumers could reasonably have avoided. After Defendant falsely represented the
19 Products, Plaintiff and Class members suffered injury in fact due to Defendant’s sale of
20 Products to them. Defendant failed to take reasonable steps to inform Plaintiff and Class
21 members that the Products would result in an automatic renewal plan by failing to clearly and
22 conspicuously provide such information. As such, Defendant took advantage of Defendant’s
23 position of perceived power in order to deceive Plaintiff and the Class members to purchase
24 Products. Therefore, the injury suffered by Plaintiff and members of the Class is not an injury
25 which these consumers could reasonably have avoided.

26 57. Thus, Defendant’s conduct has violated the “unfair” prong of California Business
27 & Professions Code § 17200.
28

FRAUDULENT

1 Plaintiff and Class Members to purchase the Products, in violation of California Business and
2 Professions Code Section 17500, et seq.. Had Defendant not falsely advertised, marketed, or
3 misrepresented the Products, Plaintiff and Class Members would not have purchased the
4 Products. Defendant’s conduct therefore caused and continues to cause economic harm to
5 Plaintiff and Class Members.

6 66. Defendant additionally violated the CLRA, makings its practice unlawful.

7 67. Additionally, Cal. Bus. & Prof. C. § 17602(a) makes it unlawful for a business to
8 make an automatic renewal offer to a consumer that “(1) [f]ail[s] to present the automatic
9 renewal offer terms or continuous service offer terms in a clear and conspicuous manner before
10 the subscription or purchasing agreement is fulfilled and in visual proximity” with clear and
11 conspicuous meaning “in larger type than the surrounding text, or in contrasting type, font, or
12 color to the surrounding text of the same size, or set off from the surrounding text of the same
13 size by symbols or other marks, in a manner that clearly calls attention to the language.”
14

15 68. Defendant failed to present its auto renewal language in clear and conspicuous
16 language and thus committed an unlawful act under the UCL.

17 69. This practice of making these representations by Defendant is therefore an
18 “unlawful” business practice or act under Business and Professions Code Section 17200 *et seq.*

19 70. Defendant has thus engaged in unlawful, unfair, and fraudulent business acts
20 entitling Plaintiff and Class Members to judgment and equitable relief against Defendant, as
21 set forth in the Prayer for Relief. Additionally, pursuant to Business and Professions Code
22 section 17203, Plaintiff and Class Members seek an order requiring Defendant to immediately
23 cease such acts of unlawful, unfair, and fraudulent business practices and requiring Defendant
24 to correct their actions.

25 **THIRD CAUSE OF ACTION**
26 **Violation of Consumer Legal Remedies Act**
27 **(Cal. Civ. Code § 1750 *et seq.*)**
28

71. Plaintiff incorporates by reference each allegation set forth above herein.

1 72. Defendant's actions as detailed above constitute a violation of the Consumer
2 Legal Remedies Act, Cal. Civ. Code §1770 to the extent that Defendant violated the
3 following provisions of the CLRA:

- 4 a. Advertising goods or services with intent not to sell them as
advertised; *Cal. Civ. Code* §1770(9);
- 5 b. Representing that a transaction confers or involves rights,
6 remedies, or obligations which it does not have or involve, or which are
7 prohibited by law; *Cal. Civ. Code* §1770(14); and
- 8 c. Representing that the subject of a transaction has been supplied in
accordance with a previous representation when it has not; *Cal. Civ. Code*
§1770(16).

9 73. On or about July 16, 2019, through her Counsel of record, using certified mail with
10 a return receipt requested, Plaintiff served Defendant with notice of its violations of the CLRA,
11 and asked that Defendant to correct, repair, replace or otherwise rectify the goods and services
12 alleged to be in violation of the CLRA. This correspondence advised Defendant that they must
13 take such action within thirty (30) calendar days, and pointed Defendant to the provisions of
14 the CLRA that Plaintiff believes to have been violated by Defendant. Defendant has refused
15 to timely correct, repair, replace or otherwise rectify the issues raised therein.

16 74. Plaintiff has filed a venue affidavit concurrently with the Complaint as required by
17 the CLRA.

18 **TRIAL BY JURY**

19 75. Plaintiff requests a trial by jury as to all claims so triable.

20 **PRAYER FOR RELIEF**

21 WHEREFORE, Plaintiff, SANDRA WARNOCK, individually, and on behalf of all
22 others similarly situated, respectfully requests judgment be entered against Defendant, for the
23 following:

- 24 a. That this action be certified as a class action on behalf of The Class and
25 Plaintiff be appointed as the representative of The Class;
 - 26 b. Actual damages;
 - 27 c. Punitive damages;
- 28

- d. Restitution of the funds improperly obtained by Defendant;
- e. Any and all statutory enhanced damages;
- f. All reasonable and necessary attorneys' fees and costs provided by statute, common law or the Court's inherent power;
- g. For equitable and injunctive and pursuant to California Business and Professions Code § 17203;
- h. For prejudgment interest at the legal rate; and
- i. Any other relief this Honorable Court deems appropriate.

Respectfully submitted this 11th day of July, 2019.

LAW OFFICES OF TODD M. FRIEDMAN, P.C.

By: /s/ Todd M. Friedman
Todd M. Friedman
Law Offices of Todd M. Friedman
Attorney for Plaintiff

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EXHIBIT A
Venue Affidavit

1 Todd M. Friedman (SBN 216752)
2 Adrian R. Bacon (SBN 280332)
3 Meghan E. George (SBN 274525)
4 Thomas E. Wheeler (SBN 308789)
5 LAW OFFICES OF TODD M. FRIEDMAN, P.C.
6 21550 Oxnard St. Suite 780,
7 Woodland Hills, CA 91367
8 Phone: 877-206-4741
9 Fax: 866-633-0228
10 tfriedman@toddfllaw.com
11 abacon@toddfllaw.com
12 mgeorge@toddfllaw.com
13 twheeler@toddfllaw.com
14 *Attorneys for Plaintiff*

10 **SUPERIOR COURT OF CALIFORNIA**
11 **COUNTY OF LOS ANGELES**

12 SANDRA WARNOCK, individually and
13 on behalf of all others similarly situated,

14 Plaintiff,

15 vs.

16 PEOPLECONNECT INC. d/b/a Intelius,
17 and DOES 1-10,

18 Defendant(s).

Case No.:

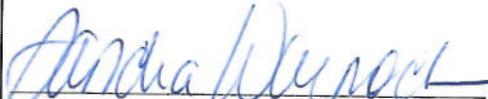
**CONSUMER LEGAL REMEDIES
ACT VENUE AFFIDAVIT; CCP §
1780**

20 I, Sandra Warnock, declare and state as follows:

- 21 1. I am the plaintiff in this matter, and specifically have brought a claim for Violations of
22 the Consumer Legal Remedies Act.
- 23 2. The defendant to this cause of action, PeopleConnect Inc., was doing business in Los
24 Angeles County California, namely, because its headquarters is located in Long Beach,
25 California.
- 26 3. I am a citizen and resident of the State of California, County of San Luis Obispo.
27
28

1 I declare under penalty of perjury under the laws of the State of California that the
2 foregoing is true and correct.

3 Executed this 16th day of July, 2019, at Grover Beach, California.
4

5
6 
7 Sandra Warnock