C	ase 2:15-cv-08456-R-AS Document 1 File	d 10/29/15 Page 1 of 20 Page ID #:1
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15	UNITED STATES DISTRICT COURT	
16	CENTRAL DISTRICT OF CALIFORNIA	
17	WESTERN DIVISION	
 18 19 20 21 22 23 24 25 26 27 28 	DAVID POYET, on Behalf of Himself and All Others Similarly Situated, Plaintiff, v. AVID LIFE MEDIA, INC. and AVID DATING LIFE, INC. d/b/a ASHLEY MADISON, Defendants.	 Case No. CLASS ACTION COMPLAINT: (1)FRAUD (2) CALIFORNIA'S UNFAIR COMPETITION LAW (§§17200, ET SEQ.); (3) CALIFORNIA'S FALSE ADVERTISING LAW (§§17500, ET SEQ.); (4) NEGLIGENT MISREPRESENTATION (5) UNJUST ENRICHMENT DEMAND FOR JURY TRIAL
	CLASS ACTIO	ON COMPLAINT

Plaintiff David Poyet ("Plaintiff"), individually and on behalf of all others 1 2 similarly situated, files this class action against defendants Avid Life Media, Inc. and 3 Avid Dating Life, Inc. d/b/a Ashley Madison (collectively, "Defendants"). Plaintiff states and alleges as follows upon information and belief, based upon, inter alia, 4 investigations conducted by and through his attorneys, except as to those allegations 5 pertaining to Plaintiff personally, which are alleged upon knowledge. Plaintiff 6 7 invokes this Court's jurisdiction pursuant to the Class Action Fairness Act of 2005, 28 U.S.C. §1332(d). 8

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SUMMARY OF THE ACTION

This case centers on Defendants' unfair and fraudulent business practices
 in an effort to increase their bottom line. Defendants operate the dating site
 AshleyMadison.com. AshleyMadison.com allegedly helps married individuals meet
 other people that are interested in having an affair. In fact, Ashley Madison's slogan
 is "Life is short. Have an Affair."

Defendants knew that a material and critical consideration to a consumer 15 2. choosing to join AshleyMadison.com and actually pay money to Defendants would 16 17 be the likelihood of making a connection and having an affair. Therefore, most male consumers would need to believe they were communicating with actual women-not 18 19 merely ghost accounts. Defendants were aware of this fact and thus repeatedly advertised that AshleyMadison.com was popular with both women and men. Indeed, 20 Defendants' marketing and promotional materials emphasized that "it is one of the 21 22 few dating sites that really clicks with women. According to statistics Chief Executive Officer ("CEO") Noel Biderman has trumpeted in the media, Ashley 23 Madison enjoys an overall 70/30 gender split—with a 1:1 male/female ratio among 24 the under-30 set."¹ 25

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27 ¹See Caitlin Devey, Ashely Madison Faked Female Profiles to Lure Men in, Hacked Data Suggest, available online at https://www.washingtonpost.com/news/the-

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3. Defendants' statements were false. In July 2015, hackers, calling 1 themselves the "Impact Team," revealed that they downloaded AshleyMadison.com's 2 users' personal information. These hackers then released this information to the 3 public in August 2015. As a result, the public was finally able to see the genders of 4 the users of AshleyMadison.com. In fact, the data the hackers revealed shows that 5 only 15% of the AshleyMadison.com's users were women.² 6

The released information also showed that Ashley Madison went to 4. 7 extreme measures to fraudulently lure in and profit from customers. Defendants 8 fraudulent and deceitful actions include, but are not limited to: 9

- Marketing that the site had 5.5 million female profiles, when only a 10 small percentage of the profiles belonged to actual women who used the 11 12 site;
- Hiring employees whose jobs were to create thousands of fake female 13 profiles; and 14
- 15 16
- Creating over 70,000 female bots to send male users millions of fake messages.

5. 17 Defendants' material misrepresentations and omissions fraudulently induced Plaintiff and the proposed class (the "Class") to pay for communications with 18 fake profiles. Specifically, members are charged "credits" for each communication 19 they make with any profile—whether fake or an actual account. Members directly 20 submit payment to Defendants through the website to accumulate credits and so each 21 22 communication costs Plaintiff and the Class actual dollar amounts.

- 6. 23 In short, Defendants did not only mislead in marketing and promoting the website, they purposefully induced members—like Plaintiff and the Class—to 24
- 25 intersect/wp/2015/08/25/ashley-madison-faked-female-profiles-to-lure-men-in-hacked-data-suggest/ (last viewed Oct. 23, 2015). 26 2 Id.
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engage with the fake profiles by sending out the initial communication to members.
 This directly caused members to incur costs while believing it was an actual person
 communicating with them.

PARTIES

7. Plaintiff David Poyet is a resident and citizen of Los Angeles, California.
Plaintiff has been a member of AshleyMadison.com since 2014. Plaintiff bought and
used credits from Defendants in order to talk with actual women on
AshleyMadison.com.

8. Defendant Avid Life Media, Inc. is a corporation organized and existing
under the laws of Ontario, Canada, with its principal place of business and
headquarters in Toronto, Canada. Defendant Avid Life Media, Inc. owns and operates
various companies that operate online dating websites including the website operated
under the trademark of Ashley Madison.

9. Defendant Avid Dating Life, Inc. d/b/a Ashley Madison is a corporation
organized and existing under the laws of Ontario, Canada, with its principal place of
business in Toronto, Canada. Defendant Avid Dating Life, Inc. owns and is regularly
engaged in the business of operating online dating websites, including
AshleyMadison.com.

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JURISDICTION AND VENUE

10. This Court has jurisdiction over this action under 28 U.S.C. §1332(d),
because this is a class action in which: (i) the matter in controversy exceeds the sum
or value of \$5,000,000, exclusive of interest and costs; (ii) members of the proposed
class are citizens of a State different from a defendant; and (iii) the number of Class
members is greater than 100.

11. Because a substantial portion of the wrongdoing alleged herein occurred
in California, the Court has personal jurisdiction over Defendants. Defendants also
have sufficient minimum contacts with California and have otherwise intentionally

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availed themselves of the markets in California through the promotion, marketing,
 and sale of products sufficient to render the exercise of jurisdiction by this Court
 permissible under traditional notions of fair play and substantial justice.

Venue is proper in this District under 28 U.S.C. §1391(b)(2) and (3)
because: (i) a substantial part of the events or omissions giving rise to these claims
occurred in this District; (ii) a substantial part of the property that is the subject of this
action is situated in this District; and (iii) Defendants are subject to the Court's
personal jurisdiction with respect to this action.

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FACTUAL ALLEGATIONS

13. AshleyMadison.com is owned by Avid Life Media, Inc., a privately-held
 Canadian corporation founded by its CEO Noel Biderman, which owns various
 companies in the business of operating online dating websites, including
 CougarLife.com and EstablishedMen.com.

14. Defendants operate AshleyMadison.com to facilitate sexual encounters 14 for people who are married or are in committed relationships. Defendants market 15 AshleyMadison.com with the slogan, "Life is short. Have an Affair" and target 16 married/involved people for their matchmaking services. Defendants proclaim that 17 "Ashley Madison is the most famous name in infidelity and married dating" and "the 18 most successful website for finding an affair and cheating partners." Defendants 19 represent that "[t]housands of cheating wives and cheating husbands sign up every 20 day looking for an affair." 21

15. Ashley Madison's revenue model relies upon the purchase of "credits"
by users that are used to interact with one another, as opposed to a subscription-based
model. To initiate a conversation with another user, one must "pay" five credits.
Users buy credits from the website and enter their credit or debit card information to
buy credits. Various means of interacting with other users, such as having instant

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CLASS ACTION COMPLAINT

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1 messaging, online chats, or sending messages to prospective matches, cost different
2 amounts of credits.

3 16. Defendants focused their marketing on the availability of numerous
4 female members to communicate with, including touting that:

- "Ashley Madison enjoys an overall 70/30 gender split with a 1:1 male/female ratio among the under-30 set;"
 - "Thousands of cheating wives and cheating husbands signup everyday looking for an affair;" and
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Ashley Madison had 5.5 million women members.

THE TRUTH IS REVEALED

11 17. On July 12, 2015, Defendants learned that their computer systems had 12 been hacked by notification on each of their employees' internal computers greeting 13 screen. Included in the on-screen message was the statement that "[w]e have taken 14 over all systems in your entire office and production domains, all customer 15 information databases, source code repositories, financial records, emails."

16 18. The hackers released the information they obtained to the public. Based17 on this release, Defendants scheme of fake female profiles was revealed.

18 19. For instance, it was reported by one individual that based on her19 analysis:

[T]he more I examined those 5.5 million female profiles, the more
obvious it became that *none of them had ever talked to men on the site, or even used the site at all after creating a profile.* Actually, scratch
that. As I'll explain below, there's a good chance that about 12,000 of
the profiles out of millions belonged to actual, real women who were
active users of Ashley Madison.³

²⁶ ³ See Ashley Madison, Almost None of the Women in the Ashley Madison Database
 ²⁷ ³ See Ashley Madison, Almost None of the Women in the Ashley Madison Database
 ²⁷ ³ women-in-the-ashley-madison-database-1725558944 (last viewed Oct. 23, 2015).

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20. Included in the released information was Defendants' computer code,
 including code from fake female robot profiles intended to interact with male
 customers. Comments in the code contain "a set of descriptions for how the engager
 bots should act" providing:

• Host bot mother creates engagers;

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- Birth has been given! let the engager find itself a man!; and
- Randomizing start time so engagers don't all pop up at the same time for every single state that has guest males, we want to have a chat engager.

9 21. Analysis and research into the internal information and the computer
10 code has shown the true extent and deliberate fraud Defendants engaged in:

What I *have* learned from examining the site's source code is that Ashley Madison's army of fembots appears to have been a sophisticated, deliberate, and lucrative fraud. The code tells the story of a company trying to weave the illusion that women on the site are plentiful and eager.⁴

22. This comprehensive scheme is further highlighted by the fact that
Defendants had their fake accounts contact members over *twenty million times*:

18 NUMBER OF TIMES BOTS SENT PEOPLE MESSAGES ON ASHLEY MADISON 19 20 20,269,675 21 1,492 22 23 24 25 ⁴ See Annalee Newitz, Ashley Madison Code Shows More Women, and More Bots, available online at http://gizmodo.com/ashley-madison-code-shows-more-women-and-more-bots-1727613924 (last viewed Oct. 23, 2015). 26 27 28 - 6 -



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23. The fake profiles not only initiated contact but would continue to communicate and encourage the users to purchase more credits to allow contact. *Id.*

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24. Defendants took proactive steps to ensure that the fake profiles would further entice members by further misleading them into thinking it was a real person who would likely agree to meet them in the future. Defendants had specific canned responses for any response by a male to an initial contact:

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• "Hmmmm, when I was younger I used to sleep with my friend's boyfriends. I guess old habits die hard although I could never sleep with their husbands."

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• "I'm sexy, discreet, and always up for kinky chat. Would also meet up in person if we get to know each other and think there might be a good connection. Does this sound intriguing?"

25. In the end, Defendants reaped in profits by defrauding Plaintiff and the
Class and creating the impression and understanding that any experience on
AshleyMadison.com would be a genuine exchange with real people. Indeed, it has
been disclosed that "20 million men out of 31 million received bot mail, and about 11
million of them were chatted up by an automated 'engager.' And in the code, I
discovered that for many members, these robo-encounters could come roughly every
few minutes." *Id.*

PLAINTIFF AND THE CLASS JUSTIFIABLY RELIED ON DEFENDANTS' STATEMENTS

22 26. Plaintiff is an adult individual who reviewed and relied on Defendants'
23 marketing, promotions and advertising.

24 27. Plaintiff had no information or reason to believe Defendants were falsely
25 marketing the presence of women accountholders on AshleyMadison.com. These
26 statements were specifically made to induce Plaintiff and the Class to purchase
27 credits.

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28. Plaintiff reasonably relied on the statements presented as specific factual
 representations and percentages touted by Defendants to his detriment.

3 29. Plaintiff further reasonably believed that any message he received from a
4 female was an actual person looking to engage in communication.

30. Had Plaintiff known that the women active on the website were grossly
exaggerated, he would not have joined. Further, had Plaintiff known that the female
accounts contacting him were fake; he would not have paid the credits to engage in
communication.

9 31. Plaintiff and the class have suffered an injury and damages because of
10 and caused by Defendants' fraudulent conduct.

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CLASS ACTION ALLEGATIONS

12 32. Plaintiff brings this action pursuant to Rules 23(a) and 23(b)(3) of the
13 Federal Rules of Civil Procedure.

14 33. Plaintiff seeks certification of the following nationwide classes (the
15 "Nationwide Class"):

All persons in the United States who, after September 11, 2012, were credit purchasing members of Defendants' website. The term "persons" includes individuals and profit and not-for-profit corporations, partnerships, limited liability companies, limited liability partnerships, joint ventures, sole proprietorships, associations, firm, trust and other business and governmental entities.

34. Excluded from the Class are Defendants, their parent companies,
subsidiaries, and affiliates; any co-conspirators; federal governmental entities and
instrumentalities of the federal government; states and their subdivisions, agencies,
and instrumentalities; and any judicial officer presiding over this matter and his or her
staff.

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35. Numerosity. The Class comprises thousands or more of consumers
 throughout the nation. The Class is so numerous that joinder of all members is
 impracticable.

4 36. Commonality and Predominance. Common questions of law and fact
5 exist as to Plaintiff and the Class and predominate over any questions that affect only
6 individual Class members. These common questions of law and fact include, without
7 limitation:

8	(a)	the nature, scope and operations of the wrongful practices of
9		Defendants;
10	(b)	whether Defendants engaged in a course of unfair, unlawful,
11		fraudulent and/or deceptive conduct in utilizing fake profiles on
12		their website;
13	(c)	whether Defendants knew or should have known their business
14		practices were unfair and fraudulent;
15	(d)	whether California law governs the Nationwide Class claims;
16	(e)	whether Defendants owed a duty of care to Plaintiff and the Class;
17	(f)	whether Defendants made fraudulent and/or misleading
18		representations of fact to consumers;
19	(g)	whether Defendants knew or should have known that their
20		representations were fraudulent and/or misleading in connection
21		with offering bonuses to consumers;
22	(h)	whether Defendants' fraudulent and deceptive conduct harmed
23		Plaintiff and the Class; and
24	(i)	whether Defendants were unjustly enriched by their deceptive
25		practices.
26	37.	Typicality. Plaintiff's claims are typical of the claims of Class members.
27	Plaintiff and	d the Class sustained damages arising out of Defendants' common course
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of conduct in violation of law, as described herein. The damages of each Class
 member were caused directly by Defendants' unlawful and deceptive conduct.

38. Adequacy. Plaintiff will fairly and adequately protect the interests of the
Class because they share common injuries as a result of Defendants' conduct that is
common to all Class members. Plaintiff has no interest adverse to the interests of
absent Class members. Plaintiff has retained counsel with substantial experience and
success in the prosecution of complex class action and consumer protection litigation.
Plaintiff and his counsel are committed to prosecuting this action vigorously on
behalf of the Class, and have the financial resources to do so.

39. Superiority. A class action is superior to other methods of fairly and
efficiently adjudicating this litigation. While not inconsequential, the damages as to
any individual litigant are such that individual litigation is not feasible. Furthermore,
many Class members may not even be aware that they have claims. Accordingly, for
Class members, a class action is the only mechanism by which they could reasonably
expect to vindicate their rights.

40. The prosecution of separate actions by individual Class members would
create a risk of inconsistent and varying adjudications concerning the subject of this
action.

41. Class treatment of predominating common questions of law and fact is
superior to multiple individual actions because it would conserve the resources of the
courts and the litigants, and further the efficient adjudication of Class member claims.

42. Plaintiff knows of no difficulty to be encountered in the management ofthis action that would preclude its maintenance as a class action.

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CLAIMS FOR RELIEF COUNT I

FRAUD (Brought on behalf of the Class)

5 43. Plaintiff repeats and realleges each of the above allegations as if fully set
6 forth herein.

44. As is fully alleged above, throughout the class period, Defendants
knowingly made false misrepresentations and material omissions of fact.
Specifically, Defendants misrepresented the truth about the number of active and
actual female account holders on their website, AshelyMadison.com. Defendants
also willfully failed to disclose that once a member an individual will likely be
contacted by a fake profile created and ran by Defendants to ensure that Plaintiff and
the Class members would purchase additional credits on the website.

45. Defendants had superior and exclusive knowledge regarding the actual 14 number of female active users on AshelyMadison.com. Defendants had exclusive 15 knowledge on what accounts were fake profiles generating communications to 16 Plaintiff and the Class. Failing to disclose and/or making material misrepresentations 17 concerning this information to Plaintiff and the Class members rendered Defendants' 18 transactions with Plaintiff and the Class members inherently unfair and fraudulent. 19 Defendants therefore had a duty to disclose this information to Plaintiff and the Class 20 members. 21

46. Defendants' misrepresentations and omissions were made for the
purpose of inducing Plaintiff and members of the Class to join their website and pay
fees to Defendants to participate in communication with other account holders.

47. Plaintiff and the Class members justifiably relied on Defendants'
misrepresentations and omissions when they joined Defendants' website, payed fees
to receive credits, and participated in communications with fake profiles.

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CLASS ACTION COMPLAINT

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48. Defendants knew, or should have known, that likelihood and/or
 availability to engage in communications with actual females was a material fact
 inducing Plaintiff and the Class members to sign up. Defendants own marketing
 campaign illustrates this knowledge as they emphasized the popularity of
 AshelyMadison.com with women.

49. Plaintiff and the Class members would not have signed up for
AshelyMadison.com, paid fees and participated in communications absent
Defendants' misrepresentations and omissions regarding the fake female profiles and
active female account holders.

50. As a result of Defendants' fraudulent misrepresentations and omissions,
Plaintiff and the Class members were induced into transactions that they otherwise
would not have made and suffered financial injury, harm, and damages as described in
this Complaint.

14 **COUNT II** 15 VIOLATION OF CALIFORNIA'S UNFAIR COMPETITION LAW (California Business and Professions Code §§17200, *et seq.*) (Brought on behalf of the Nationwide Class and the California Class) 16 17 51. Plaintiff realleges the foregoing paragraphs as is fully set forth herein. 18 19 52. Plaintiff brings this claim on behalf of himself and the proposed Class. 20 53. California Business and Professions Code §§17200, et seq. prohibits acts of unfair competition, including any "unlawful, unfair or fraudulent business act or 21 22 practice." 23 54. California Business and Professions Code §§17200, et seq. imposes Plaintiff does not have to prove Defendants intentionally or 24 strict liability. negligently engaged in unlawful, unfair or fraudulent business acts or practices. 25 Instead, Plaintiff only has to prove such acts or practices occurred. 26 27 28 - 12 -CLASS ACTION COMPLAINT

55. Defendants engaged in unlawful business acts and practices in violation
 of California Business and Professions Code §§17200, *et seq.* by engaging in unfair,
 unlawful and fraudulent business acts or practices as described herein, including but
 not limited to, failing to disclose (i) the true number of active female accounts on
 AshelyMadison.com; and (ii) when a member received communication from a fake
 profile.

7 56. Defendants' practices are likely to deceive, and have deceived, members
8 of the public.

9 57. Defendants knew, or should have known, that their misrepresentations,
10 omissions, failure to disclosure and/or partial disclosures omit material facts and are
11 likely to deceive a reasonable consumer.

58. Defendants continued to make such misrepresentations despite the fact
they knew or should have known that their conduct was misleading and deceptive.

59. By engaging in the above-described acts and practices, Defendants
committed one or more acts of unfair competition within the meaning of Unfair
Competition Law, California Business and Professions Code §§17200, *et seq.*

17 60. Plaintiff reserves the right to identify additional provisions of law
18 violated by Defendants as further investigation and discovery warrants.

19 61. Defendants' misrepresentations, business practices and their false and
20 misleading advertising regarding constitute "unfair" business acts and practices
21 because such conduct is immoral, unscrupulous, and offends public policy.

62. Defendants' misrepresentations, business practices and their false and
misleading advertising constitute "fraudulent" business acts and practices because
members of the consuming public, including Plaintiff and the Class members, were
and are likely to be deceived thereby.

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1 63. The harm to Plaintiff and members of the public outweighs the utility, if
 2 any, of Defendants' acts and practices described above and therefore Defendants' acts
 3 and practices constitute an unfair business act or practice.

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64. Defendants' acts and practices have detrimentally impacted competition
and caused substantial harm to Plaintiff, the Class members, and the consuming
public. Plaintiff and the Class members were misled and suffered injuries and lost
money or property as a direct and proximate result of Defendants' unlawful business
acts and practices.

9 65. Defendants' knew or reasonably should have known their misleading 10 business practices of misrepresenting the true number of active and actual female 11 account holders and failing to disclose that once a member an individual will likely 12 be contacted by a fake profile created and ran by Defendants were likely to deceive 13 reasonable consumers.

14 66. Defendants' misrepresentations and their false and misleading business
15 practices present a continuing threat to consumers in that such advertising will
16 continue to mislead consumers.

67. By reason of the foregoing, Defendants should be required to pay
damages and/or make restitution to Plaintiff and the Class Members and pay for
Plaintiff's and the Class members' attorneys' fees.

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COUNT III

VIOLATION OF CALIFORNIA'S FALSE ADVERTISING LAW (California Business and Professions Code §§17500, *et seq.*) (Brought on behalf of the Nationwide Class and the California Class)

68. Plaintiff realleges the foregoing paragraphs as is fully set forth herein.

69. Plaintiff brings this claim on behalf of himself and the proposed Class.

70. Defendants are disseminating advertising in California.

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71. California Business and Professions Code §§17500, et seq. provides that 1 2 "[i]t is unlawful for any ... corporation ... with intent ... to dispose of ... personal property ... to induce the public to enter into any obligation relating thereto, to make 3 or disseminate or cause to be made or disseminated ... from this state before the 4 public in any state, in any newspaper or other publication, or any advertising device, 5 or by public outcry or proclamation, or in any other manner or means whatever, 6 7 including over the Internet, any statement ... which is untrue or misleading, and which is known, or which by the exercise of reasonable care should be known, to be untrue 8 or misleading...." 9

72. When Defendants disseminated the advertising, they knew, or by the 10 11 exercise of reasonable care should have known, that the statements were untrue or 12 misleading, or omitted to state the truth about their services and related terms, in violation of the False Advertising Law, California Business and Professions Code 13 §§17500, et seq. Specifically, Defendants misrepresented the truth about the number 14 of active and actual female account holders on their website, AshelyMadison.com 15 and also willfully failed to disclose that once a member an individual will likely be 16 17 contacted by a fake profile created and ran by Defendants. Both of which Defendants knew were likely to deceive reasonable consumers. 18

73. Plaintiff and the Class members were misled and suffered injuries and
lost money or property as a direct and proximate result of Defendants'
misrepresentations and their false and misleading in violation of California Business
& Professions Code §§17500, *et. seq.*

74. As a result of Defendants' wrongful conduct, Plaintiff and the Class are
entitled to restitution and an order for the disgorgement of the funds by which
Defendants were unjustly enriched.

26 75. Pursuant to California Business and Professions Code §§17203 and
27 17535, Plaintiff and the members of the Class seek an order of this Court enjoining

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Defendants from continuing to engage, use, or employ the above-described practices 1 2 in advertising and marketing their services.

Likewise, Plaintiff seeks an order requiring Defendants to make full 76. 3 corrective disclosures to correct their prior misrepresentations, omissions, failures to 4 disclose, and partial disclosures. 5

77. On information and belief, Defendants have failed and refused, and in 6 7 the future will fail and refuse, to cease their deceptive advertising practices, and will continue to do those acts unless this Court orders Defendants to cease and desist 8 pursuant to California Business and Professions Code §17535. 9

Plaintiff, individually and on behalf of the Class, seek restitution, 78. 10 disgorgement, injunctive relief, and all other relief allowable under California 11 Business and Professions Code §§17500, et seq. 12

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COUNT IV

NEGLIGENT MISREPRESENTATION

79. Plaintiff realleges the foregoing paragraphs as is fully set forth herein.

80. Plaintiff brings this claim on behalf of himself and the proposed Class.

81. Defendants had a duty to disclose to Plaintiff and the Class members that 18 their employees were running numerous fake female profiles and the actual number 19 of active female accounts was materially less than represented by Defendants. 20 Likewise, Defendants had a duty to disclose when it was one of the fake profiles 21 contacting a member of AshleyMadison.com. 22

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Defendants negligently and/or carelessly misrepresented, omitted and 82. concealed from consumers material facts relating to AshleyMadison.com. 24

83. These misrepresentations and omissions were material and concerned 25 the specific information that a reasonable consumer would consider in choosing to 26 join, pay fees and participate in communications on AshleyMadison.com. 27

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84. As a result of Defendants' misstatements and omissions, they were under
 a duty to disclose the additional facts necessary to avoid any misrepresentation or
 confusion. Further, Defendants knew of their misrepresentations and omissions.

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4 85. At the time failed to disclose, conceal, suppress and/or omitted material
5 information, Defendants knew, or by the exercise of reasonable care should have
6 known, that the statements were false and misleading to reasonable consumers.

86. Plaintiff and Class members justifiably relied upon Defendants'
misrepresentations and omissions. Plaintiff and Class members were unaware of the
falsity of Defendants' misrepresentations and omissions and, as a result, justifiably
relied on them in participating in the online fantasy sports offered by Defendants.
Had Plaintiff and Class members been aware of the truth, they would not have joined,
paid fees or participated in communications on AshleyMadison.com.

87. As a direct and proximate result of Defendants' misrepresentations and
omissions of material fact, Plaintiff and Class members have suffered and will
continue to suffer damages and losses as alleged herein in an amount to be
determined at trial.

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UNJUST ENRICHMENT

COUNT V

19 88. Plaintiff repeats and realleges each of the above allegations as if fully set20 forth herein.

21 89. Defendants have benefitted and been enriched from their unlawful acts
22 by accepting the benefit conferred by Plaintiff and the Class members.

90. It would be inequitable for Defendants to be permitted to retain any of
the ill-gotten gains resulting from the fees paid by Plaintiff and the Class members to
Defendants.

26 91. Defendants' ill-gotten gains were at the expense of Plaintiff and the Class
27 members.

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92. It is against equity and good conscience to permit Defendants to retain
 their ill-gotten profits.

PRAYER FOR RELIEF

Plaintiff, individually and on behalf of the Class, prays for judgment and relief
against Defendants as follows:

A. for an order certifying this case as a class action and appointing Plaintiff
and Plaintiff's counsel to represent the Class;
B. for a declaratory judgment and injunction prohibiting the use of
undisclosed fake profiles on Defendants' website;

10 C. for an order awarding, as appropriate, damages, restitution, and/or
11 disgorgement to Plaintiff and the Class members, including all damages to which
12 Plaintiff and the Class are entitled to under California law, and all other statutory
13 penalties.

D. for an order awarding attorneys' fees and costs to which Plaintiff and the
Class;

16 E. for an order awarding punitive damages;

F. for an order awarding pre-judgment and post-judgment interest; and

18 G. for an order providing such further relief as this Court deems just and19 proper.

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DEMAND FOR JURY TRIAL

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

22 **ROBBINS ARROYO LLP** Dated: October 29, 2015 23 s/Brian J. Robbins AN J. ROBBINS 24 brobbins@robbinsarroyo.com KEVIN A. SEELY 25 kseely@robbinsarroyo.com RIFKIN 26 n@robbinsarroyo.com LEONID KANDINÓV 27 lkandinov@robbinsarroyo.com 28 - 18 -CLASS ACTION COMPLAINT

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