

1 **SMITH KRIVOSHEY, PC**
2 Yeremey O. Krivoshey (State Bar No. 295032)
3 Brittany S. Scott (State Bar No. 327132)
4 28 Geary Street, Ste. 650-1507
5 Telephone: (415) 839-7000
6 Facsimile: (888) 410-0415
7 Email: yeremey@skclassactions.com
8 brittany@skclassactions.com

9
10 **SMITH KRIVOSHEY, PC**
11 Joel D. Smith (State Bar No. 244902)
12 867 Boylston Street, 5th Floor, Ste. 1520
13 Boston, MA 02116
14 Telephone: (617) 377-7404
15 Facsimile: (888) 410-0415
16 Email: joel@skclassactions.com

17 *Attorneys for Plaintiff*

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20 **UNITED STATES DISTRICT COURT**
21 **NORTHERN DISTRICT OF CALIFORNIA**

22
23 EDDIE GUERRA, on behalf of himself and all
24 others similarly situated,

25
26 Plaintiff,

27 v.

28 APPLE INC., a corporation,

Defendant.

CASE NO.:

CLASS ACTION COMPLAINT

1. Violation of California False Advertising Law
2. Violation of California Unfair Competition Law
3. Violation of California Consumers Legal Remedies Act
4. Unjust Enrichment

DEMAND FOR JURY TRIAL

1 Plaintiff Eddie Guerra (“Plaintiff”), on behalf of himself and all others similarly situated,
 2 brings this class action against Defendant Apple, Inc. (“Apple” or “Defendant”), based on
 3 Defendant’s false and deceptive advertising of its Apple TV movies and other video content.

4 **APPLE’S VIOLATION OF AB 2426 AND FALSE ADVERTISING OF “4K” CONTENT**

5 1. On January 1, 2025, California’s Assembly Bill 2426, the California Digital Property
 6 Rights Transparency Law, California Business & Professions Code § 17500.6 went into effect (“AB
 7 2426” or Section 17500.6). Section 17500.6 prohibits a seller of a digital good from advertising a
 8 digital good (such as movies and television shows) with terms “buy,” “purchase,” or any other term
 9 with a reasonable person would understand to confer an unrestricted ownership interest unless 1)
 10 the seller receives at the time of the transaction an affirmative acknowledge from the purchaser
 11 indicating that the purchaser is receiving a *license* to access the digital good, a complete list of
 12 restrictions and conditions of the license, *and that access to the digital good may be unilaterally*
 13 *revoked* by the seller if they no longer hold a right to the digital good or 2) the seller provides to the
 14 consumer before executing each transaction a clear and conspicuous statement that states in plain
 15 language that “buying” or “purchasing” the digital good is a license and includes a hyperlink, QR
 16 code, or similar method to access the terms and conditions that provide full details on the license.
 17 Section 17500.6(b)(1). Section 17500.6 further requires that any affirmative acknowledgement from
 18 the purchaser or clear and conspicuous statement pursuant to § 17500.6(b)(1) “shall be distinct and
 19 separate from any other terms and conditions of the transaction that the purchaser acknowledges or
 20 agrees to.” Section 17500.6(b)(2).

21 2. California enacted Section 17500.6 on the heels of high-profile debacles by media
 22 and entertainment companies revoking, or threatening to revoke, access to digital goods that
 23 consumers thought they “purchased” and “owned” forever. For instance, in April 2024, the company
 24 Ubisoft revoked the licenses to access a video game it sold called “The Crew,” meaning that all of
 25 its customers that thought they “purchased” the game could no longer play it.¹ This stood in sharp
 26 contrast to consumer expectations of what “ownership” of a video game meant. After all, before the
 27

28 ¹ <https://www.engadget.com/ubisoft-is-deleting-the-crew-from-players-libraries-reminding-us-we-own-nothing-165328083.html>

1 mass proliferation of online-only video games, gamers could “buy” a Nintedo 64 or Playstation
 2 game and play it *forever* on an offline gaming console at home. In another high-profile example,
 3 Sony faced backlash after announcing it would remove Discovery content (*i.e.*, thousands of TV
 4 shows) from users’ digital libraries, only retracting this move after public outrage.² In another more
 5 dated example, Amazon remotely deleted copies of George Orwell’s “1984” from customers’
 6 Kindles without warning in 2009. Again, on the backdrop of literally hundreds of years of consumer
 7 expectation, consumers never thought that they could ever lose access to a “book” that they
 8 “purchased,” at least not without losing the physical book. Similarly, when Microsoft shut down its
 9 e-book store in 2019, customers lost access to all their purchased books, receiving refunds but no
 10 permanent copies.³

11 3. The California Rules Committee notes and comments to Section 17500.6 summarize
 12 many of the concerns California aimed at addressing when passing the new rule:

13 Our increasingly online lives have opened up a vast market of online “digital
 14 goods.” These are products that are offered for “sale” but are not available to be
 15 permanently downloaded. These digital goods, such as movies on streaming
 16 services or books to be read on various electronic devices, are “purchased” by
 17 consumers. However, despite what an ordinary consumer might think, oftentimes
 18 these sales are only providing license to access and use these digital goods and do
 19 not confer ownership of anything.

20 This bill seeks to address the arguably misleading use of the terms “buy,”
 21 “purchase,” or other similar terms in these transactions by prohibiting their use
 22 unless the seller of the good either (1) secures an affirmative acknowledgement
 23 from the buyer that indicates they are only receiving a license to access the digital
 24 good that may be unilaterally revoked and includes the terms of the license; or (2)
 25 the seller provides a clear and conspicuous statement that the transaction is only
 26 conferring a license and includes some easily accessible method to access the
 27 terms and conditions of that license. These must be separate and apart from any
 28 other terms and conditions. ...

Comments

29 *Providing transparency in digital good “sales”*. Digital goods are now ubiquitous.
 30 These online products and services include music, movies, video games, and
 31 books. These products are increasingly easy to purchase on the many devices most
 32 people use to take advantage of these goods, reading on a Kindle, watching a
 33 movie on their laptop, or playing an online video game on their gaming system.

27 ² <https://publicknowledge.org/ownership-used-to-mean-something/>

28 ³ *Id.*

1 However, while many of these goods are available to “buy” or “purchase” online,
 2 the buyer is not receiving the type of ownership that comes with ancient products
 3 like DVDs, CDs, or paper books:

4 As the entertainment industry shifts its distribution strategy to let
 5 people buy or rent movies closer to—or simultaneously with—their
 6 release in theaters, you may find yourself amassing a larger digital
 7 library than you’ve had in the past. But when you buy a movie from a
 8 digital service like Amazon Prime Video or Vudu, does it really
 9 belong to you? What if you buy a song on iTunes or download one to
 10 your phone from Spotify? Are these files yours forever? If you cancel
 11 the service or, as unlikely as it may seem, one of these huge
 12 companies goes out of business, what then?

13 The answer is a little complex, but the short version is, no, you don’t
 14 actually own the digital media files that you purchase. This doesn’t
 15 mean you’re imminently at risk of losing every digital movie and TV
 16 show you’ve ever bought at the whim of a megacorp, but it is
 17 possible. . . .

18 What you’re purchasing in most cases is a license to watch that video
 19 or listen to that song.

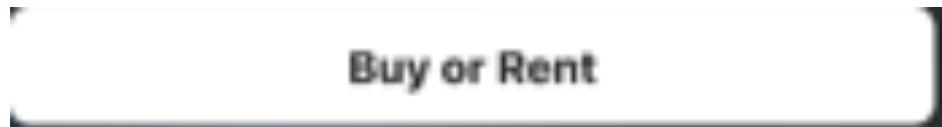
20 While there is nothing inherently wrong with these licensing structures, they may
 21 not align with what a consumer expects, especially when the term “buy” or
 22 “purchase” is being used. A report put out by the Department of Commerce’s
 23 Internet Policy Task Force concludes:

24 It does not appear that consumers have a clear understanding whether
 25 they own or license the products and services they purchase online
 26 due in part to the length and opacity of most EULAs, the labelling of
 27 the “buy” button, and the lack of clear and conspicuous information
 28 regarding ownership status on websites. The Task Force believes that
 29 consumers would benefit from more information on the nature of the
 30 transactions they enter into, including whether they are paying for
 31 access to content or for ownership of a copy, in order to instill greater
 32 confidence and enhance participation in the online marketplace.

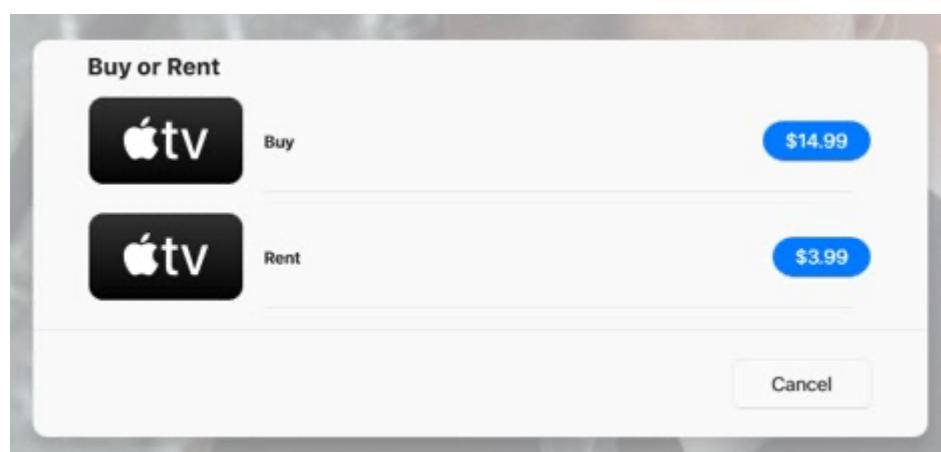
33 This bill seeks to ensure consumers know what they are getting in these
 34 transactions by prohibiting sellers of these digital goods from advertising or
 35 offering for sale digital goods using the terms “buy,” “purchase,” or other similar
 36 terms which a reasonable person would understand to confer an unrestricted
 37 ownership interest in the digital good. A “digital good” is a digital audiovisual
 38 work, digital audio work, digital book, digital code, or digital application or game,
 39 as defined, whether electronically or digitally delivered or accessed.

40 Ex. 1.

1 4. While many digital content providers were quick to adjust their marketing of movies,
 2 TV shows, and games sold (or licensed) online, Apple effectively made no change in response to
 3 Section 17500.6 despite having its headquarters in California and surely closely following §
 4 17500.6's passage. To this day, Apple's massively popular Apple TV service offers movies, TV
 5 shows, and other digital content with a "Buy or Rent" button, as depicted below:



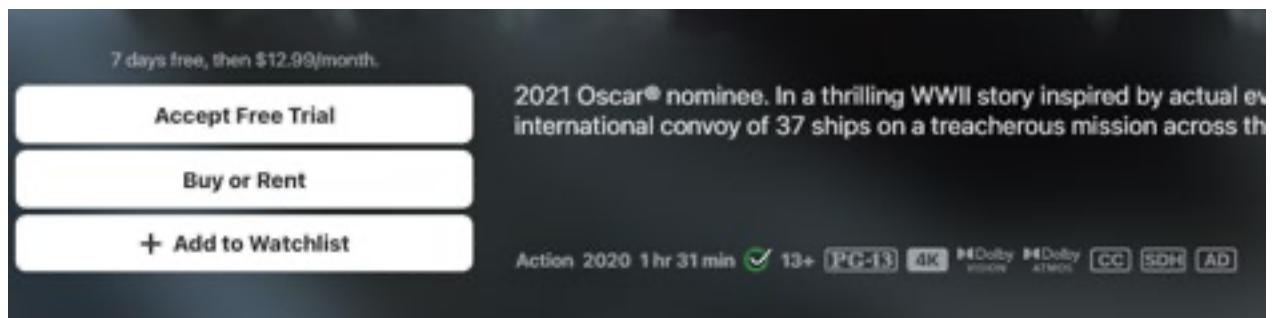
6 5. When a consumer clicks "Buy or Rent," they are presented with separate prices to
 7 either "Buy" or "Rent" the content, with no disclosures or asterisks anywhere that the "Buy" option
 8 is actually an offer for the sale of a "license," and not an offer of an unrestricted ownership interest
 9 in the digital good. The "Buy" option is always more expensive than the "Rent" option, as depicted
 10 below for the movie "Greyhound" starring Tom Hanks.



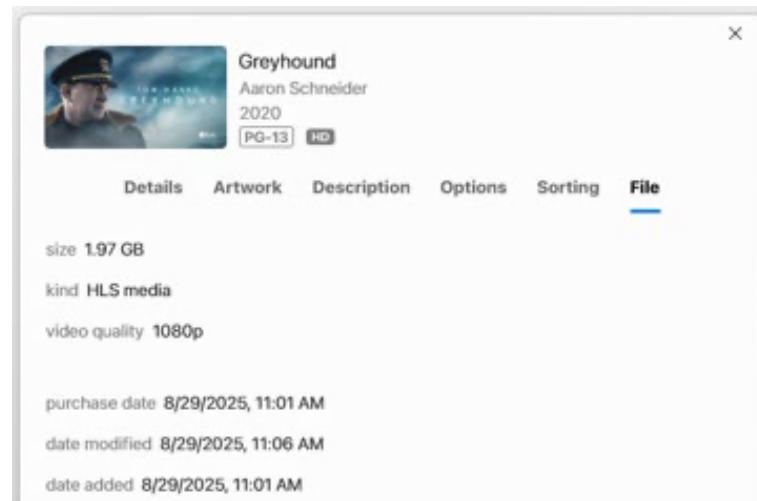
11 6. Unknown to consumers, Apple has the option and the right to unilaterally revoke this
 12 license, such as if it loses the rights to any given digital good, such as through a merger with another
 13 company, sale of media and licensing rights, or discontinuation of its Apple TV service. In other
 14 words, consumers are not actually "purchasing" the digital good, but only a limited license to the
 15 digital good, without the mandatory disclosures required by Section 17500.6.

16 7. To make matters worse, Apple also advertises many of its movies and TV shows as
 17 "4K," referring to high-end resolution of approximately 4,000 pixels. 4K resolution is preferred by

1 and sought out by consumers because of the perceived premium image and motion quality of the
 2 display, with sharper, more detailed, and clearer images, especially on larger screens. 4K resolution
 3 provides nearly four times the pixel count of normal HD (high definition) content, which typically
 4 maxes out at 1080 pixels. The “4K” image is displayed prominently before a consumer decides
 5 whether to purchase the movie, as depicted below for the movie “Greyhound” below:



12 8. However, despite offering a limited opportunity for consumers to “download” digital
 13 content after “purchase” for a short period of 30 days (after which downloads are no longer
 14 permitted), any downloaded content is made available only in a maximum of 1080 pixels (regular
 15 HD), *even if the digital content was advertised as 4K at the time of sale*. For instance, a consumer
 16 purchasing and then downloading the Greyhound movie depicted above would then be surprised to
 17 learn (and even then only if they happened to investigate) that the video quality is only 1080p, *not*
 18 4K, in the file description of the movie in their Apple movie library, as depicted below:



27 9. Accordingly, Apple does not allow the downloading of 4K content for offline
 28 viewing, despite advertising digital content as 4K at the time of sale. 4K content can only be viewed

1 in 4K, if at all, only by streaming the content over an internet connection and is subject at all times
 2 to Apple removing the license to view the content if it chooses to. In violation of Section 17500.6,
 3 Apple advertises putative 4K digital content on its Apple TV platform as available for “purchase”
 4 even though it cannot be downloaded for offline viewing in 4K and despite the “sale” only
 5 conveying a limited license. Apple’s conduct not only violates Section 17500.6, but is also false and
 6 misleading and violates California’s False Advertising Law, Cal. Bus. & Prof. Code § 17500, *et*
 7 *seq.*, California’s Unfair Competition Law, Cal. Bus. & Prof. Code § 17200, *et seq.*, California’s
 8 Consumers Legal Remedies Act, Cal. Civ. Code § 1750, *et seq.*

9 **JURISDICTION AND VENUE**

10 10. This Court has original jurisdiction over this action pursuant to the Class Action
 11 Fairness Act of 2005, 28 U.S.C. § 1332(d), because the proposed Class consists of 100 or more
 12 members; the amount in controversy exceeds \$5,000,000, exclusive of costs and interest; and
 13 minimal diversity exists. This Court also has supplemental jurisdiction over the state law claims
 14 pursuant to 28 U.S.C. § 1367.

15 11. This Court has personal jurisdiction over Defendant because its principal place of
 16 business is in Cupertino, California and Defendant conducts substantial business within California,
 17 including the promotion, marketing, and sale of the digital content in this State to render the exercise
 18 of jurisdiction by this Court permissible under traditional notions of fair play and substantial justice.
 19 Further, a substantial part of the events or omissions giving rise to Plaintiff’s claims also occurred
 20 in California.

21 12. Plaintiff resides in Chatsworth, California, and he purchased the audiovisual work in
 22 California within the statute of limitations period.

23 **PLAINTIFF**

24 13. Plaintiff is a citizen and resident of the United States and the State of California. He
 25 currently resides in Chatsworth, California.

26 14. In August 2025, Plaintiff paid for a movie called “F1: The Movie” on Defendant’s
 27 Apple TV service for \$24.99. Plaintiff believed that he was receiving unrestricted rights to the movie
 28 because he clicked the “Buy” button when purchasing it. Plaintiff also believed that he would have

1 unrestricted rights to download and view the movie in 4K resolution, because it was prominently
2 advertised as “4K” on the screen at the time he made the purchase. Unbeknownst to Plaintiff, Apple
3 instead only provided Plaintiff with a license to view the movie and retained the right to terminate
4 the license at any time. Further, unbeknownst to Plaintiff at the time of purchase, Apple did not
5 provide Plaintiff with an opportunity to download the movie for offline viewing in 4K resolution.
6 These misrepresentations and omissions were fundamental parts of Plaintiff’s decision to purchase
7 the movie at the premium price of \$24.99. Had he known the true nature of the misrepresentations
8 and omissions, he would not have purchased the movie, or he would have paid less for it. Thus,
9 Plaintiff has suffered injury in fact and lost money as a result of Apple’s misleading, false, and
10 unfair and deceptive practices as alleged herein.

11 15. Plaintiff will be unable to rely on Apple TV's 4K or "Buy" representations in the
12 future, as it is not possible to tell whether digital content on Apple TV will be available for download
13 in 4K resolution until after the purchase is complete, and there is no prominent or adequate
14 disclosure that the sale is a mere license. He will be unable to determine the true nature of the
15 transaction absent first making a purchase, and so will be unable to purchase Apple TV digital
16 products in the future, although he would like to. Plaintiff remains interested in purchasing Apple
17 TV 4K digital content, intends on purchasing them in the future, and would purchase them in the
18 future if Defendant ensured that the 4K and "Buy" representations were accurate and truthful.

19 16. As a result of Defendant's unlawful business practices, and the harm caused to
20 Plaintiff and Class members, Defendant should be required to pay for all damages and/or restitution.
21 Monetary compensation alone is insufficient to remedy the ongoing harm that is being caused to
22 Plaintiff, and Class members, who are unaware of Defendant's deceptive conduct and will continue
23 purchasing the Apple TV digital content, reasonably but incorrectly believing that they are
24 purchasing 4K content and not just a license to view digital content without the opportunity to
25 download it in 4K for offline viewing. As such, injunctive relief requiring Defendant to cease its
26 false and deceptive practices is necessary and appropriate.

DEFENDANT

1 17. Apple Inc. is a Delaware corporation with its headquarters and principal place of
2 business in Cupertino, California. All of Defendant's relevant decisions concerning Apple TV
3 advertising were made in California. Further, Apple's terms and conditions require the application
4 of California law to all putative class members nationwide.⁴

5 18. Based on these facts, extraterritorial application of California laws to the Class is
6 appropriate. *See, e.g., In re iPhone 4S Consumer Litig.*, No. 12-cv-1127-CW, 2013 WL 3829653,
7 *7 (N.D. Cal. July 23, 2013) (holding California consumer protection law applied to non-residents
8 where wrongful conduct originated from California); *Wang v. OCZ Tech. Grp., Inc.*, 276 F.R.D.
9 618, 630 (N.D. Cal. 2011) (holding that California law could apply to a nationwide class because
10 “[t]he facts alleged are that the misleading marketing, advertising, and product information are
11 ‘conceived, reviewed, approved, or otherwise controlled from [the defendant’s] headquarters in
12 California.’”).

13 19. Alternatively, the Court can and should address choice-of-law issues at the class
14 certification stage. *See, e.g., Donohue v. Apple, Inc.*, 871 F.Supp.2d 913, 922 (N.D. Cal. 2012)
15 (issues regarding the assertion of nationwide class claims “boil down to questions of whether
16 common issues predominate and whether plaintiff can adequately represent absent class members,
17 issues that are better resolved at the class certification stage.”).

CLASS ACTION ALLEGATIONS

19 20. Plaintiff brings this class action pursuant to Fed. R. Civ. P. 23, and all other
20 applicable laws and rules, individually, and on behalf of all members of the following Classes:

Nationwide Class

22 All persons in the United States who have purchased a digital audiovisual work from Apple
23 TV that was advertised as “4K.”

California Class

25 All persons in California who have purchased a digital audiovisual work from Apple TV
26 that was advertised as "4K."

²⁸ ⁴ <https://www.apple.com/uk/legal/internet-services/itunes/uk/terms.html>

1 21. Pursuant to Fed. R. Civ. P. 23(c)(1)(C), each of the above class definitions is a
 2 placeholder that may be altered or amended any time before final judgment. As a result of additional
 3 information obtained through further investigation and discovery, the above-described Classes may
 4 be modified or narrowed as appropriate before the Court determines whether class certification is
 5 appropriate.

6 22. Plaintiff is a member of all classes.

7 23. Numerosity: The proposed Classes are so numerous that joinder of all members
 8 would be impractical. Apple sells hundreds of thousands, if not millions, of audiovisual works
 9 throughout the United States and the State of California on a monthly basis. The number of
 10 individuals who purchased audiovisual works during the relevant time period is at least in the
 11 hundreds. Accordingly, Class members are so numerous that their individual joinder herein is
 12 impractical. While the precise number of Class members and their identities are unknown to Plaintiff
 13 at this time, these Class members are identifiable and ascertainable.

14 24. Common Questions Predominate: There are questions of law and fact common to the
 15 proposed Classes that will drive the resolution of this action and will predominate over questions
 16 affecting only individual Class members. These questions include, but are not limited to, the
 17 following:

- 18 a. Whether Defendant misrepresented material facts and/or failed to disclose
 19 material facts in connection with the marketing, distribution, and sale of the
 20 audiovisual works;
- 21 b. Whether Defendant's sale of audiovisual works violates 17500.6;
- 22 c. Whether Defendant's use of the challenged advertising constituted false or
 23 deceptive advertising;
- 24 d. Whether Defendant engaged in unfair, unlawful and/or fraudulent business
 25 practices;
- 26 e. Whether Defendant's unlawful conduct, as alleged herein, was intentional and
 27 knowing;

- 1 f. Whether Plaintiff and the Classes are entitled to damages and/or restitution, and
- 2 if so, in what amount;
- 3 g. Whether Plaintiff and the Classes are entitled to an injunctive relief;
- 4 h. Whether Plaintiff and the Classes are entitled to punitive damages, and if so, in
- 5 what amount; and
- 6 i. Whether Plaintiff and the Classes are entitled to an award of reasonable
- 7 attorneys' fees, interest, and costs of suit.

8 25. Defendant has engaged in a common course of conduct giving rise to violations of
 9 the legal rights sought to be enforced uniformly by Plaintiff on behalf of the proposed Classes.
 10 Similar or identical statutory and common law violations, business practices, and injuries are
 11 involved. The injuries sustained by members of the proposed Classes flow, in each instance, from a
 12 common nucleus of operative fact, namely, Defendant's deceptive sale and advertising of the
 13 audiovisual works. Each instance of harm suffered by Plaintiff and Class members has directly
 14 resulted from a single course of unlawful conduct. Each Class member has been exposed to the same
 15 deceptive practice, as the advertising of audiovisual works: (a) bears the same material "4K"
 16 representation and is sold using a "Buy" button without disclosure that the audiovisual works are
 17 only offered as a license, and (b) the audiovisual works do not meet these representations of fact.
 18 Therefore, individual questions, if any, pale in comparison to the numerous common questions
 19 presented in this action.

20 26. Superiority: Because of the relatively small damages at issue for each individual
 21 Class member, no Class member could afford to seek legal redress on an individual basis.
 22 Furthermore, individualized litigation increases the delay and expense to all parties and multiplies
 23 the burden on the judicial system presented by the complex legal and factual issues of this case.
 24 Individualized litigation also presents a potential for inconsistent or contradictory judgments. A
 25 class action is superior to any alternative means of prosecution.

26 27. Typicality: The representative Plaintiff's claims are typical of those of the proposed
 27 Classes, as all members of the proposed Classes are similarly affected by Defendant's uniform
 28 unlawful conduct as alleged herein.

1 28. Adequacy: Plaintiff will fairly and adequately protect the interests of the proposed
2 Classes as his interests do not conflict with the interests of the members of the proposed Classes he
3 seeks to represent, and he has retained counsel competent and experienced in similar class action
4 litigation. The interests of the members of the Classes will be fairly and adequately protected by the
5 Plaintiff and his counsel.

6 29. Defendant has also acted, or failed to act, on grounds generally applicable to Plaintiff
7 and the proposed Classes, supporting the imposition of uniform relief to ensure compatible standards
8 of conduct toward the members of the Classes.

FIRST CLAIM FOR RELIEF
Violation of California's False Advertising Law
California Business & Professions Code § 17500, et seq
(*For all Classes*)

12 30. Plaintiff hereby incorporates by reference and re-alleges herein the allegations
13 contained in all preceding paragraphs of this complaint.

14 31. Plaintiff brings this claim individually and on behalf of the members of the
15 Nationwide Class and California Class against Defendant pursuant to California's False Advertising
16 Law ("FAL"), Cal. Bus. & Prof. Code § 17500, *et seq.*

17 32. The FAL makes it “unlawful for any person to make or disseminate or cause to be
18 made or disseminated before the public . . . in any advertising device . . . or in any other manner or
19 means whatever, including over the Internet, any statement, concerning . . . personal property or
20 services professional or otherwise, or performance or disposition thereof, which is untrue or
21 misleading and which is known, or which by the exercise of reasonable care should be known, to
22 be untrue or misleading.” Cal. Bus. & Prof. Code § 17500.

23 33. Defendant has represented and continues to represent to the public, including
24 Plaintiff and members of the Nationwide Class and California Class, through its deceptive
25 advertising, that the audiovisual works are available in 4K resolution and are being sold with
26 unrestricted rights, without disclosing that the audiovisual works cannot be downloaded for offline
27 viewing in 4K and that class members are only receiving a revokable license to view the audiovisual
28 works in 4K online with an internet connection. Because Defendant has disseminated misleading

1 information regarding the audiovisual works, and Defendant knows, knew, or should have known,
2 through the exercise of reasonable care, that the representations are false and misleading, Defendant
3 has violated the FAL.

4 34. As a result of Defendant's false advertising, Defendant has and continues to
5 unlawfully obtain money from Plaintiff and members of the Nationwide Class and California Class.
6 Plaintiff therefore requests that the Court cause Defendant to restore this fraudulently obtained
7 money to him and members of the Nationwide Class and California Class, to disgorge the profits
8 Defendant made on these transactions, and to enjoin Defendant from violating the FAL or violating
9 it in the same fashion in the future as discussed herein. Otherwise, Plaintiff and members of the
10 Nationwide Class and California Class may be irreparably harmed and/or denied an effective and
11 complete remedy.

12 35. Plaintiff and members of the Nationwide Class and California Class have no
13 adequate remedy at law and are therefore entitled to restitution, disgorgement, and/or the imposition
14 of a constructive trust to recover the amount of Defendant's ill-gotten gains, and/or other sums as
15 may be just and equitable.

SECOND CLAIM FOR RELIEF

**Violation of California's Unfair Competition Law ("UCL"),
California Business & Professions Code § 17200, *et seq.*
(*For all Classes*)**

19 36. Plaintiff hereby incorporates by reference and re-alleges herein the allegations
20 contained in all preceding paragraphs of this complaint.

37. Plaintiff brings this claim individually and on behalf of the members of the
Nationwide Class and California Class against Defendant.

23 38. The UCL, Cal. Bus. & Prof Code § 17200, provides, in pertinent part, that “unfair
24 competition shall mean and include unlawful, unfair or fraudulent business practices and unfair,
25 deceptive, untrue or misleading advertising . . . ”.

26 39. Under the UCL, a business act or practice is “unlawful” if it violates any established
27 state or federal law. Defendant’s false and misleading advertising of audiovisual works was and
28 continues to be “unlawful” because it violates, *inter alia*, the CLRA, the FAL, and Section 17500.6

1 as alleged herein. As a result of Defendant's unlawful business acts and practices, Defendant has
2 unlawfully obtained money from Plaintiff and members of the Nationwide Class and California
3 Class.

4 40. Under the UCL, a business act or practice is "unfair" if the Defendant's conduct
5 offends an established public policy, or is immoral, unethical, oppressive, unscrupulous, or
6 substantially injurious to consumers, as the benefits for committing such acts or practices are
7 outweighed by the gravity of the harm to the alleged victims. Defendant's conduct was and
8 continues to be of no benefit to purchasers of the audiovisual works, as it is misleading, unfair,
9 unlawful, and is injurious to consumers who rely on the advertising and omissions. Further, violating
10 Section 17500.6 offends the established public policy of California, which has explicitly forbidden
11 the advertising at issue because it is confusing, deceptive, and injurious to consumers. Therefore,
12 Defendant's conduct was and continues to be "unfair." As a result of Defendant's unfair business
13 acts and practices, Defendant has and continues to unfairly obtain money from Plaintiff and
14 members of the Nationwide Class and California Class.

15 41. Under the UCL, a business act or practice is "fraudulent" if it actually deceives or is
16 likely to deceive members of the consuming public. Defendant's conduct was and continues to be
17 fraudulent as it represents that the audiovisual works are available in 4K resolution and are being
18 sold with unrestricted rights, without disclosing that the audiovisual works cannot be downloaded
19 for offline viewing in 4K and that class members are only receiving a revokable license to view the
20 audiovisual works in 4K online with an internet connection. Because Defendant misled Plaintiff and
21 members of the Nationwide Class and California Class, Defendant's conduct was "fraudulent." As
22 a result of Defendant's fraudulent business acts and practices, Defendant has and continues to
23 fraudulently obtain money from Plaintiff and members of the Nationwide Class and California
24 Class.

25 42. Plaintiff requests that the Court cause Defendant to restore this unlawfully, unfairly,
26 and fraudulently obtained money to him, and members of the Nationwide Class and California
27 Class, to disgorge the profits Defendant made on these transactions, and to enjoin Defendant from
28 violating the UCL or violating it in the same fashion in the future as discussed herein. Otherwise,

1 Plaintiff and members of the Nationwide Class and California Class may be irreparably harmed
2 and/or denied an effective and complete remedy.

3 43. Plaintiff and class members have suffered an injury in fact resulting in the loss of
4 money and/or property as a proximate result of the violations of law and wrongful conduct of
5 Defendant alleged herein, and they lack an adequate remedy at law to address the unfair conduct at
6 issue here. Legal remedies available to Plaintiff and class members are inadequate because they are
7 not equally prompt and certain and in other ways efficient as equitable relief. Damages are not
8 equally certain as restitution because the standard that governs restitution is different than the
9 standard that governs damages. Hence, the Court may award restitution even if it determines that
10 Plaintiff fails to sufficiently adduce evidence to support an award of damages. Damages and
11 restitution are not the same amount. Unlike damages, restitution is not limited to the amount of
12 money defendant wrongfully acquired plus the legal rate of interest. Equitable relief, including
13 restitution, entitles a plaintiff to recover all profits from the wrongdoing, even where the original
14 funds taken have grown far greater than the legal rate of interest would recognize. Legal claims for
15 damages are not equally certain as restitution because claims under the UCL entail few elements.
16 In short, significant differences in proof and certainty establish that any potential legal claim cannot
17 serve as an adequate remedy at law.

18 44. Equitable relief is appropriate because Plaintiff may lack an adequate remedy at law
19 if, for instance, damages resulting from their purchase of the audiovisual work is determined to be
20 an amount less than the premium price of the audiovisual work. Without compensation for the full
21 premium price of the audiovisual work, Plaintiff would be left without the parity in purchasing
22 power to which he is entitled.

THIRD CLAIM FOR RELIEF
Violation of California's Consumers Legal Remedies Act
California Civil Code § 1750, *et seq.*
(For all Classes)

26 45. Plaintiff hereby incorporates by reference and re-alleges herein the allegations
27 contained in all preceding paragraphs of this complaint.

1 46. Plaintiff brings this claim individually and on behalf of the members of the
 2 Nationwide Class and California Class against Defendant pursuant to California's Consumers Legal
 3 Remedies Act ("CLRA"), Cal. Civ. Code § 1750, *et seq.*

4 47. The audiovisual works are a "good" within the meaning of Cal. Civ. Code § 1761(a),
 5 and the purchases of the audiovisual works by Plaintiff and members of the Nationwide Class and
 6 California Class constitute "transactions" within the meaning of Cal. Civ. Code § 1761(e).

7 48. Cal. Civ. Code § 1770(a)(5) prohibits "[r]epresenting that goods or services have
 8 sponsorship, approval, characteristics, ingredients, uses, benefits, or quantities which they do not
 9 have..." By marketing the audiovisual works with its current advertising, Defendant has represented
 10 and continues to represent that the audiovisual works have characteristics that they do not have.
 11 Therefore, Defendant has violated section 1770(a)(5) of the CLRA.

12 49. Cal. Civ. Code § 1770(a)(7) prohibits "[r]epresenting that goods or services are of
 13 a particular standard, quality, or grade, or that goods are of a particular style or model, if they are of
 14 another." By marketing the audiovisual works with their current advertising, Defendant has
 15 represented and continues to represent that the audiovisual works are of a particular standard, quality,
 16 or grade which they do not possess. Therefore, Defendant has violated section 1770(a)(7) of the CLRA.

17 50. Cal. Civ. Code § 1770(a)(9) prohibits "[a]dvertising goods or services with intent not
 18 to sell them as advertised." By marketing the audiovisual works as discussed herein, Defendant has
 19 violated section 1770(a)(9) of the CLRA.

20 51. At all relevant times, Defendant has known or reasonably should have known that its
 21 representations and omissions concerning the audiovisual works is false and deceptive, and that
 22 Plaintiff and other members of the Nationwide Class and California Class would reasonably and
 23 justifiably rely on it when purchasing the audiovisual works. Nonetheless, Defendant persisted in
 24 making the representations and omissions to deceive consumers.

25 52. Plaintiff and members of the Nationwide Class and California Class have justifiably
 26 relied on Defendant's misleading representations and omissions. Moreover, based on the materiality
 27 of Defendant's misleading and deceptive conduct, reliance may be presumed or inferred for Plaintiff
 28 and members of the Nationwide Class and California Class.

53. Plaintiff and members of the Nationwide Class and California Class have suffered and continue to suffer injuries caused by Defendant because they would have paid less for the audiovisual works, or would not have purchased them at all, had they known that the truth.

54. Accordingly, Plaintiff, on behalf of himself and all other members of the Classes, seeks damages and to enjoin the unlawful acts and practices described herein.

55. On October 1, 2025, a CLRA demand letter was sent to Defendant's headquarters and registered agent. This letter provided notice of Defendant's violation of the CLRA, for Plaintiff and the Classes, and demanded that Defendant correct the unlawful, unfair, false and/or deceptive practices alleged here.

56. Plaintiff seeks all relief available under this cause of action, other than damages. Plaintiff may amend the Complaint in the future to add a damages claim.

FOURTH CLAIM FOR RELIEF

Unjust Enrichment

57. Plaintiff incorporates and realleges each preceding paragraph as though fully set forth herein.

58. Plaintiff brings this claim individually and on behalf of the members of the Nationwide Class and California Class against Defendant.

59. To the extent required, Plaintiff asserts this cause of action in the alternative to legal claims, as permitted by Rule 8.

60. Plaintiff and the class members conferred a benefit on Defendant in the form of the gross revenues Defendant derived from the money they paid to Defendant.

61. Defendant knew of the benefit conferred on it by Plaintiff and the class members.

62. Defendant has been unjustly enriched in retaining the revenues derived from Plaintiff's and the class members' purchases of the audiovisual works, which retention of such revenues under these circumstances is unjust and inequitable because Defendant omitted that the audiovisual works could not be downloaded in 4K resolution and were only being offered with a revokable license to view 4K content online with an active internet connection. This caused injuries

1 to Plaintiff and class members because they would not have purchased the audiovisual works or
2 would have paid less for them if the true facts concerning the audiovisual works had been known.

3 63. Defendant accepted and retained the benefit in the amount of the gross revenues it
4 derived from sales of the audiovisual works to Plaintiff and the class members.

5 64. Defendant has thereby profited by retaining the benefit under circumstances which
6 would make it unjust for Defendant to retain the benefit.

7 65. Plaintiff and the class members are, therefore, entitled to restitution in the form of
8 the revenues derived from Defendant's sale of the audiovisual works.

9 66. As a direct and proximate result of Defendant's actions, Plaintiff and the class
10 members have suffered in an amount to be proven at trial.

11 67. Putative class members have suffered an injury in fact and have lost money as a result
12 of Defendant's unjust conduct.

13 Putative class members lack an adequate remedy at law with respect to this claim and are
14 entitled to non-restitutionary disgorgement of the financial profits that Defendant obtained as a
15 result of its unjust conduct.

PRAYER FOR RELIEF

17 **WHEREFORE**, Plaintiff, individually and on behalf of the proposed Classes, respectfully
18 prays for following relief:

19 A. Certification of this case as a class action on behalf of the Classes defined above,
20 appointment of Plaintiff as Class representatives, and appointment of his counsel as Class counsel;

21 B. A declaration that Defendant's actions, as described herein, violate the laws
22 described herein;

23 C. An award to Plaintiff and the proposed Classes of restitution and/or other equitable
24 relief, including, without limitation, restitutionary disgorgement of all profits and unjust enrichment
25 that Defendant obtained from Plaintiff and the proposed Classes as a result of its unlawful, unfair
26 and fraudulent business practices described herein;

1 D. An award of injunctive and other equitable relief as is necessary to protect the
2 interests of Plaintiff and the Class members, including, *inter alia*, an order prohibiting Defendant
3 from engaging in the unlawful acts described above;

4 E. An award of all economic, monetary, actual, consequential, and compensatory
5 damages caused by Defendant's conduct;

6 F. An award of punitive damages;

7 G. An award of nominal damages;

8 H An award to Plaintiff and his counsel of reasonable expenses and attorneys' fees;

9 I. An award to Plaintiff and the proposed Classes of pre- and post-judgment interest, to
10 the extent allowable; and

11 J. For such further relief that the Court may deem just and proper.

DEMAND FOR JURY TRIAL

14 Plaintiff, on behalf of himself and the proposed Classes, hereby demands a jury trial with
15 respect to all issues triable of right by jury.

16 | DATED: October 8, 2025

Respectfully submitted,

SMITH KRIVOSHEY, PLLC

By: /s/ Yeremey O. Krivoshey
Yeremey O. Krivoshey

Yeremey O. Krivoshey (State Bar No. 295032)
Brittany S. Scott (State Bar No. 327132)
28 Geary Street, Ste. 650-1507
San Francisco, CA 94108
Phone: 415-839-7000
Facsimile: (888) 410-0415
E-Mail: yeremey@skclassactions.com
brittany@skclassactions.com

SMITH KRIVOSHEY, PC
Joel D. Smith (State Bar No. 244902)
867 Boylston Street, 5th Floor, Ste. 1520
Boston, MA 02116
Phone: 617-377-7404

1 E-Mail: joel@skclassactions.com

2 *Attorneys for Plaintiff and the Putative Classes*

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