

KAZEROUNI LAW GROUP, APC
245 FISCHER AVENUE, UNIT D1
COSTA MESA, CA 92626

KAZEROUNI LAW GROUP, APC

Abbas Kazerounian, Esq. (249203)

ak@kazlg.com

Matthew M. Loker, Esq. (279939)

ml@kazlg.com

245 Fischer Avenue, Unit D1

Costa Mesa, CA 92626

Telephone: (800) 400-6808

Facsimile: (800) 520-5523

HAINES & KRIEGER, LLC

David H. Krieger, Esq. (*pro hac*)

dkrieger@hainesandkrieger.com

8985 S. Eastern Ave. Ste. 350

Henderson, NV 89123

Telephone: (702) 880-5554

Facsimile: (702) 385-5518

Attorneys for Plaintiff,

Sanford Buckles

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

**SANFORD BUCKLES,
INDIVIDUALLY AND ON
BEHALF OF ALL OTHERS
SIMILARLY SITUATED,**

Plaintiff,

v.

FACEBOOK, INC.

Defendant.

HYDE & SWIGART

Joshua B. Swigart, Esq. (225557)

josh@westcoastlitigation.com

2221 Camino Del Rio South, Ste. 101

San Diego, CA 92108

Telephone: (619) 233-7770

Facsimile: (619) 297-1022

KNEPPER & CLARK LLC

Matthew I. Knepper, Esq. (*pro hac*)

matthew.knepper@knepperclark.com

Miles N. Clark, Esq. (*pro hac*)

miles.clark@knepperclark.com

10040 W. Cheyenne Ave.

Ste. 170-109

Las Vegas, NV 89129

Telephone: (702) 825-6060

Facsimile: (702) 447-8048

Case No.:

CLASS ACTION

**COMPLAINT FOR DAMAGES FOR
VIOLATIONS OF THE FAIR
CREDIT REPORTING ACT, 15
U.S.C. § 1681, ET SEQ.;**

JURY TRIAL DEMANDED

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INTRODUCTION

1. Plaintiff SANFORD BUCKLES (“Plaintiff”) brings this Class Action Complaint for damages, injunctive relief, and any other available legal or equitable remedies, resulting from the illegal actions of Defendant FACEBOOK, INC. (“Defendant”), for willfully violating the Fair Credit Reporting Act, 15 U.S.C. § 1681 *et seq* (“FCRA”).
2. Plaintiff alleges as follows upon personal knowledge as to himself and his acts and experiences, and, as to all other matters, upon information and belief, including investigation conducted by their attorneys.
3. Defendant is a “consumer reporting agency” under the FCRA that provides consumers with their credit reports. The FCRA governs the content of these credit reports as well as subsequent interactions between consumers and Defendant.

JURISDICTION AND VENUE

4. This Court has federal question jurisdiction because this case arises out of violations of federal law, specifically the Fair Credit Reporting Act, 15 U.S.C. §§ 1681-1681(x) (“FCRA”). 15. U.S.C. § 1681p; 28 U.S.C. § 1331; *Myers v. Bennett Law Offices*, 238 F.3d 1068, 1071 (9th Cir. 2001).
5. Venue is proper in the United States District Court for the Northern District of California pursuant to 28 U.S.C. § 1391(b) because Defendant does business there, and because Plaintiff consented to jurisdiction in the Northern District of California by agreeing to bring any lawsuit there as a result of Facebook’s Terms and Conditions.

PARTIES

6. Plaintiff Sanford Buckles (“Plaintiff”) is a natural person residing in the County of Clark, State of Nevada.

- 1 7. Plaintiff and all putative Class members are “consumers” as that term is
2 defined by 15 U.S.C. § 1681a(c).
- 3 8. Defendant Facebook, Inc. (“Facebook”) is a corporation incorporated under
4 the laws of Delaware Corporation with its principal place of business in
5 California. Facebook also does business in the State of Nevada.
- 6 9. Facebook is a “consumer reporting agency” as that term is defined by 15
7 U.S.C. § 1681a(f).
- 8 10. Unless otherwise indicated, the use of Facebook’s name in this Complaint
9 includes all agents, employees, officers, members, directors, heirs, successors,
10 assigns, principals, trustees, sureties, subrogees, representatives, and insurers
11 of Facebook.
- 12 11. Plaintiff, individually and on behalf of those similarly situated, brings this
13 action to challenge the actions of Facebook in the transparency, accessibility,
14 protection and safekeeping of the Plaintiff’s and Class members’ personal
15 information.
- 16 12. Facebook failed to properly provide complete, clear, and accurate disclosures
17 to Plaintiff and the Class, as required under 15 U.S.C. § 1681g.

18 **FACTUAL ALLEGATIONS**

19 Facebook is a Consumer Reporting Agency that furnishes consumer reports
20 under 15 U.S.C. § 1681b(a)(2)

- 21 13. Congress enacted the Fair Credit Reporting Act, 15 U.S.C. § 1681 *et seq.*
22 (“FCRA”), to insure fair and accurate reporting, promote efficiency in the
23 banking system, and protect consumer privacy. Consumer reporting agencies
24 (“CRAs”) have assumed a vital role in assembling and evaluating consumer
25 credit; and the FCRA seeks to ensure that CRAs exercise their grave
26 responsibilities with fairness, impartiality, and a respect for the consumer’s
27 right to privacy. 15 U.S.C. § 1681. During an April 10, 2018 Senate hearing
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1 which featured the testimony of Facebook’s CEO, Mark Zuckerberg, both
2 Republican and Democratic senators consistently and specifically remarked
3 that consumers ought to have a clearer sense of what information Facebook
4 was collecting about them and the level of “transparency” Facebook provides
5 its users – the consumers.

6 14. The FCRA defines a “consumer reporting agency” to mean more than simply
7 the “big three” national CRAs (i.e., Experian, Equifax, and Trans Union).
8 Instead, the statutory definition encompasses “any person which, for monetary
9 fees, dues, or on a cooperative nonprofit basis, regularly engages in whole or
10 in part in the practice of assembling or evaluating consumer credit information
11 or other information on consumers for the purpose of furnishing consumer
12 reports to third parties. . . .”¹

13 15. Facebook is a CRA because it regularly assembles and transmits information
14 regarding consumers to third party advertisers, data brokers, researchers, and
15 other third-parties, oftentimes for a fee.²

17 ¹ 15 U.S.C. § 1681a(f). The Federal Trade Commission routinely prosecutes
18 actions against entities other than the “big three.” *See In re ACRANET, Inc.*, File
19 No. 092-3088, 2011 WL 479886 (FTC Feb. 3, 2011); *In re SettlementOne Credit*
20 *Corp.*, File No. 82-3208, 2011 WL 479885 (FTC Feb. 3, 2011); *In re Fajilan &*
Assocs., Inc., File No. 92-3089, 2011 WL 479887, at (FTC Feb. 3, 2011).

21 ² *See* Facebook, Inc. Form 10-K filed with the United States Securities and
22 Exchange Commission, Feb. 1, 2018, at 6, available at
23 [http://d18rn0p25nwr6d.cloudfront.net/CIK-0001326801/c826def3-c1dc-47b9-](http://d18rn0p25nwr6d.cloudfront.net/CIK-0001326801/c826def3-c1dc-47b9-99d9-76c89d6f8e6d.pdf)
24 [99d9-76c89d6f8e6d.pdf](http://d18rn0p25nwr6d.cloudfront.net/CIK-0001326801/c826def3-c1dc-47b9-99d9-76c89d6f8e6d.pdf) (last visited Apr. 10, 2018) (“Form 10-K”) (“We generate
25 substantially all of our revenue from selling advertising placements to
26 marketers.”). Facebook also previously purchased the intellectual property rights
27 of a patent from another organization, Friendster, which would have developed a
28 scoring model solely from information about a consumer’s social network. *See*
Kia Kokalitcheva, *Your Facebook friends could be the ticket to your next loan*,
Fortune, Aug. 4, 2015, available at [http://fortune.com/2015/08/04/facebook-loan-](http://fortune.com/2015/08/04/facebook-loan-approval-network/)
[approval-network/](http://fortune.com/2015/08/04/facebook-loan-approval-network/) (last visited Apr. 10, 2018).

1 16. Facebook’s reports include, but are not limited to, transmission of “reports” to
2 its advertising partners regarding the performance of their advertising,³ as well
3 as application developers, for whom Facebook does or has facilitated access to
4 individual consumer user data.⁴

5 17. Facebook is compensated for its participation in the advertising process.⁵

6 18. Facebook regularly assembles and/or evaluates consumer information for the
7 purpose of furnishing consumer reports to third parties, and Facebook uses
8 interstate commerce to prepare and/or furnish the reports. Therefore,
9 Facebook is a “consumer reporting agency” for purposes of 15 U.S.C. §
10 1681a(f).

11 19. The FCRA defines “consumer report” broadly, as “any written, oral, or other
12 communication of any information by a CRA bearing on a consumer’s credit
13 worthiness, credit standing, credit capacity, character, general reputation,
14 personal characteristics, or mode of living which is used or expected to be
15 used or collected in whole or in part for the purpose of serving as a factor in
16 establishing the consumer’s eligibility for (A) credit or insurance to be used
17 primarily for personal, family, or household purposes; (B) employment
18 purposes; or (C) any other purpose authorized under section 1681b of this
19 title.” 15 U.S.C. § 1681a(d).
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22 _____
23 ³ See Facebook, *Measure your ads*, available at
24 <https://www.facebook.com/business/learn/facebook-ads-measuring-results> (last
visited Apr. 10, 2018).

25 ⁴ See Josh Constine, *Facebook Is Shutting Down Its API For Giving Your*
26 *Friends’ Data To Apps*, Techcrunch, Apr. 28, 2014, available at
27 <https://techcrunch.com/2015/04/28/facebook-api-shut-down/> (last visited Apr. 10,
2018).

28 ⁵ See Form 10-K, at 6.

1 20. Under Section 1681b(a)(2), a consumer reporting agency may furnish a
2 consumer report “[i]n accordance with the written instructions of the consumer
3 to whom it relates.”⁶

4 21. Consumers who use Facebook must agree to a set of conditions that satisfy 15
5 U.S.C. § 1681b(a)(2). Specifically, an account-holder must agree to
6 Facebook’s “Terms of Service.”⁷ These terms explicitly provide that
7 consumers who use Facebook give Facebook permission to use a consumer’s
8 “name, profile picture, content, and information in connection with
9 commercial, sponsored, or related content (such as a brand you like) served or
10 enhanced by us.”⁸

11 22. During April 10, 2018 testimony, Facebook’s Chief Operating Officer, Mark
12 Zuckerberg, testified to the U.S. Senate that consumers have the opportunity to
13 review Facebook’s policies and consent to them.

14 23. This testimony is supported by a 2011 consent decree entered into between
15 Facebook and the Federal Trade Commission, which required Facebook to (1)
16 refrain from making misrepresentations about the privacy or security of
17 consumers’ personal information, and (2) to obtain consumers’ affirmative
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19 ⁶ See also Fed. Trade Comm’n, *Big Data: A Tool for Inclusion or Exclusion?*,
20 Jan. 7, 2016, at [https://www.ftc.gov/system/files/documents/reports/big-data-tool-inclusion-or-
21 exclusion-understanding-issues/160106big-data-rpt.pdf](https://www.ftc.gov/system/files/documents/reports/big-data-tool-inclusion-or-exclusion-understanding-issues/160106big-data-rpt.pdf) (last visited Apr. 6, 2018).

22 ⁷ Facebook Terms of Service, Jan. 30, 2015, available at
<http://www.facebook.com/terms.php> (last visited Apr. 6, 2018) (“Terms of
23 Service”). Facebook’s terms of service form the agreement between a consumer
and Facebook, Inc. *See id.*

24 ⁸ See Terms of Service. The Terms of Service incorporate by reference the
25 “Facebook Principles,” which include the maxim that “People should own their
26 information,” but that consumer privacy controls “are not capable of limiting how
27 those who have received information may use it, particularly outside the Facebook
Service.” Facebook Principles, <https://www.facebook.com/principles.php> (last
28 visited Apr. 6, 2018) (“Principles”).

1 express consent before enacting changes that override their privacy
2 preferences.⁹

3 24. Consequently, Facebook’s transmissions of this consumer data qualify as a
4 consumer report under, *inter alia*, 15 U.S.C. § 1681b(a)(2), as they are reports
5 sent “in accordance with the written instructions of the consumer to whom it
6 relates.”

7 ***Facebook Provides Consumer Disclosures Under 15 U.S.C. § 1681g.***

8 25. The FCRA also entitles the consumer to take an active role in the protection of
9 his or her sensitive personal information, by giving the consumer a right to
10 request from consumer reporting agencies like Facebook “All information in
11 the consumer’s file at the time of the request.” 15 U.S.C. § 1681g(a)(1).

12 26. “File,” is explicitly defined in the FCRA when applied to consumers, and
13 means, “all of the information on that consumer and retained by a consumer
14 reporting agency regardless of how the information is stored.” 15 U.S.C. §
15 1681a(g).

16 27. When a CRA discloses to a consumer that consumer’s file, the disclosure must
17 “clearly and accurately” reflect all the information in that consumer’s file at
18 the time of the disclosure. 15 U.S.C. § 1681g(a)(1).

19 28. Information disclosed in the consumer’s “file” must include certain, specific
20 details. For example, the information disclosed under Section 1681g of the
21 FCRA must also include the sources of the disclosed information. 15 U.S.C. §
22 1681g(a)(2).

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25 ⁹ See *In re Facebook, Inc.*, File No. 092-3184, Nov. 29, 2011; see also
26 Bloomberg, *Facebook May Have Breached a 2011 Consent Agreement*, Fortune,
27 Mar, 30, 2018, available at [http://fortune.com/2018/03/29/cambridge-analytica-
28 facebook-scandal/](http://fortune.com/2018/03/29/cambridge-analytica-facebook-scandal/) (last visited Apr. 10, 2018).

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1 29. A consumer disclosure must also include an identification of each person
2 (including end-users) who “procured” a consumer report for employment or
3 another purpose. 15 U.S.C. § 1681g(a)(3). The identification of individuals
4 must include both the name and trade name under which such person conducts
5 business. 15 U.S.C. § 1681g(a)(3)(B)(i).

6 30. Disclosing sufficient information about the sources of information, as well as
7 the identity of third parties, can assist consumers in determining whether their
8 identity has been compromised, or whether a consumer reporting agency has
9 made any disclosures for an impermissible purpose. *See also* 15 U.S.C. §
10 1681c-1(a)-(b) (permitting consumers to obtain additional copies of their
11 consumer disclosures at no charge in the case of suspected identity theft).

12 31. Disclosure of this information is especially important for consumer reporting
13 agencies, like Facebook, who provide users with some degree of control over
14 the appropriate privacy level for their data, and whose business is premised in
15 no small part on its ability to deliver targeted advertising content to consenting
16 users.

17 32. Without full and complete disclosures of the information Facebook acquires
18 and compiles, a consumer is unable to adequately assess whether to adjust
19 their privacy settings to opt out of marketing campaigns, or determine whether
20 false information is being reported about them such that they can correct the
21 information.
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1 33. Since at least October of 2010, Facebook has permitted consumers to
2 download portions of their data from Facebook.¹⁰ The information
3 downloadable from Facebook, aside from Plaintiff’s name, address, email
4 addresses, photographs, posts, “likes,” and timelines, includes (1) account
5 status history, (2) ads clicked, (3) ad topics, (4) apps they have consented to
6 use, (5) facial recognition data, and (6) IP Addresses.¹¹

7 34. The information Facebook permits users to download constitutes its disclosure
8 of information in a consumer’s “file” pursuant to 15 U.S.C. § 1681g.¹²

9 ***Facebook’s Consumer Disclosures Violate 15 U.S.C. § 1681g(a)***

10 35. In addition to the information provided to third parties as part of the
11 advertising process, on information and belief since 2013 Facebook has also
12 acquired a voluminous amount of data from third party sources, commonly
13 known as “data brokers,” which it integrates into its files.¹³

14
15 ¹⁰ Alexia Tsotsis, *Facebook Now Allows You To ‘Download Your Information’*,
16 TechCrunch, Oct. 6, 2010, available at
[https://techcrunch.com/2010/10/06/facebook-now-allows-you-to-download-your-](https://techcrunch.com/2010/10/06/facebook-now-allows-you-to-download-your-information/)
17 [information/](https://techcrunch.com/2010/10/06/facebook-now-allows-you-to-download-your-information/) (last visited Apr. 10, 2018).

18 ¹¹ See Facebook, *How can I download a copy of my Facebook data?*, available
19 at <https://www.facebook.com/help/302796099745838> (last visited Apr. 10, 2018)
20 (“Download FAQ”); Facebook, *Where can I find my Facebook data?*, available at
21 https://www.facebook.com/help/405183566203254?helpref=faq_content (last
22 visited Apr. 10, 2018) (“Data FAQ”); Facebook, *What categories of my Facebook*
23 *data are available to me?* Available at
<https://www.facebook.com/help/930396167085762?helpref=related> (last visited
24 Apr. 10, 2018) (“Categories FAQ”).

25 ¹² This information is coupled with information viewable from a Facebook
26 account’s “activity log,” which a consumer can view when logging into their
27 Facebook account. See Categories FAQ. Additional information, such as credit
28 card numbers and linked accounts provided to Facebook, is available in the
“account settings” portion of a consumer’s Facebook account. See *id.*

¹³ See Kalev Leetaru, *The Data Brokers So Powerful Even Facebook Bought
Their Data – But They Got Me Wildly Wrong*, Forbes, Apr. 5, 2018, available at
<https://www.forbes.com/sites/kalevleetaru/2018/04/05/the-data-brokers-so->

1 36. These data brokers, such as Experian and Acxiom, segment information on
2 consumers based on criteria such as purchasing activity and other highly
3 sensitive and invasive behavioral data. Indeed, one major data broker,
4 Experian, has stated that its “industry leading database, ConsumerView, is
5 now connected to Facebook giving you access to an unparalleled breadth and
6 depth of data.”¹⁴

7 37. A means by which Facebook collects and shares information with data brokers
8 is its “Partner Categories” program. Through this program Facebook pairs
9 potential advertisers with third-party data brokers to launch target Facebook
10 marketing campaigns. The program has been described as: (1) a potential
11 advertiser contacts a data broker requesting information related to specific
12 consumer demographics, (2) the data broker searches its own database for
13 contact information of consumers who meet that demographic, (3) the contact
14 information is sent to Facebook, which places the user into a targeted
15 “segment” and then displays the advertisement to all targeted users.¹⁵ After
16 the advertising campaign is completed, Facebook then sends a report back to
17

18
19 [powerful-even-facebook-bought-their-data-but-they-got-me-wildly-wrong/#739e4b483107](https://www.techcrunch.com/2013/02/27/facebook-ad-data-providers/?_ga=2.246742147.687259487.1523245102-1825075070.1521347830)
20 (last visited Apr. 8, 2018); Josh Costine, *Facebook Lets Advertisers Tap Purchase Data Partners to Target Customers, Categories Like Car-Buyers*,
21 TechCrunch, Feb. 27, 2013, available at
22 https://beta.techcrunch.com/2013/02/27/facebook-ad-data-providers/?_ga=2.246742147.687259487.1523245102-1825075070.1521347830
23 (last visited Apr. 8, 2018).

24 ¹⁴ See Experian Product Sheet, *Experian and Facebook*, 2016, available at
25 <http://www.experian.com/assets/marketing-services/product-sheets/fb-exp-product-sheet-dec-2016.pdf> (last visited Apr. 8, 2018).

26 ¹⁵ See Alex Senemar, *Facebook Partners With Shadowy ‘Data Brokers’ To Farm Your Information*, medium.com, Apr. 25, 2016, available at
27 <https://medium.com/sherbit-news/facebook-partners-with-shadowy-data-brokers-to-farm-your-information-1129a5878b05> (last visited Apr. 9, 2018).
28

1 advertisers regarding the performance of the advertisement.¹⁶ Facebook
2 receives some of the revenue from these marketing campaigns upon successful
3 completion. On information and belief, the specific “Categories” which
4 Facebook utilizes are based on information provided by a select number of
5 Facebook marketing partners.¹⁷

6 38. The Federal Trade Commission has described such otherwise anonymous
7 “categorical” data as information that could constitute a consumer report.¹⁸

8 Specifically, the Federal Trade Commission stated:

9 Suppose a company asks a consumer to provide her zip code and
10 information about her social media and shopping behavior on a
11 credit application, strips the consumer’s identifying information,
12 and sends the application to an analytics firm. The firm then
13 analyzes the creditworthiness of people in the same zip code with
14 similar social media and shopping behaviors as the consumer and
15 provides that analysis—be it, for example, in the form of a score,
16 a grade, or a recommendation—to the company, knowing that it
17 is to be used for a credit decision. Because the company is using
18 information about the consumer to generate an analysis of a
19 group that shares some characteristics with the consumer and
20 then is using that analysis to make a decision about the
21 consumer, the Commission would likely regard the analysis to be
22 a consumer report, and FCRA requirements and protections
23 would likely apply.¹⁹

21 ¹⁶ See Senemar, *Facebook Partners With Shadowy ‘Data Brokers’ To Farm Your Information*.

22 ¹⁷ See Facebook, About Partner Categories, available at
23 <https://www.facebook.com/business/help/298717656925097> (last visited Apr. 10
24 2018) (“Partner Categories FAQ”).

25 ¹⁸ See Fed. Trade Comm’n, *Big Data: A Tool for Inclusion or Exclusion?*, at
26 16-17.

27 ¹⁹ *Id.* at 16. In 2015, Facebook secured a patent assessing a consumer’s
28 creditworthiness based on his or her social networks, although it later altered its
data access policies for third parties. See Kokalitcheva, *Your Facebook friends could be the ticket to your next loan*.

1 39. On March 28, 2018, Facebook announced that it would be “winding down”
2 partner categories in the next six months, in order to “help improve people’s
3 privacy on Facebook.”²⁰ However, as of the date of this Complaint, the
4 “Partner Categories” links on Facebook are still live. According to an email
5 sent from Facebook to its advertisers, “Partner Categories” will continue to be
6 available in the United States until October 1, 2018.²¹

7 40. Another tool Facebook provides to marketers is its “Custom Audiences”
8 program, in which Facebook permits advertisers to upload their own data for
9 use in advertising programs. Until recently, Facebook had no controls in place
10 to ensure that the data which advertisers uploaded to Facebook was comprised
11 solely of first-party data, and was not instead derived from third party data
12 brokers.²²

13 41. Facebook uses a variation of its “custom audiences” program which it calls a
14 “Lookalike Audiences” program. According to Facebook, this program is “a
15 way to reach new people who are likely to be interested in your business
16 because they’re similar to your best existing customers.”²³ Therein, a potential
17

18 ²⁰ See Facebook, *Shutting Down Partner Categories*, Mar. 28, 2018, available
19 at <https://newsroom.fb.com/news/h/shutting-down-partner-categories/> (last visited
20 Apr. 8, 2018).

21 ²¹ See Finy Marvin, *Facebook’s removing third-party targeting data: What*
22 *marketers need to know*, Marketing Land, Mar. 30, 2018, available at
[https://marketingland.com/facebooks-removal-of-third-party-targeting-data-what-
we-know-237260](https://marketingland.com/facebooks-removal-of-third-party-targeting-data-what-we-know-237260) (last visited April 9, 2018).

23 ²² See Shareen Pathak, *How Facebook’s shutdown of third-party data affects*
24 *advertisers*, Digiday, Mar. 30, 2018, available at
[https://digiday.com/marketing/facebooks-shutdown-third-party-data-affects-
brands/](https://digiday.com/marketing/facebooks-shutdown-third-party-data-affects-brands/) (last visited Apr. 10, 2018). To the degree Facebook did accept that
25 marketing data, such data would be a “consumer report” and Facebook would be
26 an end-user of that data.

27 ²³ See Facebook, *About Lookalike Audiences*, available at
28 <https://www.facebook.com/business/help/164749007013531?helpref=related> (last

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advertiser chooses a “source audience” based either on collaboration with a data partner, or data which Facebook maintains in its own records; after uploading the list of records to Facebook and specifying (1) audience size, (2) target country, and (3) other criteria, Facebook (4) identifies common qualities in the “source audience,” (5) identifies additional Facebook users who “look like” the advertiser’s list of individuals, so that they can be used in a marketing campaign, and (6) send an advertisement to these “lookalike” individuals.²⁴

42. Finally, there has been recent public outcry regarding the exposure of data “scraped” by third party actors who use targeted, consent-based interactive media to procure data from an individual Facebook user, and which consequently permits the third party to procure the information about each Facebook user or the user’s “friends.” The most noteworthy example of this practice was the firm of Cambridge Analytica, which purportedly used a list of approximately 300,000 Facebook users who took a “quiz” intended for research purposes to compile a list of approximately 87 million users, which it then used for targeted political campaigning.

43. Although Facebook purportedly changed its application settings in 2014 to prevent the type of clandestine “scraping” used to ultimately create the list of 87 million users in the Cambridge Analytica data breach, Facebook’s public search feature – by which a user could enter an email address to find a public profile – remained in place until April 2018.

visited Apr. 10, 2018).

²⁴ See *id.*

1 44. Facebook CEO Mark Zuckerberg has commented that “at some point during
2 the last several years, someone has probably accessed your public information
3 this way.”²⁵

4 45. Facebook’s disclosures contain a list of advertisers who have an individual’s
5 contact information. This list includes nothing more than the names of the
6 advertisers in question, without specifying (1) when they received the
7 information, or (2) whether the name disclosed is a trade name or not, and (3)
8 the purpose for the inquiry.

9 46. Facebook fails to indicate the specific purpose each advertiser in question had
10 when it procured the Plaintiff’s information for the purpose.

11 47. Given the granulated structure of Facebook’s marketing campaigns, Facebook
12 is in a position to know precisely why any individual advertiser would have
13 procured consumer data, but Facebook fails to describe it, or even clearly
14 disclose whether any advertiser made an inquiry at all.

15 48. Finally, on information and belief, Facebook also collects the text messaging
16 histories of users of Android phones, as well as cross-device data, including
17 offline data.

18 49. As a matter of policy, Facebook fails to provide all information in the
19 consumer’s “file” pursuant to Section 1681g(a)(1). Specifically, Facebook
20 fails to disclose to consumers the information it procures from third-party data
21 brokers, including but not limited to the “behavioral data” which it used to
22 develop its “partner categories” program. Facebook also failed to disclose
23

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25 _____
26 ²⁵ Kevin Smith, *Facebook: Most users may have had public data ‘scraped’*,
27 Orange County Register, Apr. 5, 2018, available at
[https://www.ocregister.com/2018/04/05/facebook-most-users-may-have-had-
28 public-data-scraped/](https://www.ocregister.com/2018/04/05/facebook-most-users-may-have-had-public-data-scraped/) (last visited Apr. 8, 2018).

1 cross-device and offline data, including the text histories in its consumer
2 disclosures.

3 50. Second, Facebook fails to provide the source of several material items of
4 information in its files, in violation of Section 1681g(a)(2). Specifically, on
5 information and belief Facebook knew or had reason to know that advertisers
6 with a consumer's contact information procured that data from Facebook's
7 files, or procured it from one of Facebook's data broker "partners."

8 51. Third, Facebook failed to provide a clear, accurate, and complete list of all
9 individuals who made inquiries, in violation of Section 1681g(a)(3).
10 Specifically, Facebook failed to provide a complete list of entities that it
11 permitted access to Facebook's consumer files, including the data brokers
12 which, like Experian, advertised that their own credit databases were
13 "connected" to Facebook, or a list of application users who "scraped"
14 consumer data.

15 52. Facebook also failed to disclose material information regarding any third-party
16 inquiries, including the date the inquiries were made, the trade name for each
17 inquiring third-party, or the date or purpose for which each inquiry was made.

18 53. Facebook's disclosures were unclear (lacking "transparency") because they
19 referred only to a list of advertisers who had an individual's personal
20 information, without also specifying the other types of third-parties, like
21 Experian, who had procured the data, or the specific purposes for which an
22 inquiry was made, including for research purposes.

23 ***Plaintiff's Allegations***

24 54. On April 5, 2018, Plaintiff downloaded a copy of his Facebook "file." His file
25 contained each and every one of the deficiencies outlined above.

26 55. Thereafter, Plaintiff sent an email to Facebook, expressing concern that his
27 consumer disclosure did not contain a list of any third-party data brokers who
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1 had procured his information, and asking why they were not present. Plaintiff
2 asked this question because he wanted to confirm who obtained his personal
3 information. In this communication, Plaintiff also asked if the downloaded
4 information was all of the information Facebook maintained on him.
5 However, as of April 10, 2018, Facebook failed to respond to Plaintiff.

6 56. Facebook's failures also violated his right to privacy because Facebook
7 deprived him of his opportunity to independently investigate the information
8 in his file for completeness and accuracy, as well as to determine which third
9 parties had obtained information about him. Facebook's failure to include this
10 information caused Plaintiff to suffer a concrete informational injury because
11 he had a right to that information under 15 U.S.C. § 1681g.

12 57. Facebook's disclosure failures were at least negligent, and entitle Plaintiff to
13 an award of actual damages including, but not limited to, lost time.

14 58. On information and belief, Facebook's failures were willful, as Facebook had
15 complete control over the information and as a matter of policy would not
16 clearly, completely or accurately disclose to Plaintiff the information in his
17 consumer file at Facebook. Thus, Plaintiff is entitled to statutory damages
18 under 15 U.S.C. § 1681n.

19 **CLASS ALLEGATIONS**

20 59. Plaintiff brings this action on behalf of a nationwide class of all similarly
21 situated individuals ("Class"), defined as:

22 All natural persons in the United States who, for the two-year
23 period preceding the date of this Complaint and continuing until
24 class certification, requested and obtained their Facebook
consumer disclosure, wherein Facebook failed to provide:

25 (a) all information it maintained in the consumer's file at the
26 time of the request regarding the source of an advertiser's
27 procuring of each consumer's address or other contact
information;

- 1 (b) a clear, accurate, and complete list of entities which
- 2 procured data from Facebook's records or obtained data
- 3 therefrom; and/or
- 4 (c) a complete list of inquiries from users, which disclosed the
- 5 dates and purposes of each inquiry.

6 60. Excluded from the Class are: (1) Defendant, Defendant's agents, subsidiaries,
7 parents, successors, predecessors, and any entity in which Defendant or its
8 parents have a controlling interest, and those entities' current and former
9 employees, officers, and directors; (2) the Judge to whom this case is assigned
10 and the Judge's immediate family; (3) any person who executes and files a
11 timely request for exclusion from the Class; (4) any persons who have had
12 their claims in this matter finally adjudicated and/or otherwise released; and
13 (5) the legal representatives, successors and assigns of any such excluded
14 person.

15 61. At this time the Plaintiff does not know the size of the Class because the
16 information is exclusively in the possession of Facebook, but believes that the
17 potential number of Class members is so numerous that joinder would be
18 impracticable. Facebook has nearly 2 billion users worldwide, including over
19 200 million in the United States alone. The number of Class members can be
20 determined through discovery, particularly investigation of Facebook's
21 internal records of the number of downloads made of an individual's file.

22 62. All members of the Class have been subject to and affected by a uniform
23 course of conduct in that the defects listed above will be present for all Class
24 members. These are questions of law and fact common to the proposed Class
25 that predominate over any individual questions. The questions common to all
26 Class members include, but are not limited to:

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245 FISHER AVENUE, UNIT D1
COSTA MESA, CA 92626

- 1 a. Whether Defendant failed to provide consumers with clear, accurate,
2 and complete disclosures of the information in their file when
3 requested;
4 b. Whether Defendant omitted statutorily required information in those
5 disclosures;
6 c. Whether Plaintiff and Class members suffered damages as a result of
7 Defendant's failure to comply with FCRA based on the failure to
8 disclose information;
9 d. Whether Plaintiff and Class members are entitled to statutory
10 damages; and
11 e. Whether Plaintiff and Class members are entitled to punitive damages.

12 63. Plaintiff's claims are typical of the Class, as Plaintiff requested information in
13 his Facebook file and received an incomplete consumer disclosure. All claims
14 are based on the same legal and factual issues.

15 64. Plaintiff will adequately represent the interests of the Class and does not have
16 an adverse interest to the Class. If individual Class members prosecuted
17 separate actions it may create a risk of inconsistent or varying judgments that
18 would establish incompatible standards of conduct. A class action is the
19 superior method for the quick and efficient adjudication of this controversy.
20 Plaintiff's counsel has experience litigating consumer class actions.

21 65. Further, under Fed. R. Civ. Pro. 23(a), Defendant acted on grounds generally
22 applicable to the proposed Class, making appropriate final injunctive relief
23 with respect to the proposed Class as a whole.

24 **COUNT ONE: VIOLATION OF 15 U.S.C. 1681 et seq.**

25 66. Plaintiff restates all allegations contained above as if fully rewritten herein.

26 67. This Count is brought on behalf of the nationwide Class.
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245 FISCHER AVENUE, UNIT D1
COSTA MESA, CA 92626

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68. Facebook failed to make clear, accurate, and complete disclosures, violating 15 § U.S.C. 1681g.

69. As a result of each and every willful violation of FCRA, Plaintiff and Class members are entitled to: actual damages, pursuant to 15 U.S.C. § 1681n(a)(1); statutory damages, pursuant to 15 U.S.C. § 1681n(a)(1); punitive damages, as this Court may allow, pursuant to 15 U.S.C. § 1681n(a)(2); and reasonable attorneys’ fees and costs pursuant to 15 U.S.C. § 1681n(a)(3).

70. As a result of each and every negligent non-compliance of the FCRA, Plaintiff and Class members are also entitled to actual damages, pursuant to 15 U.S.C. § 1681o(a)(1); and reasonable attorney’s fees and costs pursuant to 15 U.S.C. § 1681o(a)(2) from Defendant.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff, individually and on behalf of the Class, respectfully requests the following relief against Defendant Facebook:

- For an award of actual damages against Defendant pursuant to 15 U.S.C. § 1681o;
- For an award of statutory damages pursuant to 15 U.S.C. § 1681n(a)(1);
- For an award of punitive damages against Defendant as this Court may allow pursuant to 15 U.S.C. 1681n(a)(2);
- For an award of the costs of litigation and reasonable attorneys' fees pursuant to 15 U.S.C. 1681n(a)(3) and 15 U.S.C. 1681(o)(1)(1) against Defendant for each incident of noncompliance of FCRA; and
- For all other relief this Court may deem just and proper.

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JURY DEMAND

Plaintiff hereby request a trial by jury on all issues so triable.

Dated: April 12, 2018

Respectfully submitted,

KAZEROUNI LAW GROUP, APC

By: /s/ Abbas Kazerounian
ABBAS KAZEROUNIAN, ESQ.
ATTORNEY FOR PLAINTIFF

KAZEROUNI LAW GROUP, APC
245 FISCHER AVENUE, UNIT D1
COSTA MESA, CA 92626