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13  
14 **UNITED STATES DISTRICT COURT**  
15 **NORTHERN DISTRICT OF CALIFORNIA**

17 RYAN RICHARDS, RUBA AYOUB,  
18 BRANDY TERBAY AND TRACY  
19 CUMMINGS, on behalf of themselves and all  
20 others similarly situated,

19 Plaintiffs,

20 vs.

21 CHIME FINANCIAL, INC., GALILEO  
22 FINANCIAL TECHNOLOGIES, INC., and  
23 THE BANCORP INC.,

24 Defendants.

**CASE NO.**

**CLASS ACTION**  
**COMPLAINT**

**JURY TRIAL DEMANDED**

1 Plaintiffs, Ryan Richards, Ruba Ayoub, Brandy Terbay and Tracy Cummings  
2 (“Plaintiffs”), individually, and on behalf of all others similarly situated, by and through  
3 their counsel, bring this action against Chime Financial Inc. (“Chime”), Galileo  
4 Financial Technologies, Inc. (“Galileo”) and The Bancorp, Inc. (“Bancorp”) (collectively  
5 “Defendants”) allege as follows:

6 **NATURE OF THE ACTION**

7 1. This action is brought by Plaintiffs, individually and on behalf of a class  
8 of similarly situated customers of Chime arising from a service disruption that occurred  
9 on October 16, 2019 and continues in part to this day (hereafter, the “Service  
10 Disruption”).

11 2. As a result of Defendants’ negligence and other violations of law,  
12 Plaintiffs and Class members were prevented from accessing their Chime accounts for  
13 several days – denying access to the only source of money for many. During the Service  
14 Disruption, Plaintiffs and Class members were unable to spend or withdraw their funds  
15 from their accounts needed for the basic necessities of life, such as food, clothing,  
16 shelter, and medicine.

17 3. Plaintiffs and Class Members seek damages and injunctive relief based  
18 upon Defendants’ unlawful conduct denying Plaintiffs and Class Members (defined  
19 below) the ability to access and use funds in their accounts.

20  
21 **JURISDICTION AND VENUE**

22 4. This Court has subject matter over this action pursuant to the Class  
23 Action Fairness Act, 28 U.S.C. § 1332(d). The aggregate claims of the individual Class  
24 Members exceed the sum or value of \$5,000,000, exclusive of interest and costs; there  
25 are more than 100 putative class members defined below; and there are numerous  
26 members of the proposed class who are citizens of a state different from Defendants.



1 Application Programming Interfaces (“API”) which Chime uses to offer credit cards,  
2 debit cards, banking and money transfer services.

3 13. The Bancorp Inc. is a financial holding company which, through its  
4 wholly owned subsidiary The Bancorp Bank, provides licensed banking services for  
5 Chime including the Chime Visa® Debit Card. Bancorp is a Delaware corporation  
6 headquartered at 409 Silverside Road, Wilmington, Delaware, 19809.

7  
8 **GENERAL ALLEGATIONS**

9 14. Chime is an online-only bank started in 2013 as an alternative to  
10 traditional brick and mortar banks. Since its inception, Chime has attracted more than  
11 five million new account holders, giving it the largest customer base of any digital  
12 challenger bank in the U.S.<sup>1</sup>

13 15. Chime markets primarily to millennials and others who make \$35,000 to  
14 \$70,000 a year – the segment of the population that relies heavily on debit cards to pay  
15 for everyday expenses while attempting to stay within budget.<sup>2</sup>

16 16. “With a mission to deliver ‘financial peace of mind,’ Chime has  
17 developed a mobile [] checking account.... with a range of features to make banking  
18 simpler, cheaper and more transparent for the 160 million Americans it says live  
19 paycheck to paycheck.”<sup>3</sup>

20 17. One of Chime’s biggest selling points to cost sensitive customers has  
21 been its “no hidden fees” approach to creating a transaction account – meaning no

22 \_\_\_\_\_  
23 <sup>1</sup> *Chime now has 5 million customers and introduces overdraft alternative*, Tech  
24 Crunch, September 4, 2019, [https://techcrunch.com/2019/09/04/chime-now-has-5-](https://techcrunch.com/2019/09/04/chime-now-has-5-million-customers-and-introduces-overdraft-alternative/)  
[million-customers-and-introduces-overdraft-alternative/](https://techcrunch.com/2019/09/04/chime-now-has-5-million-customers-and-introduces-overdraft-alternative/)

25 <sup>2</sup> *This branchless bank quadrupled its customer base to 4 million in a single year*,  
26 CNBC, June 17, 2019 [https://www.cnbc.com/2019/06/12/chime-has-quadrupled-its-](https://www.cnbc.com/2019/06/12/chime-has-quadrupled-its-customer-base-to-4-million-in-a-single-year.html)  
[customer-base-to-4-million-in-a-single-year.html](https://www.cnbc.com/2019/06/12/chime-has-quadrupled-its-customer-base-to-4-million-in-a-single-year.html)

27 <sup>3</sup> *Shining a spotlight on Chime: The fastest-growing mobile banking challenger in the*  
28 *U.S.*, NS Banking, June 6, 2019, [https://www.nsbanking.com/analysis/chime-mobile-](https://www.nsbanking.com/analysis/chime-mobile-banking/)  
[banking/](https://www.nsbanking.com/analysis/chime-mobile-banking/)

1 overdraft fees, no monthly maintenance or service fees, no minimum balance, and no  
2 charges on foreign transactions.<sup>4</sup> Another innovative feature of Chime’s offering is its  
3 “get paid early” tool, which enables people to receive their regular salary up to two days  
4 earlier than normal.

5 18. Critical to Chime’s success is providing customers immediate access to  
6 their funds with minimal cost, implicitly acknowledging the fact that “when you live  
7 paycheck to paycheck, the tiniest hiccup could throw you for a financial loop. And that’s  
8 a pretty stressful way to live. Unfortunately, it’s also a practice that 59% of Americans  
9 uphold....”<sup>5</sup>

10 19. For many customers, Chime is their only account, where they keep all  
11 their money.

12 20. Chime customers receive a debit card, a Spending Account (aka checking  
13 account), a Savings Account, and a phone App that is iPhone and Android compatible.

14 21. Chime provides the banking services through its licensed banking  
15 partner, Bancorp and the underlying infrastructure to perform banking services and  
16 facilitate customer transactions through its technical partner Galileo.

### 17 18 **SERVICE DISRUPTION**

19 22. Without warning, on October 16, 2019, Chime suffered a system wide  
20 service outage leaving its 5 million customers without access to their accounts for 72  
21 hours. As a result, Chime customers suffered an array of harms and indignities, finding  
22 themselves without money to pay for gas, food, and medicine.<sup>6</sup>

23  
24 <sup>4</sup> *Chime Bank disrupting the banking industry with fintech*, MarketWatch, January 31,  
2019, <https://www.marketwatch.com/press-release/chime-bank-disrupting-the-banking-industry-with-fintech-2019-01-31>

25 <sup>5</sup> *More Than Half of Americans Live Paycheck to Paycheck. Here's How to Break That*  
26 *Cycle*, The Motley Fool, May 19, 2019  
27 <https://www.fool.com/retirement/2019/05/19/more-than-half-of-americans-live-paycheck-to-paych.aspx>

28 <sup>6</sup> Mobile bank Chime goes dark for millions of customers as it seeks \$5 billion

1           23.     During the time the system was down, Chime customers did not have  
2 access to their funds, causing immense hardship, including the inability to pay for basic  
3 necessities such as food, rent, electricity, gas, and medicine. Customers were unable to  
4 pay their household bills, resulting in the assessment of late fees.

5           24.     The outage is Chime's third since July, the last being in September over a  
6 weekend that prevented customers from making card purchases or withdrawing money  
7 from ATMs.<sup>7</sup>

8           25.     Rather than contacting its customers directly via e-mail, telephone or the  
9 Chime App, Chime took to social media, specifically Twitter, to communicate the  
10 outage. On October 16, 2019, at 10:41, Chime tweeted "Our processor is experiencing  
11 issues, resulting in our app + website being down. We're aware and are working with  
12 them to get it up and running ASAP. We apologize for the inconvenience."<sup>8</sup>

13           26.     Chime's decision to initially communicate only through a particular  
14 social media outlet left millions of its customers unaware of the system-wide outage and  
15 unable to mitigate the harm. Customers that were aware of the tweets expressed their  
16 outrage in the thousands highlighting the harm that the Service Disruption caused. A  
17 small sampling of the approximately 4,000 customer tweets are included below.<sup>9</sup>

18  
19           A [REDACTED] P [REDACTED] @ [REDACTED] Oct 16  
20           Are we all going to get compensated for this mess or what? I literally  
21           had to leave groceries at the store because I couldn't get my card  
22           to work. Then to top all of that off, I have to come here to Twitter to  
23           find out if you guys are down or something because Chime can't  
24           email?

25           valuation, CNBC, October 17, 2019, <https://www.cnbc.com/2019/10/17/digital-bank-chime-goes-dark-for-millions-of-customers.html>

26           <sup>7</sup> Chime Suffers Outage That Prevents Customers From Making Purchases, Accessing  
27           Cash, Forbes, <https://www.forbes.com/sites/donnafusco/2019/10/17/chime-suffers-outage-that-prevents-customers-from-making-purchases-accessing-cash/#1d5ded78ca3a>

28           <sup>8</sup> <https://twitter.com/Chime/status/1184524678016188416>

<sup>9</sup> <https://twitter.com/Chime/status/1185013216008536064> [redactions for privacy]

1 **B** @ [REDACTED] Oct 16

2 A traditional bank employs people with telephones who answer  
3 them and tell you they are having issues instead of looking on  
4 social media for answers

4 **Bl** @ [REDACTED] Oct 16

5 Replying to @Chime

6 I feel like we should get something for this inconvenience. I can  
7 understand the app having issues. But not being able to use our  
8 money is freaking ridiculous!!!

8 **H** **D** @ [REDACTED] Oct 16

9 Replying to @Chime

10 How can y'all still roll out emails but not notify anyone that the app  
11 is down as well as card use. Twitter shouldn't be the first place I  
12 should hear about this.

11 **Br** @ [REDACTED] Oct 16

12 Replying to @Chime

13 Dude it was so embarrassing getting declined for 4.63 cents for a  
14 Red Bull and chips and standing in line knowing I have money that  
15 was not cool at all

15 **Chime**

16 We're aware that card transactions are down, and are working  
17 on bringing it back up as soon as possible. We sincerely  
18 apologize for the inconvenience. For real-time updates, please  
19 refer to our status page: <http://status.chimebank.com>.

20 7:02 PM - 17 Oct 2019

19 **J** **Y** @ [REDACTED] Oct 17

20 Replying to @Chime

21 This outage is beginning to get annoying! I have bills to pay and  
22 can't transfer money where it's need cause I have no access to  
23 balance or anything! Get this fixed all ready!

22 **ChimeVerified account** @Chime Oct 17

23 Jessica - We want to apologize for the inconvenience that you are  
24 experiencing at this time. We are experiencing issues with our  
25 payment processor. Please be assured that the Chime team is  
26 working tirelessly to remedy this issue.

26 **F** @ [REDACTED] Oct 17

27 This apology at this point is aggravating and feels like a copy and  
28 paste reply JUST GET IT FIXED!!!!

**T O A O M @ [REDACTED]** Oct 17

It can't be intermittent issues when we are going on 2 days now. Instead of saying "issues" how about a real explanation for why we can't access our money? Some of us live paycheck to paycheck and this stretches us all too far.

**M S @ [REDACTED]** Oct 17

Replying to @Chime

Got an email saying my card is working again, run to the gas station just to have it declined again!

**S C @ [REDACTED]** Oct 17

Replying to @Chime

Yikes. Just as I parked at Target with my daughters, I saw the outage update. had to explain to the kids why we can't shop and finish errands. Good thing we didn't get out of the car. Eek! Hope this gets worked out by tomorrow. Thank you!

**T W @ [REDACTED]** Oct 17

Haven't been able to feed my 3 kids either for the last 48 hours and my husband is stuck in a semi with no access at all to our money. Im stressed and this is fucking ridiculous

**I G a C @ [REDACTED]** Oct 17

Replying to @Chime

Notice how "direct deposit" is the only service up and running? They can still get our money, but we can't do anything with it. Interesting.

iOS ?	Major Outage
Android ?	Major Outage
Web	Major Outage
Card Purchases	Partial Outage
Direct Deposit	Operational
Mobile Check Deposit	Major Outage
ATMs	Partial Outage
Transfers	Partial Outage
Chime Checkbook	Major Outage
Connected Accounts	Major Outage
Automatic Savings	Major Outage
Notifications	Partial Outage
Phone Support	Partial Outage
In-app Support	Major Outage



1  T ■ K ■ M ■ @ ■ Oct 17

2 Replying to @Chime

3 This is my first paycheck direct deposit with @Chime . I just got  
4 my account almost 2 weeks ago. I now have ZERO access to my  
5 paycheck that was deposited today. I work hard to earn my pay,  
6 and now I have no access to it. As a new Chime member, this  
7 sure is not a good impression.

8 S ■ R ■ @ ■ Oct 17

9 Yep just tried using mine..... familiar declined message! This is  
10 beyond ridiculous. @Chime what's the friggin issue, 2 days with  
11 this bs is unacceptable. Will you pay late charges we get because  
12 we can't pay bills with our money in your possession?

13 27. On Friday October 18, 2019, 72 hours after first denying customer's  
14 access to their money and the ability to make purchases, ATM withdrawals, direct  
15 deposits, or transfers, Chime purportedly reestablished basic functions although were  
16 still experiencing "technical issues" with the phone app.

17 *"Thanks for calling Chime. Card purchases, ATM  
18 withdrawals and direct deposits are all working as expected,  
19 however, we are currently experiencing technical issues with  
20 the Chime app. Also, you can receive your balance over the  
21 phone system. We are working to restore full app functionality  
22 as quickly as possible and are deeply sorry for the  
23 inconvenience. We are experiencing high call volumes and  
24 hold times are over 40 minutes."*<sup>10</sup>

25 28. Unfortunately, even after basic banking functions were reestablished and  
26 customers regained access to their accounts, many have reporting missing money and  
27 incorrect balances, despite not having had access to the account for days. *Id.*

28 <sup>10</sup> Popular mobile banking app Chime suffers outage, customers' money hangs in the  
balance, ABC News 5 Cleveland, October 18, 2019,  
<https://www.news5cleveland.com/news/national/popular-mobile-banking-app-chime-suffers-outage-customers-money-hangs-in-the-balance>

**Chime Verified account** @Chime Oct 18

We've received questions regarding account balances. We take this very seriously and are investigating with our processor. Balance information has been temporarily removed from the app until we can provide the most up to date balance. Thanks for your patience, your money is safe.

**j [REDACTED] D [REDACTED]** @ [REDACTED] Oct 18

You guys doubled a few of my transactions and now I'm - \$73.00 when will this be fixed?

**L M [REDACTED] E [REDACTED]** @ [REDACTED] Oct 18

Replying to @Chime

Just when I thought all was well balances are not accurate

**Chime Verified account** @Chime Oct 18

We've received questions regarding account balances. We take this very seriously and are investigating with our processor. Balance information has been temporarily removed from the app until we can provide the most up to date balance. Thanks for your patience, your money is safe.

**T [REDACTED]** @ [REDACTED] Oct 18

I checked my account, had the money to get food and gas, go to get food 15 minutes later and all of a sudden my account is negative... a lot others have it so much worse but all in all it's our money wrongfully leaving our accounts which makes it gone to us until it's back..

29. Customer ire and frustration was summed up succinctly in a petition on Change.org that has garnered 5,807 signatures and counting.

Yesterday around 3PM Chime Bank went down preventing people from accessing any services to their accounts, INCLUDING card purchases and ATM withdraws. People were forced to put back groceries, not fill up their car, miss work and even be late on bills. This is not acceptable, and Chime Bank should have to compensate its users.<sup>11</sup>

<sup>11</sup> <https://www.change.org/p/chime-bank-chime-needs-to-compensate-for-damages-while-their-banking-system-was-down-61ee0c25-fc40-4d5e-8b93-0aabd9127cce>



1           37. Ms. Ayoub attempted to contact Chime via the Chime App and emails,  
2 but either received no response or incorrect information regarding the accessibility of  
3 her account.

4           38. Ms. Ayoub is a heart patient and had a scheduled visit with her  
5 cardiologist. She informed them that due to the Service Disruption she was unable to  
6 make the co-pay. Her Doctor kindly agreed to render medical services and bill Ms.  
7 Ayoub the \$50.00 co-pay.

8           39. During the Service Disruption Ms. Ayoub was also unable to purchase  
9 groceries for her family.

10           40. Once Ms. Ayoub obtained access to her account, she noticed an Uber  
11 Eats charge on October 18, 2019 for \$33 which she did not make, did not authorize and  
12 was made at a time that she did not have access to her account. As a result, her account  
13 also showed a negative balance.

14           41. In addition to causing hardship and financial damage, the Service  
15 Disruption required Ms. Ayoub to spend valuable time dealing with the myriad of issues  
16 caused by not having access to her account – time which she would not have otherwise  
17 had to spend but for the Service Disruption.

18           42. Plaintiff Brandy Terbay is a Chime customer. She receives social security  
19 and disability.

20           43. On October 16, 2019 Ms. Terbay learned that the money in her Chime  
21 account was inaccessible as she tried to purchase her diabetes and anxiety medications  
22 from her pharmacy. Because of the Service Disruption, Ms. Terbay did not have a  
23 working debit card and her attempt to purchase medication was declined. The  
24 medication Ms. Terbay was attempting to purchase was not volitional, but a life  
25 sustaining necessity.

26           44. Ms. Terbay attempted to call and send messages to Chime through the  
27 phone app without response.

1 45. Ms. Terbay's Doctor's office contacted her after they did not receive  
2 notification that her medication had been picked up. Once Ms. Terbay explained that  
3 she did not have access to her account through no fault of her own, her Doctor's office  
4 provided her with a gift card so that she could purchase medication.

5 46. In addition to being unable to purchase medication, the Service  
6 Disruption prevented Ms. Terbay from grocery shopping and feeding her children. She  
7 was subsequently forced to borrow money from her father in order to do so.

8 47. In addition to causing hardship and financial damage, the Service  
9 Disruption required Ms. Terbay to spend valuable time dealing with the myriad of issues  
10 caused by not having access to her account – time which she would not have otherwise  
11 had to spend but for the Service Disruption.

12 48. Ms. Terbay has opened up a new account at another bank and is in the  
13 process of closing her Chime account.

14 49. Plaintiff Tracy Cummings is a Chime customer. On Wednesday October  
15 16, 2019 at approximately 10:00 a.m., Ms. Cummings attempted to access her Chime  
16 account without success. She repeatedly attempted to do so throughout the day without  
17 success. She subsequently visited Chime's website and emailed them, but ultimately  
18 learned of the Service Disruption through social media.

19 50. Ms. Cummings agreed to pay her rent the morning of 16<sup>th</sup>, which she  
20 could not do because she had no access to her bank account. As a result, her rent was 72  
21 hours late for which she will be assessed a fee.

22 51. The Service Disruption also prevented Ms. Cummings from: (1)  
23 purchasing groceries, (2) paying a friend to whom she owed money, (3) putting gas in  
24 her car; and (4) having dinner out with her friends.

25 52. In addition to causing hardship and financial damage, the Service  
26 Disruption required Ms. Cummings to spend valuable time dealing with the myriad of  
27  
28

1 issues caused by not having access to her account – time which she would not have  
2 otherwise had to spend but for the Service Disruption.

3  
4 **INAPPLICABLE OR UNENFORCEABLE ARBITRATION CLAUSE**

5 53. Section 16 of Chime’s Deposit Account Agreement purports to require that  
6 certain disputes be individually arbitrated. Section 16 is unenforceable because it is  
7 substantively and procedurally unconscionable and/or is against public policy.<sup>12</sup>

8 54. To the extent that Defendant asserts that the claims of Plaintiffs and Class  
9 members are subject to an arbitration agreement or a class action waiver, Plaintiffs and  
10 the Class seek declaratory relief in the form of a finding that such a purported arbitration  
11 agreement is void and unenforceable.

12 55. Plaintiffs and Class Members were fraudulently induced into banking with  
13 Chime because they were led to believe their funds would be protected and they would  
14 have unhindered access to these monies.

15 56. The terms of Chime’s arbitration provision, waiver of class action rights  
16 and right to trial by jury are unconscionable and Plaintiffs and Class Members would not  
17 have agreed to those terms or deposited any money with Chime had they known about the  
18 fraudulent, unlawful and unfair activity and misrepresentations as described in this  
19 Complaint.<sup>13</sup>

20 **CLASS ACTION ALLEGATIONS**

21 57. Plaintiffs bring this suit as a class action on behalf of themselves and on  
22 behalf of all others similarly situated pursuant to Rule 23(b)(2), (b)(3) and (c)(4) of the  
23 Federal Rules of Civil Procedure. Plaintiffs seek certification of a Nationwide and state  
24 Sub classes defined as follows:

25 \_\_\_\_\_  
26 <sup>12</sup> <https://www.chimebank.com/policies/bancorp/deposit-account-agreement/>

27 <sup>13</sup> Plaintiff reserves the right to assert this claim as to any of Defendants’ terms of  
28 service which contain an arbitration clause and/or class action waiver provision.

1 All Chime consumers in the United States who were  
2 denied access to their accounts and funds beginning  
3 October 16, 2019.

4 All Chime consumers residing in the state of Florida who  
5 were denied access to their accounts and funds beginning  
6 October 16, 2019.

7 All Chime consumers residing in the state of Texas who  
8 were denied access to their accounts and funds beginning  
9 October 16, 2019.

10 All Chime consumers residing in the state of Illinois who  
11 were denied access to their accounts and funds beginning  
12 October 16, 2019.

13 All Chime consumers residing in the state of Georgia  
14 who were denied access to their accounts and funds  
15 beginning October 16, 2019.

16 58. Excluded from the Classes are the officers, directors, and legal  
17 representatives of Defendants, and the judges and court personnel in this case and any  
18 Members of their immediate families.

19 59. Numerosity. Fed. R. Civ. P. 23(a)(1). The Class Members are so numerous  
20 that joinder of all Members is impractical. While the exact number of Class Members is  
21 unknown to Plaintiff at this time, upon information and belief, the Service Disruption  
22 affected all approximately five million Chime customers.

23 60. Commonality. Fed. R. Civ. P. 23(a)(2) and (b)(3). There are questions of  
24 law and fact common to the Class, which predominate over any questions affecting only  
25 individual Class Members. These common questions of law and fact include, without  
26 limitation:

- 27 a. whether Defendants owed duties to Plaintiffs and the proposed classes, the  
28 scope of those duties and if they breached those duties;
- b. whether Defendants' conduct was unfair or unlawful;
- c. whether Defendants breached their contracts with Plaintiffs and the  
proposed classes;

- 1 d. whether the arbitration and class action waiver provisions of the Chime  
2 Deposit Agreement are unconscionable, illusory, fraudulent or otherwise  
3 invalid;
- 4 e. whether Plaintiffs, the Class and the Subclasses have sustained damages as  
5 a result of Defendants' conduct alleged herein and, if so, what is the proper  
6 measure of such damages; and
- 7 f. whether Plaintiffs, the Class and the Subclasses are entitled to declaratory  
8 and injunctive relief.

9 61. Typicality. Fed. R. Civ. P. 23(a)(3). Plaintiffs' claims are typical of those  
10 of other Class Members because Plaintiffs lost access to their Chime accounts like every  
11 other Class Member. Plaintiffs' claims are typical of those of the other Class Members  
12 because, *inter alia*, all Members of the Class were injured through the common  
13 misconduct of Defendants. Plaintiffs are advancing the same claims and legal theories on  
14 behalf of themselves and all other Class Members, and there are no defenses that are  
15 unique to Plaintiffs. Plaintiffs' claims and those of Class Members arise from the same  
16 operative facts and are based on the same legal theories.

17 62. Adequacy of Representation. Fed. R. Civ. P. 23(a)(4). Plaintiffs will fairly  
18 and adequately represent and protect the interests of the Class in that they have no  
19 disabling conflicts of interest that would be antagonistic to those of the other Members of  
20 the Class. Plaintiffs seek no relief that is antagonistic or adverse to the Members of the  
21 Class and the infringement of the rights and the damages he has suffered are typical of  
22 other Class Members. Plaintiffs have retained counsel experienced in complex consumer  
23 class action litigation, and Plaintiff intends to prosecute this action vigorously.

24 63. Superiority of Class Action. Fed. R. Civ. P. 23(b)(3). The class litigation  
25 is an appropriate method for the fair and efficient adjudication of the claims involved.  
26 Class action treatment is superior to all other available methods for the fair and efficient  
27 adjudication of the controversy alleged herein; it will permit a large number of Class  
28



1 Members to prosecute their common claims in a single forum simultaneously, efficiently,  
2 and without the unnecessary duplication of evidence, effort, and expense that hundreds of  
3 individual actions would require. Class action treatment will permit the adjudication of  
4 relatively modest claims by certain Class Members, who could not individually afford to  
5 litigate a complex claim against large corporations, like Defendants. Further, even for  
6 those Class Members who could afford to litigate such a claim, it would still be  
7 economically impractical and impose a burden on the courts.

8         64. The nature of this action and the nature of laws available to Plaintiff and  
9 the Class make the use of the class action device a particularly efficient and appropriate  
10 procedure to afford relief to Plaintiff and the Class for the wrongs alleged because  
11 Defendants would necessarily gain an unconscionable advantage since they would be able  
12 to exploit and overwhelm the limited resources of each individual Class Member with  
13 superior financial and legal resources; the costs of individual suits could unreasonably  
14 consume the amounts that would be recovered; proof of a common course of conduct to  
15 which Plaintiff was exposed is representative of that experienced by the Class and will  
16 establish the right of each Class Member to recover on the cause of action alleged; and  
17 individual actions would create a risk of inconsistent results and would be unnecessary  
18 and duplicative of this litigation.

19         65. The litigation of the claims brought herein is manageable. Defendants'  
20 uniform conduct, the consistent provisions of the relevant laws, and the ascertainable  
21 identities of Class Members demonstrates that there would be no significant manageability  
22 problems with prosecuting this lawsuit as a class action.

23         66. Adequate notice can be given to Class Members directly using information  
24 maintained in Defendant' records.

25         67. Defendant has acted or refused to act on grounds generally applicable to  
26 the Class and, accordingly, final injunctive or corresponding declaratory relief with regard  
27  
28

1 to the Class Members as a whole is appropriate under Rule 23(b)(2) of the Federal Rules  
2 of Civil Procedure.

3 68. Unless a Class-wide injunction is issued, Defendant may continue to act  
4 unlawfully as set forth in this Complaint.

5 69. Likewise, particular issues under Rule 23(c)(4) are appropriate for  
6 certification because such claims present only particular, common issues, the resolution  
7 of which would advance the disposition of this matter and the parties' interests therein.

8 **COUNT I – NEGLIGENCE**

9 **(By All Plaintiffs Against All Defendants)**

10 70. Plaintiffs repeat, reallege, and incorporate by reference each of the  
11 foregoing allegations as though fully set forth herein.

12 71. Defendants owed duties to Plaintiffs and the proposed Class as Chime  
13 account holders and paying customers to use reasonable care to protect and secure  
14 customer funds and provide access to those monies.

15 72. Defendants had full knowledge of the types of harm that Plaintiffs and  
16 Class Members could and would suffer if they were denied access to the monies in their  
17 account.

18 73. Defendants breached their duties to Plaintiffs and Class Members by  
19 failing to provide customers access to their funds for a prolonged period of time causing  
20 hardship to the Plaintiffs and the proposed classes.

21 74. Defendants breached their duties to Plaintiffs and Class Members by  
22 failing to maintain the integrity of customer accounts during the Service Disruption  
23 resulting in fraudulent charges and inaccurate balance statements.

24 75. Defendants failed to use reasonable care in communicating information  
25 about the Service Disruption and the security and integrity of account funds.

26 76. Plaintiffs and the proposed Class justifiably relied upon the information  
27 supplied and representations made by Defendants, and, as a result, engaged in business  
28

1 with Defendants suffered damages and lost money.

2 77. As a direct and proximate result of Defendants' negligence, Plaintiffs and  
3 the proposed Class were damaged in an amount to be proven at trial.

4 **COUNT II – UNJUST ENRICHMENT**

5 **(By All Plaintiffs Against All Defendants)**

6 78. Plaintiffs repeat, reallege, and incorporate by reference each of the  
7 foregoing allegations as though fully set forth herein.

8 79. Plaintiffs and the proposed Class have conferred a benefit upon Defendants  
9 by depositing monies into a Chime account, which, by being inaccessible, did not perform  
10 as promised and/or did not have the attributes and benefits promised by Defendants.

11 80. By their unfair, misleading and unlawful conduct alleged herein,  
12 Defendants have unjustly received and retained benefits at the expense of Plaintiffs and  
13 the proposed Class, including funds that Plaintiffs and the proposed Class paid to  
14 Defendants and funds deposited to Chime accounts.

15 81. Under principles of equity and good conscience, Defendants should not be  
16 permitted to retain money belonging to Plaintiffs and the proposed Class that they unjustly  
17 received as result of its unfair, misleading and unlawful conduct alleged herein without  
18 providing compensation to Plaintiffs and the proposed Class.

19 82. Plaintiffs and the proposed Class have suffered financial loss as a direct  
20 result of Defendant's conduct.

21 83. Plaintiffs and Class Members are entitled to restitution of, disgorgement  
22 of, and/or the imposition of a constructive trust upon all profits, benefits and other  
23 compensation obtained by Defendants, and for such other relief that this Court deems  
24 proper, as a result of their unfair, misleading and unlawful conduct.

25 //

26 //

27 //



1 91. Plaintiffs, and each member of the Class, deposited money into their Chime  
2 accounts.

3 92. Defendants knowingly and intentionally exercised control over the monies  
4 belonging to Plaintiffs and Class members, retraining funds and denying Plaintiffs and  
5 Class members access to their funds.

6 93. Because of the unlawful restraint imposed by Defendants, the rights of  
7 Plaintiffs and the Class members in their funds were interfered with and their funds could  
8 not be used in the matter in which they desired.

9 94. Defendants also unlawfully imposed fees upon Plaintiffs and the Class  
10 members in connection with these restraints, depriving them of the use and control over  
11 their property.

12 95. As a result of the foregoing actions of Defendants, Plaintiffs and the  
13 proposed Class have been damaged in an amount to be proven at trial.

14  
15 **COUNT V – BREACH OF FIDUCIARY DUTY**

16 **(By All Plaintiffs Against All Defendants)**

17 96. Plaintiffs repeat, reallege, and incorporate by reference each of the  
18 foregoing allegations as though fully set forth herein.

19 97. Defendants owed a fiduciary duty to Plaintiffs and Class members to  
20 protect, secure and retain all monies that lawfully belonged to them.

21 98. As alleged herein, Defendants breached those fiduciary duties by  
22 restraining funds that they had no right to restrain.

23 99. Defendants breached those fiduciary duties by denying Plaintiffs and Class  
24 members access to the funds that lawfully belonged to them.

25 100. Defendants breached those fiduciary duties by failing to secure and protect  
26 all of the funds Plaintiffs and Class members had in their Chime accounts.

27 101. As a result of the foregoing actions of Defendants, Plaintiffs and the  
28

1 proposed Class have been damaged in an amount to be proven at trial.

2 **COUNT VI – VIOLATION OF THE FLORIDA DECEPTIVE**

3 **AND UNFAIR TRADE PRACTICES ACT (FDUTPA)**

4 **Fla. Stat. §501.201**

5 (On behalf of the Florida Subclass)

6 102. Plaintiffs repeat, reallege, and incorporate by reference each of the  
7 foregoing allegations as though fully set forth herein.

8 103. Plaintiff Ryan Richards (hereinafter “Plaintiff” for this Count) brings this  
9 claim individually and on behalf of the Florida Subclass.

10 104. At all times relevant hereto, the FDUTPA was in full force and effect.  
11 Section 501.202 Fla. Stat. of FDUTPA provides in relevant part as follows:

12 The provisions of this part shall be construed liberally to  
13 promote the following policies:

14 (1) To simplify, clarify, and modernize the law governing  
15 consumer protection, unfair methods of competition, and  
16 unconscionable, deceptive, and unfair trade practices.

17 (2) To protect the consuming public and legitimate business  
18 enterprises from those who engage in unfair methods of  
19 competition, or unconscionable, deceptive, or unfair acts or  
20 practices in the conduct of any trade or commerce.

21 (3) To make state consumer protection and enforcement  
22 consistent with established policies of federal law relating to  
23 consumer protection.

24 105. Plaintiff and other members of the proposed subclass, as defined above,  
25 are “consumers” as defined by Florida Statute §501.203(7) and the subject transactions  
26 are “trade or commerce” as defined by Florida Statute §501.203(8).

27 106. Section 501.204 renders unlawful the “Unfair methods of competition,  
28 unconscionable acts or practices, and unfair or deceptive acts or practices in the conduct  
of any trade or commerce are hereby declared unlawful.”

107. FDUPTA was enacted to protect the consuming public and legitimate  
business enterprises from those who engage in unfair methods of competition, or

1 unconscionable, deceptive, or unfair acts or practices in the conduct of any trade or  
2 commerce.

3 108. For the reasons discussed herein, Defendants violated and continue to  
4 violate FDUPA by engaging in the herein describe unconscionable, deceptive, unfair  
5 acts or practices proscribed by Florida Statute §501.201 *et. seq.* Defendants' affirmative  
6 misrepresentations and practices described herein were likely to, and did in fact, deceive  
7 and mislead members of the public, including consumers acting reasonably under the  
8 circumstances, to their detriment.

9 109. Defendants represented that Chime customers would have full access to  
10 the funds in their accounts.

11 110. Plaintiff and the proposed subclass deposited money into their Chime  
12 accounts that they would not have deposited had they known they would subsequently be  
13 denied access to their accounts.

14 111. Plaintiff and the proposed subclass members justifiably relied on the  
15 misrepresentations of Defendants to their detriment as described herein by depositing  
16 money into their Chime accounts.

17 112. The above-described deceptive and unfair acts offend public policy and  
18 cause substantial injury to consumers.

19 113. Plaintiff and the proposed subclass reserve the right to allege other  
20 violations of FDUPA as Defendants' conduct is ongoing.

21 114. As a direct and proximate result of the foregoing, the Plaintiff and the  
22 proposed subclass have been damaged in an amount to be determined at trial, including  
23 compensatory damages and other miscellaneous incidental and consequential damages.

24 115. Plaintiff and the proposed subclass seek damages, together with  
25 appropriate punitive damages, attorneys' fees, and costs of suit pursuant to the FDUTPA  
26 as well as any equitable relief to enjoin Defendants from engaging in the wrongdoing  
27 described herein.  
28

1 **COUNT VII – VIOLATION OF ILLINOIS CONSUMER FRAUD ACT, 815 ILL.**

2 **Comp. Stat. §§ 505/1, et seq.**

3 (On behalf of the Illinois Subclass)

4 116. Plaintiffs repeat, reallege, and incorporate by reference each of the  
5 foregoing allegations as though fully set forth herein.

6 117. Plaintiff Tracy Cummings (hereinafter “Plaintiff” for this Count) brings  
7 this claim individually and on behalf of the Illinois Subclass.

8 118. Defendants operating in Illinois engaged in deceptive, unfair, and unlawful  
9 trade acts or practices in the conduct of trade or commerce, in violation of 815 Ill. Comp.  
10 Stat. § 505/2, including but not limited to the engaging in deceptive, unfair, and unlawful  
11 trade acts or by failing to maintain the accessibility, security and integrity of Subclass  
12 Members’ Chime accounts.

13 119. As a direct and proximate result of Defendants’ deceptive trade practices,  
14 Illinois Subclass Members suffered injuries and damages as described above.

15 120. The unfair and deceptive practices and acts by Defendants were immoral,  
16 unethical, oppressive, and unscrupulous. These acts caused substantial injury that these  
17 consumers could not reasonably avoid; this substantial injury outweighed any benefits to  
18 consumers or to competition.

19 121. Defendants actions in engaging in the above-named unfair practices and  
20 deceptive acts were negligent, knowing and willful, and/or wanton and reckless with  
21 respect to the rights of members of the Illinois Subclass.

22 **COUNT VIII – VIOLATION TWENTY-FIRST CAUSE OF ACTION**

23 **ILLINOIS UNIFORM DECEPTIVE TRADE PRACTICES ACT,**

24 **815 Ill. Comp. Stat. §§ 510/2, et seq.**

25 (On behalf of the Illinois Subclass)

26 122. Plaintiffs repeat, reallege, and incorporate by reference each of the  
27 foregoing allegations as though fully set forth herein.





- 1 d. For an award of punitive damages;
- 2 e. For an award of attorneys' fees, costs, and litigation expenses, as allowed by
- 3 law;
- 4 f. For prejudgment interest on all amounts awarded; and
- 5 g. Such other and further relief as this Court may deem just and proper.

6 **DEMAND FOR JURY TRIAL**

7 Plaintiffs hereby demand a trial by jury on all issues so triable.

8

9 October 22, 2019.

10

11 Respectfully submitted,

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20

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