

EXHIBIT A

IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS
COUNTY DEPARTMENT, CHANCERY DIVISION

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LYNETTE BOOTH and BARBARA FORD,
individually and on behalf of all others
similarly situated,

Plaintiffs,

v.

PACIFIC WEBWORKS, INC., a Nevada
corporation, THE QUAD GROUP, LLC, a
Utah limited liability company, and
BLOOSKY INTERACTIVE, LLC, a
California limited liability company,

Defendants.

Case No. 11-CH-25295

CLERK
DOROTHY BROWN

Hon. Stuart E. Palmer

FIRST AMENDED CLASS ACTION COMPLAINT

Plaintiffs Lynette Booth (“Booth”) and Barbara Ford (“Ford”) (collectively, “Plaintiffs”) bring this First Amended Class Action Complaint against Defendants Pacific WebWorks, Inc., The Quad Group, LLC, and Bloosky Interactive, LLC; based upon Defendants’ unlawful practice of deceptively marketing to and billing Plaintiffs and similarly-situated others for Defendants Pacific WebWorks, Inc.’s and The Quad Group, LLC’s work-at-home products. Plaintiffs, for their First Amended Class Action Complaint, allege as follows upon personal knowledge as to themselves and their own acts and experiences and, as to all other matters, upon information and belief, including investigation conducted by their own attorneys.

Parties

1. Plaintiff Lynette Booth is a natural person and domiciled in the State of Illinois.
2. Plaintiff Barbara Ford is a natural person and domiciled in the State of Illinois.
3. Defendant Pacific WebWorks, Inc. (“Pacific WebWorks”) is an online provider of work-at-home products marketed to consumers nationwide. Pacific WebWorks is a corporation

incorporated and existing under the laws of the state of Nevada, with its headquarters and principal place of business located at 230 West 400 South, 1st Floor, Salt Lake City, Utah 84101. Pacific WebWorks does business throughout the State of Illinois and nationwide.

4. Defendant The Quad Group, LLC (“The Quad Group”) is an online provider of work-at-home products marketed to consumers nationwide. The Quad Group is a limited liability company organized and existing under the laws of the State of Utah, with its headquarters and principal place of business located at 230 West 400 South, 1st Floor, Salt Lake City, Utah 84101. The Quad Group is an affiliate/sister company of Pacific WebWorks and is jointly operated by substantially similar principals and employees. The Quad Group does business throughout the State of Illinois and nationwide.

5. Defendant Bloosky Interactive, LLC (“Bloosky”), is an advertising network generating online advertisements, consumer traffic for websites selling products and goods, and conversion optimization for those websites. Bloosky also performs as an affiliate marketer in this online space. Bloosky is a limited liability company organized and existing under the laws of the State of California, with its headquarters and principal place of business located at 9 Pasteur, Suite 100, Irvine, California 92618. Bloosky does business throughout the State of Illinois and nationwide.

Jurisdiction and Venue

6. This Court has personal jurisdiction over Defendants in this action pursuant to 735 ILCS 5/2-209(a)(1) because Defendants conduct business and have committed tortious acts within the State of Illinois.

7. Venue is proper in this Court because Defendants do business throughout Cook County and the causes of action alleged herein arose, in substantial part, in this County.

Facts Common to All Counts

8. With unemployment rising and wages stagnant, Americans are suffering through the worst economy in decades. In these hard times, ordinary consumers are more than ever subjected to a proliferation of work-at-home offers that promise the ability to easily make thousands of dollars from work-at-home businesses.

9. The offers hosted by Defendants Pacific WebWorks and The Quad Group, and marketed by Defendant Bloosky, state that consumers will work directly with, and be well-paid by Internet search giant Google. The ability to work for this enormously successful company reasonably supports the promise of sustainable income as described in Defendants' offers.

10. Pacific WebWorks's and The Quad Group's offers begin as initial representations made through a common deceptive scheme managed collaboratively by all Defendants. The initial scheme consists of spam email offers, sponsored links, banner ads on internet search pages, and links in fake news articles and fake blogs (so-called "flogs"). The purpose of each of these initial representations is to drive consumer traffic to credit card submit landing pages where a purchase can be made.

11. These sponsored links, banner ads, fake news articles, and other common methods of gaining a consumer's attention are created and operated by Bloosky in conjunction with a group of affiliate marketers whose sole objective is to drive consumer Internet traffic to merchant landing pages such as those selling Defendant Pacific WebWorks's and The Quad Group's work-at-home products. Bloosky acts in this space as an advertising network and/or affiliate marketer, and in those capacities, actively drives online consumer traffic to Pacific WebWorks's and The Quad Group's websites for its own monetary gain. The relationship between Pacific WebWorks/The Quad Group on the one hand, and Bloosky on the other, is one of

interdependence: Pacific WebWorks and The Quad Group need the advertising networks to market to and contract with affiliate publishers within Bloosky's network, who further propagate the deception through fake news articles and blogs.

12. Pacific WebWorks, The Quad Group, and Bloosky work together to "optimize" transaction pages so as to drive ever-higher rates of purchase. All Defendants are motivated to take this active role because the sales revenue generated on a Pacific WebWorks or The Quad Group site is the only way that Pacific WebWorks, The Quad Group, and Bloosky are compensated. Therefore, Bloosky has a vested interest in not only directing consumers to the product page, but also in actively ensuring that a consumer purchases the product.

13. This optimization includes changing the design of advertising pages in the order path including the color, words used, placement of words, font size, placement of the Terms of Service, and the use of "pressures" like "You Qualify for Instant Access!" and "these kits are going FAST!," or the use of running timers counting down the minutes left before an offer "expires." Such pressures are simply fabrications and are dynamically inserted into the website at specified screen locations to further drive sales.

14. To maximize optimization, Bloosky employs "affiliate managers" and other representative employees to communicate directly with the affiliate publishers working within their respective networks who create deceptive advertising such as sponsored links and fake news articles and blogs, for the purpose of matching them with the highest converting merchant offers (usually the most deceptive), and assisting them in optimizing their advertising materials by providing templates and advertising copy. At the same time, Bloosky's employees communicate with Pacific WebWorks and The Quad Group to match their transaction pages with publishers' advertising pages and optimize their own transaction pages for higher conversion

rates (i.e., making them more deceptive). These affiliate managers have full visibility and knowledge of the deceptive advertisements used to drive traffic to work-at-home offers, and likewise, have full knowledge and visibility of the deceptive nature of merchants' transaction pages.

15. As a primary inducement, consumers are often simply responding to the many initial representations and screenshots that appear to state a relationship with Google itself within order paths managed by Bloosky. The use of Google's name in this manner—and specifically the prospect of working for one of the world's most successful companies—appears as a primary non-price inducement to deceptively entice consumers to purchase Pacific WebWorks's and The Quad Group's work-at-home products.

16. After a consumer is directed by Bloosky to a Pacific WebWorks or The Quad Group landing page displaying a work-at-home offer, Pacific WebWorks and The Quad Group offer for sale a product, often a CD or software kit, purportedly designed to enable consumers to “Earn up to \$978 or more a day using GOOGLE” and, “Work from Home & learn to make \$1000s a day using GOOGLE!”

17. These landing pages typically contain language describing their offering “As seen on: Fox News, CNN, [and] USA Today.” The website prominently features network logos without license from these media entities and are plainly designed to suggest to a consumer that the offering is supported by a reputable entity. Pacific WebWorks's and The Quad Group's products have never been “seen on” or endorsed by any of the networks claimed on their websites.

18. The initial landing page seen by a consumer is bright and welcoming, and promises “FAST CASH USING GOOGLE” and “HOME INCOME USING GOOGLE,” among

other pleasing inducements. Representations that drive consumers to these landing pages within the order paths managed by Bloosky promise “\$7500 a month Working from Home Job: requires basic computer skills.” Banner ads even promise “scam free” offers that link to landing pages created by Bloosky’s business partners on which consumers are promised Pacific WebWorks’s and The Quad Group’s products at prices that are not, in fact, remotely close to the actual price charged by Pacific WebWorks and The Quad Group.

19. Pacific WebWorks’s and The Quad Group’s landing pages also typically contain a testimonial photo of a consumer that purportedly benefited from their work-at-home product. In fact, this photo is a fabrication, inasmuch as Defendants simply use a stock photo (commonly available at websites like iStockPhoto.com) and fabricate the testimonial.

20. In furtherance of the deception, Pacific WebWorks’s and The Quad Group’s landing pages may be reached from embedded links in fake blog testimonials and fake news articles with, again, stock photos and testimonials purportedly representing actual consumers from one’s own city or state. These “consumers” relate stories of terrific success using Pacific WebWorks’ and The Quad Group’s products. Examples of these flogs and fake news articles deceptively used to sell Pacific WebWorks’s and The Quad Group’s products are:

- a. “USA Online Journal-Finance News” in which “Mary Steadman”¹ tells how she

¹ “Mary Steadman,” the most widely used fake person in fake news articles selling work-at-home products, is also featured on the following fake news sites, and at least 90 more websites all across the internet: www.SanFrancisco-Tribune.com, www.SanFranCiscoCityHerald.com, www.Sandiego-Tribune-News.com, www.SanDiego-Tribune.com, www.SanJose-Herald.com, www.SanJose-Times.com, www.TheLosAngelesJournal.com, www.LosAngelesTribuneNews.com, www.LosAngelesNews7.com, www.LosAngelesFinanceNews.com, www.Los-Angeles-Weekly.com, www.LosAngelesDispatch.com, www.4KAWeekIn3Steps.com, www.Action7Journal.com, www.AmericaFinanceNews.com, www.AmericaJobJournal.com, www.AmericaNewsDaily.com, www.B12-Media.com, www.BargainBoomer.com, www.Best-Job-In.com, www.BirminghamTribune.co.uk, www.Boston-BusinessNews.com, www.Boston-Tribune.com, www.BostonFinanceNews.com, www.BostonGazetteNews.com,

“quit her boring job as a manufacturer’s representative” and “now makes \$6,500+ a month” using Pacific WebWorks and The Quad Group’s products.

b. “Consumer Weekly,” which utilizes the same photo of the woman claiming to be “Mary Steadman” above, but in this instance she has the name “Elaine Love,” also lost her “boring” manufacturing job and now makes thousands using Pacific WebWorks’s and The Quad Group’s products.

c. “Chicago Job News” at which “Jerry Reynolds” describes how he “lost his boring job as an account representative for a manufacturing company” and “now makes \$5,500 + a month just by submitting small text ads online on Google.”

d. “Scott Hunter” on “wthguide.info,” a fake blog that states how Mr. Hunter also “lost his job as a boring account representative for a manufacturing company.” “Scott” makes “\$9,000+ a month just by submitting small text ads on Google.” Upon information and belief, “Scott Hunter” is the pseudonym of an affiliate marketer driving traffic to Pacific WebWorks and The Quad Group’s websites.

21. Defendants Pacific WebWorks and The Quad Group also derive sales from online traffic routed through fake consumer review sites. At these sites, alleged “advocates” for consumers endorse Pacific WebWorks’s and The Quad Group’s products with laudatory language and within the body of the fake reviews link to deceptive transaction pages for those products. Bloosky works with the “advocates” to create and publish fake advertising materials to drive consumers from the initial misrepresentations to Pacific WebWorks’s and The Quad Group’s credit card submit pages.

22. The online order path leading to Defendants’ transaction pages are littered with

www.OrlandoWebTimes.com, www.ReadSomeNews.com, www.Online-Job-News.com,
www.NYGazetteNews.com, www.NewYorkPostHerald.com, www.NewYorkPostHerald.com.

pictures of individuals that testify to the success they have enjoyed using Pacific WebWorks's and The Quad Group's products. The individuals in Defendants' fake photos are not from the consumer's city or state; in fact, the specific locale represented is dynamically generated by instructions contained in the underlying source code for the screen page presented. That is, "Sara Stanley" from "Chicago" is in fact simply a fictitious person whose city name is generated by source code that recognizes and responds to the (Chicago) IP address of the consumer's computer.

23. Before a consumer can purchase Defendants' product, the consumer is required to give Pacific WebWorks and The Quad Group certain "personally identifying information" (PII) to "CHECK AVAILABILITY" of this "LIMITED TIME OFFER!" A consumer's submission of her PII enables Pacific WebWorks and The Quad Group to sell this information to other marketers of goods and services. Thus, a consumer actually does not have to "qualify" for anything, but is instead submitting to a lead generation process by which their PII (a "lead") is monetized by Pacific WebWorks and The Quad Group, and the consumer unknowingly "consents" to the receipt of additional email offers from an untold number of merchants (i.e., anyone to whom Pacific WebWorks and The Quad Group can sell this information).

24. The products offered by Pacific WebWorks and The Quad Group are promised at the nominal price of \$2.00 or less, which is represented as covering all costs of the products.

25. Importantly, in order to cover this small charge, Pacific WebWorks and The Quad Group require that consumers provide their credit or bank card information.

26. A consumer's account information is entered into a credit card submit field on an online transaction page. (The transaction page most often directly follows the landing page—the order path may be understood as starting with the initial representation that drives traffic to the

landing path where a consumer's PII is taken. A billing or transaction page completes the online order path.)

27. Materially, the only price representation clearly and conspicuously displayed on the credit card submit page or in proximity to the credit card submit box is a line that states, for example, "**Total: \$1.97.**"

28. Calls to action like "LIMITED TIME OFFER!" and "WORK FROM HOME, SET YOUR OWN HOURS, THEN LIVE YOUR LIFE!" are found on these pages. These phrases are part of a static background image that are saved and displayed every time the page loads on a consumer's browser.

29. Compelling phrases including "Satisfaction Guaranteed," and "100% Trusted!" also appear in large print scattered about the page.

30. Ultimately, a consumer reasonably understands that ordering Pacific WebWorks's or The Quad Group's products is an action that will cause them to incur a small charge on their credit or bank card account. However, this small price is simply bait for that payment information, which can then be used to impose additional undisclosed charges on the consumer.

31. Though the actual price of a product is always material, in cooperating with each other, Pacific WebWorks, The Quad Group, and Bloosky each hide the real price of the product in small print, outside of a typical web browser's viewing window, or simply do not disclose it at all.

32. By submitting their confidential payment information to Pacific WebWorks or The Quad Group to cover what they reasonably believe is only a nominal fee, a consumer unwittingly agrees to a monthly recurring charge of \$69.90 or more.

33. By purchasing Defendants' work-at-home products consumers sometimes find

that they have also been billed \$24.90 by Defendants for another, unknown product. This charge similarly appears on the consumer's credit or bank account each month.

34. Thus, a consumer reasonably expecting to pay \$1.97 for a Pacific WebWorks or The Quad Group product will be charged that sum plus (1) \$69.90 or more, and (2) \$24.90 each month for as long as the consumer fails to notice these charges and object to them.

35. Only the charge of \$1.97 is advertised to consumers by Pacific WebWorks, The Quad Group and Bloosky for their work-at-home products.

36. All Defendants receive significant revenue from the sale of each Pacific WebWorks or The Quad Group product.

37. Defendants know or should know that these advertisements and offers violate clearly established laws requiring, among other seminal concerns, that all material purchase terms be clearly and conspicuously disclosed to consumers.

38. Although Defendants use a number of specific paths and representations for their deception, each order path has a core, common underpinning; namely, that a consumer will only be charged \$1.97 for a work at home product sold by or directly associated with Google.

Facts Relating to the Plaintiff Lynette Booth

39. In or around October 2009, Plaintiff clicked on an advertisement describing the life-changing experience of a woman that utilized Defendants' work-at-home product to make thousands of dollars a month. The site Plaintiff Booth was directed to contained a link to Defendants' server, which instantaneously routed her to Defendants' PII landing page, similar to the pages described above. From Defendants' representations on that page, Plaintiff Booth reasonably understood that she could purchase Defendants' work-at-home product for just \$1.97.

40. Plaintiff did not reasonably understand that by agreeing to pay Defendants \$1.97,

she also “consented” to be billed \$88.87. Notwithstanding her lack of her authorization, Defendants in fact charged and collected from Plaintiff an additional \$88.87.

41. Upon discovering the unauthorized charge, Plaintiff Booth called Defendants repeatedly to request a refund. When she was finally successful in reaching a customer service representative, she informed them that she (1) never authorized Defendants to bill her the sum of \$88.87, (2) never received the work-at-home product she was billed for, and (3) wanted to cancel her order and receive a full refund of all unauthorized charges.

42. Plaintiff told Defendants’ representative that she would not have agreed to pay \$88.87 for the product had Defendants disclosed that this was the actual price for the product offered. Despite her continued protests, Defendants refused to provide a refund.

43. Because Plaintiff reasonably did not trust Defendants to stop billing her without authorization, Plaintiff cancelled her credit card and requested that her bank issue her a new card with a new account number.

44. Plaintiff has yet to receive a full refund of the unauthorized charges Defendants levied against her.

Facts Relating to the Plaintiff Barbara Ford

45. On September 29, 2009, Plaintiff Barbara Ford, an elderly, retired, individual on a fixed income, clicked on an advertisement located on her AOL home page. The advertisement offered a “Google work-at-home opportunity,” and was placed by an affiliate publisher of Defendant Bloosky. Ford clicked on the link and was directed to a fake news article, also hosted by an affiliate publisher working within Bloosky’s network, describing the life-changing experience of a woman that utilized a Pacific WebWorks/The Quad Group product “to make \$5,000.00 a month.” However, the news article was fictitious and it was created, published and

hosted by Bloosky's affiliate publisher at Bloosky's direction. Ford then clicked on an advertisement within the fake news article that offered the Google Business Kit for sale for \$1.97. From there, Ford was directed to Pacific WebWorks's landing page where the Google Business Kit was again offered for the total price of \$1.97.

46. Ford reasonably believed that this was an offer from the Internet search giant Google, based, in part, on the product's name—the "Google Business Kit." Plaintiff did not know nor could she have known that Google itself had nothing to do with this product.

47. Ford thereafter purchased the "Google Business Kit" for \$1.97 by entering her credit card information into Pacific WebWorks's credit card submit page.

48. Ford only authorized Pacific WebWorks to bill her credit card the charge of \$1.97. Nevertheless, and wholly without authorization from Ford, Pacific WebWorks charged and collected from Plaintiff an additional \$79.90 without authorization.

49. Pacific WebWorks and Bloosky concealed and omitted from their advertising that Ford would be charged a monthly recurring fee of \$79.90 by purchasing the Google Business Kit.

50. Pacific WebWorks remitted a portion of Ford's payment to Bloosky for its role in driving Ford to purchase the product and obtaining Ford's unauthorized payment.

51. Ford called Pacific WebWorks repeatedly to request a refund. After several attempts, Ford finally did speak with a representative whom she informed that she (1) never authorized Pacific WebWorks/The Quad Group to bill her credit card the sum of \$79.90, (2) never received the Google Kit, and (3) wanted to cancel her order and receive a refund of the unauthorized charge of \$79.90.

52. Ford told the Pacific WebWorks/The Quad Group representative that she would

not have agreed to pay \$79.90 for this product if Pacific WebWorks/The Quad Group had disclosed that this was the actual price for the product offered. Nevertheless, despite her vehement assertions that she should not be charged this price, Defendant refused to provide her a refund.

53. Because Ford reasonably did not trust Defendant not to bill her again without authorization for some unknown amount, Ford cancelled her credit card and asked her bank to issue her a new card with a new account number.

54. Plaintiff Ford has *not* been given a refund of the unauthorized charges.

55. Plaintiff Ford has *not* received the Google Business Kit from Pacific WebWorks/The Quad Group.

56. Bloosky, in conjunction with Pacific WebWorks, created, developed, and propagated the misrepresentations and omissions contained in the advertisement on Ford's AOL Internet webpage offering the "Google work-at-home" opportunity and the fake news article describing the life-changing experience of a woman that utilized a Pacific WebWorks product "to make \$5,000.00 a month." The advertisement and fake news article viewed by Ford were created in accordance with, and in furtherance of, Bloosky's and Pacific WebWorks's overall scheme to drive consumers to Pacific WebWorks's transaction pages.

57. Pacific WebWorks/The Quad Group in conjunction with Bloosky, intentionally omitted and concealed the recurring monthly charge of \$79.90 from Ford.

58. Pacific WebWorks/The Quad Group had no intention of ever fulfilling Ford's order and sending her the Google Business Kit. In fact, the Google Business Kit offer was nothing more than bait to obtain Ford's credit card number and personal information.

Class Allegations

59. Plaintiffs brings this action pursuant to 735 ILCS 5/2-801 on behalf of themselves and two Classes defined as follows:

Pacific WebWorks/The Quad Group Class: All persons in the United States and its territories who submitted payment information to Pacific WebWorks/The Quad Group for the purpose of obtaining Pacific WebWorks/The Quad Group's products or services, and who were charged, without authorization, any amount in excess of \$3.00.

Bloosky Subclass: All persons in the United States and its territories who submitted payment information to a Pacific WebWorks/The Quad Group for the purpose of obtaining Pacific WebWorks/The Quad Group's products or services, who were charged without authorization any amount in excess of \$3.00, and that were traceably driven to a Pacific WebWorks/The Quad Group website(s) by Bloosky, or affiliate marketers acting through or in conjunction with Bloosky.

The following individuals are excluded from the Classes: (1) any Judge or Magistrate presiding over this action and members of their families; (2) Defendants, Defendants' subsidiaries, parents, successors, predecessors, and any entity in which Defendants or their parents have a controlling interest and their current or former employees, officers and directors; (3) persons who properly execute and file a timely request for exclusion from the class; (4) the legal representatives, successors or assigns of any such excluded persons; and (5) persons whose claims against Defendants have been fully and finally adjudicated and/or released.

60. **Numerosity:** The exact number of the members of the Classes is unknown and not available to Plaintiffs at this time, but it is clear that individual joinder is impracticable. On information and belief, Defendants have deceived thousands of consumers who fall into the

definitions of the Classes. Members of the Classes can be identified through Defendants' records.

61. **Typicality:** Plaintiffs' claims are typical of the claims of the other members of the Classes, as Plaintiffs and the other members sustained damages arising out of the wrongful conduct of Defendants, based upon the same transactions that were made uniformly with Plaintiffs and the public.

62. **Adequate Representation:** Plaintiffs will fairly and adequately represent and protect the interests of the Classes, and have retained counsel competent and experienced in complex class actions. Plaintiffs have no interest antagonistic to those of the Classes, and Defendants have no defenses unique to Plaintiffs.

63. **Predominance and Superiority:** Class proceedings are superior to all other available methods for the fair and efficient adjudication of this controversy, as joinder of all Class members is impracticable. The damages suffered by the individual members of the Classes will likely be relatively small, especially in light of the burden and expense of individual prosecution of the complex litigation necessitated by Defendants' actions. Thus, it would be virtually impossible for the individual members of the Classes to obtain effective relief from Defendants' misconduct. Even if members of the Classes themselves could sustain such individual litigation, it would still not be preferable to a class action, because individual litigation would increase the delay and expense to all parties due to the complex legal and factual controversies presented in this First Amended Complaint. By contrast, a class action presents far fewer management difficulties and provides the benefits of single adjudication, economy of scale, and comprehensive supervision by a single Court. Economies of time, effort, and expense will be fostered and uniformity of decisions will be ensured.

64. **Commonality:** There are many questions of law and fact common to the claims of Plaintiffs and the Classes, and those questions predominate over any questions that may affect individual members of the Classes. Common questions for the Classes include, but are not limited to the following:

- (a) Whether Defendants' conduct described herein violates the Illinois Consumer Fraud and Deceptive Business Practices Act (815 ILCS 505/1 *et seq.*);
- (b) Whether Defendants' conduct described herein violates the Automatic Contract Renewal Act (815 ILCS 601/1 *et seq.*);
- (c) Whether Defendants' conduct described herein constitutes Fraud in the Inducement;
- (d) Whether Defendants' conduct described herein constitutes Conspiracy to Commit Fraud in the Inducement;
- (e) Whether Defendants' conduct described herein results in the unjust enrichment of Defendants; and,
- (f) Whether Defendants' conduct described herein constitutes a breach of contract.

COUNT I

**Violation of the Illinois Consumer Fraud and Deceptive Business Practices Act
(815 ILCS 505/1, *et seq.*)
(On Behalf of Plaintiffs and the Classes)**

65. Plaintiffs incorporate by reference the foregoing allegations.

66. The Illinois Consumer Fraud and Deceptive Business Practices Act ("ICFA") (815 ILCS 505/1, *et seq.*) protects both consumers and competitors by promoting fair competition in commercial markets for goods and services.

67. The ICFA prohibits any unlawful, unfair or fraudulent business acts or practices including the employment of any deception, fraud, false pretense, false promise, misrepresentation, or the concealment, suppression, or omission of any material fact.

68. As described herein, Defendants' continued utilization of unlawful and unconscionable marketing practices, and the continuing practice of charging consumers credit and debit cards without authorization, constitutes a deceptive act or practice by Defendants in violation of the ICFA.

69. In deceiving Plaintiffs and the Classes by creating and supporting advertising that conceals and omits the actual price of Pacific WebWorks' and The Quad Group's products, and inducing Plaintiffs and the Classes to proffer payment information based on that concealment and omission, Defendants have engaged in deceptive trade practices in violation of the ICFA.

70. The price of a consumer product is a material term of any transaction because it is likely to affect a consumer's choice of, or conduct regarding, whether to purchase a product. Any deception related to the price of a consumer product is materially misleading.

71. Defendants' concealment and omission of the price, in all phases of the marketing and sale of their work-at-home products, is likely to mislead a consumer acting reasonably under the circumstances.

72. Defendants have violated the "unfair" prong of the ICFA in that they caused substantial injury to consumers by charging their credit and bank accounts without their consent after inducing them to submit their payment information through deceptive marketing. The injury caused by Defendants' conduct is not outweighed by any countervailing benefits to consumers or competition, and the injury is one that consumers themselves could not reasonably have avoided.

73. Defendants have violated the “fraudulent” prong of the ICFA in that their statements, advertisements, and representations regarding what consumers would be charged for their work-at-home products are false and likely to deceive a reasonable consumer.

74. Defendants intended that Plaintiffs and the Classes rely on their material misrepresentations, omissions, and deception to submit confidential payment information that could thereafter be charged without authorization.

75. Defendants’ deception occurred during the marketing and sale of a work-at-home product and therefore occurred in the course of trade and commerce.

76. Plaintiffs and the Classes have suffered harm as a proximate result of the violations of law and wrongful conduct of Defendants in the form of actual monetary damages.

77. Defendants further violated the ICFA inasmuch as their conduct violates the Automatic Contract Renewal Act (815 ILCS 601/1, *et seq.*) (See Count II).

78. Plaintiffs on their own behalf, and on behalf of the Classes, seek an order (1) permanently enjoining Defendants from continuing to engage in the unfair and unlawful conduct alleged herein; (2) requiring Defendants to pay actual, and compensatory damages pursuant to 815 ILCS 505/10a(a); (3) requiring Defendants to make full restitution of all funds wrongfully obtained; and (4) requiring Defendants to pay interest, attorneys’ fees, and costs pursuant to 815 ILCS 505/10a(c).

COUNT II

Violation of the Automatic Contract Renewal Act (815 ILCS 601/1, *et seq.*)

(On Behalf of Plaintiffs and the Pacific WebWorks/The Quad Group Class)

79. Plaintiffs incorporate by reference the foregoing allegations.

80. The Automatic Contract Renewal Act (“ACRA”) (815 ILCS 601/1, *et seq.*) requires any entity enrolling a consumer in an automatically renewing contract to provide the

renewal provision to the consumer in a clear and conspicuous manner. Failure to provide the provision in a clear and conspicuous manner deems the automatic renewal provision unenforceable by the party who prepared the contract or directed its preparation.

81. Pacific WebWorks's/The Quad Group's website, terms and conditions, and all other representations made by Defendants fail to notify a consumer in a clear and conspicuous manner of the recurring nature of the charges they assess and that the charges will be indefinitely renewed on a monthly basis.

82. Defendants intentionally conceal and misrepresent the nature of the charges, including the actual amount to be charged and how often the charges will be assessed.

83. Defendants' violation of the ACRA constitutes an unlawful practice under the ICFA.

84. Plaintiffs, on their own behalf, and on behalf of the Pacific WebWorks/The Quad Group Class, seek an order (1) requiring Pacific WebWorks and The Quad Group to immediately cease the unlawful practices alleged herein, (2) preventing Defendants from enforcing any automatic renewal provisions against Plaintiffs, and (3) awarding Plaintiffs and the Classes damages, interest and attorney's fees and costs.

COUNT III
Fraud in the Inducement
(On Behalf of Plaintiffs and the Classes)

85. Plaintiffs incorporate by reference the foregoing allegations.

86. As described with particularity herein, Defendants have disseminated, and continue to disseminate advertising and transaction pages that they know or should reasonably know are false and misleading. This conduct includes, but it is not limited to, promoting and advertising "work-at-home" products while concealing the products' actual price, a material

term of any transaction.

87. Through a series of advertisements, representations and false statements regarding the efficacy, association, and price of work-at-home products, Defendants acted in concert to conceal the actual price a consumer would be charged for Pacific WebWorks'/The Quad Group's work-at-home products. Bloosky facilitated the widespread distribution of work-at-home offers by optimizing, directing and recruiting third party publishers to promote specific Pacific WebWorks and The Quad Group landing pages that included deceptive terms. Bloosky had knowledge of the deceptive nature of these work-at-home offers and still sought to actively drive consumers to them for its own monetary gain.

88. Defendants, working in concert, took concrete and intentional steps to conceal the actual price ultimately charged to Plaintiffs and the Classes. Defendants intentionally made all representations of the actual price difficult to locate and/or read, by hiding these representations on a separate web page, or displaying these representations far from the payment fields in a miniscule font and in an indistinct color.

89. Pacific WebWorks, The Quad Group, and Bloosky actively took part in optimizing the work-at-home transaction pages so as to increase the rate of conversions (sales) and have full knowledge and visibility of the website content and each transaction, including knowledge of the concealed prices. For example, Bloosky pays its affiliate marketers and publishers an amount far exceeding the *de minimis* product price advertised to consumers (e.g., an advertising network will offer an affiliate/publisher who drives traffic to a particular transaction page "\$32.00 / Sale." The same page, posted for use by Bloosky's stable of affiliates will represent that the "**Cost to Consumer** [is] \$1.95"). Thus, all Defendants clearly understand that the offer pages they create and post for publishers do not contain a clear and conspicuous

disclosure of the actual price a consumer will be charged or, put differently, all know that a consumer will be charged a sum beyond \$1.95.

90. Defendants intentionally misrepresented the association that their work-at-home products have with Google and other media outlets by making representations that the products stem from Google and have been endorsed by television networks. Bloosky knew that Pacific WebWorks and The Quad Group, and their affiliate publishers, were actively misusing the Google name and other trademarks to deceive consumers.

91. In furtherance of their fraudulent conduct, Defendants advertised and promoted their work-at-home products by using the word “free” and other variations of “free” where the actual charges, and/or any conditions placed on the offer were not clearly and conspicuously disclosed to the consumer at the time the offer was made. Bloosky knew that Pacific WebWorks and The Quad Group were actively misusing the word “free” to deceive consumers.

92. Defendants additionally promoted their products through a network of publishers operating fake news articles and fake blogs. These promotions and marketing materials feature widespread use of the term “free” to describe Defendants’ work-at-home products. Defendants knew that their affiliate publishers were actively misusing the word “free” to deceive consumers.

93. By committing the acts alleged in this Complaint, Defendants have knowingly disseminated untrue and/or misleading statements through fraudulent advertising in order to sell or induce members of the public to purchase Pacific WebWorks’s and The Quad Group’s work-at-home products.

94. The price of a consumer product is a material term of any transaction because it directly affects a consumer’s choice of, or conduct regarding, whether to purchase a product. Any deception or fraud related to the price of a product is materially misleading.

95. The misrepresentation and concealment of the actual price of a product is likely to mislead a reasonable consumer who is acting reasonably under the circumstances.

96. Defendants knew or should have known of the falsity of the representations made regarding the work-at-home products they marketed.

97. Defendants intended that consumers would rely and act upon their deceptive and fraudulent representations.

98. Plaintiffs and members of the Classes were all charged monies beyond what they authorized. Accordingly, Plaintiffs and the members of the Classes have suffered injury in fact and lost money in justifiable reliance on Defendants' misrepresentations of material fact.

99. In deceiving Plaintiffs and the Classes by creating and supporting advertising that fails to clearly and conspicuously disclose the actual price of their products, and inducing Plaintiffs and the Classes to proffer payment information based on those misrepresentations, all Defendants have engaged in fraudulent practices designed to mislead and deceive consumers.

100. Plaintiffs and the Classes have suffered harm as a proximate result of Defendants' violations of law and wrongful conduct.

101. Plaintiffs, on their own behalf, and on behalf of the Classes, seek an order (1) requiring Defendants to immediately cease the unlawful practices alleged herein, and (2) awarding Plaintiffs and the Classes damages, interest and attorney's fees and costs.

COUNT IV
Conspiracy to Commit Fraud in the Inducement
(On Behalf of Plaintiffs and the Classes)

102. Plaintiffs incorporate by reference the foregoing allegations.

103. As alleged herein, Defendants acted in concert as business partners and through a common enterprise to drive sales of work-at-home products, and cram consumers' credit and

bank accounts with unauthorized charges through fraudulent and deceptive marketing.

104. As a fundamental part of their business relationship, Defendants acted to deceive consumers regarding the actual price of their work-at-home products, thereby inducing consumers to submit their confidential payment information. Perpetrating the fraudulent activity described herein requires multiple identical representations from Defendants, each one reinforcing the legitimacy of the deceptive offer; therefore, it is imperative for Pacific WebWorks, The Quad Group, and Bloosky to work cooperatively and with knowledge of each other's marketing methods. Bloosky plays the central role in creating a consistent deceptive appearance by ensuring that Pacific WebWorks' and The Quad Group's transaction pages, affiliate publishers' sponsored links, fake news articles and blogs all convey the same deceptive marketing message.

105. Defendants took overt acts in furtherance of their conspiracy across the nation, and specifically took overt acts in furtherance of that conspiracy within Illinois. As described with particularity herein, Defendants formed contracts with each other, created deceptive marketing, advertisements, websites, and other solicitation materials to drive consumers to their work-at-home transaction pages with knowledge that the marketing contained therein was false and misleading, and with the intent that the marketing taken as a whole would be relied upon by consumers. Defendants further partnered with affiliate markers and publishers to increase the effectiveness of their deceptive and fraudulent marketing.

106. Any single Defendant, acting alone, would be unable to accomplish the level of deception and misrepresentations accomplished by Defendants acting together. The combination of their joint deception, embodied in the "creative" benefits derived from this combination, reinforces the appearance of legitimacy presented to consumers, thereby increasing the

likelihood that a consumer will submit their confidential payment information. Pacific WebWorks and The Quad Group would not have the widespread reach to consumers across a variety of websites and would be unable to enroll consumers with the same effectiveness without the direct involvement, assistance, and direction of Bloosky.

107. Plaintiffs and the Classes have suffered harm in the form of monetary damages as a proximate result of the conspiracy and violations of law carried out by Defendants.

108. Plaintiffs, on their own behalf, and on behalf of the Classes, seek an order (1) requiring Defendants to immediately cease the unlawful practices alleged herein, and (2) awarding Plaintiffs and the Classes damages, interest and attorney's fees and costs.

COUNT V

Breach of Contract

(On Behalf of Plaintiffs and the Pacific WebWorks/The Quad Group Class)

109. Plaintiffs incorporate by reference the foregoing allegations.

110. In reliance upon Defendants' misrepresentations, omissions, and deceptive advertising, Plaintiffs and the Classes, on the one hand, and Pacific WebWorks and/or The Quad Group, on the other hand, entered into valid and enforceable agreements to purchase Defendants' work-at-home products and services at a genuinely discounted price, or for the cost of shipping and handling only.

111. By cramming additional undisclosed charges on the credit and bank accounts of Plaintiffs and the members of the Pacific WebWorks/The Quad Group Class, Pacific WebWorks and The Quad Group breached the contracts for the purchase of a product at the clearly disclosed price described above. Plaintiffs and the members of the Pacific WebWorks/The Quad Group Class did not assent to any additional charges and did not reasonably expect that the contract for purchase and sale would include such additional charges.

112. At all times relevant to this action, Pacific WebWorks and The Quad Group acted willfully and with the intent to breach the contracts they entered into with Plaintiffs and the Pacific WebWorks/The Quad Group Class.

113. Plaintiffs and the Pacific WebWorks/The Quad Group Class have suffered damages as a direct result of Pacific WebWorks and The Quad Group's acts and practices in the form of monies paid and lost.

114. Plaintiffs, on their own behalf, and on behalf of the Classes, seek an order awarding Plaintiffs and the Classes damages, interest and attorney's fees and costs.

COUNT VI

Restitution/Unjust Enrichment (*in the alternative to Breach of Contract*) (On Behalf of Plaintiffs and the Pacific WebWorks/The Quad Group Class)

115. Plaintiffs incorporate by reference paragraphs 1 through 108.

116. This Count VI is alleged in the alternative to Count V.

117. Plaintiffs and the members of the Classes conferred a monetary benefit on Defendants Pacific WebWorks and The Quad Group. Defendants have received and retained money belonging to Plaintiffs and the Classes resulting from substantial and unauthorized charges placed on their credit and bank accounts by Pacific WebWorks and The Quad Group.

118. Defendants appreciate or have knowledge of such benefits.

119. Under principles of equity and good conscience, Defendants should not be permitted to retain the money belonging to Plaintiffs and members of the Classes, which Defendants have unjustly received as a result of their unlawful actions.

120. In the event that the contracts between Plaintiffs and the Pacific WebWorks/The Quad Group Class, on the one and hand, and Defendants, on the other, are found to be unenforceable for any reason, Plaintiffs and the Class will have no adequate remedy at law.

121. Plaintiffs, on their own behalf, and on behalf of the Pacific WebWorks/The Quad Group Class, seek an order (1) requiring Pacific WebWorks and The Quad Group to make restitution of all monies retained as a result of the unlawful conduct described herein, and (2) awarding interest and attorneys' fees and costs.

COUNT VII
Restitution/Unjust Enrichment
(On behalf of the Plaintiffs and the Bloosky Subclass)

122. Plaintiffs incorporate by reference the foregoing allegations.

123. Defendant Bloosky has received and retained money belonging to Plaintiffs and the Bloosky Subclass resulting from substantial and unauthorized charges placed on Plaintiffs' and the Subclass' credit and bank accounts by Pacific WebWorks and The Quad Group. Bloosky profits from each individual purchase made on a Pacific WebWorks and The Quad Group transaction page.

124. Bloosky appreciates or has knowledge of such benefits.

125. Under principles of equity and good conscience, Bloosky should not be permitted to retain the money belonging to Plaintiffs and the members of the SubClass, which Bloosky has unjustly received as a result of its unlawful actions.

126. Plaintiffs and the Subclass have no adequate remedy at law.

127. Plaintiffs, on their own behalf, and on behalf of the Bloosky Subclass, seek an order (1) requiring Bloosky to make restitution of all monies retained as a result of the unlawful conduct described herein, and (2) awarding interest and attorneys' fees and costs.

WHEREFORE, Plaintiffs Lynette Booth and Barbara Ford, individually and on behalf of all others similarly situated, pray for the following relief:

- a. Certify this case as a class action on behalf of the Classes as defined above and appoint Lynette Booth and Barbara Ford as class representatives and their undersigned counsel as class counsel;
- b. Enter judgment against Defendants for all monetary, actual, consequential, and compensatory damages caused by their unlawful conduct;
- c. Award Plaintiffs and the Classes reasonable costs and attorneys' fees;
- d. Award Plaintiffs and the Classes pre- and post-judgment interest;
- e. Enter judgment for injunctive, statutory and/or declaratory relief as is necessary to protect the interests of Plaintiffs and the Classes; and,
- f. Award such other and further relief as equity and justice may require.

JURY DEMAND

Plaintiffs request a trial by jury of all claims that can be so tried.

Respectfully submitted,

Dated: September 19, 2011

LYNETTE BOOTH and BARBARA FORD,
individually and on behalf of all others similarly
situated,

By: 

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