	Case 2:24-cv-00886 Docun	ent 1 Filed 06/	/21/24	Page 1 of 51			
1							
2							
3							
4							
5							
6	ΙΝΊΤΕΝ στα τες Νιστρίας αριστ						
7	UNITED STATES DISTRICT COURT WESTERN DISTRICT OF WASHINGTON						
8			IINGIC)N			
9	AT SEATTLE						
10							
11	CINDY BALMORES,	Case No.	2:24-cv	-886			
12	JUSTIN BRASWELL, DEBORAH GARVIN, and						
13	THEA ANDERSON, for themselves,			N COMPLAINT FOR			
14 15	as private attorneys general, and on behalf of all others similarly situated,	WAS	(1) VIOLATION OF THE WASHINGTON CONSUM PROTECTION ACT, RCV				
16 17	Plaintiffs	FLOF	RIDA D	N OF THE DECEPTIVE AND ADE PRACTICES ACT			
18	v.	(3) BREA	(3) BREACH OF THE IMPLIED COVENANT OF GOOD FAITH				
19	SIRIUS XM RADIO INC.,	AND	FAIR I	DEALING			
20	Defendant	(PLE	ADED	IN THE ALTERNATIVE)			
21		HIDS/	TDIAT				
22		JUKY	1 KIAI	L DEMANDED			
23							
24							
25							
26							
27							
28							

Plaintiffs Cindy Balmores, Justin Braswell, Deborah Garvin, and Thea Anderson,
 individually, as private attorneys general, and on behalf of all others similarly situated, allege
 as follows, on personal knowledge and investigation of their counsel, against Defendant Sirius
 XM Radio Inc. ("Sirius XM" or "Defendant"):

INTRODUCTION AND SUMMARY

This action challenges a deceptive pricing scheme whereby Sirius XM falsely
 advertises its music plans at lower prices than it actually charges. Sirius XM fails to include in
 its advertised prices the amount of its invented "U.S. Music Royalty Fee," which increases the
 true plan price by 21.4% above the advertised price for the plans.¹

Sirius XM intentionally does not disclose the Fee to its subscribers. Sirius XM
 even goes so far as to not mention the words "U.S. Music Royalty Fee" in <u>any</u> of its
 advertising, including in the fine print.

Once consumers have been lured to sign up, Sirius XM prevents them from
 learning about its scheme by never thereafter sending them monthly or ongoing billing notices
 or invoices. All the while, Sirius XM silently and automatically renews their subscriptions
 month after month and year after year. And, as the price of its subscribers' music plans
 increase—e.g., when a promotional rate expires—the U.S. Music Royalty Fee amount, being a
 flat 21.4% charge, also increases.

Notably, <u>none</u> of Sirius XM's competitors charge any separate royalty fee over
 and above their advertised music plan prices. Reasonable consumers would expect that the
 advertised price for Sirius XM's music plans would include the fundamental costs of obtaining
 the permissions necessary to provide the music content that Sirius XM has promised is included
 in those plans. The U.S. Music Royalty Fee is, in fact, simply a disguised double-charge for the
 music plan itself.

25

5

 ¹ The rate for the U.S. Music Royalty Fee is 21.4% for Sirius XM's <u>satellite radio</u> music plans (which comprise the overwhelming majority of Sirius XM subscriptions), and 8.8% for Sirius XM's <u>streaming-only</u> music plans (which are internet-only and do not require a satellite radio, and which comprise a tiny minority of Sirius XM subscriptions).

Case 2:24-cv-00886 Document 1 Filed 06/21/24 Page 3 of 51

Even the name of the U.S. Music Royalty Fee is deceptive. Sirius XM calls it a
 "U.S." fee to falsely indicate to consumers (i.e., to those few consumers who learn about its
 existence) that it is a government-related fee.

6. In the event that a subscriber happens to notice the U.S. Music Royalty Fee has been charged and then contacts Sirius XM to inquire about the Fee, Sirius XM has a practice of outright falsely telling the subscriber that it is "government mandated" or is a government passthrough fee.

8 7. Sirius XM's U.S. Music Royalty Fee scheme has been the source of <u>all</u> of Sirius
9 XM's profits for the past several years. For example, in 2023, Sirius XM collected \$1.36 billion
10 in U.S. Music Royalty Fee charges, while the entire company had net profits of \$1.26 billion.
11 In other words, in 2023, U.S. Music Royalty Fee revenues were equal to 108% of the net
12 profits for the entire company.²

8. Sirius XM falsely advertised the prices of its music plans to Plaintiffs and Class
members, and Sirius XM never adequately disclosed to them that the U.S. Music Royalty Fee
would be charged or its true nature. Meanwhile, Sirius XM's sign-up process, automatic
renewal process, and policy of not sending monthly or ongoing billing notices or invoices are
deliberately designed to prevent subscribers from learning of the U.S. Music Royalty Fee.

9. Sirius XM automatically charges the U.S. Music Royalty Fee to nearly all of its
 792,000 Washington state subscribers and 2,262,000 Florida subscribers (the Fee currently
 accounts for over \$31 million in annual charges to Washington state subscribers and over \$90
 million in annual charges to Florida subscribers).³ Since Sirius XM invented and introduced the

4

5

6

²²

 ² In 2023, Sirius XM had subscriber revenues from its SiriusXM-branded service of \$6.34 billion, approximately 21.4% of which (i.e., \$1.36 billion) were payments of the U.S. Music
 Royalty Fee. *See* 2023 10-K of Sirius XM Holdings Inc., pp. F-5, F-39, available at https://investor.siriusxm.com/sec-filings/all-sec-filings/content/0000908937-24-000008/0000908937-24-000008.pdf.

³ Plaintiffs estimate that Sirius XM has approximately 792,000 music plan subscribers in Washington state, which would comprise 2.34% of Sirius XM's 33.9 million subscribers

^{27 (}Washington represents 2.34% of the U.S. population). Plaintiffs estimate that Sirius XM has approximately 2,262,000 music plan subscribers in Florida, which would comprise 6.67% of

²⁸ Sirius XM's 33.9 million subscribers (Florida represents 6.67% of the U.S. population).

Fee in 2009, Plaintiffs estimate that Sirius XM has unlawfully extracted over \$242 million from
 Washington consumers and over \$690 million from Florida consumers in U.S. Music Royalty
 Fee charges.

10. 4 Plaintiffs Cindy Balmores, Justin Braswell, Deborah Garvin, and Thea Anderson 5 bring this lawsuit individually and as private attorneys general seeking public injunctive relief 6 to protect the general public by putting an end to Sirius XM's unlawful advertising scheme. 7 Additionally, all four Plaintiffs bring this lawsuit on behalf of themselves and a class of 8 Washington Sirius XM subscribers, seeking damages and treble damages. Plaintiff Deborah 9 Garvin also brings this lawsuit on behalf of herself and a class of Florida Sirius XM subscribers, seeking damages. In the alternative, Plaintiffs seek damages for breach of the 10 11 implied covenant of good faith and fair dealing to Plaintiffs and Class members in the amount 12 they paid in U.S. Music Royalty Fees.

13 11. To be clear, Plaintiffs are <u>not</u> seeking to regulate the existence or amount of the
14 U.S. Music Royalty Fee (although Plaintiffs contend that the name of the Fee is deceptive
15 because Sirius XM intentionally calls it a "U.S." fee to trick consumers into thinking it is a
16 government-related fee). Rather, Plaintiffs want Sirius XM to include the <u>amount</u> of the so17 called U.S. Music Royalty Fee in the music plan prices it advertises to the general public, and
18 to adequately disclose the Fee and its true nature and basis.

19

THE PARTIES

20 12. Plaintiff Cindy Balmores is a citizen and resident of the city of Edmonds, in
21 Snohomish County, Washington.

22 13. Plaintiff Justin Braswell is a citizen and resident of the city of Spanaway, in
23 Pierce County, Washington.

24 14. Plaintiff Deborah Garvin has been a citizen and resident of the city of
25 Vancouver, in Clark County, Washington, since 2022. Prior to that, she was a citizen and
26 resident of Florida.

27 15. Plaintiff Thea Anderson is a citizen and resident of the city of Spokane, in
28 Spokane County, Washington.

CLASS ACTION COMPLAINT - 3

HATTIS & LUKACS 11711 SE 8th Street, Suite 120 Bellevue, WA 98005 T: 425.233.8650 | F: 425.412.7171 www.hattislaw.com

16. Defendant Sirius XM Radio Inc. ("Sirius XM") is a corporation chartered under the laws of Delaware, with its principal place of business in New York.

JURISDICTION AND VENUE

17. 4 Subject Matter Jurisdiction. This Court has original jurisdiction over this action pursuant to 28 U.S.C. § 1332(d)(2) because the amount in controversy, exclusive of interest and costs, exceeds \$5,000,000, and this is a proposed class action in which there are members of the proposed Class who are citizens of a state different from the Defendant.

8 18. **Personal Jurisdiction.** This Court has personal jurisdiction over Sirius XM 9 because, without limitation: (1) Sirius XM is authorized to do business and regularly conducts business in the Washington; (2) the claims alleged herein took place in Washington; and/or 10 11 (3) Sirius XM has committed tortious acts within Washington (as alleged, without limitation, 12 throughout this Complaint). Sirius XM has sufficient minimum contacts with Washington to 13 render the exercise of jurisdiction by this Court permissible.

14 19. Venue. Venue is proper pursuant to 28 U.S.C. §1391 because Plaintiffs Cindy 15 Balmores, Justin Braswell, and Deborah Garvin are Washington citizens who reside in this 16 District. Additionally, Plaintiffs Cindy Balmores and Justin Braswell purchased their Sirius 17 XM music plans in this District, and Plaintiff Deborah Garvin purchased her most recent Sirius 18 XM music plan in this District.

19

1

2

3

5

6

7

FACTUAL ALLEGATIONS OF SIRIUS XM'S DECEPTIVE PRICING SCHEME

20. 20 Defendant provides Sirius XM-branded satellite radio and streaming plans to approximately 33.9 million consumers nationwide⁴, including approximately 792,000 21 Washingtonians and 2,262,000 Floridians. Nearly all of the service plans offered by Sirius XM 22 23 include music channels ("music plans").

24 21. Sirius XM falsely advertises its music plans at lower rates than it actually 25 charges by not including in the advertised price the amount of its invented "U.S. Music Royalty

26

CLASS ACTION COMPLAINT - 4

HATTIS & LUKACS 11711 SE 8th Street, Suite 120 Bellevue, WA 98005 5.233.8650 | F: 425.412.7171 www.hattislaw.com

²⁷ ⁴ See 2023 10-K of Sirius XM Holdings Inc., p. 5, available at https://investor.siriusxm.com/sec-filings/all-sec-filings/content/0000908937-24-28 000008/0000908937-24-000008.pdf.

Case 2:24-cv-00886 Document 1 Filed 06/21/24 Page 6 of 51

Fee." Sirius XM intentionally does not disclose the extra charge. Sirius XM even goes so far as to not mention the words "U.S. Music Royalty Fee" in <u>any</u> of its advertising, including in the fine print. Once consumers have been lured to sign up, Sirius XM prevents them from learning about its scheme by never thereafter sending them monthly or ongoing billing notices or invoices. All the while, Sirius silently and automatically renews their subscriptions month after month and year after year.

Sirius XM imposes the U.S. Music Royalty Fee on all subscribers of its satellite
radio music plans (satellite radio subscribers comprise the overwhelming majority of Sirius XM
subscribers), at a rate of 21.4% on top of the advertised and promised price of the music plan.
Sirius XM also imposes the U.S. Music Royalty Fee on the relatively few subscribers of its
Sirius XM-branded internet-only streaming music plans (which do not require a satellite radio),
at a rate of 8.8% on top of the advertised and promised price of the music plan.⁵

23. 13 The overwhelming majority of Sirius XM subscribers utilize Sirius XM's 14 services in their automobiles. There are approximately 160 million vehicles in operation with 15 Sirius XM radios.⁶ Sirius XM's satellite radios are pre-installed in 84% of the over 13 million new automobiles sold each year in the United States.⁷ All of the 13 million-plus annual buyers 16 17 of new vehicles are automatically provided a free two- to six-month trial of Sirius XM service. 18 Sirius XM's satellite radios are also already installed in 51% of the 36 million used automobiles sold each year.⁸ Many of the buyers of these used vehicles are likewise 19 20 automatically enrolled in free Sirius XM trials.

 ⁵ The only Sirius XM internet-only streaming music plan subscribers who are not charged the
 U.S. Music Royalty Fee are streaming music subscribers who are signed up and billed through the Apple App Store or Google Play Store platforms.

 ⁶ See 2023 10-K of Sirius XM Holdings Inc., p. 5, available at <u>https://investor.siriusxm.com/sec-filings/all-sec-filings/content/0000908937-24-000008.pdf.</u>

²⁵ ⁷ See "Car Market Puts Sirius XM's 2022 Growth Plans Into The Slow Lane," InsideRadio.com, July 28, 2022, available at https://www.insideradio.com/free/car-market-

 ²⁶ puts-Sirius XM-s-2022-growth-plans-into-the-slow-lane/article_c577b85c-0ea6-11ed-a4f3 27 <u>6316ccfafd88.html#:~:text=Its%20receivers%20are%20now%20installed,satellite%20radio%2</u>
 28 0don't%20bother.

^{28 8} *Id. See also* report on used vehicle market based on data from Cox Automotive, at

24. Sirius XM's business model relies on converting these millions of vehicle buyers from free trial users into paid subscribers of automatically renewing music plans.

25. This effort begins with a revenue-sharing arrangement with the leading
automakers: Sirius XM pays over \$1 billion a year in subsidies and revenue splits to the
automakers.⁹ Pursuant to this revenue sharing arrangement, automotive dealerships submit the
contact information of their recent car buyers directly to Sirius XM's marketing department.
The automakers and auto dealers then get a cut of the Sirius XM subscription revenue that
results.

9 26. After receiving the contact information of the vehicle buyers, Sirius XM
10 proceeds to inundate them with marketing emails, direct mailers, and telemarketing calls in an
11 attempt to get the consumers to provide their credit or debit card information to Sirius XM so
12 that Sirius XM can sign them up for paid—and automatically renewing—music plan
13 subscriptions.

14

A.

1

2

The U.S. Music Royalty Fee.

27. The U.S. Music Royalty Fee is an additional flat charge that Sirius XM collects
from its music plan subscribers over and above the advertised and promised prices of its music
plans. The overwhelming majority of Sirius XM customers subscribe to its <u>satellite radio</u> music
plans (which require a satellite radio, and are typically attached to a particular vehicle equipped
with a Sirius XM satellite radio). Sirius XM charges its satellite radio music plan subscribers a
21.4% U.S. Music Royalty Fee on top of the advertised and promised price of the music plan.

21

28. In 2019, Sirius XM introduced a separate <u>streaming-only</u> music plan option,

22 which worked over the internet and did not utilize or require a satellite radio. A very tiny

23

https://www.autonews.com/used-cars/used-car-volume-hits-lowest-mark-nearlydecade#:~:text=The%20number%20of%20used%20cars,about%2035.8%20million%20were% 20sold.

⁹ For example, in 2016, Sirius XM paid about \$1 billion a year in subsidies and revenue splits to automakers. *See* Sisario, Ben, "Sirius XM Fights to Dominate the Dashboard of the

Connected Car," New York Times, February 20, 2016 (behind pay wall at https://www.nytimes.com/2016/02/21/business/media/Sirius XM-fights-to-dominate-the-dashboard-of-the-connected-car.html).

Case 2:24-cv-00886 Document 1 Filed 06/21/24 Page 8 of 51

minority of Sirius XM customers subscribe to such an internet streaming-only music plan.
 Sirius XM charges its (few) internet streaming-only music plan subscribers an 8.8% U.S. Music
 Royalty Fee on top of the advertised and promised price of the streaming music plan.

Sirius XM invented and first added the U.S. Music Royalty Fee to its music
plans in 2009, at a 13.9% flat rate charge. Since then Sirius XM has increased the Fee to the
current 21.4% rate.

30. Sirius XM's U.S. Music Royalty Fee scheme has been the source of <u>all</u> of Sirius
XM's profits for the past several years. For example, in 2023, Sirius XM collected \$1.36 billion
in U.S. Music Royalty Fee charges, while the entire company had net profits of \$1.26 billion.
In other words, in 2023, U.S. Music Royalty Fee revenues were equal to 108% of the net
profits for the entire company.¹⁰

31. The U.S. Music Royalty Fee scheme is at the heart of Sirius XM's marketing
plan. The scheme enables Sirius XM to falsely advertise its music plans at much lower prices
than what Sirius XM actually charges, in order to lure as many consumers as possible into
signing up for automatically renewing subscriptions and paying more than they otherwise
would have paid.

32. Meanwhile, Sirius XM is alone in charging such a fee. <u>None</u> of Sirius XM's
major music streaming competitors (for example, Apple Music, Spotify, Amazon Music,
Google Play Music) charge any such separate music royalty fee over and above their advertised
music plan prices. Reasonable consumers would expect that the advertised price for Sirius
XM's music plans would include the fundamental cost of obtaining the permissions necessary
to provide the music content that Sirius XM has promised is included in those plans. The U.S.
Music Royalty Fee is, in fact, simply a disguised double-charge for the music plan itself.

- 24
- 25

¹⁰ In 2023, Sirius XM had subscriber revenues from its Sirius XM-branded service of \$6.34 billion, approximately 21.4% of which (i.e., \$1.36 billion) were payments of the U.S. Music

 ²⁷ Royalty Fee. See 2023 10-K of Sirius XM Holdings Inc., pp. F-5, F-39, available at https://investor.siriusxm.com/sec-filings/all-sec-filings/content/0000908937-24-000008/000908937-24-000008.pdf.

Case 2:24-cv-00886 Document 1 Filed 06/21/24 Page 9 of 51

33. Sirius XM automatically charges the U.S. Music Royalty Fee to nearly all of its
 792,000 Washington state subscribers and 2,262,000 Florida subscribers (the Fee currently
 accounts for over \$31 million in annual charges to Washington state subscribers and over \$90
 million in annual charges to Florida subscribers). Since Sirius XM invented and introduced the
 Fee in 2009, Plaintiffs estimate that Sirius XM has unlawfully extracted over \$242 million from
 Washington consumers and over \$691 million from Florida consumers in U.S. Music Royalty
 Fee charges.

В.

8

9

Sirius XM Misrepresents the Price of Its Music Plans in Its Advertisements and Fails to Disclose the U.S. Music Royalty Fee.

1034.Sirius XM advertises its satellite radio and streaming music plans through11marketing directed at the consuming public in Washington and Florida and throughout the12United States via email campaigns, direct mail campaigns, telemarketing campaigns, internet13advertising, television advertising, and radio advertising. Meanwhile, the tens of millions of14automobiles which are equipped with a Sirius XM satellite radio, but which do not have an15active trial or a current paid subscription, will constantly prompt the consumer to subscribe to16Sirius XM anytime the consumer switches the car audio system to the Sirius XM radio setting.

17 35. Through all of these channels, Sirius XM prominently and misleadingly
18 advertises particular flat monthly or periodic prices for its music plans, without disclosing or
19 including the amount of the U.S. Music Royalty Fee in the advertised price.

36. <u>None</u> of Sirius XM's advertisements states the true music plan price after adding
the amount of the U.S. Music Royalty Fee. <u>None</u> of Sirius XM's advertisements names or
mentions the existence of the U.S. Music Royalty Fee or its amount—not even in the fine print.
And there is no asterisk adjacent to the (deceptively low) advertised price in any of Sirius XM's
advertisements or materials.

37. Meanwhile, <u>none</u> of Sirius XM's competitors charge any separate royalty fee
over and above the advertised music plan price. Sirius XM knows that reasonable consumers
would not expect Sirius XM to charge the U.S. Music Royalty Fee, which is really just a
disguised double-charge for the service itself.

CLASS ACTION COMPLAINT - 8

HATTIS & LUKACS 11711 SE 8th Street, Suite 120 Bellevue, WA 98005 T: 425.233.8650 | F: 425.412.7171 www.hattislaw.com

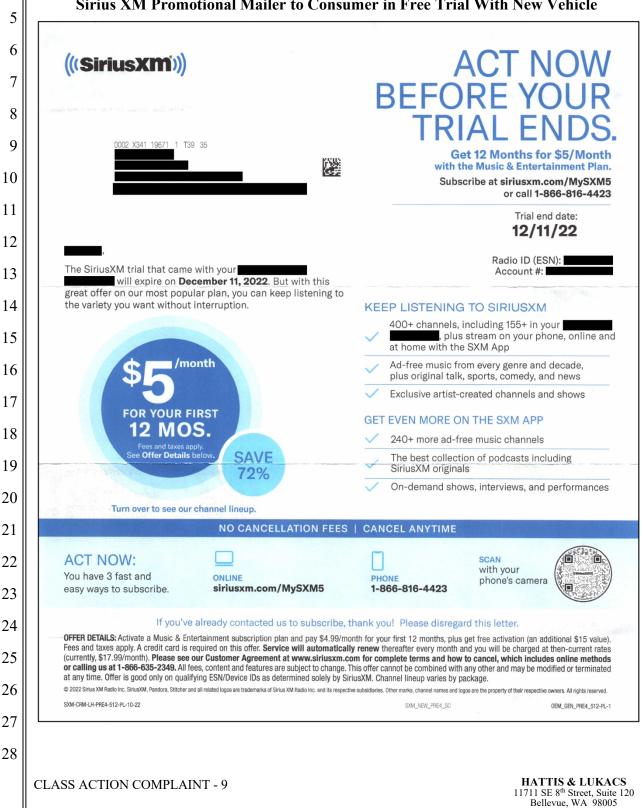
38. **Example Promotional Mailer.** Below is an example of a marketing direct mailer sent by Sirius XM in December 2022 to a consumer who was in a Sirius XM free trial that automatically came with a new vehicle:

1

2

3

4



T: 425.233.8650 | F: 425.412.7171 www.hattislaw.com

Sirius XM Promotional Mailer to Consumer in Free Trial With New Vehicle

Case 2:24-cv-00886 Document 1 Filed 06/21/24 Page 11 of 51

39. 1 The above mailer is a typical example of the millions of promotional mailers 2 that Sirius XM sends to new vehicle purchasers each year. Notably, the top right of the ad 3 features "Get 12 Months for \$5/Month," but makes no mention of the U.S. Music Royalty Fee 4 or the extra 21.4% (i.e., the extra \$1.07) that the plan actually costs due to the Fee. There is no 5 asterisk next to the advertised price. Nowhere in the entire mailer—not even in the fine print at 6 the bottom—is there any mention whatsoever of the U.S. Music Royalty Fee or its amount. The 7 only disclosure language in the entire mailer is the phrase "Fees and taxes apply," which is in 8 small print in the circle on the left of the ad, where it also says, "See Offer Details below."

9 40. But the "Offer Details" (which can be found in the fine print at the bottom of the mailer) likewise only states the same phrase "Fees and taxes apply," with no further details. It 10 does not mention the U.S. Music Royalty Fee by name or what the additional "Fees and taxes" 11 12 are or their amounts. The "Offer Details" fine print states that the plan will renew after the 12-13 month promotion "at then-current rates (currently, \$17.99)"—but again does not disclose that 14 the actual rate the plan will be renewed at is 21.4% higher (at a true rate of \$21.84) due to the 15 U.S. Music Royalty Fee. Nor does the mailer mention that, as the music plan rate increases from \$5 to \$17.99, the (undisclosed) Fee will more than triple from 1.07 to 3.85.¹¹ 16

CLASS ACTION COMPLAINT - 10

17

18

19

20

21

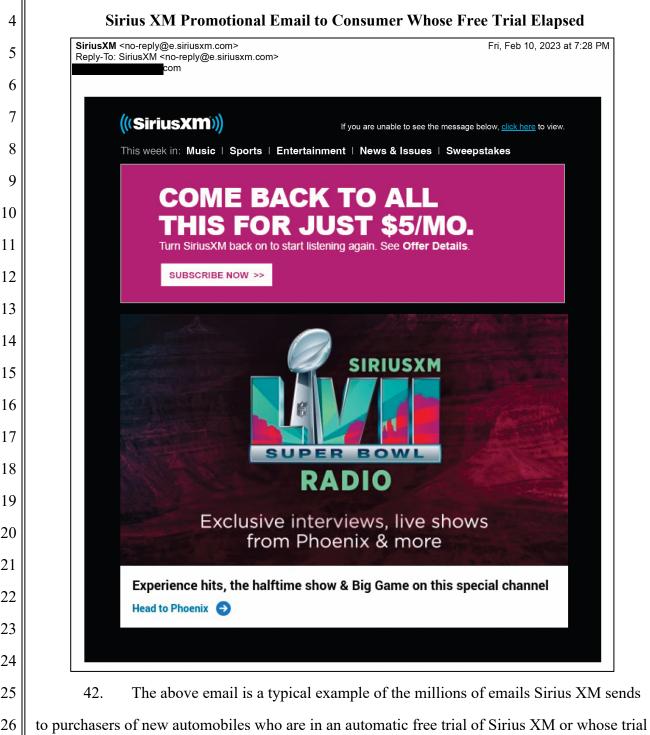
22

 ¹¹ The intentional nature of Sirius XM's misrepresentations and omissions are further
 ¹¹ The intentional nature of Sirius XM's misrepresentations and omissions are further
 ¹¹ The intentional nature of Sirius XM's misrepresentations and omissions are further
 ¹¹ The intentional nature of Sirius XM's misrepresentations and omissions are further
 ¹¹ The intentional nature of Sirius XM's misrepresentations and omissions are further
 ¹¹ The intentional nature of Sirius XM's misrepresentations and omissions are further
 ¹¹ Defendant) made the decision to completely avoid mentioning the name of the U.S. Music
 ²⁶ Royalty Fee or its amount in any of its advertising, the company's <u>Canadian</u> sister company,

Sirius XM Canada Inc., chose a different, more honest approach. Sirius XM Canada Inc.

⁽unlike Defendant) discloses both the name of the fee (which in Canada is called the "Music Royalty and Administrative Fee") and its percentage amount in the "Offer Details" fine print of its otherwise identical ads.

<u>Example Marketing Email.</u> Below is an example of a marketing email sent by
 Sirius XM in February 2023 to a consumer whose free Sirius XM trial elapsed (the free trial
 came with the purchase of a new vehicle):



27 has elapsed. Notably, the email states the price is "JUST \$5/MO," but makes no mention of the

28 U.S. Music Royalty Fee or the extra 21.4% (i.e., the extra \$1.07) that the plan actually costs

Case 2:24-cv-00886 Document 1 Filed 06/21/24 Page 13 of 51

due to the Fee. There is no asterisk next to the advertised price, and in fact nowhere in the
entire email—not even in the fine print at the bottom—is there any mention whatsoever of the
U.S. Music Royalty Fee or its amount. There is a phrase "See Offer Details," but there is no
"Offer Details" section in the email. It turns out that the white "Offer Details" text is a nonobvious hyperlink (with no hyperlink indicators). If the consumer figured out to click on the
"Offer Details" text on the email, the consumer would be brought to the webpage below:

Your Vehicle: 2023
SiriusXM Music & Entertainment
\$5/mo for 12 months
Then \$18.99/mo. Fees & taxes apply. See Offer Details below. SiriusXM Music & Entertainment Includes:
 400+ channels, including 155+ in your car, plus even more to stream on your devices
 Ad-free music for every genre & decade plus artist- created channels
 Original talk, podcasts, exclusive comedy & news from every angle
 NHL* play-by-play, NASCAR*, plus the biggest names in sports talk
 SiriusXM video library of in-studio shows & performances
Hide ^
CONTINUE
OFFER DETAILS: Activate a Music & Entertainment subscription and pay \$4.99/month for your first 12 months, plus get free activation (a \$15 savings). Fees and taxes apply. A credit card is required on this offer. Service will
automatically renew thereafter every month and you will be charged at then-current rates (currently, \$18.99/month). Please see our <u>Customer Agreement</u> at www.siriusxm.com for complete terms and how to
cancel, which includes using our online chat feature or calling us at 1-866-635-2349. All fees, content and features are subject to change. This offer cannot be combined with any other and may be modified or terminated
at any time. Offer good only on currently inactive radios. Channel lineup varies by package.
Website Terms Customer Agreement Privacy Policy Return Policy © 2023 Sirius XM Radio Inc
Your Privacy Choices 🕢 🛛 🗆 Your Ad Choices FCC Public File FCC Info
DN COMPLAINT - 12

Case 2:24-cv-00886 Document 1 Filed 06/21/24 Page 14 of 51

This offer/disclaimer webpage features "\$5/mo for 12 months," but makes no
 mention of the U.S. Music Royalty Fee or the extra 21.4% (i.e., the extra \$1.07) which the plan
 actually costs due to the Fee. Below the prominent text "\$5/mo for 12 months," smaller text
 reads "Then \$18.99/mo. Fees & taxes apply. See Offer Details below."

44. But the fine print "Offer Details" at the bottom of the webpage states only the
same phrase "Fees and Taxes apply," with no further details. It does not mention the U.S.
Music Royalty Fee by name or what the additional "Fees and Taxes" are or their amounts. It
also fails to mention that the renewal rate will not be the promised "\$18.99/mo." but rather will
be 21.4% higher—where the undisclosed Fee will increase nearly four-fold to \$4.06—for an
actual total of \$23.05 per month.

11 12

16

17

18

19

20

21

22

23

24

25

26

27

28

С.

Sirius XM Fails to Disclose the U.S. Music Royalty Fee to Consumers When They Sign Up on Its Website.

45. For years, Sirius XM's consumer website has advertised its music plans by
featuring particular flat monthly or periodic prices for the plans, without disclosing or including
the amount of the U.S. Music Royalty Fee in the advertised price.

46. For example, in May 2023, Sirius XM's website listed the following music plans (on the "Browse Plans and Pricing" webpage).

Q	(((S)	xm)))		
Popular Plans Enjoy the variety you're looking for, where an	d how you v	vant to listen.		
Car Radio + Streaming Devices O Streaming I	Devices Only	Platinum	Music & Entertainment	Music Showca
Introductory Pricing Plus fees and taxes <u>See Offer Details below</u>		3 mos. for \$1 then \$23.99/mo	3 mos. for \$1 then \$18.99/mo	3 mos. for \$1 then \$13.99/mo
Channels Included	~	425+ total	400+ total	100+ total
Ad-free Music	~	~	~	SOME
News & Issues		~	~	SOME
Talk & Entertainment		~	SOME	SOME
Comedy		~	~	
Sports	~	~	SOME	
Howard Stern Channels & Video		~		
Personalized Pandora Stations	?	~		
Original & Popular Podcasts Series	?	~	~	
Access to Stitcher Premium Podcasts	?	~		
Exclusive SXM in-studio Video		~	SOME	SOME
		GET	GET	GET

47. All of these options (including both the 3-month promotional \$1 price, and the stated higher prices after the 3 months) are presented as having a flat rate. The prices exclude the additional 21.4% charge for the U.S. Music Royalty Fee. The prices do not have asterisks and the only disclosure language is on the left side, where smaller print says, "Plus fees and taxes See Offer Details Below." But the "Offer Details" at the bottom of the webpage (which follows a section of "Frequently Asked Questions" that likewise makes no mention of the Fee),

Case 2:24-cv-00886 Document 1 Filed 06/21/24 Page 16 of 51

states only the same phrase "Fees and taxes apply." It does not mention the U.S. Music Royalty Fee by name or what the additional "Fees and taxes" are or their amounts.

48. If the consumer clicks on the blue "GET" button for the respective music plan, the consumer is taken through Sirius XM's online purchase process. Each page of the purchase process features "\$1 for 3 months" on the top, and smaller text stating the higher price after the 3 months (e.g., "Then 23.99/mo.").

49. **Below is the final page of the online purchase process** (i.e., the order submission page) for the Platinum music plan. This final page is the only page of the entire online purchase process which lists a specific additional amount for "Fees and Taxes."

1

2

4			Get 3 mo	nths of s	SiriusXM		
5							
6			Vehicle: 2023	Radio ID: (****			
7			SiriusXM Platinum \$1 for 3 months Then \$23.99/mo. Fees and taxes ap				
8			Inside	On the	Custom		
9			the Car Explore plan details ~	SXM App	Stations		
10							
11			Let's verify car radio		Edit		
11			No Active Service Closed: 12/11/2022				
12			Your billing information		Edit		
14			STEP 3 OF 3 Review and complete you	ur order			
			Order Summary				
15			SiriusXM Platinum 3 Months for \$0.33/mo		\$1.00		
16			Fees and Taxes Details ~		\$0.21		
17			Total - Due Now		\$1.21		
18			Your estimated recurring mon 07/04/2023. Remember, you o				
19			SiriusXM Platinum		\$23.99		
20			Monthly Plan Fees and Taxes		\$5.13		
21			Details ~	-			
22			Total Due - 07/04/2023 Details ^	5	\$29.12		
22				for the amount due now and r	ecurring charges as outlined		
			above. By clicking "Complete RENEW and will be charged to each renewal, plus fees and to	My Order", I agree that my ser to my payment method at the taxes, until I cancel. I agree to	rvice will AUTOMATICALLY en-current rates at the time of the SiriusXM <u>Customer</u>		
24			address provided, the refund calling SiriusXM at 1-866-635-	y, including, receiving account policy and how to cancel, whic -2349.			
25			<u>En Español</u>				
26			co	OMPLETE MY ORDER			
27			stigum subscription and any \$1.00 form	our first 7 months	f 0.0% off the surrent monthly start	\$27.00 plus get free	
28		activation (an additional \$15 sa will be charged at then-curren	atinum subscription and pay \$1.00 for your vings). A credit card is required on this it rates. Please see our <u>Customer Agree</u> subject to change. This offer cannot be or subject to change.	s offer. Fees and taxes apply. S ement for complete terms and	Service will automatically renew there how to cancel, which includes callin	eafter every month and you Ig us at 1-866-635-2349. All	
	CLASS .	ACTION COMPI	LAINT - 16			HATTI 11711 SE 8 Bellevu T: 425.233.86 <u>www.l</u>	th Stree ie, WA 50 F:

Under "Order Summary," Sirius XM shows a price of \$1.00 for 3 months of the
 music plan (\$0.33/mo), plus "Fees and Taxes" of \$0.21.

3

4

5

6

7

8

51. Notably, counsel's investigation showed that all Sirius XM music plans (including this one) sold in Washington have <u>\$0.00</u> in "Taxes." And the <u>only</u> "Fee" Sirius XM ever charges in Washington is the undisclosed 21.4% U.S. Music Royalty Fee. Sirius XM disguises the amount of its invented and deceptive U.S. Music Royalty Fee as "Fees and Taxes." Yet in reality, the U.S. Music Royalty Fee is the sole and exclusive component of the so-called "Fees and Taxes."

9 52. In this example, the \$0.21 in "Fees and Taxes" is comprised entirely of the
10 unmentioned 21.4% U.S. Music Royalty Fee (i.e., \$0.21 = 21.4% of the \$1.00 plan price).
11 Similarly, when the promotional rate of "\$1.00 for 3 months" expires and the subscriber's
12 monthly rate automatically increases to the stated "\$23.99/mo.," the U.S. Music Royalty Fee
13 comprises the entire amount of the additional "Fees and Taxes" of \$5.13 per month.

Sirius XM knows and intends that reasonable consumers will understand and assume that the amount listed as "Fees and Taxes" is comprised of legitimate taxes and government-related fees passed on by Sirius XM to its subscribers. Sirius XM knows and intends that reasonable consumers would not expect that Sirius XM—unlike every other music streaming service—would invent and charge the so-called "U.S. Music Royalty Fee" over and above the advertised price for the music plan. And Sirius XM knows that consumers certainly would not expect such a charge to be disguised as "Fees and Taxes."

21 22

D. Sirius XM Fails to Disclose the U.S. Music Royalty Fee to Consumers When They Sign Up Over the Phone.

54. Likewise, Sirius XM sales and customer service agents have been trained for
years, as a matter of company policy, to present consumers with advertised flat monthly or
periodic prices for its music plans without disclosing the U.S. Music Royalty Fee. The music
plan prices that agents quote to consumers—just like Sirius XM's advertising—exclude the
cost of the U.S. Music Royalty Fee.

28

Case 2:24-cv-00886 Document 1 Filed 06/21/24 Page 19 of 51

55. Sirius XM knows that reasonable consumers would expect that the advertised
 and quoted price for Sirius XM's music plans would include the fundamental costs of obtaining
 the permissions necessary to provide the music content that Sirius XM has promised is included
 in those plans. The U.S. Music Royalty Fee is, in fact, simply a disguised double-charge for the
 music plan itself.

56. Sirius XM's U.S. Music Royalty Fee scheme enables Sirius XM to falsely
advertise and present its music plans at much lower prices than what Sirius XM actually
charges, in order to lure as many consumers as possible into signing up for automatically
renewing subscriptions and paying more than they otherwise would have paid.

10

11

E. In Order to Prevent Subscribers From Learning of Its Scheme, Sirius XM Signs Up Subscribers for Auto-Renewal by Default and Then Never Sends Them Monthly or Ongoing Billing Notices or Invoices.

57. Sirius XM's automatic renewal and billing process are designed to prevent its
subscribers from learning of its U.S. Music Royalty Fee scheme. Sirius XM signs up
subscribers for automatic renewal by default (most subscribers have monthly plans, but Sirius
XM also offers quarterly, semi-annual, and longer plans).

16 58. Once consumers have been lured to sign up, Sirius XM prevents them from
17 learning about its scheme by never thereafter sending them monthly or ongoing billing notices
18 or invoices. All the while, Sirius XM silently and automatically renews their subscriptions
19 month after month and year after year

59. Most Sirius XM subscribers initially sign up with Sirius XM by providing their
credit card or debit card for a free multi-month trial or for a multi-month greatly discounted
promotional rate. The only evidence of the ongoing monthly (or other subscription term)
charges by Sirius XM that a subscriber may find is on his or her bank or credit card billing
statement—which only lists a dollar amount and makes no mention of the U.S. Music Royalty
Fee.

60. It is telling that while Sirius XM intentionally sends zero monthly or ongoing
 billing notices or invoices to its subscribers, Sirius XM meanwhile makes sure to inundate and
 benumb these same subscribers with <u>marketing</u> emails nearly every other day (totaling over a
 CLASS ACTION COMPLAINT - 18

dozen each month), such that subscribers come to assume that any emails they receive from
 Sirius XM are marketing or promotional emails.

F.

3

23

24

25

26

27

28

Sirius XM Continues to Deceive Subscribers After They Sign Up.

61. Sirius XM continues to deceive subscribers about the true price of its music
plans and about the existence and nature of the U.S. Music Royalty Fee, even after they have
signed up.

62. As discussed above, once consumers have been lured to sign up, Sirius XM
prevents them from learning about its scheme by never thereafter sending them monthly or
ongoing billing notices or invoices.

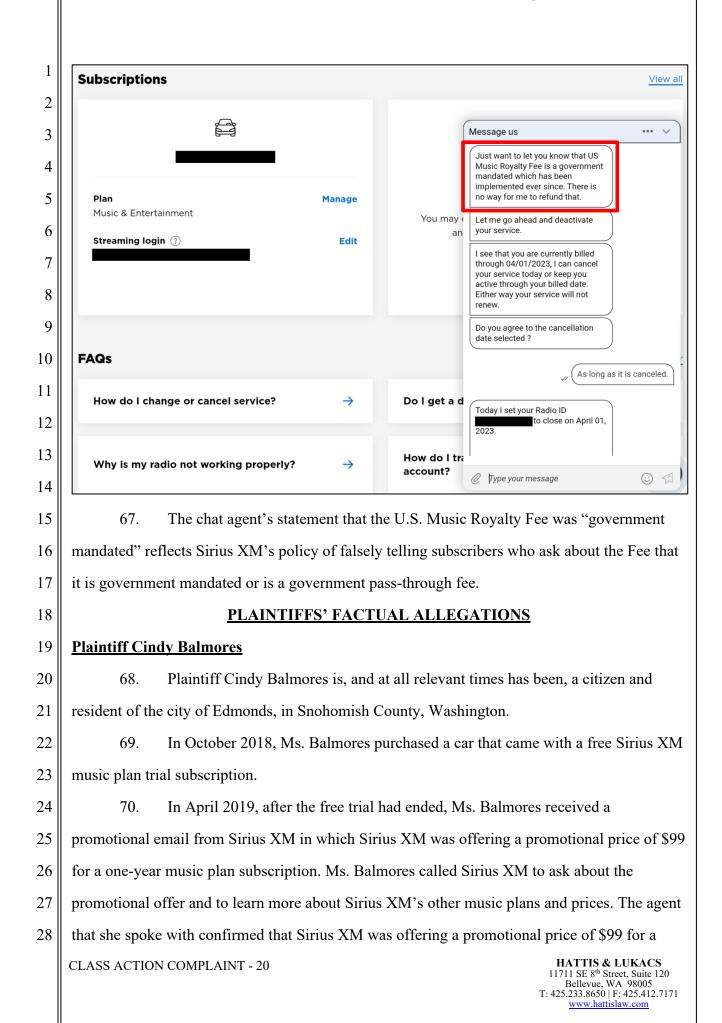
But even <u>if</u> a subscriber discovered the existence of the U.S. Music Royalty Fee,
Sirius XM has taken actions and implemented policies to intentionally mislead the subscriber
into thinking it is "government mandated" or is a government pass-through fee.

64. First, Sirius XM intentionally chose a name for the Fee that suggests it is a
government fee. Sirius XM calls it a "U.S." fee to falsely indicate to consumers (i.e., to those
few subscribers who learn about its existence) that it is government mandated or is a
government pass-through fee.

17 65. Second, in the event that a subscriber contacts Sirius XM to inquire about the
18 Fee, Sirius XM agents outright falsely tell the subscriber that the Fee is "government
19 mandated" or is a government pass-through fee.

66. For example, below is a screenshot of part of an online chat conversation that a
subscriber had with Sirius XM on March 10, 2023, where the Sirius XM agent falsely told the
subscriber that the U.S. Music Royalty Fee was "government mandated":

Case 2:24-cv-00886 Document 1 Filed 06/21/24 Page 21 of 51



Case 2:24-cv-00886 Document 1 Filed 06/21/24 Page 22 of 51

one-year music plan subscription. The agent quoted her the specific price of \$99 for the one year music plan subscription. The music plan's price of \$99 did not include the cost of the U.S.
 Music Royalty Fee. The agent also did not mention the existence of the U.S. Music Royalty
 Fee.

71. Relying on the representations of the Sirius XM agent, Ms. Balmores purchased
the music plan subscription.

7 72. Near the end of her one-year subscription, Ms. Balmores called Sirius XM and
8 told the agent that she spoke with that she wanted the same promotional offer as before—\$99
9 for a one-year music plan subscription. The agent agreed to give her the same promotional
10 offer. The agent quoted her the specific price of \$99 for the one-year music plan subscription.
11 The music plan's price of \$99 did not include the cost of the U.S. Music Royalty Fee. The
12 agent also did not mention the existence of the U.S. Music Royalty Fee.

13 73. Relying on the representations of the Sirius XM agent, Ms. Balmores purchased
14 the music plan subscription.

74. Near the end of this second one-year subscription, Ms. Balmores called Sirius
XM to ask for the same promotional offer. And, once again, the agent agreed to give her the
same promotional offer. The agent quoted her the specific price of \$99 for the one-year music
plan subscription. The music plan's price of \$99 did not include the cost of the U.S. Music
Royalty Fee. The agent also did not mention the existence of the U.S. Music Royalty Fee.

20 75. Relying on the representations of the Sirius XM agent, Ms. Balmores purchased
21 the music plan subscription.

76. Near the end of this third one-year subscription, Ms. Balmores called Sirius XM
to ask for the same promotional offer. This time, however, the agent that she spoke with told
her that Sirius XM was no longer offering this one-year music plan subscription promotion.
Instead, the agent quoted her a specific monthly price for the music plan that she wanted. The
quoted price for the music plan did not include the cost of the U.S. Music Royalty Fee. The
agent also did not mention the existence of the U.S. Music Royalty Fee.

28

CLASS ACTION COMPLAINT - 21

HATTIS & LUKACS 11711 SE 8th Street, Suite 120 Bellevue, WA 98005 T: 425.233.8650 | F: 425.412.7171 www.hattislaw.com

Case 2:24-cv-00886 Document 1 Filed 06/21/24 Page 23 of 51

77. Relying on the representations of the Sirius XM agent, Ms. Balmores purchased
 the music plan subscription.

78.

3

A few months later, Ms. Balmores canceled her Sirius XM subscription.

In March 2024, Ms. Balmores received a Sirius XM advertisement in which
Sirius XM was offering a promotional price of \$5 a month for six months for one of Sirius
XM's music plans. Ms. Balmores called Sirius XM to ask about the promotional offer. The
agent that she spoke with confirmed that Sirius XM was offering this promotion. The agent
quoted her the specific price of \$5 a month for the music plan. The music plan's price of \$5 did
not include the cost of the U.S. Music Royalty Fee. The agent also did not mention the
existence of the U.S. Music Royalty Fee.

11 80. Relying on the representations of the Sirius XM agent, Ms. Balmores purchased
12 the music plan subscription.

13 81. Since Ms. Balmores signed up, Sirius XM has never emailed or mailed her a
14 single monthly billing notice or invoice.

15 82. Meanwhile, each and every month, Sirius XM inundated Ms. Balmores' email
inbox with a dozen or so marketing and promotional emails. None of these marketing emails
made any mention whatsoever of the existence of the U.S. Music Royalty Fee.

18 83. Each time that Ms. Balmores signed up for a Sirius XM music plan, she was 19 relying on Sirius XM's explicit representations regarding the monthly price of the music plan. 20 Ms. Balmores did not expect (and she was never told) that Sirius XM would actually charge her 21 an additional music plan charge on top of the advertised and quoted music plan price in the 22 form of a so-called U.S. Music Royalty Fee or that the true price of the music plan would 23 include the additional cost of the U.S. Music Royalty Fee. That information would have been 24 material to her. Had she known that information she would not have been willing to pay as 25 much for her music plans and would have acted differently.

84. Ms. Balmores has a legal right to rely now, and in the future, on the truthfulness
and accuracy of Sirius XM's representations and advertisements regarding its music plan

Case 2:24-cv-00886 Document 1 Filed 06/21/24 Page 24 of 51

prices. Ms. Balmores believes that she was given the services Sirius XM promised her—just not at the prices Sirius XM promised and advertised to her.

3 85. Ms. Balmores remains a Sirius XM subscriber as of this filing. Ms. Balmores 4 desires to sign up for Sirius XM music plans in the future. However, Ms. Balmores wants to be 5 confident that the advertised and quoted price for Sirius XM's music plans is the true and full 6 price for the plan (i.e., that it includes all applicable discretionary monthly service charges such 7 as the U.S. Music Royalty Fee). And, if Sirius XM introduces any new or invented 8 discretionary monthly service charge (like it did with the U.S. Music Royalty Fee), 9 Ms. Balmores wants to be confident that Sirius XM will include the amount of that service 10 charge in the advertised and quoted music plan price. Ms. Balmores will be harmed if, in the 11 future, she is left to guess as to whether Sirius XM's representations are accurate and whether 12 there are omissions of material facts regarding the music plans being advertised and 13 represented to her.

Ms. Balmores first learned of Sirius XM's U.S. Music Royalty Fee scheme on
February 15, 2023, when she saw a legal investigation advertisement on TopClassActions.com
discussing the scheme. Prior to reading the advertisement, Ms. Balmores did not know or
suspect that Sirius XM was secretly adding an additional music plan charge above the quoted
rate in the form of the U.S. Music Royalty Fee. Ms. Balmores completed and submitted a form
on the investigation webpage that same day, February 15, 2023, to learn if she qualified to be
part of the legal actions.

87. On March 22, 2023, Ms. Balmores sent Sirius XM a notice of dispute regarding
her claims concerning Sirius XM's deceptive pricing and the U.S. Music Royalty Fee. Sirius
XM made no effort to resolve the dispute.

88. On June 5, 2023, Ms. Balmores filed a demand for arbitration against Sirius XM
with the American Arbitration Association ("AAA").

89. Ms. Balmores paid all arbitration fees associated with her demand for arbitration
that the AAA asked her to pay.

28

1

90. The AAA then asked Sirius XM to pay its required arbitration fees by August
 28, 2023.

3 91. On August 7, 2023, Sirius XM wrote a letter to the AAA stating that it would
4 not pay its arbitration fees.

5 92. On September 6, 2023, the AAA administratively closed Ms. Balmores' case
6 due to Sirius XM's failure to pay its required arbitration fees.

7 Plaintiff Justin Braswell

8 93. Plaintiff Justin Braswell is, and at all relevant times has been, a citizen and
9 resident of the city of Spanaway, in Pierce County, Washington.

10 94. In June 2011, Mr. Braswell visited Sirius XM's website to learn about Sirius XM's music plans and prices. After reviewing Sirius XM's music plans and prices, Mr. 11 12 Braswell selected a plan and went through the online purchase process. Throughout the online 13 purchase process, Sirius XM advertised and promised a specific monthly price for the music 14 plan subscription. That price did not include the amount of the U.S. Music Royalty Fee. None 15 of the webpages made any reference to the U.S. Music Royalty Fee or its amount. Based on 16 these representations, Mr. Braswell entered his credit card information and submitted his order 17 on the Sirius XM website.

18 95. At no point was Mr. Braswell aware that Sirius XM would bill him any
19 additional monthly music plan charges above the specific monthly price that was advertised
20 and promised to him. At no point did Mr. Braswell view any mention of the existence of the
21 U.S. Music Royalty Fee or its amount.

22 96. After Mr. Braswell signed up, Sirius XM never emailed or mailed him a single
23 monthly billing notice or invoice.

24 97. In 2013, Mr. Braswell bought a car that automatically came with a free Sirius
25 XM trial subscription.

98. After the free trial subscription for the car expired, Mr. Braswell visited Sirius
 XM's website to learn about the Sirius XM music plan offers then available for the car. Based
 on the advertisements and prices presented to him, Mr. Braswell selected a plan and went
 CLASS ACTION COMPLAINT - 24

Case 2:24-cv-00886 Document 1 Filed 06/21/24 Page 26 of 51

through the online purchase process. Throughout the online purchase process, Sirius XM
 advertised and promised a specific monthly price for the music plan. That price did not include
 the amount of the U.S. Music Royalty Fee. None of the webpages made any reference to the
 U.S. Music Royalty Fee or its amount. Based on these representations, Mr. Braswell submitted
 his order on Sirius XM's website.

6 99. At no point was Mr. Braswell aware that Sirius XM would bill him any
7 additional monthly music plan charges above the specific monthly price that was advertised
8 and promised to him. At no point did Mr. Braswell view any mention of the existence of the
9 U.S. Music Royalty Fee or its amount.

10 100. After Mr. Braswell signed up, Sirius XM never emailed or mailed him a single
11 monthly billing notice or invoice.

12 101. In 2022, Mr. Braswell bought another car that automatically came with a free13 Sirius XM trial subscription.

14 102. After the free trial subscription for the car expired, Mr. Braswell visited Sirius 15 XM's website to learn about the Sirius XM music plan offers then available for the car. Based 16 on the advertisements and prices presented to him, Mr. Braswell selected a plan and went 17 through the online purchase process. Throughout the online purchase process, Sirius XM 18 advertised and promised a specific monthly price for the music plan. That price did not include 19 the amount of the U.S. Music Royalty Fee. None of the webpages made any reference to the 20 U.S. Music Royalty Fee or its amount. Based on these representations, Mr. Braswell submitted 21 his order on Sirius XM's website.

103. At no point was Mr. Braswell aware that Sirius XM would bill him any
additional monthly music plan charges above the specific monthly price that was advertised
and promised to him. At no point did Mr. Braswell view any mention of the existence of the
U.S. Music Royalty Fee or its amount.

26 104. After Mr. Braswell signed up, Sirius XM never emailed or mailed him a single
27 monthly billing notice or invoice.

Case 2:24-cv-00886 Document 1 Filed 06/21/24 Page 27 of 51

1 105. Each time that Mr. Braswell signed up for a Sirius XM music plan, he was 2 relying on Sirius XM's explicit representations regarding the monthly price of the music plan. 3 Mr. Braswell did not expect (and he was never told) that Sirius XM would actually charge him 4 an additional music plan charge on top of the advertised and quoted music plan price in the 5 form of a so-called U.S. Music Royalty Fee or that the true price of the music plan would 6 include the additional cost of the U.S. Music Royalty Fee. That information would have been 7 material to him. Had he known that information he would not have been willing to pay as much 8 for his music plans and would have acted differently.

9 106. Mr. Braswell has a legal right to rely now, and in the future, on the truthfulness
10 and accuracy of Sirius XM's representations and advertisements regarding its music plan
11 prices.

12 107. Mr. Braswell remains a Sirius XM subscriber as of this filing. Mr. Braswell 13 desires to sign up for Sirius XM music plans in the future. However, Mr. Braswell wants to be 14 confident that the advertised and quoted price for Sirius XM's music plans is the true and full 15 price for the plan (i.e., that it includes all applicable discretionary monthly service charges such 16 as the U.S. Music Royalty Fee). And, if Sirius XM introduces any new or invented 17 discretionary monthly service charge (like it did with the U.S. Music Royalty Fee), Mr. 18 Braswell wants to be confident that Sirius XM will include the amount of that service charge in 19 the advertised and quoted music plan price. Mr. Braswell will be harmed if, in the future, he is 20 left to guess as to whether Sirius XM's representations are accurate and whether there are 21 omissions of material facts regarding the music plans being advertised and represented to him.

108. Mr. Braswell first learned of Sirius XM's U.S. Music Royalty Fee scheme on
May 9, 2023, when he saw a legal investigation advertisement on TopClassActions.com
discussing the scheme. Prior to reading the advertisement, Mr. Braswell did not know or
suspect that Sirius XM had been secretly adding an additional music plan charge above the
quoted rate in the form of the U.S. Music Royalty Fee. Mr. Braswell completed and submitted a
form on the investigation webpage that same day, May 9, 2023, to learn if he qualified to be
part of the legal actions.

1	109. On June 1, 2023, Mr. Braswell sent Sirius XM a notice of dispute regarding his					
2	claims concerning Sirius XM's deceptive pricing and the U.S. Music Royalty Fee. Sirius XM					
3	made no effort to resolve the dispute.					
4	110. On August 6, 2023, Mr. Braswell filed a demand for arbitration against Sirius					
5	XM with the American Arbitration Association ("AAA").					
6	111. Mr. Braswell paid all arbitration fees associated with his demand for arbitration					
7	that the AAA asked him to pay.					
8	112. The AAA then asked Sirius XM to pay its required arbitration fees by					
9	November 3, 2023.					
10	113. On October 18, 2023, Sirius XM wrote a letter to the AAA stating that it would					
11	not pay its arbitration fees.					
12	114. On November 8, 2023, the AAA administratively closed Mr. Braswell's case					
13	due to Sirius XM's failure to pay its required arbitration fees.					
14	<u>Plaintiff Deborah Garvin</u>					
15	115. Plaintiff Deborah Garvin has been a citizen and resident of the city of					
16	Vancouver, in Clark County, Washington, since 2022. Prior to that, she was a citizen and					
17	resident of Florida.					
18	116. In 2018, while living in Florida, Ms. Garvin leased a new car that came with a					
19	free Sirius XM trial music plan subscription.					
20	117. After the free trial subscription expired, she received a call from a Sirius XM					
21	agent who was trying to get her to sign up for a paid subscription. The agent that Ms. Garvin					
22	spoke to offered her a paid subscription, where the first six months would be free, and she					
23	would thereafter be charged a specific monthly rate for the music plan. The quoted and					
24	promised price did not include the additional amount of the U.S. Music Royalty Fee, and the					
25	agent also did not mention the existence of the U.S. Music Royalty Fee.					
26	118. Relying on the representations of the Sirius XM agent, Ms. Garvin provided her					
27	credit card information to the agent and signed up for the music plan subscription.					
28						

Case 2:24-cv-00886 Document 1 Filed 06/21/24 Page 29 of 51

1 119. Approximately six months later, before she was charged at the higher rate, Ms.
 2 Garvin canceled her subscription. After she canceled her subscription, she received a call from
 a Sirius XM agent who was trying to get her to sign up for a subscription once again. The agent
 that Ms. Garvin spoke to offered her a promotional monthly price for one of Sirius XM's music
 plans. The quoted and promised price did not include the additional amount of the U.S. Music
 Royalty Fee, and the agent also did not mention the existence of the U.S. Music Royalty Fee.

7 120. Relying on the representations of the Sirius XM agent, Ms. Garvin purchased
8 the monthly music plan subscription.

9 121. Each month thereafter, Sirius XM silently and automatically charged
10 Ms. Garvin's credit card, without giving her any email or mail notice whatsoever of the
11 upcoming monthly charges and without ever emailing or mailing her a single monthly billing
12 statement or invoice.

13

122. Ms. Garvin stayed on this plan for the remainder of her time living in Florida.

14 123. In 2022, Ms. Garvin moved to Washington. Shortly after her move, the lease on
15 her car ended and she returned it to a dealership. Ms. Garvin canceled her Sirius XM
16 subscription when she returned the car.

17 124. Ms. Garvin then purchased a new car, which again came with a free Sirius XM18 trial subscription.

19 125. After the free trial subscription expired, she again received a call from a Sirius
20 XM agent who was trying to get her to sign up for a paid subscription. The agent that Ms.
21 Garvin spoke to offered her a specific promotional monthly price for one of Sirius XM's music
22 plans. The quoted and promised price did not include the additional amount of the U.S. Music
23 Royalty Fee, and the agent also did not mention the existence of the U.S. Music Royalty Fee.

24 126. Relying on the representations of the Sirius XM agent, Ms. Garvin purchased
25 the monthly music plan subscription.

26 127. Each month thereafter, Sirius XM silently and automatically charged
27 Ms. Garvin's credit card, without giving her any email or mail notice whatsoever of the

Case 2:24-cv-00886 Document 1 Filed 06/21/24 Page 30 of 51

upcoming monthly charges and without ever emailing or mailing her a single monthly billing statement or invoice.

3 128. Each time that Ms. Garvin signed up for a Sirius XM music plan, she was 4 relying on Sirius XM's explicit representations regarding the monthly price of the music plan. 5 Ms. Garvin did not expect (and she was never told) that Sirius XM would actually charge her 6 an additional music plan charge on top of the advertised and quoted music plan price in the 7 form of a so-called U.S. Music Royalty Fee or that the true price of the music plan would 8 include the additional cost of the U.S. Music Royalty Fee. That information would have been 9 material to her. Had she known that information she would not have been willing to pay as 10 much for her music plans and would have acted differently.

11 129. Ms. Garvin has a legal right to rely now, and in the future, on the truthfulness 12 and accuracy of Sirius XM's representations and advertisements regarding its music plan prices. Ms. Garvin believes that she was given the services Sirius XM promised her-just not 13 14 at the prices Sirius XM promised and advertised to her.

15 130. Ms. Garvin remains a Sirius XM subscriber as of this filing. Ms. Garvin desires 16 to sign up for Sirius XM music plans in the future. However, Ms. Garvin wants to be confident 17 that the advertised and quoted price for Sirius XM's music plans is the true and full price for 18 the plan (i.e., that it includes all applicable discretionary monthly service charges such as the 19 U.S. Music Royalty Fee). And, if Sirius XM introduces any new or invented discretionary 20 monthly service charge (like it did with the U.S. Music Royalty Fee), Ms. Garvin wants to be 21 confident that Sirius XM will include the amount of that service charge in the advertised and 22 quoted music plan price. Ms. Garvin will be harmed if, in the future, she is left to guess as to 23 whether Sirius XM's representations are accurate and whether there are omissions of material 24 facts regarding the music plans being advertised and represented to her.

25 131. Ms. Garvin first learned of Sirius XM's U.S. Music Royalty Fee scheme on May 29, 2023, when she saw a legal investigation advertisement on the Hattislaw.com website 26 27 discussing the scheme. Prior to reading the investigation webpage, Ms. Garvin did not know or 28 suspect that Sirius XM was secretly adding an additional music plan charge above the quoted **CLASS ACTION COMPLAINT - 29** HATTIS & LUKACS 11711 SE 8th Street, Suite 120

Bellevue, WA 98005 5.233.8650 | F: 425.412.7171 www.hattislaw.com

Case 2:24-cv-00886 Document 1 Filed 06/21/24 Page 31 of 51

rate in the form of the U.S. Music Royalty Fee. Ms. Garvin completed and submitted a form on
 the investigation webpage that same day, May 29, 2023, to learn if she qualified to be part of
 the legal actions.

4 132. On June 1, 2023, Ms. Garvin sent Sirius XM a notice of dispute regarding her
5 claims concerning Sirius XM's deceptive pricing and the U.S. Music Royalty Fee. Sirius XM
6 made no effort to resolve the dispute.

7 133. On August 6, 2023, Ms. Garvin filed a demand for arbitration against Sirius XM
8 with the American Arbitration Association ("AAA").

9 134. Ms. Garvin paid all arbitration fees associated with her demand for arbitration
10 that the AAA asked her to pay.

11 135. The AAA then asked Sirius XM to pay its required arbitration fees by
12 November 3, 2023.

13 136. On October 18, 2023, Sirius XM wrote a letter to the AAA stating that it would
14 not pay its arbitration fees.

15 137. On November 8, 2023, the AAA administratively closed Ms. Garvin's case due
16 to Sirius XM's failure to pay its required arbitration fees.

17 Plaintiff Thea Anderson

18 138. Plaintiff Thea Anderson is, and at all relevant times has been, a citizen and19 resident of the city of Spokane, in Spokane County, Washington.

In mid-2022, Ms. Anderson purchased a car that came with a free three-month
Sirius XM music plan trial subscription.

140. In late October, after her free trial subscription ended, Sirius XM called
Ms. Anderson to try to sign her up for a paid subscription. The Sirius XM agent offered her a
specific promotional price of \$5.99 a month for 12 months for the Music & Entertainment
music plan. The quoted and promised \$5.99 price did not include the additional amount of the
U.S. Music Royalty Fee. The agent also did not mention the existence of the U.S. Music
Royalty Fee.

28

1 141. Relying on the representations of the Sirius XM agent, Ms. Anderson purchased
 2 the music plan subscription.

142. In late 2023, Ms. Anderson called Sirius XM to ask for a better rate for the
music plan. The agent that she spoke to quoted her a specific price for the music plan. The
quoted and promised price did not include the additional amount of the U.S. Music Royalty
Fee, and the agent also did not mention the existence of the U.S. Music Royalty Fee.

7 143. Relying on the representations of the Sirius XM agent, Ms. Anderson purchased
8 the music plan subscription.

9 144. Sirius XM never emailed or mailed Ms. Anderson a single monthly billing
10 notice or invoice. Meanwhile, Sirius XM silently and automatically charged Ms. Anderson's
11 credit card month after month.

12

145. In early 2024, Ms. Anderson canceled her Sirius XM subscription.

13 146. Each time that Ms. Anderson signed up for a Sirius XM music plan, she was 14 relying on Sirius XM's explicit representations regarding the monthly price of the music plan. 15 Ms. Anderson did not expect (and she was never told) that Sirius XM would actually charge 16 her an additional music plan charge on top of the advertised and quoted music plan price in the 17 form of a so-called U.S. Music Royalty Fee or that the true price of the music plan would 18 include the 21.4% additional cost of the U.S. Music Royalty Fee. That information would have 19 been material to her. Had she known that information she would not have been willing to pay 20 as much for her music plans and would have acted differently.

147. Ms. Anderson has a legal right to rely now, and in the future, on the truthfulness
and accuracy of Sirius XM's representations and advertisements regarding its music plan
prices. Ms. Anderson believes that she was given the services Sirius XM promised her—just
not at the prices Sirius XM promised and advertised to her.

148. Ms. Anderson desires to sign up for Sirius XM music plans in the future.
 However, Ms. Anderson wants to be confident that the advertised and quoted price for Sirius
 XM's music plans is the true and full price for the plan (i.e., that it includes all applicable
 discretionary monthly service charges such as the U.S. Music Royalty Fee). And, if Sirius XM
 CLASS ACTION COMPLAINT - 31

11711 S& EUKACS 11711 S& 8th Street, Suite 120 Bellevue, WA 98005 T: 425.233.8650 | F: 425.412.7171 www.hattislaw.com

Case 2:24-cv-00886 Document 1 Filed 06/21/24 Page 33 of 51

introduces any new or invented discretionary monthly service charge (like it did with the U.S.
Music Royalty Fee), Ms. Anderson wants to be confident that Sirius XM will include the
amount of that service charge in the advertised and quoted music plan price. Ms. Anderson will
be harmed if, in the future, she is left to guess as to whether Sirius XM's representations are
accurate and whether there are omissions of material facts regarding the music plans being
advertised and represented to her.

Ms. Anderson first learned of Sirius XM's U.S. Music Royalty Fee scheme on
May 15, 2023, when she saw a legal investigation advertisement on TopClassActions.com
discussing the scheme. Prior to reading the advertisement, Ms. Anderson did not know or
suspect that Sirius XM was secretly adding an additional music plan charge above the quoted
rate in the form of the U.S. Music Royalty Fee. Ms. Anderson completed and submitted a form
on the investigation webpage that same day, May 15, 2023, to learn if she qualified to be part
of the legal actions.

14 150. On June 1, 2023, Ms. Anderson sent Sirius XM a notice of dispute regarding her
15 claims concerning Sirius XM's deceptive pricing and the U.S. Music Royalty Fee. Sirius XM
16 made no effort to resolve the dispute.

17 151. On August 6, 2023, Ms. Anderson filed a demand for arbitration against Sirius
18 XM with the American Arbitration Association ("AAA").

19 152. Ms. Anderson paid all arbitration fees associated with her demand for arbitration20 that the AAA asked her to pay.

21 153. The AAA then asked Sirius XM to pay its required arbitration fees by
22 November 3, 2023.

23 154. On October 18, 2023, Sirius XM wrote a letter to the AAA stating that it would
24 not pay its arbitration fees.

25 155. On November 8, 2023, the AAA administratively closed Ms. Anderson's case
26 due to Sirius XM's failure to pay its required arbitration fees.

27 28

CLASS ALLEGATIONS

156. Plaintiffs Cindy Balmores, Justin Braswell, Deborah Garvin, and Thea Anderson bring this lawsuit on behalf of themselves, and all others similarly situated, pursuant to Federal Rules of Civil Procedure 23(a), (b)(2), and (b)(3).

157. Washington Class Definition: Plaintiffs Cindy Balmores, Justin Braswell,

Deborah Garvin, and Thea Anderson seek to represent the following "Washington Class":

All current and former Sirius XM subscribers in Washington who paid a "U.S. Music Royalty Fee" within the applicable statute of limitations.

158. Florida Class Definition: Plaintiff Deborah Garvin also seeks to represent the following "Florida Class":

All current and former Sirius XM subscribers in Florida who paid a "U.S. Music Royalty Fee" within the applicable statute of limitations.

159. **Application of the Discovery Rule.** This Court should apply the discovery rule to extend any applicable limitations period and corresponding class period to the date on which Sirius XM first began charging the U.S. Music Royalty Fee—which, based on the investigation of Plaintiffs' counsel, is in 2009. Plaintiffs and the Class could not have, with the exercise of reasonable diligence, learned of the accrual of their claims against Sirius XM at an earlier time because the nature of Sirius XM's misconduct was non-obvious and intentionally concealed, as described throughout the Complaint and reiterated below.

First, none of Sirius XM's advertisements for its music plans names or mentions 160. the existence of the U.S. Music Royalty Fee or its amount—not even in the fine print. Likewise, none of Sirius XM's advertisements states the true music plan price after adding the amount of the U.S. Music Royalty Fee. Reasonable consumers who viewed Sirius XM's advertisements would not know or suspect that Sirius XM's music plans were subject to a hidden double-charge for the music plan itself in the form of the U.S. Music Royalty Fee.

161. Second, Sirius XM does not disclose the U.S. Music Royalty Fee or its amount to subscribers when they sign up for music plans, as described in detail above at ¶¶ 34–56. Reasonable consumers would justifiably rely on Sirius XM's explicit representations regarding the monthly prices of its music plans, and would reasonably believe that any extra chargeswould only come from legitimate government fees or taxes.

162. Notably, <u>none</u> of Sirius XM's competitors charge any separate royalty fee over and above their advertised music plan prices. Indeed, reasonable consumers would expect that the advertised price for Sirius XM's music plans would include the fundamental costs of obtaining the permissions necessary to provide the music content that Sirius XM has promised is included in those plans.

8 163. Reasonable consumers would have no reason to suspect that Sirius XM was
9 actually charging them a hidden and disguised double-charge for the music plans in the form of
0 the U.S. Music Royalty Fee.

11 164. <u>Third</u>, Sirius XM has implemented policies and practices which prevent its
12 subscribers from noticing that they are being charged the Fee or from discovering its true
13 nature. Sirius XM signs up subscribers for automatic renewal by default. Once consumers have
14 been lured to sign up, Sirius XM prevents them from learning about its scheme by never
15 thereafter sending them monthly or ongoing billing notices or invoices. All the while, Sirius
16 XM silently and automatically renews their subscriptions month after month and year after
17 year.

18 165. Meanwhile, if the subscriber were to log into his or her customer account on the
19 Sirius XM website, the default view shows only the total amount due and does not list, let alone
20 explain, the U.S. Music Royalty Fee.

21 166. Sirius XM also intentionally chose a name for the Fee that suggests it is a
22 government fee. Sirius XM calls it a "U.S." fee to falsely indicate to consumers (i.e., to those
23 few subscribers who learn about its existence) that it is government mandated or a government
24 pass-through fee.

 25 167. <u>Fourth</u>, in the event that a subscriber happens to notice that the U.S. Music
 26 Royalty Fee has been charged and contacts Sirius XM to inquire about the Fee, Sirius XM
 27 agents outright falsely tell subscribers that the Fee is "government mandated" or is a
 28 government pass-through fee, as documented above at ¶¶ 66–68. A reasonable consumer would
 CLASS ACTION COMPLAINT - 34
 HATTIS & LUKACS 11711 SE 8th Street, Suite 120 Bellevue, WA 98005

5.233.8650 | F: 425.412.7171 www.hattislaw.com

Case 2:24-cv-00886 Document 1 Filed 06/21/24 Page 36 of 51

take Sirius XM at its word and believe that the U.S. Music Royalty Fee was a government related fee. Thus, a reasonable consumer would not discover the true nature of the Fee or
 discover Sirius XM's deceptive pricing scheme even if they somehow learned of its existence
 (however, the vast majority of subscribers never notice the existence of the Fee at all).

5 168. <u>Numerosity.</u> The number of members of the Classes (the "Class members") are
6 so numerous that joinder of all members would be impracticable. Plaintiffs do not know the
7 exact number of Class members prior to discovery. However, based on information and belief,
8 the Classes comprises millions of individuals. The exact number and identities of Class
9 members are contained in Sirius XM's records and can be easily ascertained from those
10 records.

11 169. <u>Commonality and Predominance.</u> This action involves multiple common legal
12 or factual questions which are capable of generating class-wide answers that will drive the
13 resolution of this case. These common questions predominate over any questions affecting
14 individual Class members, if any. These common questions include, but are not limited to, the
15 following:

a. Whether Sirius XM employed a uniform policy of charging the U.S.
Music Royalty Fee to Plaintiffs and Class members who subscribed to its music plans;

b. Whether Sirius XM's policy and practice of advertising and quoting the
prices of its music plans without the amount of the U.S. Music Royalty Fee is false, deceptive,
or misleading;

c. Why did Sirius XM not include the amounts of the U.S. Music Royalty
Fee in the advertised and quoted prices for its music plans;

d. Whether Sirius XM adequately and accurately disclosed the existence of
the U.S. Music Royalty Fee, its nature or basis, or its amount, to Plaintiffs and Class members;

25 26

28

e. What is the nature or purpose of the U.S. Music Royalty Fee;

f. Whether it was deceptive, misleading, and/or false for Sirius XM to put
"U.S." in the beginning of the name of the U.S. Music Royalty Fee;

CLASS ACTION COMPLAINT - 35

HATTIS & LUKACS 11711 SE 8th Street, Suite 120 Bellevue, WA 98005 T: 425.233.8650 | F: 425.412.7171 www.hattislaw.com

Case 2:24-cv-00886 Document 1 Filed 06/21/24 Page 37 of 51

g. Whether the true prices of Sirius XM's music plans, and of the U.S.
 Music Royalty Fee, are material information, such that a reasonable consumer would find that
 information important to the consumer's purchase decision;
 h. Whether Sirius XM has a policy and practice of signing up subscribers
 for automatic renewal, but never thereafter sending the subscriber any monthly or ongoing
 billing notices or invoices;

i. Whether Sirius XM has a policy of intentionally preventing subscribers
from noticing that they are being charged the Fee, including, but not limited to, Sirius XM's
practice of signing up subscribers for automatic renewal but then never thereafter sending the
subscriber any monthly or ongoing billing notices or invoices;

j. Whether Sirius XM has a practice of falsely telling subscribers who
notice and inquire about the U.S. Music Royalty Fee that it is "government mandated" or is a
government pass-through fee;

14 k. Whether Sirius XM's misrepresentations and misconduct alleged herein
15 violate the Washington Consumer Protection Act, RCW Chapter 19.86 ("CPA");

Whether Sirius XM's misrepresentations and misconduct alleged herein
 violate the Florida Deceptive and Unfair Trade Practices Act ("FDUTPA"); and

m. Whether Sirius XM has violated the covenant of good faith and fair
dealing, implied in its contracts with Plaintiffs and Class members, by imposing the U.S. Music
Royalty Fee in the manner alleged herein.

170. <u>Typicality.</u> Plaintiffs' claims are typical of Class members' claims. Plaintiffs
and Class members all sustained injury as a direct result of Sirius XM's standard practices and
schemes, bring the same claims, and face the same potential defenses.

24 171. <u>Adequacy.</u> Plaintiffs and their counsel will fairly and adequately protect Class
25 members' interests. Plaintiffs have no interests antagonistic to Class members' interests and are
26 committed to representing the best interests of the Class members. Moreover, Plaintiffs have
27 retained counsel with considerable experience and success in prosecuting complex class action
28 and consumer protection cases.

Case 2:24-cv-00886 Document 1 Filed 06/21/24 Page 38 of 51

1 172. **Superiority.** A class action is superior to all other available methods for fairly 2 and efficiently adjudicating this controversy. Each Class member's interests are small 3 compared to the burden and expense required to litigate each of his or her claims individually, 4 so it would be impractical and would not make economic sense for Class members to seek 5 individual redress for Sirius XM's conduct. Individual litigation would add administrative 6 burden on the courts, increasing the delay and expense to all parties and to the court system. 7 Individual litigation would also create the potential for inconsistent or contradictory judgments 8 regarding the same uniform conduct. A single adjudication would create economies of scale 9 and comprehensive supervision by a single judge. Moreover, Plaintiffs do not anticipate any difficulties in managing a class action trial. 10

11 173. By its conduct and omissions alleged herein, Sirius XM has acted and refused to
12 act on grounds that apply generally to the Class members, such that declaratory relief is
13 appropriate respecting the Classes as a whole.

14 174. Sirius XM is primarily engaged in the business of selling services. Each cause of 15 action brought by Plaintiffs against Sirius XM in this Complaint arises from and is limited to 16 statements or conduct by Sirius XM that consist of representations of fact about Sirius XM's 17 business operations or services that are or were made for the purpose of obtaining approval for, 18 promoting, or securing sales of or commercial transactions in, Sirius XM's services or the 19 statements are or were made in the course of delivering Sirius XM's services. Each cause of 20 action brought by Plaintiffs against Sirius XM in this Complaint arises from and is limited to 21 statements or conduct by Sirius XM for which the intended audience is an actual or potential 22 customer or subscriber, or a person likely to repeat the statements to, or otherwise influence, an 23 actual or potential customer or subscriber.

- 24
- 25
- 26
- 27

28

175. Plaintiffs Cindy Balmores, Justin Braswell, Deborah Garvin, and Thea Anderson reallege and incorporate by reference all paragraphs previously alleged herein.

CAUSES OF ACTION

<u>COUNT I</u> Violation of the Washington Consumer Protection Act

RCW Chapter 19.86

CLASS ACTION COMPLAINT - 37

HATTIS & LUKACS 11711 SE 8th Street, Suite 120 Bellevue, WA 98005 T: 425.233.8650 | F: 425.412.7171 www.hattislaw.com

Case 2:24-cv-00886 Document 1 Filed 06/21/24 Page 39 of 51

1 176. Each Plaintiff brings this claim in his or her individual capacity, in his or her
 2 capacity as a private attorney general seeking the imposition of public injunctive relief to
 3 protect the general public, and as a representative of the Washington Class.

4 177. The Washington Consumer Protection Act (the "CPA"), RCW 19.86, is
5 Washington's principal consumer protection statute. The CPA broadly declares unlawful all
6 "[u]nfair methods of competition and unfair or deceptive acts or practices in the conduct of any
7 trade or commerce." RCW 19.86.020.

8 178. The CPA allows any person "who is injured in his or his business or property by
9 a violation of RCW 19.86.020" to bring an action to enjoin further violations and to recover
10 actual damages (which may be trebled), costs, and attorneys' fees. RCW 19.86.090.

11 179. Sirius XM engages in the conduct of trade or commerce. For example, and
12 without limitation, Sirius XM engages in the sale of its music service plans and engages in
13 commerce directly or indirectly affecting the people of Washington.

14 180. By its conduct and omissions alleged herein, Sirius XM has committed unfair
15 methods of competition and/or unfair or deceptive acts or practices which directly or indirectly
16 affect the people of the State of Washington, and which caused injury to Plaintiffs and the
17 Class members' business or property, including without limitation by:

a. Misrepresenting the prices of Sirius XM's music plans and concealing
the true prices of its music plans, including by advertising or quoting prices that did not include
the U.S. Music Royalty Fee;

b. Failing to disclose the Fee—or to even mention the words "U.S. Music
Royalty Fee"—in <u>any</u> Sirius XM advertising, including in the fine print;

c. Failing to disclose or adequately disclose the existence, nature, and
amount of the U.S. Music Royalty Fee when consumers signed up for Sirius XM's music plans;

d. Failing to ever adequately or accurately disclose the existence and nature
of the U.S. Music Royalty Fee to its subscribers;

e. Failing to disclose and misrepresenting the nature of the U.S. Music
Royalty Fee by disguising it as "Fees and Taxes";

Case 2:24-cv-00886 Document 1 Filed 06/21/24 Page 40 of 51

f. Signing up customers for automatic renewal by default but never
 thereafter sending the customer any monthly or ongoing billing notices or invoices, thereby
 further preventing its subscribers from discovering the U.S. Music Royalty Fee scheme;

g. Putting "U.S." in the beginning of the name of the U.S. Music Royalty
5 Fee to falsely indicate to consumers that it is a government-related fee; and

6 h. Falsely stating to subscribers who discovered and inquired about the U.S.
7 Music Royalty Fee that it is "government mandated" or is a government pass-through fee.

8 181. With respect to any omissions, Sirius XM at all relevant times had a duty to
9 disclose the information in question because, inter alia: (a) Sirius XM had exclusive knowledge
10 of material information that was not known to Plaintiffs and Class members; (b) Sirius XM
11 concealed material information from Plaintiffs and Class members; and (c) Sirius XM made
12 partial representations, including regarding the supposed price of its music plans, which were
13 false and misleading absent the omitted information.

14 182. The acts and omissions of Sirius XM pled herein are injurious to the public
15 interest because said acts and omissions: (a) injured other persons in addition to Plaintiffs;
16 (b) had the capacity to injure other persons; or (c) has the capacity to injure other persons. *See*17 RCW 19.86.093(3).

18 183. The unlawful acts and omissions pled herein were committed in the course of
Sirius XM's business. The unlawful acts and omissions pled herein were, are and continue to
be part of a pattern or generalized course of conduct. The acts and omissions of Sirius XM pled
herein were and are not reasonable in relation to the development and preservation of business.

184. Sirius XM's unlawful conduct was intended to, or had the capacity to, deceive a
substantial portion of the public.

24 185. Further, under Washington law, "[t]he capacity of a marketing technique to
25 deceive is determined with reference to the least sophisticated consumers among us." *Keithly v.*26 *Intelius*, 764 F. Supp. 2d 1257, 1268 (W.D. Wash. 2011).

27 28

CLASS ACTION COMPLAINT - 39

HATTIS & LUKACS 11711 SE 8th Street, Suite 120 Bellevue, WA 98005 T: 425.233.8650 | F: 425.412.7171 www.hattislaw.com

Case 2:24-cv-00886 Document 1 Filed 06/21/24 Page 41 of 51

1 186. Sirius XM's misrepresentations are material, in that a reasonable person would
 2 attach importance to the information and would be induced to act on the information in making
 3 purchase decisions.

4 187. As a direct, substantial, and/or proximate result of Sirius XM's unlawful
5 conduct, Plaintiffs and Class members suffered injury to their business or property.

6 188. Plaintiffs and Class members reasonably relied on Sirius XM's material
7 misrepresentations, and would not have purchased, or would have paid less money for, Sirius
8 XM's music plans had they known the truth.

9 189. By its conduct and omissions alleged herein, Sirius XM caused the demand for
10 its music plans to be artificially increased and caused all subscribers of those plans, including
11 Plaintiffs and Class members, to pay premiums to Sirius XM.

12 190. Sirius XM's conduct has caused substantial injury to Plaintiffs, Class members,
13 and the general public.

14

191. **Permanent injunctive relief.** The Washington Supreme Court has repeatedly

15 held that consumers' ability to enjoin unlawful business practices is a primary purpose of the

16 CPA.

17

192. The Washington Supreme Court ruled in Hockley v Hargitt, 82 Wash.2d 337,

18 350–51 (1973) that:

19 '[T]he purpose of this [consumer protection] act is ... to foster fair and honest competition .. To this end this act shall be liberally construed that its beneficial 20 purposes may be served.' This broad public policy is best served by permitting an injured individual to enjoin future violations of RCW 19.86, even if such 21 violations would not directly affect the individual's own private rights. If each consumer victim were limited to injunctive relief tailored to his own individual 22 interest, the fraudulent practices might well continue unchecked while a multiplicity of suits developed. On the other hand, if a single litigant is allowed to 23 represent the public and consumer fraud is proven, the multiplicity of suits is avoided and the illegal scheme brought to a halt. (Emphasis added.) 24

25 19.

193. The Washington Supreme Court held the following in Lightfoot v. MacDonald,

26 86 Wash.2d 331, 336–37 (1976):

27

28

We think **the evident purpose of the legislature** in providing a private remedy in RCW 19.86.170, was much the same as that which Congress expressed in providing

Case 2:24-cv-00886 Document 1 Filed 06/21/24 Page 42 of 51

for treble damage actions under the antitrust laws. Its purpose was to enlist the aid of private individuals damaged by acts or practices which were forbidden in the acts, to assist in the enforcement of the laws. (Emphasis added.)

194. The Washington Supreme Court ruled in Scott v. Cingular Wireless, 160

Wash.2d 843, 853 (2007) that consumers' ability to enjoin unlawful business practices—both on behalf of a class of similarly situated consumers and for the benefit of the general public—is

necessary to vindicate the purpose of the CPA:

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

Private citizens act as private attorneys general in protecting the public's interest against unfair and deceptive acts and practices in trade and commerce. *Lightfoot v. MacDonald,* 86 Wash.2d 331, 335–36, 544 P.2d 88 (1976). Consumers bringing actions under the CPA do not merely vindicate their own rights; they represent the public interest and may seek injunctive relief even when the injunction would not directly affect their own private interests... Without class action suits the public's ability to perform this function is drastically diminished. (Emphasis added.)

195. The balance of the equities favors the entry of permanent injunctive relief against Sirius XM. Plaintiffs, the members of the Class, honest competing businesses, and the general public will be irreparably harmed from Sirius XM's ongoing false advertising absent the entry of permanent injunctive relief against Sirius XM.

196. Plaintiffs lack an adequate remedy at law to prevent Sirius XM's continued unlawful practices. Plaintiffs will be harmed in the future by their inability to rely on the truthfulness and accuracy of Sirius XM's representations and advertisements regarding its music plan prices. Plaintiffs desire and intend to sign up for different Sirius XM music plans and/or to sign up for another promotional period or contract in the future. However, Plaintiffs want to be confident that the advertised and quoted price for Sirius XM's music plans is the true and full price for the plan (i.e., that it includes all applicable discretionary service charges). And, if Sirius XM introduces any new discretionary service charge, Plaintiffs want to be confident that Sirius XM will include the amount of that service charge in the advertised and quoted music plan price. Plaintiffs will be harmed if, in the future, they are left to guess as to whether Sirius XM's representations are accurate and whether there are omissions of material facts regarding the music plans being advertised and represented to them.

Case 2:24-cv-00886 Document 1 Filed 06/21/24 Page 43 of 51

1 197. Monetary damages are not an adequate remedy at law for future harm. *Clark v.* 2 Eddie Bauer LLC, No. 21-35334, 2024 WL 177755, at *3 (9th Cir. Jan. 17, 2024). Monetary 3 damages are inadequate for future harm for the following reasons, without limitation: First, 4 damages are not an adequate remedy for future harm because they will not prevent Sirius XM 5 from continuing its unlawful conduct. Second, damages for future harm cannot be calculated 6 with certainty and thus cannot be awarded. For example, it is impossible to know: (a) what 7 music plan(s) Plaintiffs may want or need in the future; (b) what Sirius XM's future U.S. Music 8 Royalty Fees will be (given that the Fee is calculated as a percentage of the quoted music plan 9 price, and given that Sirius XM has increased the percentage rate of the Fee over time); or 10 (c) how many months Plaintiffs would continue to subscribe to Sirius XM's services. Because 11 these factors are unknown, damages are impossible to calculate and cannot be awarded for 12 future harm. Third, injunctive relief is necessary (and monetary damages do not provide a 13 plain, adequate and complete remedy) because, without forward-looking injunctive relief 14 enjoining the unlawful practices, the courts would be flooded with future lawsuits by the 15 general public, Class members, and Plaintiffs for future violations of the law by Sirius XM.

16 198. Plaintiffs, on behalf of themselves and as private attorneys general, seek 17 public injunctive relief under the CPA to protect the general public from Sirius XM's false 18 advertisements, misrepresentations, and omissions. Specifically, Plaintiffs seek a permanent 19 public injunction against Sirius XM under the CPA as follows: (1) enjoin Sirius XM from 20 falsely advertising the prices of its music plans to members of the general public; (2) enjoin 21 Sirius XM from advertising or quoting a music plan price to members of the general public if 22 that price does not include all applicable discretionary service charges (such as the U.S. Music 23 Royalty Fee); and (3) enjoin Sirius XM from representing to members of the public that the 24 U.S. Music Royalty Fee is a "government mandated" charge, a pass-through government 25 charge, a charge imposed to recover costs billed to Sirius XM by the government, a tax, or a charge over which Sirius XM has no control. 26

27 199. Sirius XM's misconduct which affects the general public is ongoing in part or in
 28 whole and even if such conduct were to cease, it is behavior that is capable of repetition or re CLASS ACTION COMPLAINT - 42

occurrence by Sirius XM absent a permanent injunction. Accordingly, Plaintiffs seek an order
 enjoining Sirius XM from committing these practices which harm the general public.

<u>COUNT II</u> Violation of the Florida Deceptive and Unfair Trade Practices Act ("FDUTPA") Fla. Stat. §§ 501.201, et seq.

5 200. Plaintiff Deborah Garvin realleges and incorporates by reference all paragraphs
6 previously alleged herein.

7 201. Ms. Garvin brings this claim in her individual capacity, in her capacity as a
8 private attorney general seeking the imposition of public injunctive relief to protect the general
9 public, and as a representative of the Florida Class.

202. The Florida Deceptive and Unfair Trade Practices Act ("FDUTPA") allows any
person "who has suffered a loss as a result of a violation of this [Act]" to bring an action to
enjoin further violations and to recover actual damages, costs, and attorneys' fees. Fla. Stat. §
501.211(1), (2); Fla. Stat. § 501.2105(1).

203. Ms. Garvin is a "consumer" within the meaning of Fla. Stat. § 501.203(7).

15 204. Sirius XM engaged in "trade or commerce" within the meaning of Fla. Stat.
16 § 501.203(8).

17 205. FDUTPA prohibits "[u]nfair methods of competition, unconscionable acts or
18 practices, and unfair or deceptive acts or practices in the conduct of any trade or commerce...."
19 Fla. Stat. § 501.204(1).

20 206. By its conduct and omissions alleged herein, Sirius XM has committed unfair
21 methods of competition and/or unfair or deceptive acts or practices in violation of the
22 FDUTPA, including without limitation by:

a. Misrepresenting the prices of Sirius XM's music plans and concealing
the true prices of its music plans, including by advertising or quoting prices that did not include
the U.S. Music Royalty Fee;

b. Failing to disclose the Fee—or to even mention the words "U.S. Music
Royalty Fee"—in any Sirius XM advertising, including in the fine print;

28

3

4

14

Case 2:24-cv-00886 Document 1 Filed 06/21/24 Page 45 of 51

c. Failing to disclose or adequately disclose the existence, nature, and
 amount of the U.S. Music Royalty Fee when consumers signed up for Sirius XM's music plans;

d. Failing to ever adequately or accurately disclose the existence and nature
of the U.S. Music Royalty Fee to its subscribers;

6 Royalty Fee by disguising it as "Fees and Taxes";

f. Signing up customers for automatic renewal by default but never
thereafter sending the customer any monthly or ongoing billing notices or invoices, thereby
further preventing its subscribers from discovering the U.S. Music Royalty Fee scheme;

g. Putting "U.S." in the beginning of the name of the U.S. Music Royalty Fee to falsely indicate to consumers that it is a government-related fee; and

h. Falsely stating to subscribers who discovered and inquired about the U.S.
Music Royalty Fee that it is "government mandated" or is a government pass-through fee.

With respect to any omissions, Sirius XM at all relevant times had a duty to
disclose the information in question because, inter alia: (a) Sirius XM had exclusive knowledge
of material information that was not known to Ms. Garvin and Florida Class members;
(b) Sirius XM concealed material information from Ms. Garvin and Florida Class members;
and (c) Sirius XM made partial representations, including regarding the supposed price of its
music plans, which were false and misleading absent the omitted information.

20 208. The unlawful acts and omissions pled herein were committed in the course of
21 Sirius XM's business. The unlawful acts and omissions pled herein were, are and continue to
22 be part of a pattern or generalized course of conduct. The acts and omissions of Sirius XM pled
23 herein were and are not reasonable in relation to the development and preservation of business.

24 209. Sirius XM's unlawful conduct was intended to, or had the capacity to, deceive a
25 substantial portion of the public.

26 210. Sirius XM's misrepresentations are material, in that a reasonable person would
27 attach importance to the information and would be induced to act on the information in making
28 purchase decisions.

CLASS ACTION COMPLAINT - 44

10

11

HATTIS & LUKACS 11711 SE 8th Street, Suite 120 Bellevue, WA 98005 T: 425.233.8650 | F: 425.412.7171 www.hattislaw.com 211. As a result of Sirius XM's unlawful conduct, Ms. Garvin and Florida Class
 members have suffered a loss.

3 212. Ms. Garvin and Florida Class members reasonably relied on Sirius XM's
4 material misrepresentations, and would not have purchased, or would have paid less money for,
5 Sirius XM's music plans had they known the truth.

6 213. By its conduct and omissions alleged herein, Sirius XM caused the demand for
7 its music plans to be artificially increased and caused all subscribers of those plans, including
8 Ms. Garvin and Florida Class members, to pay premiums to Sirius XM.

9 214. Sirius XM's conduct has caused substantial injury to Ms. Garvin, Florida Class
10 members, and the general public.

215. <u>Permanent injunctive relief.</u> The balance of the equities favors the entry of
 permanent injunctive relief against Sirius XM. Ms. Garvin, Florida Class members, honest
 competing businesses, and the general public will be irreparably harmed from Sirius XM's
 ongoing false advertising absent the entry of permanent injunctive relief against Sirius XM.

15 Ms. Garvin, on behalf of herself and as a private attorney general, seeks 216. 16 public injunctive relief under the FDUTPA to protect the general public from Sirius XM's false 17 advertisements, misrepresentations, and omissions. Specifically, Ms. Garvin seeks a permanent 18 public injunction against Sirius XM under the FDUTPA as follows: (1) enjoin Sirius XM from 19 falsely advertising the prices of its music plans to members of the general public; (2) enjoin 20 Sirius XM from advertising or quoting a music plan price to members of the general public if 21 that price does not include all applicable discretionary service charges (such as the U.S. Music 22 Royalty Fee); and (3) enjoin Sirius XM from representing to members of the public that the 23 U.S. Music Royalty Fee is a "government mandated" charge, a pass-through government 24 charge, a charge imposed to recover costs billed to Sirius XM by the government, a tax, or a 25 charge over which Sirius XM has no control.

26 217. Sirius XM's misconduct which affects the general public is ongoing in part or in
27 whole and even if such conduct were to cease, it is behavior that is capable of repetition or re-

28

Case 2:24-cv-00886 Document 1 Filed 06/21/24 Page 47 of 51

occurrence by Sirius XM absent a permanent injunction. Accordingly, Ms. Garvin seeks an
 order enjoining Sirius XM from committing these practices which harm the general public.

3 4

7

<u>COUNT II</u> Breach of the Implied Covenant of Good Faith and Fair Dealing

5 218. Plaintiffs reallege and incorporate by reference all paragraphs previously alleged
6 herein.

219. Plaintiffs allege this cause of action in the alternative.

8 220. To the extent any applicable contract could be read as granting Sirius XM
9 discretion to impose the U.S. Music Royalty Fee—which Plaintiffs do not concede—that
10 discretion is not unlimited, but rather is limited by the covenant of good faith and fair dealing
11 implied in every contract by Washington law and by Florida law.

12 221. Sirius XM has violated the covenant of good faith and fair dealing by its conduct13 alleged herein.

Sirius XM has abused any discretion it purportedly had under any applicable
contract to impose the U.S. Music Royalty Fee on Plaintiffs and Class members. For example:

a. Sirius XM imposes the U.S. Music Royalty Fee as a covert way to
charge subscribers higher rates for its music plans without having to advertise such higher
rates;

b. Sirius XM does not include the amount of the U.S. Music Royalty Fee in
the advertised and quoted prices for its music plans;

c. Sirius XM fails to disclose the Fee—or to even mention the words
"U.S. Music Royalty Fee"—in <u>any</u> Sirius XM advertising, including in the fine print;

23 d. Sirius XM fails to disclose and misrepresents the nature of the U.S.
24 Music Royalty Fee by disguising it as "Fees and Taxes";

e. None of Sirius XM's competitors charge any separate royalty fee over
 and above the advertised music plan price, such that Sirius XM knows that reasonable
 consumers would not expect Sirius XM to charge the U.S. Music Royalty Fee. Sirius XM
 knows that reasonable consumers would expect that the advertised price for Sirius XM's music
 CLASS ACTION COMPLAINT - 46

Case 2:24-cv-00886 Document 1 Filed 06/21/24 Page 48 of 51

plans would include the fundamental costs of obtaining the permissions necessary to provide the music content that Sirius XM has promised is included in those plans;

f. In order to prevent subscribers from noticing they are being charged the
U.S. Music Royalty Fee, Sirius XM has a policy and practice of signing up subscribers for
automatic renewal by default and never thereafter sending the subscriber any monthly or
ongoing billing notices or invoices;

g. Sirius XM put "U.S." in the beginning of the name of the U.S. Music
8 Royalty Fee to falsely indicate to consumers that it is a government-related fee; and

9 h. Sirius XM has a practice of falsely telling customers who notice and
10 inquire about the U.S. Music Royalty Fee that it is "government mandated" or is a government
11 pass-through fee.

223. Sirius XM's imposition of the U.S. Music Royalty Fee defied Plaintiffs' and
Class members' reasonable expectations, was objectively unreasonable, and frustrated the basic
terms of the parties' agreement. Sirius XM's conduct and actions alleged herein were done in
bad faith.

Sirius XM's conduct described herein has had the effect, and the purpose, of
denying Plaintiffs and Class members the full benefit of their bargains with Sirius XM.

18 225. Plaintiffs and Class members have performed all, or substantially all, of the
19 obligations imposed on them under any applicable agreements with Sirius XM. There is no
20 legitimate excuse or defense for Sirius XM's conduct.

21 226. Any attempts by Sirius XM to defend its overcharging through reliance on 22 supposed contractual provisions will be without merit. Any such provisions are either 23 inapplicable or are unenforceable because they are void, illusory, lacking in mutuality, are 24 invalid exculpatory clauses, violate public policy, are procedurally and substantively 25 unconscionable, and are unenforceable in light of the intentional, deceptive and hidden nature 26 of Sirius XM's misconduct, among other reasons. Any such provisions, if any, would not 27 excuse Sirius XM's abuses of discretion or otherwise preclude Plaintiffs and Class members 28 from recovering for breaches of the covenant of good faith and fair dealing.

CLASS ACTION COMPLAINT - 47

1

2

1 227. Plaintiffs and Class members sustained damages as a result of Sirius XM's 2 breaches of the covenant of good faith and fair dealing.

3 228. Plaintiffs and Class members seek damages in the amount of the U.S. Music 4 Royalty Fees paid by Plaintiffs and Class members.

PRAYER FOR RELIEF

Public Injunctive Relief:

5

6

7 A. In order to prevent injury to the general public, Plaintiffs individually, and as 8 private attorneys general, request that the Court enter a public injunction against Sirius XM as 9 follows:

1. 10 Permanently enjoin Sirius XM from falsely advertising the prices of its music plans and from concealing the true prices of its music plans in its advertising; 11

12 2. Permanently enjoin Sirius XM from advertising or quoting a music plan price to members of the general public if that price does not include the amount of the U.S. 13 14 Music Royalty Fee;

15 3. Permanently enjoin Sirius XM from advertising or quoting a music plan price to members of the general public if that price does not include all applicable discretionary 16 17 service charges;

18 4. Permanently enjoin Sirius XM, including Sirius XM's sales agents, from 19 representing or stating to members of the general public that the U.S. Music Royalty Fee is any 20 of the following: (a) a "government mandated" fee; (b) a government pass-through fee; (c) a 21 charge imposed to recover costs billed to Sirius XM by the government; (d) a tax; or (e) a charge over which Sirius XM has no control; and 22

23

5. Retain jurisdiction to monitor Sirius XM's compliance with the 24 permanent public injunctive relief requested hereinabove.

25 **Individual And Class Relief:**

B. 26 On behalf of themselves and the proposed Classes (the "Class members"), 27 Plaintiffs request that the Court order relief and enter judgment against Sirius XM as follows:

28

1. Declare this action to be a proper class action, certify the proposed

Classes, and appoint Plaintiffs and their counsel to represent the Washington Class and appoint
 Ms. Garvin and her counsel to represent the Florida Class;

Order that the discovery rule applies to extend any applicable limitations
 period and the corresponding class period for Plaintiffs and the Classes to the date on which
 Sirius XM first began charging the U.S. Music Royalty Fee (which, based on the investigation
 of Plaintiffs' counsel, is 2009);

7

3. Declare that Sirius XM's conduct alleged herein violates the CPA;

8 4. Order Sirius XM to pay actual damages to Plaintiffs and Washington
9 Class members in an amount to be determined at trial but which is more than \$5 million,
10 pursuant to, without limitation, RCW 19.86.090;

For an increase in the award of actual damages to Plaintiffs and
 Washington Class members of up to treble the actual damages pursuant to, without limitation,
 RCW 19.86.090;

14 6. Declare that Sirius XM's conduct alleged herein violates the FDUTPA;15 and

7. Order Sirius XM to pay actual damages to Ms. Garvin and Florida Class
members in an amount to be determined at trial but which is more than \$5 million, pursuant to,
without limitation, Fla. Stat. § 501.211(2).

19 Other Relief:

C. On behalf of themselves and the proposed Classes, and in their capacities as
private attorneys general, Plaintiffs request that the Court order relief as follows:

Order Sirius XM to pay attorneys' fees, costs, and pre-judgment and
 post-judgment interest to the extent allowed by law; and

24

25

26

27

28

2. Grant such other relief as this Court deems just and proper.

HATTIS & LUKACS 11711 SE 8th Street, Suite 120 Bellevue, WA 98005 T: 425.233.8650 | F: 425.412.7171 www.hattislaw.com

DEMAND FOR JURY TRIAL

Plaintiffs demand trial by jury on all issues so triable.

1

2

3 Respectfully submitted on June 21, 2024, by: 4 5 HATTIS & LUKACS 6 By: Daniel M. Hattis 7 Bv: 8 Paul Karl Lukacs 9 By: **Ľ** Che Corrington 10 Daniel M. Hattis, WSBA No. 50428 11 dan@hattislaw.com Paul Karl Lukacs, WSBA No. 56093 12 pkl@hattislaw.com Che Corrington, WSBA No. 54241 13 che@hattislaw.com 11711 SE 8th Street, Suite 120 14 Bellevue, WA 98005 Tel: 425.233.8650 15 Fax: 425.412.7171 16 17 DENITTIS OSEFCHEN PRINCE, P.C. 18 Stephen P. DeNittis (pro hac vice to be submitted) sdenittis@denittislaw.com 19 5 Greentree Centre, Suite 410 525 Route 73 N 20 Marlton, New Jersey 08057 Telephone: (856) 797-9951 21 Attorneys for Plaintiffs 22 and the Proposed Classes 23 24 25 26 27 28 HATTIS & LUKACS **CLASS ACTION COMPLAINT - 50** 11711 SE 8th Street, Suite 120 Bellevue, WA 98005 T: 425.233.8650 | F: 425.412.7171

www.hattislaw.com

Case 2:24-cv-008 Composite Shiel 96/21/24 Page 1 of 1

JS 44 (Rev. 03/24)

The JS 44 civil cover sheet and provided by local rules of court purpose of initiating the civil do	. This form, approved by the	ne Judicial Conference of th	he United States in September 1		
I. (a) PLAINTIFFS	·		DEFENDANTS		
Cindy Balmores Thea Anderson	, Justin Braswell, De	borah Garvin, and	Sirius XM Radio Inc.		
(b) County of Residence of First Listed Plaintiff <u>Snohomish, WA</u> (EXCEPT IN U.S. PLAINTIFF CASES)			County of Residence of First Listed Defendant (IN U.S. PLAINTIFF CASES ONLY) NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.		
HATTIS & LUKAC	Address, and Telephone Numbe 2S e 120, Bellevue, WA 980		Attorneys (If Known)		
II. BASIS OF JURISD	ICTION (Place an "X" in	One Box Only)	I. CITIZENSHIP OF PI	RINCIPAL PARTIES	Place an "X" in One Box for Plaintiff
1 U.S. Government Plaintiff			(For Diversity Cases Only) PT Citizen of This State	FF DEF	and One Box for Defendant) PTF DEF incipal Place 4
2 U.S. Government	× 4 Diversity		Citizen of Another State		Principal Place 5 🗴 5
Defendant	(Indicate Citizenshi	p of Parties in Item III)	Citizen or Subject of a	of Business In A 3 3 Foreign Nation	another State
			Foreign Country		
IV. NATURE OF SUIT		ly) RTS	FORFEITURE/PENALTY	Click here for: <u>Nature of S</u> BANKRUPTCY	uit Code Descriptions. OTHER STATUTES
110 Insurance	PERSONAL INJURY	PERSONAL INJURY	625 Drug Related Seizure	422 Appeal 28 USC 158	375 False Claims Act
120 Marine	310 Airplane	365 Personal Injury -	of Property 21 USC 881	423 Withdrawal	376 Qui Tam (31 USC
130 Miller Act 140 Negotiable Instrument	315 Airplane Product Liability	Product Liability 367 Health Care/	690 Other	28 USC 157 INTELLECTUAL	3729(a)) 400 State Reapportionment
150 Recovery of Overpayment	320 Assault, Libel &	Pharmaceutical		PROPERTY RIGHTS	410 Antitrust
& Enforcement of Judgment	Slander 330 Federal Employers'	Personal Injury Product Liability		820 Copyrights	430 Banks and Banking 450 Commerce
152 Recovery of Defaulted	Liability	368 Asbestos Personal		830 Patent 835 Patent - Abbreviated	460 Deportation
Student Loans (Excludes Veterans)	340 Marine 345 Marine Product	Injury Product Liability		New Drug Application	470 Racketeer Influenced and Corrupt Organizations
153 Recovery of Overpayment	Liability	PERSONAL PROPERTY	LABOR	840 Trademark 880 Defend Trade Secrets	480 Consumer Credit
of Veteran's Benefits	350 Motor Vehicle	× 370 Other Fraud	710 Fair Labor Standards	Act of 2016	(15 USC 1681 or 1692)
160 Stockholders' Suits	355 Motor Vehicle Product Liability	371 Truth in Lending 380 Other Personal	Act 720 Labor/Management	SOCIAL SECURITY	485 Telephone Consumer Protection Act
195 Contract Product Liability	360 Other Personal	Property Damage	Relations	861 HIA (1395ff)	490 Cable/Sat TV
196 Franchise	Injury 362 Personal Injury -	385 Property Damage Product Liability	740 Railway Labor Act 751 Family and Medical	862 Black Lung (923) 863 DIWC/DIWW (405(g))	850 Securities/Commodities/ Exchange
	Medical Malpractice		Leave Act	864 SSID Title XVI	890 Other Statutory Actions
REAL PROPERTY 210 Land Condemnation	CIVIL RIGHTS 440 Other Civil Rights	PRISONER PETITIONS Habeas Corpus:	790 Other Labor Litigation 791 Employee Retirement	865 RSI (405(g))	891 Agricultural Acts 893 Environmental Matters
220 Foreclosure	441 Voting	463 Alien Detainee	Income Security Act	FEDERAL TAX SUITS	895 Freedom of Information
230 Rent Lease & Ejectment	442 Employment	510 Motions to Vacate		870 Taxes (U.S. Plaintiff	Act
240 Torts to Land 245 Tort Product Liability	443 Housing/ Accommodations	Sentence 530 General		or Defendant) 871 IRS—Third Party	896 Arbitration 899 Administrative Procedure
290 All Other Real Property	445 Amer. w/Disabilities -	535 Death Penalty	IMMIGRATION	26 USC 7609	Act/Review or Appeal of
	Employment 446 Amer. w/Disabilities -	Other: 540 Mandamus & Other	462 Naturalization Application 465 Other Immigration		Agency Decision 950 Constitutionality of
	Other	550 Civil Rights	Actions		State Statutes
	448 Education	555 Prison Condition 560 Civil Detainee -			
		Conditions of			
V. ORIGIN (Place an "X" in	n On a Ban Only)	Confinement			
▼ 1 Original 2 Rei	moved from 3	Remanded from 4 Appellate Court	Reinstated or 5 Transfe Reopened Another	rred from 6 Multidistri	
		**	(specify		Direct File
		tute under which you are fi	ling (Do not cite jurisdictional stat	utes unless diversity):	
VI. CAUSE OF ACTIO	DN 28 U.S.C. § 1332(d)(2) Brief description of ca Consumer fraud	use:			
VII. REQUESTED IN COMPLAINT: Image: Check if this is a class action under the complexity of					1
VIII. RELATED CASI IF ANY	E(S) (See instructions):				
DATE Jun 21, 2024	AA	SIGNATURE OF ATTOR	RNEY OF RECORD		
FOR OFFICE USE ONLY					
RECEIPT # AMOUNT APPLYING IFP JUDGE MAG. JUDGE					

AO 440 (Rev. 06/12) Summons in a Civil Action

UNITED STATES DISTRICT COURT

for the

Western District of Washington

)

Cindy Balmores, Justin Braswell, Deborah Garvin, and Thea Anderson, for themselves, as private attorneys general, and on behalf of all others similarly situated

> Plaintiff(s) V.

Sirius XM Radio Inc.

Defendant(s)

SUMMONS IN A CIVIL ACTION

To: (Defendant's name and address) Sirius XM Radio Inc. 1221 Avenue of the Americas, 35th Floor New York, NY 10020

A lawsuit has been filed against you.

Within 21 days after service of this summons on you (not counting the day you received it) — or 60 days if you are the United States or a United States agency, or an officer or employee of the United States described in Fed. R. Civ. P. 12 (a)(2) or (3) — you must serve on the plaintiff an answer to the attached complaint or a motion under Rule 12 of the Federal Rules of Civil Procedure. The answer or motion must be served on the plaintiff or plaintiff's attorney, whose name and address are: HATTIS & LUKACS

11711 SE 8th St, Ste 120, Bellevue, WA 98005 (425) 233-8650

If you fail to respond, judgment by default will be entered against you for the relief demanded in the complaint. You also must file your answer or motion with the court.

CLERK OF COURT

Date:

Signature of Clerk or Deputy Clerk

Civil Action No. 2:24-cv-886

ClassAction.org

This complaint is part of ClassAction.org's searchable class action lawsuit database and can be found in this post: <u>Sirius XM Charges More Than Advertised</u> <u>Due to Undisclosed Music Royalty Fee, Class Action Lawsuit Claims</u>