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13 UNITED STATES DISTRICT COURT
 14 NORTHERN DISTRICT OF CALIFORNIA
 15 SAN FRANCISCO DIVISION

17 RUN THEM SWEET, LLC, a
 18 California limited liability company,
 19 on behalf of themselves and those
 20 similarly situated,

Plaintiff,

21 v.

22 CPA GLOBAL LIMITED, a foreign
 23 entity formed under the laws of the
 24 Island of Jersey, Channel Islands, and
 25 CPA GLOBAL NORTH AMERICA,
 26 LLC, a Delaware limited liability
 company,

Defendants.

CASE NO. 3:16-cv-03662

CLASS ACTION COMPLAINT

- (1) Breach of Contract;
- (2) Unjust Enrichment - Restitution;
- (3) Violation of California's Unfair Competition Law
(Cal. Bus. & Prof. Code § 17200)

DEMAND FOR JURY TRIAL

1 Plaintiff Run Them Sweet, LLC (“RTS” or “Plaintiff”), on behalf of itself and
2 all other similarly situated persons and/or entities, brings this action against
3 Defendants CPA Global Limited and CPA Global North America, LLC (together,
4 “Defendants”), and alleges, upon personal knowledge as to its own conduct, and
5 upon information and belief as to the conduct of others, as follows:

6 **NATURE OF THE ACTION**

7 1. Plaintiff RTS is a medical diagnostics company focused on the
8 nutritional state of a patient. RTS holds United States (U.S.) patents and patent
9 applications that are registered in foreign countries. To maintain the foreign
10 registration of these patents, RTS must pay annual fees to the foreign patent
11 registrars in each country for each of its patents.

12 2. To manage these payments, RTS contracted with CPA Global Limited
13 (“CPA”), which agreed to handle the payments in exchange for a fixed fee per patent.

14 3. Under the contract, attached hereto as Exhibit “A”, CPA was to pass on
15 the costs of registration in the foreign country to RTS.

16 4. However, CPA greatly overcharged RTS by inflating certain fees and
17 outright inventing others. CPA does not even adhere to its own rate structure.

18 5. In order to hide this conduct, CPA issues opaque invoices that are
19 devoid of any meaningful breakdown of its billing practices so that it is nearly
20 impossible for its clients to tell if they are being overcharged.

21 6. CPA’s contracts are also themselves misleading. For example, CPA
22 makes it appear that its so-called “Country Charges” are fees imposed by foreign
23 entities, when they are simply additional charges made up by CPA.

24 7. On information and belief, Defendants use the same contract for all of
25 their clients as it does for RTS and overcharges them in a similar manner.

26 8. RTS brings this class action lawsuit on behalf of all U.S. patent holders
27 who have been injured by Defendants’ systematic practice of overbilling and
28

1 inflating of fees charged to its clients who engage Defendants to renew their patents
2 annually in foreign countries.

3 **JURISDICTION AND VENUE**

4 9. This Court has jurisdiction over this matter pursuant to the Class Action
5 Fairness Act of 2005 (“CAFA”), 28 U.S.C. § 1332(d)(2), because at least one
6 Plaintiff or class member is from a different state than at least one Defendant, there
7 are more than 100 members of the class and the aggregate amount in controversy
8 exceeds \$5,000,000, exclusive of attorneys’ fees, interest, and costs.

9 10. Defendants are subject to personal jurisdiction because Defendant CPA
10 Global Limited conducts substantial business in the State of California directly and
11 through its affiliate Defendant CPA Global North America, LLC, such that they have
12 significant, pervasive and substantial contacts with the State of California.

13 11. Venue is proper in this District pursuant to 28 U.S.C. §1391(b),
14 because a substantial part of the events giving rise to Plaintiff’s claims occurred in
15 this District and because the Plaintiff resides in this District.

16 **PARTIES**

17 12. RTS is a limited liability company duly organized under the laws of the
18 State of California, having its headquarters and principal place of business in San
19 Francisco, California.

20 13. Defendant CPA Global Limited is a foreign entity organized under the
21 laws of the island of Jersey, Channel Islands, with its headquarters and principal
22 place of business located on the island of Jersey, Channel Islands. Defendant
23 transacts business in the State of California by offering for sale and selling its
24 services to customers in California and in this District.

25 14. Jersey is a party to the Hague Convention of 15 November, 1965, on
26 the Service Abroad of Judicial and Extrajudicial Documents in Civil or Commercial
27 matters. Accordingly, Defendant may be served with process pursuant to Federal
28 Rule of Civil Procedure 4(f)(2)(A), by sending the document to the central authority

1 of Jersey, The Attorney General, Jersey, Channel Islands, for service at Liberation
2 House, Castle Street, St. Helier, JE1 1BL, Jersey, Channel Islands.

3 15. Defendant CPA Global North America, LLC, is an entity formed under
4 the laws of the State of Delaware and, on information and belief, is the U.S. affiliate
5 of CPA Global Limited. On information and belief, CPA Global North America,
6 LLC maintains an office in San Mateo, California and, at all relevant times for
7 purposes of this Complaint, Defendant has done substantial business in the State of
8 California.

9 **FACTUAL ALLEGATIONS**

10 16. RTS is the owner of numerous patents and patent applications (the
11 “Patents”) around the world. The Patents must be periodically renewed in each
12 country in order to maintain and protect RTS’s intellectual property rights.

13 17. Such renewals require the payment of certain fees to, and may require
14 the filing of documents with, patent offices in each country in which Plaintiff has
15 registered Patents. Timely renewal of patents in each country is vital because patents
16 are lost or abandoned if not properly renewed.

17 18. CPA is in the business of managing foreign registration payments for
18 U.S. patents. In order to manage its payments, RTS entered into the Renewal Service
19 Agreement (“Agreement”) with CPA on March 18, 2016. The Agreement set forth
20 the terms on which CPA would renew RTS’s patents. Section 5.1 of the Agreement
21 states that:

22 Our basic fees in relation to Services that comprise the
23 provision of renewal of intellectual property rights
24 registrations are set out in Clause 4 of the Operating
25 Procedures.

26 19. Clause 4 of the “Operating Procedures” states that: “We will charge you
27 an administration charge based on Schedule 1, attached.”
28

1 20. Schedule 1 sets forth a list of “Administration Charges” based on the
2 number of annual payments the client makes. The more annual payments, the lower
3 the per-patent Administration Charge.

4 21. The Administration Charge was agreed to be the only charge imposed
5 by CPA for its services. The rest of the charges were agreed to be costs passed on
6 to clients by CPA.

7 22. The next section, Section 5.2, states that:

8 In addition to our fees there will be also be payable by you
9 the charges made by the relevant registries (“**Official**
10 **Fees**”) in each jurisdiction and which vary from time to
11 time and, where applicable “**Country Charge**” [sic]
12 which is set out in a tariff (which may vary from time to
13 time), a current copy of which is available on request.

14 23. The language “In addition to our fees” leads clients to believe that what
15 follows, including the “Country Charge” are not fees charged by CPA.

16 24. In addition, the placement of the description of the “Country Charge”
17 as part of the sentence describing the fees charged by the “relevant registries” leads
18 clients to believe that the “Country Charge” is a charge imposed by foreign offices,
19 not by CPA.

20 25. Further, the description of the “Country Charge” as something that is
21 found on a “tariff” leads the clients to believe that the “Country Charge” is a
22 government-imposed fee.

23 26. However, the “Country Charge” is not related to any charges or tariffs
24 imposed by foreign patent registrars. It is a charge that CPA invented and is
25 effectively a second fee charged by CPA.

26 27. Section 5.3 of the Agreement further states that when currency must be
27 exchanged, such currency will be “converted at our rates from time to time.” But
28 these rates are far in excess of any reasonable exchange rate on the relevant dates.

1 28. When RTS was invoiced by CPA it was for amounts far in excess of
2 what RTS should have been charged based on the Agreement. (See attached Exhibit
3 “B”). The invoices did not even correspond to CPA’s own fee schedule.

4 29. In addition, the invoices only provided a total amount due for each
5 renewal. They failed to give any details, explanations, or itemizations.

6 30. For example, an invoice sent to RTS by CPA in July of 2015 charged
7 RTS \$1006.63 for a renewal in Europe. The invoice did not list a breakdown of the
8 charges. None of CPA’s invoices do.

9 31. According to the schedule provided by CPA, the Administrative Fee
10 charged by CPA would be \$200, leaving \$806.63 in other charges. According to the
11 rates charged by the foreign patent office, the foreign patent office fee was €465
12 (Euros). On the date of the invoice, the exchange rate was roughly \$0.905 U.S.
13 Dollars to one Euro, which would yield a U.S. Dollar cost for the foreign patent
14 office fee of \$513.81.

15 32. There are no agent fees or other fees associated with renewal in the
16 country at issue.

17 33. According to the contract, RTS should have been charged \$713.81 but
18 was charged, and paid, \$1006.63 – \$292.82 more than it should have been charged.

19 34. For another renewal in Canada, RTS was charged, and paid, \$686.68.

20 35. According to the schedule provided by CPA, the Administrative Fee
21 charged by CPA would be \$200, leaving \$486.68 in other charges. According to the
22 rates charged by the foreign patent office, the “Official Fee” was \$100 Canadian.
23 On the date of the invoice, the exchange rate was roughly \$1.27 USD to one
24 Canadian dollar, which would yield a dollar cost for the foreign patent office fee of
25 \$78.74.

26 36. In addition, there is an agent fee required in Canada of approximately
27 \$125 Canadian. On the date of the invoice, \$125 Canadian would be \$98.46 USD.

28

1 37. Adding the “Official Fee” and the Agent Fee to CPA’s \$200
2 Administrative Fee equals \$375.20.

3 38. Accordingly, under the contract, RTS should have been charged
4 approximately \$375.20, but was charged, and paid, \$686.68 – \$311.48 more than it
5 should have been charged.

6 39. The invoices received by RTS and the members of the Class do not
7 contain a breakdown of charges. This opacity is an unfair practice which makes it
8 impossible for members of the Class to find any explanation for these overcharges.

9 **CLASS ACTION ALLEGATIONS**

10 40. RTS brings this action as a class action pursuant to the Federal Rules
11 of Civil Procedure 23(a) and 23(b) on behalf of a class (the “Class”) defined as: All
12 persons or entities who entered into a Renewal Service Agreement using
13 Defendants’ standard agreements. RTS also seeks to represent a subclass of all Class
14 members who reside in California (the California Subclass”).

15 41. Excluded from the Class are: (i) Defendants and its employees,
16 principals, affiliated entities, legal representatives, successors, and assigns; (ii) any
17 entity in which Defendant has a controlling interest, and Defendants’ legal
18 representatives; (iii) the judges to whom this action is assigned and any members of
19 their immediate families; and (iv) any member of the Class who timely elects
20 exclusion.

21 42. RTS reserves the right to amend or modify the definition of the Class
22 or Subclass with greater specificity or further division into subclasses as discovery
23 and the orders of this Court warrant.

24 43. **Numerosity.** The members of the Class and the Subclass are each so
25 numerous that their individual joinder is impracticable. The proposed Class and
26 Subclass each likely contain thousands of members. The true number of Class and
27 Subclass members can be ascertained through information and records in
28 Defendants’ exclusive possession, custody or control.

1 44. **Commonality.** There are questions of law and fact common to the
2 Class and Subclass which predominate over any questions which may affect only
3 individual members of the Class, including but not limited to the following:

- 4 (a) Whether Defendants breached the Renewal Service Agreements
5 with Plaintiff and the Class by systematically overcharging
6 Plaintiff and the Class;
- 7 (b) Whether Defendants have been unjustly enriched;
- 8 (c) The nature of the “Country Charge” and whether it is a charge
9 imposed by Defendants;
- 10 (d) Whether Defendants have inflated their own “Administrative
11 Charges”;
- 12 (e) Whether Defendants have inflated the “Official Fees”;
- 13 (f) Whether the Agreements are an unfair or deceptive business
14 practice under California law;
- 15 (g) Whether the exchange rates charged by Defendants are
16 unlawfully excessive under the contracts;
- 17 (h) Whether Defendants’ failure to provide detailed invoices is an
18 unfair or deceptive practice;
- 19 (i) Whether Defendants’ acts and practices violated the California
20 Unfair Competition Law (“UCL”); and
- 21 (j) Whether declaratory or injunctive relief should be appropriately
22 awarded to the Plaintiff and the Class.

23 45. **Typicality.** RTS’s claims are typical of the claims of the members of
24 the Classes because Plaintiff’s and the Classes’ claims arise out of the same course
25 of conduct by Defendants and are based on the same legal theories. Plaintiff and the
26 members of the Classes were overcharged, deceived, and subjected to an unfair
27 business practice in the same manner in their transactions with Defendants, and their
28 injuries are a direct proximate result of the same wrongful overbilling practices.

1 46. **Adequacy of Representation.** RTS will fairly and adequately protect
2 the interests of the Class because its interests do not conflict with the interests of the
3 members of the Classes they seek to represent. RTS has retained counsel competent
4 and experienced in prosecuting class actions, and they intend to prosecute this action
5 vigorously.

6 47. **Rule 23(b)(3).** Questions of law and fact common to the Classes
7 predominate over any questions affecting only individual members, and a class
8 action is a superior method for adjudicating this controversy.

9 48. Questions of law and fact common to the Classes predominate over
10 individual issues. Resolution of the questions listed in ¶ 44, *supra*, will advance the
11 litigation on behalf of all Class members. Individual issues are likely limited to the
12 amount of damages.

13 49. A class action is superior to other methods of litigating this dispute.
14 The monetary damages or other pecuniary loss suffered by individual members of
15 the Class is relatively small compared to the burden and expense that would be
16 entailed by individual litigation of claims against the Defendants. It would thus be
17 virtually impossible for the Class, on an individual basis, to obtain effective redress
18 for the wrongs done to them. As such, individual members of the Class do not have
19 a strong interest in controlling the prosecution of separate actions. Furthermore,
20 even if Class members could afford such individualized litigation, the court system
21 could not. Individualized litigation would create the danger of inconsistent or
22 contradictory judgments arising from the same set of facts. Individualized litigation
23 would also increase the delay and expense to all parties and the court system from
24 the issues raised by this action. By contrast, the class action device provides the
25 benefits of adjudication of these issues in a single proceeding, economies of scale,
26 and comprehensive supervision by a single court, and presents no unusual
27 management difficulties under the circumstances here. Plaintiff knows of no other
28 litigation addressing this issue on a class wide basis

1 50. **Rule 23(b)(1) and (b)(2).** In the alternative, the Class may also be
2 certified because:

3 (a) the prosecution of separate actions by individual Class members
4 would create a risk of inconsistent or varying adjudication with
5 respect to individual Class members that would establish
6 incompatible standards of conduct for the Defendants;

7 (b) Defendants have acted or refused to act on grounds generally
8 applicable to the Class thereby making appropriate final
9 declaratory and/or injunctive relief with respect to the members
10 of the Class as a whole; and/or

11 (c) Certification of specific issues such as Defendants' liability is
12 appropriate.

13 51. Adequate notice can be given to the Class directly using information
14 maintained in Defendants' records or through notice by publication.

15 52. All Class members have been damaged in the same fashion by the same
16 conduct. The degree of damages suffered by individual members is calculable
17 according to an ascertainable formula.

18 **CAUSES OF ACTION**

19 **FIRST CAUSE OF ACTION**

20 **Breach of Contract**

21 **(Brought on behalf of the Class)**

22 53. Plaintiff re-alleges and incorporates by reference each preceding
23 paragraph as though set forth at length herein.

24 54. Defendants entered into written contracts with Plaintiff and the Class
25 for renewal of patents. The contracts included that Defendants would charge
26 "Official Fee(s)" and "Country Charge(s)" to Plaintiff and the Class.

27 55. Plaintiff performed all obligations under the contract by paying all
28 invoiced fees and charges associated with the renewal of its patents.

1 56. All conditions required by the contract for Defendants' performance
2 occurred.

3 57. Defendants breached these contracts by, among other things: (i)
4 overcharging Plaintiff and the Class for services provided under the contract in
5 excess of agreed upon rates outlined in Defendants' fee schedule, (ii) invoicing
6 Plaintiff and the Class in an opaque manner, and (iii) concealing both the types of
7 fees and the specific amount of fees it charged Plaintiff and the Class.

8 58. Defendants' breaches of contract caused actual damages to Plaintiff and
9 the Class. Plaintiff and the Class suffered pecuniary damages as a result of
10 Defendant's breach of contract, and were forced to expend substantial time, effort,
11 and money in the attempt to determine the extent of Defendants' overbilling.

12 **SECOND CAUSE OF ACTION**

13 **Unjust Enrichment – Restitution**

14 **(Brought on behalf of the Class)**

15 59. Plaintiff re-alleges and incorporates by reference each preceding
16 paragraph as though set forth at length herein.

17 60. Defendants have received a benefit, the retention of which would
18 unjustly enrich Defendants, by its conduct in overcharging Plaintiff and the Class.

19 61. Defendants should be required to return that benefit, disgorge their
20 unlawful gains and provide restitution to Plaintiffs and the Class.

21 **THIRD CAUSE OF ACTION**

22 **Violation of Cal. Bus. & Prof. Code § 17200, et seq.**

23 **(Brought on behalf of the California Subclass)**

24 62. Plaintiff re-alleges and incorporates by reference each preceding
25 paragraph as though set forth at length herein.

26 63. Plaintiff has standing to pursue this claim under California's UCL
27 because Plaintiff suffered an injury-in-fact and lost money as a result of Defendants'
28

1 unfair competition. Specifically, Plaintiff expended more money in the transaction
2 than it otherwise would not have due to Defendants' conduct.

3 64. In the course of its trade or commerce, Defendants have engaged in and
4 continues to engage in a general business practice whereby it fails to charge Plaintiff
5 and the Subclass for services provided under the contract at the agreed upon rates as
6 described in Defendants' fee schedule, and provides misleading information
7 regarding this practice to increase the charges assessed to Plaintiff and the Subclass.

8 65. **Unfair business acts and practices:** Defendants are systematically (i)
9 overbilled and inflated fees for services provided to Plaintiff and the Subclass under
10 the contract, (ii) invoiced Plaintiff and the Subclass in an opaque manner, and (iii)
11 concealed both the types of fees and the specific amount of fees it charged Plaintiff
12 and the Subclass. Such practices are devoid of utility, outweighed by the gravity of
13 harm to Plaintiff and the Subclass who had to pay for the improper assessment of
14 fees and charges. Defendants' practices are also immoral, unethical, oppressive, and
15 unscrupulous and cause injury to consumers, which outweigh its benefits.

16 66. **Fraudulent business acts and practices:** Defendants' practices of
17 charging Plaintiff and the Subclass amounts that were above the agreed upon rates
18 for services provided under the contract constitute fraudulent business acts and
19 practices under the UCL because the conduct has a capacity to deceive consumers
20 who assume and believe that Defendants are acting in good faith, charge appropriate
21 rates, do not overcharge and act lawfully.

22 67. Each of Defendants' unlawful, unfair or fraudulent practices
23 enumerated above was the direct and proximate cause of financial injury to Plaintiff
24 and the Subclass. Plaintiff and the Subclass are entitled to have Defendants disgorge
25 and restore to Plaintiff and the Subclass all monies wrongfully obtained by
26 Defendants as a result of the conduct as alleged herein.

27 68. Pursuant to section 17203 of the California Business and Professions
28 Code, Plaintiff and the Subclass seek an order of this Court enjoining Defendants

1 from continuing to engage in unfair and deceptive practices and any other act
2 prohibited by law, including the acts set forth herein.

3 **PRAYER FOR RELIEF**

4 WHEREFORE, Plaintiff, individually and on behalf of the Class, requests
5 that the Court order the following relief and enter judgment against Defendants as
6 follows:

- 7 A. Declaring that this action is a proper class action, certifying the
8 nationwide Class and California Subclass, designating Plaintiff as
9 representative of the nationwide Class and California Subclass, and
10 appointing Plaintiff’s attorneys as Class Counsel;
- 11 B. Enjoining Defendants from continuing the unfair and deceptive
12 business practices alleged in this complaint, including ceasing to
13 charge improperly assessed Administrative Fee(s), “Country
14 Charge(s)” or “Official Fee(s)” and providing accurate and reliable
15 information regarding its billing practices;
- 16 C. Requiring Defendants to disgorge, restore, and return all benefit and
17 monies wrongfully obtained;
- 18 D. Ordering Defendants to pay actual damages to Plaintiff and members
19 of the nationwide Class and California Subclass;
- 20 E. Ordering Defendants to pay an award of reasonable attorneys’ fees and
21 costs of this action; and
- 22 F. Ordering such other and further relief as the Court deems necessary,
23 just, and proper.

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1 DATED: June 29, 2016

BROWN, NERI, SMITH & KHAN LLP

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By: /s/ Geoffrey A. Neri

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Geoffrey A. Neri
Ethan J. Brown

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DEMAND FOR JURY TRIAL

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Pursuant to Federal Rule of Civil Procedure 38, Plaintiffs hereby demand a
8 trial by jury of all issues so triable.

9

10 DATED: June 29, 2016

BROWN, NERI, SMITH & KHAN LLP

11

By: /s/ Geoffrey A. Neri

12

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Attorneys for Plaintiff

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EXHIBIT "A"



Renewal Services Agreement

Patents and Designs
Quarterly Automatic Payment Service

Issue Date: March 18, 2016

Run Them Sweet LLC ("you")
559 Nathan Abbott Way
Stanford, CA 94305

CPA Global Limited ("us" or "we")
Company Number 93743
Liberation House
Castle Street
St. Helier, JE1 1BL
Jersey, Channel Islands



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OPERATING PROCEDURES

1. SERVICE DESCRIPTION

- 1.1 We will handle the payment of your patent and design renewal fees.
- 1.2 We will send you a consolidated quarterly renewal notice approximately three months in advance of the beginning of the renewal due period as set out in the table under the heading "Key Dates". The renewal notice will be sent by paper and/or via electronic file (if required).
- 1.3 You will inform us of cases that should be abandoned by the last date for abandonment as set out in the table under the heading "Key Dates". Abandon instructions may be sent to us either using CPA Direct (our online service), via electronic batch transfer or via fax or mail. We will confirm an abandon instruction by sending you a remove acknowledgement report. If we have not received an abandon instruction we will instruct payment of the renewal fee.
- 1.4 We will send you a quarterly invoice. The invoice will be sent approximately one (1) month prior to the beginning of the renewal quarter. The invoice will be sent on paper and/or via electronic file (if required).
- 1.5 If an abandon instruction is received after the relevant invoice has been issued, we will issue a credit only if we have not already actioned the renewal.
- 1.6 We will store all official receipts for you. A copy may be requested at any time.

2. INITIAL DATA EXCHANGE

- 2.1 Knobbe, Martens, Olson & Bear ("KMOB") will provide us with data for the initial data load.
- 2.2 KMOB will provide us with details of the portfolio in an electronic format. We will assume that such data is current, complete and accurate.
- 2.3 We will analyze the data to determine data quality and send KMOB any queries where we identify difficulties. You will be responsible for diligently working with KMOB to resolve all data discrepancies in a timely manner. KMOB will communicate the resolution of these discrepancies to us.
- 2.4 Once the discrepancies are resolved, we will load the data onto the live system and provide you (with a copy to KMOB) with a portfolio file of all cases loaded. You will review this portfolio file and approve the contents within one (1) month. If you discover any inaccuracies in the listing, you will promptly advise us of such inaccuracies, and we will promptly make corrections in our system.



3. **ON-GOING COMMUNICATION AND DATA MANAGEMENT**

- 3.1 We understand that new cases, grant details and other changes in status will be reported by KMOB to us in the same format as the initial load on a regular basis, but never less than once per month for as long as you are a KMOB client.
- 3.2 We will update data transferred by KMOB to us and provide KMOB (with copy to you) with details of the changes via a paper report.
- 3.3 We will update your data on our system based on data received from third parties and send you paper input reports. You and KMOB will check the contents of the reports and update your data accordingly.
- 3.4 Instructions can be reported by you to CPA in accordance with Clause 3 or 11 in the "Terms and Conditions" section below, or at any other time.
- 3.5 You can send data to us directly if your relationship changes with KMOB, but you must execute a separate renewals agreement with us. You will notify both us and KMOB of changes in your business address or invoicing address, changes to your contact information or other administrative information not related to information or data in your portfolio.

4. **ADMINISTRATION CHARGE**

- 4.1 We will charge you an administration charge based on Schedule 1, attached. We will give you not less than 6 months' notice of any increase in our administration charge.

5. **CREDIT PERIOD**

- 5.1 Your credit period is 60 days from the date that our invoice is issued.

6. **CURRENCY FOR INVOICE AND PAYMENT**

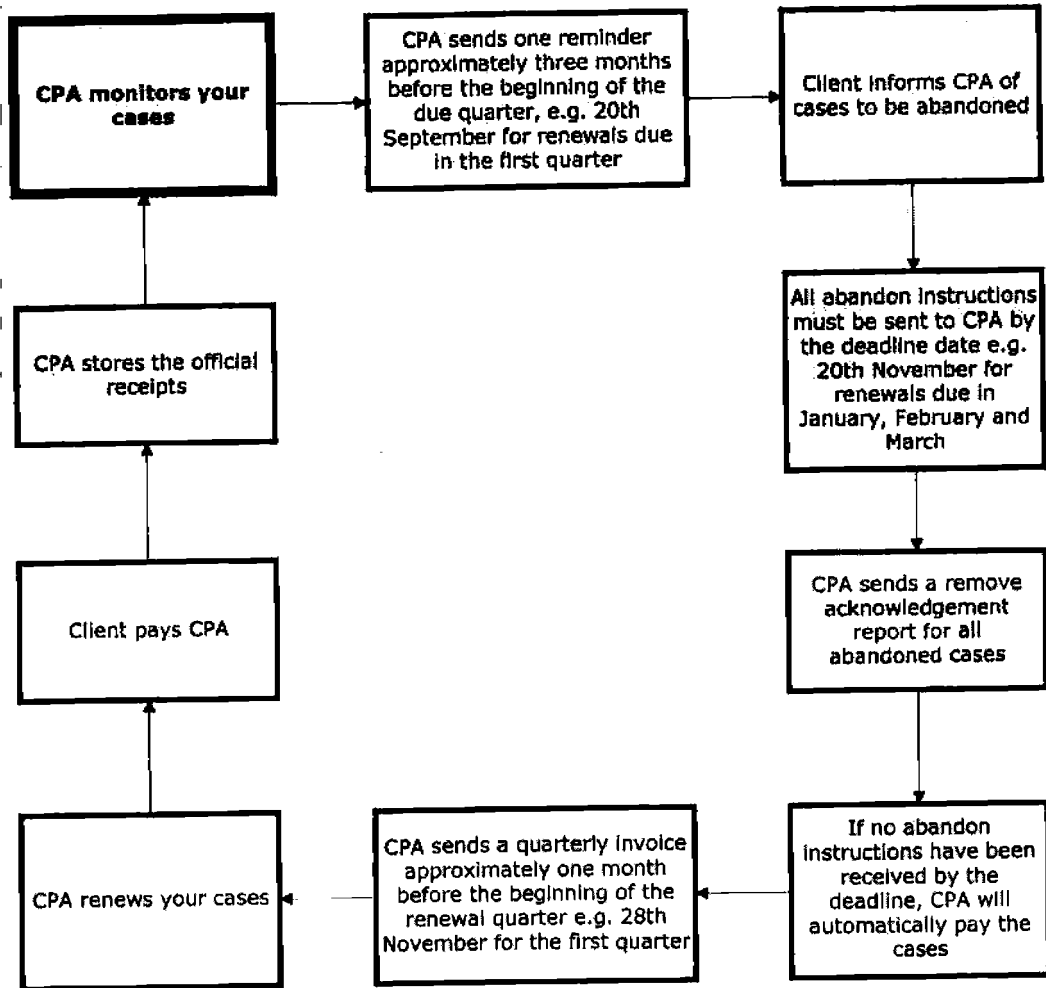
- 6.1 The currency for invoice and payment will be US Dollars.

7. **CPA START PAY DATE**

- 7.1 We will pay your renewals due from **April 1, 2016** (the "start pay date") subject to data being received from you or KMOB and loaded onto our system within 1 month of signing this agreement; if this does not occur, we reserve the right to delay the start pay date. It is assumed that other parties have paid all renewals due prior to this 'start pay date'.



7.2 WORKFLOW DIAGRAM





8. KEY DATES

Patent and design renewals due	Renewal notice date ¹	Last date for abandonment ²	CPA Invoice date
Quarter 1 January February March	September	20 November	28 November
Quarter 2 April May June	December	20 February	28 February
Quarter 3 July August September	March	20 May	28 May
Quarter 4 October November December	June	20 August	28 August

1. We will send you only one renewal notice approximately 3 months prior to the due period.
2. This is the last date on which we can accept your abandon instruction. If abandon instructions are received after this date we may not be able to refund any cost of renewal.



TERMS AND CONDITIONS OF SUPPLY OF CPA GLOBAL LIMITED

1. APPLICATION

- 1.1 These conditions shall govern and be incorporated into every contract made by CPA Global Limited ("us", "we" and cognate terms) or on our behalf with clients ("you") for the provision of intellectual property related professional services ("Services") and shall subject to condition 1.2 below prevail over any terms or conditions contained or referred to in any documents submitted by you or previously submitted by us or in correspondence or elsewhere.
- 1.2 The details of the Services that we shall provide to you are set out in our operating procedures (the "Operating Procedures"). We may change the Services and/or Operating Procedures at any time upon written notice to you.
- 1.3 Acceptance by you of, or instructions by you to perform, Services shall constitute unqualified acceptance of these conditions.
- 1.4 A variation of these conditions is valid only if it is in writing and signed by or on behalf of us.
- 1.5 No failure to enforce or delay in enforcing any of these conditions shall operate as a waiver of any of them and no partial or single exercise shall prevent any other or future exercise of that or any other right.

2. FORMATION OF CONTRACT

- 2.1 A contract shall arise between us on whichever is the earlier of our actual receipt of your instructions to act or a renewal notice issued by us and our acting upon your instructions.
- 2.2 Our acceptance of any oral instructions from you shall be effective only when such instructions have been confirmed in writing by letter or facsimile transmission. Electronic instructions will be accepted only if by the CPA Direct System to which separate conditions apply, or by an electronic interface approved by us.

3. INSTRUCTIONS

- 3.1 A condition to our acting on your behalf will be that you respond promptly, clearly and completely to any request we may make for instructions, information, technical data, documents and payment of fees.
- 3.2 Without prejudice to the need for you to respond promptly, if we need your response by a specific deadline we will endeavour to say so when seeking instructions. If you miss a deadline or send us insufficiently clear or timely or incomplete instructions we shall have no liability for any loss which may arise and we shall not be under any obligation to take any steps to preserve or to protect your rights further. Nevertheless, if at our sole discretion we take any such steps, then you shall

indemnify us for all fees, cost of work done, overheads and disbursements incurred, each of which may include premia and/or special charges to reflect urgency and disruption.

- 3.3 You agree that we may rely and act upon instructions from your authorised agent whose details you have supplied to us until we receive your written signed instructions to the contrary.
- 3.4 Subject to these conditions we will proceed on the basis that our duty to you is to do what we consider is necessary properly to protect and preserve your rights.

4. AGENTS AND OTHER SUB-CONTRACTORS

- 4.1 In order to provide the Services we may need to instruct local agents practising in the jurisdiction of each relevant registry or other independent specialist providers. The naming of any third party referral firm(s) in our correspondence is not intended to give rise to any agency relationship. Each party is intended to be a principal in its own right and the contract for the Services is between you and us only, in accordance with these conditions.

5. FEES

- 5.1 Our basic fees in relation to Services that comprise the provision of renewal of intellectual property rights registrations are set out in Clause 4 of the Operating Procedures.
- 5.2 In addition to our fees there will also be payable by you the charges made by the relevant registries ("Official Fees") in each jurisdiction and which vary from time to time and, where applicable "Country Charge" which is set out in a tariff (which may vary from time to time), a current copy of which is available on request.
- 5.3 Any sums of money that may at any time require to be converted from one currency into the currency in which we have agreed to invoice you will be so converted at our rates from time to time.
- 5.4 All charges are subject to variation in the light of changes to underlying charges and/or for correction of errors.
- 5.5 On each occasion upon which we send you a renewal notice in relation to the renewal of a particular intellectual property right we give you our best estimate of the likely total aggregate fee likely to be payable in respect thereof (including the Administration Charge, the Country Charge and the Official Fee) on the basis that the transaction proceeds in an expected and standard manner. Your instruction to us to proceed (whether express or, if otherwise so agreed, by failure to instruct us not to proceed) shall constitute your acceptance of, and agreement to pay such fee and, if applicable, to pay later after they have



arisen and been invoiced any supplements thereto that may arise or become appropriate in the light of any unexpected work, change of circumstances or further expenses becoming necessary. We shall submit to you an invoice for the amount of such estimate after your instruction or deemed instruction to us to proceed.

5.6 VAT and any other relevant tax or duty payable, if any, by you on our supply of Services shall be added to all fees.

5.7 You acknowledge that it is our policy not to pay accumulated annuities or back fees arising in certain countries at the time of grant or acceptance of an application, and it is your responsibility to arrange payment of such fees directly with your associate.

6. PAYMENT

6.1 Unless otherwise agreed, payment of invoices shall be made in full within 60 days from the date that our invoice is issued. Time shall be of the essence of payment. Interest will be charged on any amounts overdue at the rate of 1.5% per month or part thereof. We may suspend the supply of Services to you where any amounts are overdue under any contract until all such amounts have been paid.

6.2 If in our opinion your creditworthiness deteriorates before completion of performance of our Services we may require full or partial payment of all or any fees prior to performance or the provision of security by you in a form acceptable to us.

6.3 We shall be entitled to offset any amount owing to us from you against any amount owed to you by us.

7. CONFIDENTIALITY

7.1 Each of you and we undertake to the other that it will not during the term of this agreement or at any time thereafter use, divulge or communicate to any person, except its professional representatives or advisers or as may be required by law or any legal or regulatory authority or pursuant to performance of its obligations under a contract made pursuant hereto, any confidential information relating to the other's business, financial or other affairs which is not in the public domain concerning the other party which may have, or may in future, come to its knowledge under the provisions hereof and each of you and we shall use reasonable endeavours to prevent the publication or disclosure of any such information. This provision shall not apply to information already known to the receiving party prior to its receipt hereunder or which subsequently comes into the public domain or its knowledge other than as a result of a breach hereof.

8. RECORDS

8.1 We will maintain records in connection with all matters in respect of which we provide the Services to you. Any file which we may open

in connection with the Services shall be and shall remain our property at all times. When we have completed the contract for the Services in respect of any matter we may destroy any related file at any time after the expiry of one year.

8.2 If you wish to have access to any of our files after we have ceased to act for you then, provided that such file has not already been destroyed pursuant to condition 8.1 above, we shall be entitled to require you to make payment of any monies then still due from you to us and in addition to charge you a reasonable fee for the work involved in giving you such access.

9. TERMINATION

9.1 Unless otherwise agreed, either you or we may terminate our provision of the Services by giving to the other not less than six months' notice in writing expiring at any time.

9.2 On or at any time after the occurrence of any of the events in condition 9.3, we may suspend further performance of Services for you and/or terminate any contract with you with immediate effect by written notice to you.

9.3 The events are:

(a) you being in breach of an obligation under a contract with us;

(b) you passing a resolution for your winding up or a court of competent jurisdiction making an order for your winding up or dissolution;

(c) your entering administration, the making of an administration order in relation to you or the appointment of a receiver over, or an encumbrancer taking possession of or selling, any of your assets;

(d) your making an arrangement or composition with your creditors generally or applying to a court of competent jurisdiction for protection from your creditors.

9.4 Upon any termination, any of your indebtedness to us shall become immediately due and payable and we shall be under no further obligation to provide any Services to you.

10. FORCE MAJEURE

10.1 Where a Force Majeure Event takes place we shall use our reasonable endeavours to carry out the Services.

10.2 Notwithstanding 10.1 above, if we are prevented, hindered or delayed from or in supplying any Services in accordance with these conditions by a Force Majeure Event we shall notify you as soon as reasonably possible and we may, at our option:

(a) suspend performance while the Force Majeure Event continues;



- (b) apportion available resources between our clients as we decide;
- (c) terminate any contract so affected with immediate effect by written notice to you;

and we shall not be liable for any loss or damage suffered by you as a result.

10.3 In this condition "Force Majeure Event" means an event or circumstance beyond our reasonable control including, without limitation, strikes, lockouts and other industrial disputes relating to our workforce.

11. **ASSIGNMENT**

You may not assign or transfer, or purport to assign or transfer, any of your rights or obligations under a contract without our prior written consent. We may assign, transfer and/or subcontract the whole or any part of this contract without notice to you.

12. **GOVERNING LAW**

These conditions and any contract made under them shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia, United States of America, with the understanding that any legal action taken regarding this Agreement shall be brought in a

U.S. District Court located in the Commonwealth of Virginia.

13. **NOTICE AND COMMUNICATIONS**

Any notice, demand or other communication given or made under or in connection with the matters contemplated by these conditions shall be in writing and shall be delivered personally or sent by fax or prepaid air mail (to in our case our registered office from time to time marked for the attention of the Secretary) and shall be deemed to have been duly given or made as follows:

- (a) if personally delivered, upon delivery at the address of the relevant party;
- (b) if sent by air mail, 5 days after the date of posting; and
- (c) if sent by fax, when despatched;

provided that if, in accordance with the above provision, any such notice, demand or other communication would otherwise be deemed to be given or made after 5.00 p.m. such notice, demand or other communication shall be deemed to be given or made at 9.00 a.m. on the next usual business day in the place of receipt.

We agree to the above.

Signed for and on behalf of **Run Them Sweet LLC**
~~Robert Lee, 559 Nathan Abbott Way, Stanford, CA 94305~~

Michael A. Horning
537A Simonds Loop
S.F., CA 94129

Signature:

Name: Michael Horning

Position: CEO

Date: 3-30-2016

Signed for and on behalf of **CPA Global Limited**

Liberation House, Castle Street, St. Helier, JE1 1BL, Jersey, Channel Islands.

Signature:

Name: Amanda Harris

Position: Authorised Signatory

Date: - 4 APR 2016



SCHEDULE 1

Service charge based on the volume of annual payments made for you. We will calculate the service charge based on the total number of fee-paying cases having a renewal due in the next year.

Number of Annual Payments	Administration Charge (US\$)
0 - 25	200.00
26 - 50	150.00
51 - 100	55.00
101 - 200	28.00
201 - 500	22.00
501 - 750	18.00
751 - 1,000	17.00
1,001 - 2,000	16.00
2,001 - 3,000	15.00
3,001 - 5,000	13.00
5,001 - 10,000	12.00
10,001 - 15,000	11.00
> 15,000	10.00

EXHIBIT "B"



Date: 09 July 2015 CPA Global account number: 2409720 Client name: Run Them Sweet LLC

Invoice R662290 continued

Total amount due US\$ 1,693.31

Canada Patent application number 2889348 Renewal date 24 Oct 2015 Annuity 03

Invoice item number: 0001 Type: Large Entity Application number: 2889348 Proprietor: RUN THEM SWEET LLC Cost: US\$ 686.68

Reference: METHODS AND SYSTEMS TO ESTIMATE Knibbe Martens Olson & Bear case code: 1241806 File number: RTS.001CA

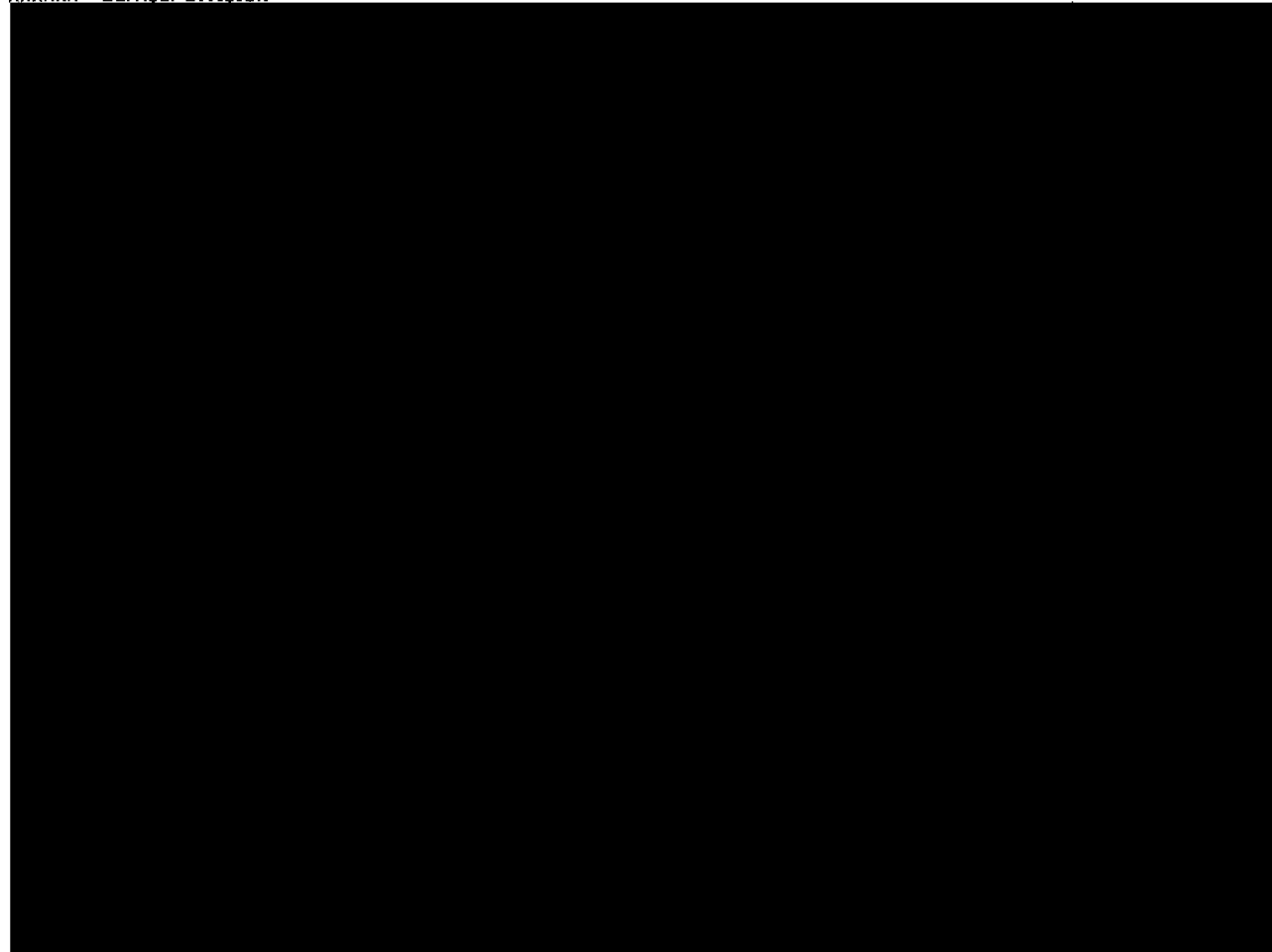
Division details: XXXXXX - DEFAULT DIVISION

Europe Patent application number 13848522.2 Renewal date 24 Oct 2015 Annuity 03

Invoice item number: 0002 Type: Patent Application number: 13848522.2 Proprietor: RUN THEM SWEET LLC Cost: US\$ 1,006.63

Reference: METHODS AND SYSTEMS TO ESTIMATE Knibbe Martens Olson & Bear case code: 1242988 File number: RTS.001EP

Division details: XXXXXX - DEFAULT DIVISION



CIVIL COVER SHEET

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)

I. (a) PLAINTIFFS

RUN THEM SWEET, LLC, a California limited liability company, on behalf of themselves and those similarly situated

(b) County of Residence of First Listed Plaintiff San Francisco (EXCEPT IN U.S. PLAINTIFF CASES)

(c) Attorneys (Firm Name, Address, and Telephone Number)

BROWN, NERI, SMITH & KHAN, LLP
11766 Wilshire Blvd., Ste. 1670, Los Angeles, CA 90025
T: (310) 593-9890

DEFENDANTS

CPA GLOBAL LIMITED, a foreign entity formed under the laws of the Island of Jersey, Channel Islands, and CPA GLOBAL NORTH AMERICA, LLC, a Delaware limited liability company

County of Residence of First Listed Defendant N/A - foreign entity (IN U.S. PLAINTIFF CASES ONLY)

NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.

Attorneys (If Known)

II. BASIS OF JURISDICTION (Place an "X" in One Box Only)

- 1 U.S. Government Plaintiff
2 U.S. Government Defendant
3 Federal Question (U.S. Government Not a Party)
4 Diversity (Indicate Citizenship of Parties in Item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES (Place an "X" in One Box for Plaintiff and One Box for Defendant)

- Citizen of This State
Citizen of Another State
Citizen or Subject of a Foreign Country
PTF DEF
1 X 1
2 2
3 3 X 3
4 4
5 5
6 6

IV. NATURE OF SUIT (Place an "X" in One Box Only)

Table with 5 columns: CONTRACT, REAL PROPERTY, TORTS, CIVIL RIGHTS, PRISONER PETITIONS, FORFEITURE/PENALTY, LABOR, IMMIGRATION, BANKRUPTCY, SOCIAL SECURITY, FEDERAL TAX SUITS, OTHER STATUTES. Includes various legal categories like Insurance, Personal Injury, Real Estate, etc.

V. ORIGIN (Place an "X" in One Box Only)

- 1 Original Proceeding
2 Removed from State Court
3 Remanded from Appellate Court
4 Reinstated or Reopened
5 Transferred from Another District
6 Multidistrict Litigation

VI. CAUSE OF ACTION

Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity):

Brief description of cause: Breach of Contract, Unjust Enrichment, and Violation of Cal. Bus. & Profs. Code section 17200

VII. REQUESTED IN COMPLAINT:

CHECK IF THIS IS A CLASS ACTION UNDER RULE 23, F.R.Cv.P. DEMAND \$ 5,000,001.00 CHECK YES only if demanded in complaint: JURY DEMAND: Yes No

VIII. RELATED CASE(S) IF ANY

(See instructions): JUDGE DOCKET NUMBER 16-3662

DATE SIGNATURE OF ATTORNEY OF RECORD

06/29/2016 /s/ Geoffrey A. Neri

IX. DIVISIONAL ASSIGNMENT (Civil L.R. 3-2)

(Place an "X" in One Box Only) SAN FRANCISCO/OAKLAND SAN JOSE EUREKA

INSTRUCTIONS FOR ATTORNEYS COMPLETING CIVIL COVER SHEET FORM JS 44

Authority For Civil Cover Sheet

The JS 44 civil cover sheet and the information contained herein neither replaces nor supplements the filings and service of pleading or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. Consequently, a civil cover sheet is submitted to the Clerk of Court for each civil complaint filed. The attorney filing a case should complete the form as follows:

- I.(a) Plaintiffs-Defendants.** Enter names (last, first, middle initial) of plaintiff and defendant. If the plaintiff or defendant is a government agency, use only the full name or standard abbreviations. If the plaintiff or defendant is an official within a government agency, identify first the agency and then the official, giving both name and title.
- (b) County of Residence.** For each civil case filed, except U.S. plaintiff cases, enter the name of the county where the first listed plaintiff resides at the time of filing. In U.S. plaintiff cases, enter the name of the county in which the first listed defendant resides at the time of filing. (NOTE: In land condemnation cases, the county of residence of the "defendant" is the location of the tract of land involved.)
- (c) Attorneys.** Enter the firm name, address, telephone number, and attorney of record. If there are several attorneys, list them on an attachment, noting in this section "(see attachment)".
- II. Jurisdiction.** The basis of jurisdiction is set forth under Rule 8(a), F.R.Cv.P., which requires that jurisdictions be shown in pleadings. Place an "X" in one of the boxes. If there is more than one basis of jurisdiction, precedence is given in the order shown below.
 United States plaintiff. (1) Jurisdiction based on 28 U.S.C. 1345 and 1348. Suits by agencies and officers of the United States are included here.
 United States defendant. (2) When the plaintiff is suing the United States, its officers or agencies, place an "X" in this box.
 Federal question. (3) This refers to suits under 28 U.S.C. 1331, where jurisdiction arises under the Constitution of the United States, an amendment to the Constitution, an act of Congress or a treaty of the United States. In cases where the U.S. is a party, the U.S. plaintiff or defendant code takes precedence, and box 1 or 2 should be marked.
 Diversity of citizenship. (4) This refers to suits under 28 U.S.C. 1332, where parties are citizens of different states. When Box 4 is checked, the citizenship of the different parties must be checked. (See Section III below; **NOTE: federal question actions take precedence over diversity cases.**)
- III. Residence (citizenship) of Principal Parties.** This section of the JS 44 is to be completed if diversity of citizenship was indicated above. Mark this section for each principal party.
- IV. Nature of Suit.** Place an "X" in the appropriate box. If the nature of suit cannot be determined, be sure the cause of action, in Section VI below, is sufficient to enable the deputy clerk or the statistical clerk(s) in the Administrative Office to determine the nature of suit. If the cause fits more than one nature of suit, select the most definitive.
- V. Origin.** Place an "X" in one of the six boxes.
 Original Proceedings. (1) Cases which originate in the United States district courts.
 Removed from State Court. (2) Proceedings initiated in state courts may be removed to the district courts under Title 28 U.S.C., Section 1441. When the petition for removal is granted, check this box.
 Remanded from Appellate Court. (3) Check this box for cases remanded to the district court for further action. Use the date of remand as the filing date.
 Reinstated or Reopened. (4) Check this box for cases reinstated or reopened in the district court. Use the reopening date as the filing date.
 Transferred from Another District. (5) For cases transferred under Title 28 U.S.C. Section 1404(a). Do not use this for within district transfers or multidistrict litigation transfers.
 Multidistrict Litigation. (6) Check this box when a multidistrict case is transferred into the district under authority of Title 28 U.S.C. Section 1407. When this box is checked, do not check (5) above.
- VI. Cause of Action.** Report the civil statute directly related to the cause of action and give a brief description of the cause. **Do not cite jurisdictional statutes unless diversity.** Example: U.S. Civil Statute: 47 USC 553 Brief Description: Unauthorized reception of cable service
- VII. Requested in Complaint.** Class Action. Place an "X" in this box if you are filing a class action under Rule 23, F.R.Cv.P.
 Demand. In this space enter the actual dollar amount being demanded or indicate other demand, such as a preliminary injunction.
 Jury Demand. Check the appropriate box to indicate whether or not a jury is being demanded.
- VIII. Related Cases.** This section of the JS 44 is used to reference related pending cases, if any. If there are related pending cases, insert the docket numbers and the corresponding judge names for such cases.
- Date and Attorney Signature.** Date and sign the civil cover sheet.

ClassAction.org

This complaint is part of ClassAction.org's searchable class action lawsuit database and can be found in this post: [CPA Global Limited, CPA Global North America Facing Contract Class Action](#)
