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UNITED STATES DISTRICT COURT

FOR THE NORTHERN DISTRICT OF CALIFORNIA

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SAN FRANCISCO DIVISION

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Brandon Briskin, on behalf of himself and those similarly situated,	Case No. _____
Plaintiff,	
v.	Class Action Complaint
Shopify Inc. and Shopify (USA) Inc.,	Jury Trial Demanded
Defendants.	

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Plaintiff Brandon Briskin brings this action on behalf of himself and all others similarly situated against Shopify Inc. and Shopify (USA) Inc. (collectively, "Shopify"). Plaintiff's allegations against Shopify are based upon information and belief and upon investigation of Plaintiff's counsel, except for allegations specifically pertaining to Plaintiff, which are based upon Plaintiff's personal knowledge.

Introduction

1.   Shopify is an e-commerce platform that enables merchants to easily sell products online. Many of Shopify's customers are merchants who operate websites and mobile applications, such as IABMFG. Shopify created software code to enable merchants to integrate Shopify's payment forms into their applications. To that end, Shopify provides comprehensive documentation to its merchant customers, describing how to integrate payment forms into their websites and applications using the Shopify code, including how to omit Shopify branding such that the form appears to the consumer to belong to the merchant's website.

2.   In fact, despite the appearance to consumers that their payment information is being sent to the merchant, it is intercepted by Shopify. When a merchant integrates the Shopify software code into a website or mobile application, consumers who desire to pay for a product or service are presented with Shopify payment forms, which are created by Shopify. The payment forms require the consumer to provide a variety of sensitive information, such as:

- name
- address
- telephone number

- email address

- complete credit card information, including cvc

3.   Shopify also collects and indefinitely stores sensitive information about consumers using its payment form such as:

- The consumers' internet IP addresses;

- the brand and model of the consumer's computers or electronic devices;

- the identities of the consumer's browsers;

- the operating systems that the consumer's devices were using; and

- the item(s) purchased by the consumer from the merchants' websites.

4.   Although consumers using merchants' websites and mobile applications reasonably expect that they are communicating directly with the merchant, Shopify's software code is designed to enable Shopify's computer network to intercept those communications and redirect them to Shopify's computer network. Shopify, however, designed its payment forms to omit all Shopify branding. Accordingly, the consumer has no idea that Shopify is involved in the transaction in any way, let alone that Shopify will be obtaining, storing, and evaluating the consumer's sensitive communications and information.

5.   The Shopify code also surreptitiously installs tracking cookies on consumers' computers and mobile devices, which enable Shopify to identify a particular consumer and track his or her activities across its entire merchant network, enabling Shopify to gather even more sensitive data about the consumer including, without limitation, (i) the number of declined cards that the consumer has used with Shopify merchants; (ii) how long ago one of the consumer's cards was last declined; (iii) whether the consumer had ever disputed a previous

Shopify charge; (iv) whether any previous early fraud warnings were associated with the consumer; (v) the percentage of transactions that were authorized for the consumer over time; and (vi) the cards and other payment methods associated with the consumer's IP address.

6.   Shopify does not use consumers' private information simply for the purposes of processing the payments in question. Instead, Shopify indefinitely stores the information, correlates all payments from the consumer made across its entire platform, and then—without informing the consumer—provides much of it to its other merchants. For example, once a consumer has submitted a payment for a purchase from IABMFG, any of Shopify's millions of other merchant customers will then be able to access the consumer's private information pertaining to that payment, as well as any other payment that Shopify processed for that consumer in a profile for that consumer.

7.   At no time does Shopify inform consumers who use its payment forms on merchant websites that: (i) Shopify will intercept communications that consumers believe are being sent exclusively to merchants; (ii) its software code is causing their devices to connect to Shopify's computer servers; (iii) Shopify is accessing consumers' data by placing tracking cookies on their devices; (iv) its software code is rendering the payment forms that are displayed to consumers; (v) the sensitive information in the payment forms will be sent to Shopify; (vi) sensitive information not expressly inputted by the consumer—such as IP address, operating system, geolocation data, and item(s) purchased—will also be collected from the consumer by Shopify; (vii) Shopify will indefinitely store that sensitive information; (viii) Shopify will use consumers' information to create profiles of consumers, which could subsequently be communicated to other

merchants; (ix) Shopify will track consumers' behavior across over more than one million websites; and (x) Shopify will make consumers' sensitive information available to any of its millions of merchant customers who will accept payment—or who have already accepted payment—from those consumers.

Parties

8.   Plaintiff Brandon Briskin is, and was at all relevant times, an individual and resident of California. Plaintiff currently resides in Madera, California.

9.   Defendant Shopify Inc. is a Canadian company headquartered in Ottawa, Canada with a domestic office in San Francisco, California.

10.   Defendant Shopify (USA) Inc. is a Delaware company with its principal place of business in Ottawa, Canada. Shopify (USA) Inc. is registered to do business in California and has a domestic office in San Francisco, California.

11.   Shopify Inc. and Shopify (USA) Inc. are referred to collectively herein as "Shopify."

Jurisdiction and Venue

12.   This Court has subject matter jurisdiction over this action pursuant to the Class Action Fairness Act, 28 U.S.C. Section 1332(d)(2)(A) because: (i) there are 100 or more class members, and (ii) there is an aggregate amount in controversy exceeding $5,000,000, exclusive of interest and costs.

13.   This Court has supplemental jurisdiction over any state law claims pursuant to 28 U.S.C. Section 1367.

14.   The injuries, damages and/or harm upon which this action is based occurred or arose out of activities engaged in by Shopify within, affecting, and emanating from the State of California. Shopify regularly conducts and/or solicits

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