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UNITED STATES DISTRICT COURT NORTHERN DISTRICT OF CALIFORNIA SAN JOSE DIVISION

IN RE: ZOOM VIDEO COMMUNICATIONS, INC. PRIVACY LITIGATION

This Document Relates To: All Actions

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Case No. 5:20-CV-02155-LHK

FIRST AMENDED CONSOLIDATED CLASS ACTION COMPLAINT

DEMAND FOR JURY TRIAL

FIRST AMENDED CONSOLIDATED CLASS ACTION COMPLAINT

Plaintiffs Caitlin Brice, Heddi N. Cundle, Angela Doyle, Sharon Garcia, Isabelle
 Gmerek, Cynthia Gormezano, Kristen Hartmann, Peter Hirshberg, M.F. and his parent
 Therese Jimenez, Lisa T. Johnston, Oak Life Church, Saint Paulus Lutheran Church and
 Stacey Simins ("Plaintiffs") allege the following against Defendant Zoom Video
 Communications, Inc. ("Defendant" or "Zoom"), acting individually and on behalf of all
 others similarly situated:

BRIEF SUMMARY OF THE CASE

8 1. Plaintiffs bring this case to stop Zoom, currently the most popular 9 videoconferencing platform, from invading consumers' privacy and from promoting its 10 product under false assurances of privacy. Further, Plaintiffs seek compensation for 11 themselves and all others similarly situated for past privacy violations.

Zoom is a supplier of video conferencing services founded in 2011 by Eric
 Yuan, a former corporate vice president for Cisco Webex. In January 2017, Zoom raised
 \$100 million in Series D funding from Sequoia Capital at a \$1 billion valuation, and achieved
 "unicorn" status—a privately held startup that has reached a \$1 billion valuation. On April
 18, 2019, the company became a public company via an initial public offering. On its first
 day of trading Zoom's share price increased over 72%, and by the end of the day Zoom was
 valued at \$16 billion. By June 2020, Zoom was valued at over \$67 billion.

Zoom achieved this remarkable growth by, as explained by Mr. Yuan, taking
 "the work out of meetings." "We've dedicated ourselves to the features and enhancements
 that pull all the friction out of video communications. We've made it easier to buy and deploy
 Zoom Rooms, we've made it simpler to schedule meetings and manage rooms."¹ What was
 not explained, and what has become evident since Zoom's widespread adoption, is that
 Zoom's focus on its goal of "frictionless" video conferencing came at the cost of proper

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Priscilla Barolo, Zoom Launches Enhanced Product Suite to Deliver Frictionless Communications (Jan. 3, 2018), available at https://blog.zoom.us/zoom-launches-enhanced-product-suite-to-deliver-frictionless-communications (Jan. 3, 2018), available at https://doi.org/10.2000/linka-suite-suite-suite-to-deliver-frictionless-communications (Jan. 3, 2018), available at <a href="https://doi.org/10.2000/linka-s

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attention being placed on security and on ensuring that Zoom users' private moments would
 not be shared with, exploited by, or obscenely hijacked by others.

4. In early 2020, usage of video conferencing, especially Zoom, increased
dramatically in response to the COVID-19 pandemic. As of the end of December 2019, the
maximum number of daily meeting participants, both free and paid, conducted on Zoom
was approximately 10 million. In March 2020, Zoom reached more than 200 million daily
meeting participants, both free and paid.² With the surge in usage also came increased
scrutiny on Zoom's privacy policies and new flaws were revealed almost on a daily basis.³

On March 26, 2020, an article on Vice News' Motherboard tech blog revealed 9 5. that, unbeknownst to users, the Zoom iPhone app was sending users' personal data to 10 Facebook even if users did not have a Facebook account.⁴ Zoom was providing a trove of 11 data to third parties through its Apple iOS app, which implemented Facebook's user login 12 "Software Development Kit" (SDK). Zoom admitted that it permitted the Facebook SDK 13 to collect and share user information including: device carrier, iOS Advertiser ID, iOS 14 Device CPU Cores, iOS Device Display Dimension, iOS Device Model, iOS Language, iOS 15 Time zone, iOS Version.⁵ While Zoom reported to have removed the Facebook SDK, Zoom 16 continues to share similarly valuable user data with Google via that company's Firebase 17 18 Analytics. Plaintiffs never granted permission for third parties to extract and use such data indeed, they were not even aware of the data transmission. 19

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21 ² Eric S. Yuan, *A Message to Our Users* (April 1, 2020), available at

22 22 2020/04/01/a-message-to-our-users/> (Last Visited July 30, 2020).

³ BBC News, Zoom Under Increased Scrutiny As Popularity Soars (April 1, 2020), available at
 https://www.bbc.com/news/business-52115434 (Last Visited July 28, 2020)> (Last Visited July 29, 2020).

⁴ Joseph Cox, Zoom iOS App Sends Data to Facebook Even if You Don't Have a Facebook Account (March 26, 2020), available at https://www.vice.com/en_us/article/k7e599/zoom-ios-app-sends-data-to-facebook-26
 ⁴ Joseph Cox, Zoom iOS App Sends Data to Facebook Even if You Don't Have a Facebook Account (March 26, 2020), available at https://www.vice.com/en_us/article/k7e599/zoom-ios-app-sends-data-to-facebook-26

⁵ Eric S. Yuan, Zoom's Use of Facebook's SDK in iOS Client (March 27, 2020), available at
 https://blog.zoom.us/wordpress/2020/03/27/zoom-use-of-facebook-sdk-in-ios-client/ (Last Visited July 28, 2020).

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6. First and foremost this collection and sharing of Plaintiffs' data presented an
 egregious invasion of their privacy. As well, surreptitious transfer of data by Zoom to third
 parties harmed Plaintiffs by, among other things, consuming data for which Plaintiffs as part
 of their carrier's plan⁶ and diminishing the value of their personal information. Perhaps worst
 of all, Plaintiffs are harmed when their extracted data is used to target and profile them with
 unwanted and/or harmful content.

7 7. On March 31, 2020, an article in The Intercept revealed as false Zoom's claims 8 that it implemented end-to-end encryption ("E2E")—widely understood as the most private form of internet communication—to protect the confidentiality of users' video conferences.⁷ 9 In fact, Zoom was using its own definition of the term, one that failed to recognize Zoom's 10 ability to access unencrypted video and audio from meetings. The definition of end-to-end 11 12 encryption is not up for interpretation in the industry. Zoom's misrepresentations are a stark 13 contrast to other videoconferencing services, such as Apple's FaceTime, which have undertaken the more challenging task of implementing true E2E encryption for a multiple 14 15 party call.

8. On April 2, 2020, the New York Times published an article disclosing "a datamining feature" related to a LinkedIn application that could be used to snoop on participants
during Zoom meetings without their knowledge.⁸

9. Finally, reports continue to the present day of security breaches during which
 unauthorized bad actors hijack Zoom videoconferences, displaying pornography, screaming
 racial epitaphs, or engaging in similarly despicable conduct. This practice has become so

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 ⁶ Jeffrey Fowler, In the middle of the night. Do you know who your iPhone is talking to? (May 28, 2019), available at https://www.washingtonpost.com/technology/2019/05/28/its-middle-night-do-you-know-who-your-iphone-is-talking/> (Last Visited July 30, 2020).

 ⁷ Micah Lee and Yael Grauer, *Zoom Meetings Aren't End-to-End Encrypted, Despite Misleading* (March 31, 2020), available at https://theintercept.com/2020/03/31/zoom-meeting-encryption/ (Last Visited July 28, 2020).

 ⁸ Aaron Krolik and Natasha Singer, A Feature on Zoom Secretly Displayed Data From People's LinkedIn Profiles,
 New York Times (April 2, 2020), available at

^{27 &}lt;a href="https://www.nytimes.com/2020/04/02/technology/zoom-linkedin-data.html">https://www.nytimes.com/2020/04/02/technology/zoom-linkedin-data.html (Last Visited July 28, 2020).

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commonplace on the Zoom platform that it is referred to as "Zoombombing." Bad actors 1 have disrupted private moments ranging from Alcoholics Anonymous meetings to 2 Holocaust memorial services (e.g., in one instance with images of Adolf Hitler).⁹ School 3 classes and religious services all over the world have been affected. Recordings of these 4 incidents and others end up on YouTube and TikTok with the horrified reactions of 5 participants being the digital trophies of the Zoombombers. Concerns regarding 6 7 Zoombombing led many organizations to ban employees' use of Zoom, including Google, 8 SpaceX, NASA, the Australian Defence Force, the Taiwanese and Canadian governments, the New York Department of Education, and the Clark County School District in Nevada.¹⁰ 9

10 10. The gravity of these data privacy violations cannot be overstated, including the 11 data points leaked through the Facebook SDK. A growing and insidious practice in the 12 "AdTech" industry to collect unique device data from consumers in order to build a profile, 13 sometimes referred to as a "fingerprint," is used to allow third parties and data brokers to 14 follow users' activities across their devices with essentially no limit. The practice of 15 fingerprinting is unique and more damaging than the practice of tracking consumers' 16 browsing activity with cookies.

17 11. Zoom had the affirmative duty to safeguard consumers' device information
18 and, at the very minimum, to disclose the access, collection, and dissemination of
19 consumers' data. Zoom failed to fulfill such duties.

12. Zoom users have an expectation of privacy in their videoconference
communications, just as they do during telephone calls, irrespective of the substance of those
communications. With social distancing and quarantine orders in place during the COVID19 pandemic, videoconference platforms like Zoom have replaced conference rooms,
churches and temples, AA meeting rooms, schools, and healthcare professionals' offices.

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⁹ Sebastien Meineck, 'Zoom Bombers' Are Still Blasting Private Meetings With Disturbing and Graphic Content (June 10, 2020), available at https://www.vice.com/en_us/article/m7je5y/zoom-bombers-private-calls-disturbing-content> (Last Visited July 28, 2020).

 $28 ||^{10} Id.$

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