

1 ELAINE T. BYSZEWSKI (SBN 222304)
2 HAGENS BERMAN SOBOL SHAPIRO LLP
3 700 South Flower Street, Suite 2940
4 Los Angeles, CA 90017-4101
5 Telephone: (213) 330-7150
6 Facsimile: (213) 330-7152

-and-

7 STEVE W. BERMAN
8 HAGENS BERMAN SOBOL SHAPIRO LLP
9 1301 Fifth Avenue, Suite 2900
10 Seattle, WA 98101
11 Telephone: (206) 623-7292
12 Facsimile: (206) 623-0594

13 Attorneys for Plaintiffs Cole

14 [Additional Counsel Listed on Signature Page]

ENDORSED
FILED
San Francisco County Superior Court

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GORDON PARK-LI, Clerk
BY WESLEY RAMIREZ
Deputy Clerk

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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN FRANCISCO

DAVID COLE and JUANA COLE, on behalf
of themselves and a class of person similarly
situated,

Plaintiffs,

v.

WELLS FARGO BANK, N.A., a California
Corporation, and DOES 1-100 inclusive,

Defendants.

Case No. CGC-06-456453

CLASS ACTION

FIRST AMENDED CLASS ACTION
COMPLAINT FOR

1. BUSINESS AND PROFESSIONS CODE SECTION 17500 ET SEQ.;
2. BUSINESS AND PROFESSIONS CODE SECTION 17200 ET SEQ.;
3. NEGLIGENT MISREPRESENTATION;
4. CALIFORNIA LEGAL REMEDIES ACT SECTION 1750 ET SEQ.;
5. UNJUST ENRICHMENT;
6. VIOLATIONS OF INSURANCE CODE SECTION 781.

(JURY TRIAL DEMANDED)

Complaint Filed: May 22, 2006
Trial Date: None

1 Plaintiffs, by and through their attorneys, based on their individual experiences, the
2 investigation of counsel, and information and belief allege as follows:

3 **INTRODUCTION**

4 1. Plaintiffs and Class members were induced through Defendants' promotional mailer
5 to participate in a "no obligation" insurance pitch in exchange for receiving \$15 in free gasoline.
6 However, upon information and belief, Defendants failed to provide the promised gasoline
7 certificates to thousands of Class members even though they called the 1-800 numbers identified
8 on their respective promotional mailers and listened to the solicitation. Moreover, where the
9 "gasoline certificates" were provided, Defendants made it nearly impossible to redeem them.
10 Specifically, Defendants divided the promised "\$15 in gasoline" into three separate "rebates"
11 worth \$5 each that could not be redeemed at the same time, but rather had to be mailed to
12 Defendants at three different intervals and within specific 30-day windows. And even after
13 Plaintiffs did jump through each of Defendants' redemption hoops, Defendants never paid any of
14 the three gasoline rebates.

15 2. Plaintiffs, on behalf of themselves and all others similarly situated, seek damages
16 and equitable relief for violations of the Business and Professions Code § 17200 et seq., Business
17 and Professions Code § 17500 et seq., California Legal Remedies Act §1750 et seq., Negligent
18 Misrepresentation, and violations of the California Insurance Code.

19 **PARTIES**

20 3. Plaintiffs David Cole and Jauna Cole (collectively, "Plaintiffs") are citizens of
21 Arizona. Plaintiffs participated in Defendants' promotional mailer for \$15 in free gasoline, which
22 Defendants never provided, despite Plaintiffs' repeated attempts to procure the promised benefits.

23 4. Upon information and belief, Defendant Wells Fargo Bank, N.A., is, and at all
24 relevant times was, a California corporation doing business in California and having its principal
25 place of business in San Francisco, California. References to "Defendants" shall include Wells
26 Fargo Bank's agents, representatives, affiliates, officers, managers, employees and predecessors in
27 interest (collectively "Defendants").

28 5. Defendants named as Does 1 through 100, inclusive, are sued under fictitious names

1 because their true names or identities or the existence of causes of action against known entities are
2 presently unknown to Plaintiffs. Once their names or identities or the existence of causes of action
3 against known entities are ascertained, Plaintiffs will seek leave to amend this Complaint.

4 Plaintiffs are informed and believe and thereon allege that Does 1 through 100, inclusive, are,
5 along with Defendants, subject to all or part of the relief being sought by this Complaint. Any
6 reference in this Complaint to a named defendant shall be deemed to also be a reference to all
7 fictitiously named defendants.

8 6. Plaintiffs are informed and believe and thereon allege that at all relevant times
9 Defendant and Doe Defendants 1 through 100, inclusive, and each of them, were and are the
10 agents, principals, servants, masters, employees, employers, representatives, co-conspirators,
11 and/or joint venturers of each other and were at an relevant times acting within the course and
12 scope of those agency, employment, conspiracy and joint venture relationships.

13 7. Plaintiffs are informed and believe and thereon allege that at all relevant times there
14 existed or exists, as to Doe Defendants 1 through 100, inclusive, a unity of interest and ownership
15 with Defendant and the other Doe Defendants such that any individuality and separateness has
16 ceased to exist. Defendant and the Doe Defendants are the alter-egos of each other in that the
17 individual defendants have used assets of each other for their personal uses, have caused assets of
18 those entities to be transferred without adequate consideration and have withdrawn funds from
19 each others' bank accounts for their personal use. Defendant and Doe Defendants 1 through 100
20 have controlled, dominated, managed, operated and intermingled their personal assets with each
21 other to suit their convenience and whim. Fraud and injustice would be promoted by adhering to
22 the fictions of Defendant and the Doe Defendants remaining separate and apart from each other,
23 and they should not be allowed to evade justice by asserting the corporate or other limited liability
24 veil.

25 JURISDICTION AND VENUE

26 8. This Court has jurisdiction over this action pursuant to California Code of Civil
27 Procedure section 410.10. Venue in San Francisco County is proper pursuant to California Code of
28

1 Civil Procedure section 395.5, because the injuries and obligations being sued upon arose at least
2 in part in San Francisco County.

3 **FACTUAL BACKGROUND**

4 9. Plaintiffs and Class members maintained bank accounts with Defendants.

5 10. In or about mid-2005, Plaintiffs received a promotional mailer from Defendants
6 along with their monthly statement.

7 11. Plaintiffs reviewed the promotional mailer and observed that the front-page of
8 Defendants' promotional mailer stated as follows:

9 **Could you use \$15.00 in gasoline? To receive your \$15.00 in
10 gasoline certificates call: 1-800-353-1054.**

11 12. The reverse side of the promotional mailer contained similar language, stating in
12 prominent type:

13 **No Obligation to Buy. Get \$15 of gasoline. Just Call 1-800-353-1054.**

14 13. Defendants' promotional mailer promised Plaintiffs that they only had to listen to
15 information "about a great new insurance program" to get their \$15 of gasoline.

16 14. The promotional mailer concluded by stating "IT'S THAT EASY."

17 15. Upon information and belief, certain Class members may have received the same
18 promotional mailer except that the mailer promised \$10 in free gasoline rather than \$15.

19 16. Upon information and belief, all of the language included in Defendants'
20 promotional mailer was created, designed and approved (either in whole or in part) by its
21 employees residing in California, including those employees and officers located at its
22 headquarters in San Francisco, California.

23 17. Relying on Defendants' promise of "\$15 of gasoline," Plaintiffs dialed the 800
24 number listed on their promotional mailer shortly after reviewing it in mid-2005.

25 18. After Defendants answered Plaintiffs' call, they assumed, without inquiring, that
26 Plaintiffs wanted to purchase the insurance being offered and immediately signed them up for
27 coverage.

28 19. Plaintiffs asked Defendants when the \$15 in gasoline certificates would be

1 forthcoming. Defendants answered that the certificates would not arrive for six to eight weeks.

2 20. Although Plaintiffs were told during this telephone call that their \$15 in gasoline
3 certificates would not come for approximately two months, the documents associated with
4 Defendants' insurance plan arrived within several days.

5 21. After more than eight weeks had passed without Plaintiffs ever receiving any
6 gasoline certificates from Defendants, Plaintiffs again called the 800 number listed on Defendants'
7 promotional mailer.

8 22. Upon information and belief, Defendants failed to send the gas certificates to
9 Plaintiffs and Class members unless the consumers followed up with Defendants and again asked
10 for the certificates. Defendants required a "follow-up" call even though the duty to provide the
11 money arose, at the latest, upon completion of the call.

12 23. Defendants then belatedly provided Plaintiffs with what it misleadingly referred to
13 as "gasoline certificates." However, rather than being redeemable for \$15 in gas at a gas station,
14 the certificates (without prior notice to Plaintiffs) were divided into three \$5 coupons that could
15 only be redeemed by mailing a receipt for the purchase of gasoline to Defendants using the
16 consumers own postage and envelopes. The gasoline coupons were therefore more akin to
17 "rebates," not certificates as Defendants had advertised.

18 24. Besides illegally converting the gasoline certificates into a rebate (for the obvious
19 purpose of decreasing the redemption rate), Defendants imposed additional obligations on each \$5
20 rebate form it provided to Plaintiffs for the purpose of further reducing the redemption rate.
21 Specifically, Defendants indicated, for the very first time, upon providing the \$5 rebate forms to
22 Plaintiffs that they could not be redeemed simultaneously but rather had to be mailed individually
23 and within separate 30-day windows. In addition, Defendants disguised the gasoline certificates in
24 a way that made them appear to be junk mail, so that they would be discarded by Plaintiffs and
25 Class members.

26 25. Notwithstanding the onerous requirements associated with redeeming the \$5 rebate
27 forms, Plaintiffs satisfied each of the aforementioned obligations.

1 members who filed a claim on an insurance policy purchased as a result of the promotional mailer
2 distributed by Defendants.

3 32. The persons in the Class are so numerous that individual joinder of all members is
4 impracticable under the circumstances of this case. Although the precise number of such persons is
5 unknown, the exact size of the Class is easily ascertainable, as each class member can be identified
6 by using Defendants' records. Plaintiffs are informed and believe that there are tens of thousands
7 of Class members.

8 33. There are common questions of law and fact specific to the Class that predominate
9 over any questions affecting individual members, including:

- 10 (a) Whether class members received the same or substantially similar promotional mailer
11 from Defendants;
- 12 (b) Whether class members were promised or entitled to \$10 or \$15 in gasoline certificates
13 for dialing an 800-number and listening to an insurance pitch;
- 14 (c) Whether Defendants systematically failed to provide \$10 or \$15 in gasoline certificates
15 to class members who called the 800 number listed on the promotional mailer;
- 16 (d) Whether Defendants' promise of \$10 or \$15 in free gas without disclosing material
17 conditions constitutes an unlawful or unfair business practice;
- 18 (e) Whether Defendants imposed unreasonable material conditions upon the redemption of
19 the gasoline certificates after class members called the 800 number listed on the
20 promotional mailer;
- 21 (f) Whether the \$5 vouchers Defendants provided class members constituted rebates rather
22 than gasoline certificates;
- 23 (g) Whether Defendants designed the \$5 rebate forms to resemble junk mail;
- 24 (h) Whether Defendants paid class members when they satisfied all of the onerous
25 requirements associated with the \$5 rebate forms;
- 26 (i) Whether class members have been damaged by Defendants' conduct.

27 34. Plaintiffs' claims are typical of the Class' claim, as they arise out of the same course
28 of conduct and the same legal theories as the rest of the Class, and Plaintiffs' challenge the
practices and course of conduct engaged in by Defendants with respect to the Class as a whole.

