

Honorable Jamal N. Whitehead

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON AT SEATTLE

DOUGLAS MUNDLE and PAMELA KNIGHT,
individually and on behalf of all persons similarly
situated,

Plaintiffs,

v.

DOXO, INC., a corporation, STEVEN SHIVERS,
individually and as an officer of DOXO, INC.,
and ROGER PARKS, individually and as an
officer of DOXO, INC.,

Defendants.

No. 2:24-cv-00893-JNW

**AMENDED CLASS ACTION
COMPLAINT**

JURY TRIAL DEMAND

AMENDED
COMPLAINT

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TABLE OF CONTENTS

| | | |
|------|---|----|
| I. | INTRODUCTION | 1 |
| II. | PARTIES | 2 |
| A. | Plaintiffs | 2 |
| 1. | Douglas Mundle | 2 |
| 2. | Pamela Knight..... | 5 |
| B. | Defendants | 8 |
| III. | JURISDICTION AND VENUE..... | 9 |
| IV. | FACTUAL ALLEGATIONS..... | 10 |
| A. | Doxo’s Purported Payment Network | 10 |
| B. | Doxo Misleads Customers with Deceptive Search Results..... | 10 |
| C. | Doxo Tricks Customers into Paying Unnecessary Fees | 13 |
| D. | Doxo Has Ignored Complaints from Customers and Billers..... | 14 |
| E. | Defendants Were on Notice That Their Advertisements Were Misleading | 20 |
| F. | Doxo Signs Up Users for Subscription Service Without Their Consent and Misleads Users on Terms of Subscription Service | 22 |
| V. | CLASS ACTION ALLEGATIONS..... | 27 |
| A. | Class Definitions | 27 |
| B. | Requirements of Federal Rule of Civil Procedure 23 | 28 |
| VI. | CLAIMS FOR RELIEF | 31 |
| | COUNT ONE — VIOLATIONS OF THE WASHINGTON CONSUMER PROTECTION ACT, WASH. REV. CODE §§ 19.86.020, <i>ET. SEQ.</i> | 31 |
| | COUNT TWO — UNJUST ENRICHMENT | 33 |
| | COUNT THREE — DECLARATORY RELIEF UNDER THE DECLARATORY JUDGMENT ACT, 28 U.S.C. § 2201 | 35 |
| VII. | CONCLUSION AND PRAYER FOR RELIEF | 37 |

| | |
|-------------------------|----|
| VIII. JURY DEMAND | 37 |
|-------------------------|----|

1 Plaintiffs Douglas Mundle and Pamela Knight, individually and on behalf of all persons
 2 similarly situated (collectively, "Plaintiffs"), bring this Amended Class Action Complaint
 3 ("Complaint") against Doxo, Inc. ("Doxo") and Doxo co-founders Steven Shivers and Roger Parks
 4 (collectively, "Defendants"). Plaintiffs allege the following on personal knowledge, investigation
 5 of counsel, and information and belief:
 6

7 **I. INTRODUCTION**

8 1. Online bill payment has been widely adopted across all sectors of the economy in
 9 the United States because it provides a fast, cost-effective and secure way for consumers to directly
 10 pay their bills without having to write checks, buy stamps or use the post. In fact, nearly three-
 11 quarters of people in the United States pay their phone, internet, utilities and credit cards online or
 12 through a mobile device, over half pay cable, streaming service, insurance and car payments
 13 online, and over one-third pay healthcare and mortgages online.¹
 14

15 2. Defendants have knowingly and willfully frustrated consumers' desires for cost-
 16 effective, timely and secure online payments by injecting Defendants' Doxo website between
 17 consumers and the legitimate online payment portals of consumers' service providers, saddling
 18 consumers with worthless subscriptions, junk fees, unnecessary payment delays and the added risk
 19 of mailed payments. Defendants purposefully deceive consumers into believing they have reached
 20 authentic payment portals and/or that Doxo is an authorized payment processor for consumers'
 21 service providers. In fact, Doxo is a completely unnecessary third-party that uses deception, dark
 22 patterns and look-alike web pages to extract unearned and unnecessary fees from consumers for
 23 the simple act of paying their bills online. Defendants' deceptive practices are not limited to online
 24
 25
 26

¹ See *Annual Report: The State of Online Payments 2024*, Regina Corso Consulting, https://invoicecloud.net/wp-content/uploads/2023/12/eb_state_of_online_payments_2024-FINAL.pdf (last visited Sept. 27, 2024).

1 payments—Defendants have also deceived consumers who make retail or bill payments via
2 telephone and other means as well.

3 3. Through this action, Plaintiffs seek to end Defendants’ fraudulent activity and
4 return to consumers the millions of dollars of junk fees and unwanted subscriptions that
5 Defendants extracted from consumers through fraud and deceit.

6 4. This action is distinct from two other cases brought against Doxo: *Federal Trade*
7 *Commission v. Doxo, Inc.* (“*FTC*”), No. 2:24-cv-00569 (W.D. Wash. 2024) and *CMRE Financial*
8 *Services Inc. v. Doxo Inc.* (“*CMRE*”), No. 2:22-cv-00298 (W.D. Wash. 2022). This action differs
9 from the *FTC* action because Plaintiffs here seek, among other things, restitution and direct
10 compensation for injured consumers, relief the FTC cannot and does not pursue.² Similarly, this
11 action is also distinct from the *CMRE* action, previously decided by the Court.³ The *CMRE* action
12 was brought by debt collection agencies seeking injunctive and declaratory relief to prevent Doxo
13 from falsely representing that it was an authorized representative and payment provider, whereas
14 this action is brought by consumers seeking relief for their economic injuries.

17 II. PARTIES

18 A. Plaintiffs

19 1. Douglas Mundle

20 5. Plaintiff Douglas Mundle is a citizen of Connecticut and resides in Naugatuck,
21 Connecticut.

22 6. In or about 2019, Plaintiff Mundle sought to pay a medical bill and could not
23 identify his doctor’s website on the paper bill he received. He typed his doctor’s name into a search
24

25
26 ² Complaint at 1, 23, *Fed. Trade. Comm’n v. Doxo, Inc.*, No. 2:24-cv-00569 (W.D. Wash. 2024), ECF No. 1
(hereinafter “*FTC Complaint*”).

³ See *CMRE Fin. Servs. Inc. v. Doxo Inc.*, No. 2:22-cv-00298-RAJ-BAT, 2022 WL 16701259, at *1 (W.D. Wash.
Oct. 7, 2022), *report and recommendation adopted*, 2022 WL 16699090 (W.D. Wash. Nov. 3, 2022).

1 engine to locate his doctor's payment portal. The first line of the search result appeared to be his
2 doctor's website as it had his name, and the logo matched the logo and branding on his bill.
3 Unknown to him, Plaintiff Mundle was directed to the Doxo website, which he believed was the
4 authorized online payment site of his doctor. Had this website disclosed that it was not the
5 authorized payment website for his doctor, Plaintiff Mundle would have continued searching for
6 the authorized payment website. After entering information through several successive screens,
7 Plaintiff Mundle was asked to pay a service charge for making his online payment. Because
8 Plaintiff Mundle believed that Doxo was his doctor's authorized online payment provider, and he
9 believed that his online payment would be immediately credited against his bill, Plaintiff Mundle
10 paid the fee thinking that it was required. Had Plaintiff Mundle known that the Doxo website was
11 not his doctor's authorized payment portal, Plaintiff Mundle would have attempted to find the
12 authorized payment portal and would have avoided paying Doxo's service fee. Moreover, had
13 Plaintiff Mundle known that the online payment through Doxo would not result in an immediate
14 payment, but would instead result in a check being mailed to his doctor's office, Plaintiff Mundle
15 would have simply mailed the check himself and avoided the service fee that Doxo charged him
16 under the false impression that he was making an immediate online payment.
17

18
19 7. In or about 2021, Plaintiff Mundle sought to pay a toll charge for the NY State
20 Thruway. He searched for the payment portal on Google. The search resulted in the top line
21 showing a link identified as the NY State Thruway and using the NY State Thruway logo. Plaintiff
22 Mundle clicked the link and arrived at a payment website. The website displayed the NY State
23 Thruway name and logo, so Plaintiff Mundle believed that the NY State Thruway had authorized
24 and contracted with Doxo to provide its payment services. Nowhere on the website was there any
25 indication that the payment portal was not authorized or controlled by the NY State Thruway. At
26

1 the end of the payment process, Plaintiff Mundle was required to pay a service fee and because he
2 believed that Doxo was the authorized payment site for the State, and that his online payment
3 would be immediately credited against his bill, he paid the fee, thinking that it was required. Had
4 Plaintiff Mundle known that the Doxo website was not the thruway's authorized payment portal,
5 Plaintiff Mundle would have attempted to find the authorized payment portal and would have
6 avoided paying Doxo's service fee. Moreover, had Plaintiff Mundle known that the online payment
7 through Doxo would not result in an immediate credit against his account, but would instead result
8 in a check being mailed to the NY State Thruway, Plaintiff Mundle would have simply mailed the
9 check himself and avoided paying the Doxo fee.
10

11 8. In May 2024, Plaintiff Mundle received a bill from his orthopedic surgeon, CT
12 Orthopedics, that he sought to pay online. Plaintiff did not see a website address on his bill, so he
13 used Google to search for the online payment site for CT Orthopedics. The first line of the search
14 results appeared to be CT Orthopedics because it had its name and logo. Plaintiff Mundle followed
15 the link and came to a payment portal website that also had the CT Orthopedics name and logo.
16 Nowhere on the website was there any indication that it was not the authorized payment website
17 for CT Orthopedics. Only after Plaintiff Mundle had entered his information through several
18 screens was he presented with a \$3.95 service fee in addition to the amount of his bill. Plaintiff
19 Mundle was unhappy with this charge, but he paid it because he had already entered all of his
20 information, and he did not know if there was another way for him to pay without the service
21 charge. In addition, Plaintiff Mundle paid the fee because he believed that it would result in an
22 immediate payment to his doctor to be credited against his account. The next day, Plaintiff Mundle
23 called his doctor's office and was told that the office did not have any agreement with Doxo, did
24 not authorize Doxo to manage its bill payments, and that the doctor's office had its own payment
25
26

portal through which Plaintiff Mundle could have paid his bill without any added service fee. Had Plaintiff Mundle known that the Doxo website was not his doctor's authorized payment portal, Plaintiff Mundle would have attempted to find the authorized payment portal and would have avoided paying Doxo's service fee. Plaintiff also learned from talking to his doctor's office that the payment through Doxo was not immediately credited to his account, but instead took over a week to get there in the mail by check. Moreover, had Plaintiff Mundle known that the online payment through Doxo would not result in an immediate payment, but would instead result in a check being mailed to his doctor's office, Plaintiff Mundle would have written and sent a check himself and avoided paying Doxo's fee.

2. Pamela Knight

9. Plaintiff Pamela Knight is a citizen of Missouri and resides in Ashland, Missouri.

10. About a year ago, in the fall of 2023, Plaintiff Knight purchased a recliner for her grandson as a Christmas present. Plaintiff Knight purchased the recliner from Seventh Avenue, a merchant that offers mail order retail sales of a variety of home-related products, including bed, bath, and kitchen furniture, and other home goods. Since then, Plaintiff Knight has purchased a number of additional items from Seventh Avenue, including a laptop and other consumer goods.

11. Plaintiff Knight places her Seventh Avenue orders over the telephone. She does not browse online on Seventh Avenue's website beforehand and has no recollection of making or attempting to make online Seventh Avenue purchases. While placing these phone orders, there was no disclosure or identification of Doxo, nor any indication that Plaintiff Knight had consented to paying for fees or subscription services provided by Doxo.

12. Plaintiff Knight pays for her Seventh Avenue orders using her debit card. Her debit card is associated with her checking account at Central Bank of Boone County. This checking

1 account is an individual account. Plaintiff Knight does not share her account, or access to her debit
2 card, with anyone. Similarly, she does not share her Seventh Avenue account with anyone.

3 13. Plaintiff Knight prefers Seventh Avenue in part because she has can make monthly
4 installment payments for her orders instead of paying the entire purchase price at the point of sale.
5 Based on Plaintiff Knight's total order balance, Seventh Avenue charges her a monthly payment.
6 As of September 2024, this monthly payment is \$35.
7

8 14. In early September 2024, Plaintiff Knight checked her bank statement for her
9 checking account. Plaintiff Knight saw a \$5.99 charge that she did not recognize. The transaction
10 was listed as "DOX*BILL PA." The charge was dated September 4, 2024, the same date as her
11 \$35 monthly Seventh Avenue payment. Plaintiff Knight had no idea what the \$5.99 charge was.
12

13 15. Because the charge was posted the same date as her Seventh Avenue monthly
14 payment, Plaintiff Knight called Seventh Avenue, thinking it was an additional charge or fee. The
15 Seventh Avenue representative with whom Plaintiff Knight spoke did not know why there was a
16 \$5.99 charge.

17 16. Plaintiff Knight had never heard of "DOX" before and had no idea why she was
18 being charged \$5.99, nor which company had charged her this value. Plaintiff Knight then searched
19 on Google to try to get answers. The results that appeared mentioned that Doxo was a company
20 that offered bill payment processing services for consumers' monthly bills issued by Verizon and
21 other large companies. She gathered that the \$5.99 charge was from Doxo, a company of which
22 she had never heard.
23

24 17. At this point, Plaintiff Knight reviewed her recent checking account bank
25 statements to see if there were any other unrecognized purchases. She was shocked to see the
26 following Doxo charges dating to February 2024:

- February 14, 2024, a charge for \$23.99 from “DOXO – FINANCIAL”;
- March 11, 2024, an identical \$23.99 charge from “DOXO – FINANCIAL”;
- April 3, 2024, a charge for \$24 from “DOXO – FINANCIAL”;
- April 4, 2024, a charge for \$5.99 from “WADOX *B”;
- May 6, 2024, two charges: (1) a \$5.99 charge from “DOX*BILL PA”; and (2) a \$40 charge from “DOXO – FINANCIAL”;
- June 5, 2024, a charge for \$5.99 from “DOX*BILL PA”;
- July 5, 2024, two charges: (1) a \$5.99 charge from “DOX*BILL PA”; and (2) a \$45 charge from “DOXO – FINANCIAL”;
- August 5, 2024, a charge for \$5.99 from “DOX*BILL PA”; and
- September 4, 2024, another \$5.99 charge from “DOX*BILL PA.”

18. Plaintiff Knight was confused and frustrated about these charges. She had no prior recollection of ever navigating to Doxo’s website on any of her devices—she had never heard of Doxo prior to her Google search after seeing these unauthorized charges. Indeed, nowhere on Seventh Avenue’s website is there any mention of Doxo or that a third party is paying any amount to Seventh Avenue on Plaintiff Knight’s behalf, much less signing her up for additional fees and subscriptions.⁴

19. On September 19, 2024, Plaintiff Knight called Doxo’s customer service line, hoping to obtain more information. The Doxo representative informed Plaintiff Knight that she had signed up for a Doxo account. The representative also stated that the charges on her bank statement related to bills from Seventh Avenue in which Doxo had processed payments on Plaintiff Knight’s behalf. Plaintiff Knight responded that she had no recollection of ever signing up for such

⁴ See Seventh Avenue FAQs, <https://www.seventhavenue.com/cm/frequently-asked-questions-faq.html#q12> (last visited Sept. 23, 2024).

1 an account, always paid Seventh Avenue directly using her debit card, and did not consent to bills
 2 being paid through Doxo. Plaintiff Knight immediately requested that the representative cancel
 3 her Doxo account. To Plaintiff Knight's understanding, her Doxo account—that she never
 4 intended to open—is now closed.

5 20. Plaintiff Knight has no knowledge of the “doxoPLUS” subscription service offered
 6 by Doxo and disputes that she ever signed up for doxoPLUS. On the Doxo website, the price for
 7 doxoPLUS is \$5.99 per month.⁵ On information and belief, Plaintiffs allege that the recurring
 8 \$5.99 charge on Plaintiff Knight's bank statement refers to a doxoPLUS subscription connected
 9 to Plaintiff Knight's Doxo account.
 10

11 21. As Plaintiff Knight never intended to use Doxo or pay for any of Doxo's purported
 12 bill pay services, Plaintiff Knight has received no value from any of Doxo's unwanted services
 13 rendered to her during the entire period that her Doxo account was active.
 14

15 22. At all times, had Plaintiff Knight known that Doxo was processing bill payments
 16 on her behalf, Plaintiff Knight would have instead paid Seventh Avenue directly for those
 17 purchases to avoid paying additional and unwanted service fees and/or monthly subscription fees
 18 charged by Doxo.
 19

20 **B. Defendants**

21 23. Defendant Doxo, Inc. is a Washington corporation with its principal place of
 22 business at 411 108th Ave NE, Suite 700, Bellevue, Washington. Doxo transacts business in the
 23 Western District of Washington and throughout the United States. At all times relevant to this
 24 Complaint, Doxo has advertised and sold bill payment services to consumers throughout the
 25 United States.
 26

⁵ Doxo, <https://www.doxo.com> (last visited Sept. 23, 2024).

24. Defendant Steven Shivers is the Chief Executive Officer and co-founder of Doxo. At all times relevant to this Complaint, Steven Shivers controlled, or had the authority to control, or participated in Doxo's actions and policies, including those described in this Complaint. Shivers resides in the Western District of Washington and, in connection with the matters alleged herein, transacts or has transacted business in this District and throughout the United States.

25. Defendant Roger Parks is the Vice President, Business Development and co-founder of Doxo. At all times relevant to this Complaint, acting alone or in concert with others, Parks has formulated, directed, controlled, or had the authority to control, or participated in Doxo's acts and practices, including those described in this Complaint. Parks resides in this District and, in connection with the matters alleged herein, transacts or has transacted business in this District and throughout the United States.

III. JURISDICTION AND VENUE

26. This Court has subject matter jurisdiction over this action pursuant to 28 U.S.C. § 1332(d)(2)(A), as modified by the Class Action Fairness Act of 2005, 28 U.S.C. § 1711, *et seq.*, because at least one Class Member, as defined below, is a citizen of a different state than Defendants, there are more than 100 members of the Class, and the aggregate amount in controversy exceeds \$5,000,000, exclusive of interest and costs. This Court also has diversity jurisdiction over this action pursuant to 28 U.S.C. § 1332(a). Further, this Court has subject matter jurisdiction pursuant to 28 U.S.C. § 1331 because Plaintiffs bring a federal claim under the Declaratory Judgment Act, 28 U.S.C. § 2201.

27. This Court has personal jurisdiction over Defendants because *inter alia*, they regularly conduct business in Washington and have purposefully availed themselves of the privilege of conducting business in Washington. Defendants sell, market, and advertise Doxo's products and services to Plaintiffs and Class Members located in Washington and, therefore, have

sufficient minimum contacts to render the exercise of personal jurisdiction by this Court proper and necessary.

28. Venue is proper in this District under 28 U.S.C. § 1391(a) through (d) because Doxo's principal place of business is located in this District and a substantial part of the events or omissions giving rise to the claims occurred in, was directed to, and/or emanated from this District.

IV. FACTUAL ALLEGATIONS

A. **Doxo's Purported Payment Network**

29. Doxo owns and operates doxo.com, a bill payment platform where customers can pay bills. Doxo.com has sections for bill categories such as auto insurance, electric, gas, health insurance and mortgage payments.

30. Doxo claims to have a "Bill Pay Network" with "120,000+ service providers in the network."⁶ As of September 27, 2024, Doxo lists 111,198 billers on Doxo's platform within the last 90 days, with an average bill payment of \$124.⁷

31. In reality, Doxo is not an official payment channel for the majority of billers listed on its website. According to a complaint filed by the Federal Trade Commission against Defendants on April 25, 2024 (the "FTC Complaint"), "[l]ess than 2% of the billers in Doxo's purported payment 'network' have authorized Doxo to received payments on their behalf."⁸

B. **Doxo Misleads Customers with Deceptive Search Results**

32. Doxo has paid millions in advertising on search engines to make their website appear as the first result for various billers.

⁶ See *About, Doxo* (2024), <https://www.doxo.com/w/about>.

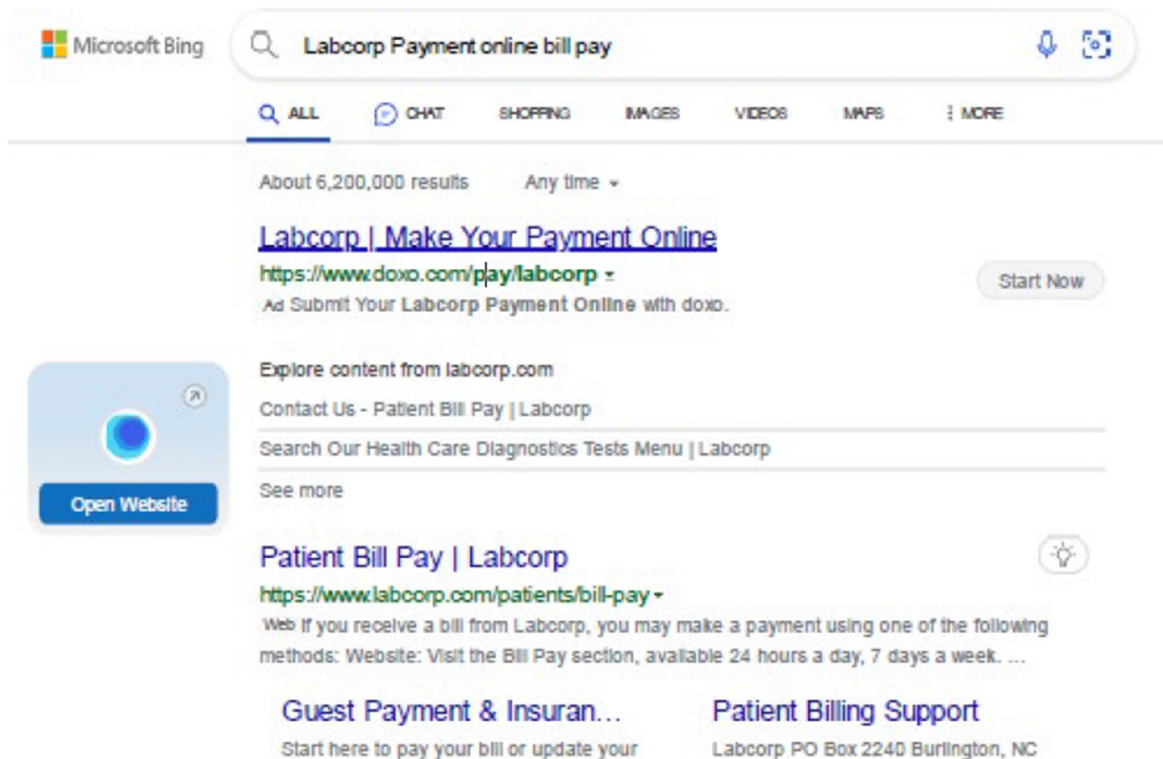
⁷ See *Pay Bills in the USA, Doxo* (2024), <https://www.doxo.com/g/united-states-of-america>.

⁸ FTC Complaint at ¶ 24.

33. For example, Doxo paid for its ads to appear prominently on search engines when consumers search using “more than two dozen Labcorp-related words or phrases,” such as “labcorp,” “labcorp billing,” “labcorp pay bill,” “labcorp payment,” and “labcorp pay my bill.”⁹

34. Doxo also took out ads to intercept consumers’ searches attempting to directly reach Labcorp’s website, by placing ads in searches for “labcorp.com” and “www.labcorp.com/billing,” among others.¹⁰

35. The FTC Complaint includes the following example of a search result for “Labcorp payment online bill pay”¹¹:

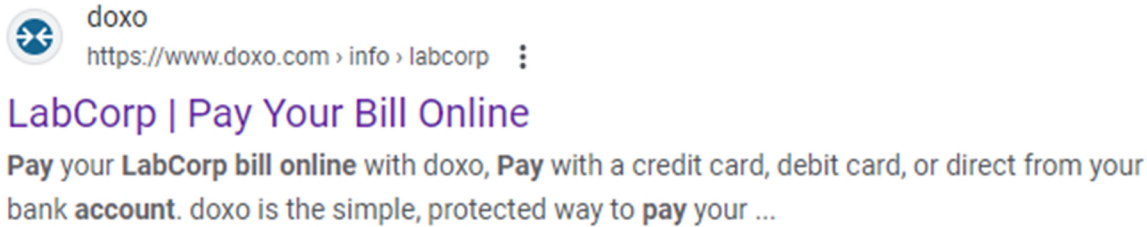


⁹ *Id.* at ¶ 27.

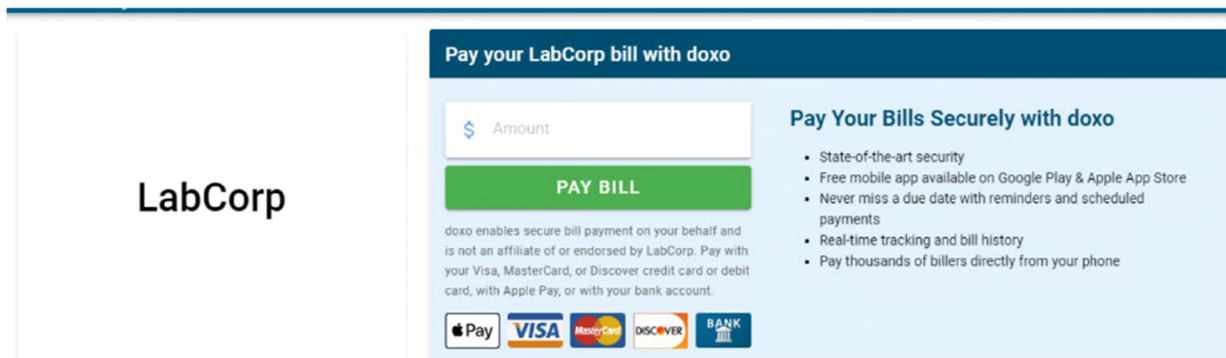
¹⁰ *Id.*

¹¹ *Id.* at ¶ 15.

36. As of September 2024, following the filing of the FTC Complaint, Doxo no longer appears as the first search result for “Labcorp payment online bill pay,” but it still appears as the fifth search result, with the same headline reading “Labcorp | Make Your Payment Online.”



37. Clicking the link from the Labcorp search result brings the user to a landing page with the biller’s logo and an instruction to “Pay your LabCorp bill with doxo.” The below image is taken from the FTC Complaint:



38. As of September 2024, the landing page appears in substantially the same format as it does in the FTC Complaint:



39. The landing page also lists additional information from the biller, including their address, phone numbers, and a description of the company, creating the impression that Doxo is the biller's official billing platform.

40. Defendants make several misrepresentations that further reinforce this false impression. After billing information is entered, Doxo claims to "validate" this information. However, "in the large majority of cases, Doxo has no information about consumer's bills other than what consumers themselves provide."¹²

41. Doxo also offers "[r]eal-time tracking" of payments, but Doxo admits in an internal document that "we don't know when payments are posted, and we should never talk about that."¹³

42. Doxo claims to make payments "directly" to billers. However, in reality, Doxo "sends payment to the biller by paper check, delivered only days or weeks later."¹⁴

C. Doxo Tricks Customers into Paying Unnecessary Fees

43. Doxo does not disclose their delivery fee until customers are deep in the payment process, or in some instances, ever at all. Before being informed of this fee, customers must enter the amount of their bill, their name, email address, account number, and zip code, and then they must wait while Doxo claims to "validate" the customer's information. Next, the customer is prompted to create an account and provide payment information. Only after the customer provides all of this information, on the final screen before payment is processed, does Doxo's delivery fee appear.

44. On the payment screen, the total amount of the payment is written in large green text, with Doxo's delivery fee written in faint gray text¹⁵:

¹² *Id.* at ¶ 30.

¹³ *Id.*

¹⁴ *Id.*

¹⁵ *Id.* at ¶ 22.

45. No explanation is given for the fee. Some customers, under the false impression that Doxo is their biller’s official billing website, may assume that the fee is required by their biller. Others may not even notice the fee because Doxo hides it until the very end of the bill payment flow and chooses for it to appear in miniscule, faint gray lettering. “Doxo charges fees for all credit and debit card payments and many payments via bank accounts,” but customers would not have been charged these fees if they had paid their billers directly.¹⁶

D. Doxo Has Ignored Complaints from Customers and Billers

46. Doxo’s own internal surveys have repeatedly found that a significant percentage of Doxo’s customers “are unaware that they have a Doxo account or wrongly think that they are required to use Doxo’s services.”¹⁷ According to a 2022 survey, approximately 30% of Doxo users who made at least eight payments “falsely thought that Doxo was the only way to pay their bills.”¹⁸

¹⁶ *Id.* at ¶ 35.

¹⁷ *Id.* at ¶ 37.

¹⁸ *Id.*

47. Tens of thousands of customers have contacted Doxo to register complaints that they were tricked into paying Doxo's fees.¹⁹

48. Doxo users have made the following complaints, indicating that they believed they were paying their bills directly to their biller²⁰:

1. "I didn't even know that I was actually dealing with a third party bill pay system when the hospital doesn't even charge you to make a payment online";
2. "DOXO spoofs [company name] pretending to be that water utility The[] way they position themselves makes it seem like it is the only way to pay your bill";
3. "I was completely unaware I was using Doxo. They sleazily set it up some way, I dont know how, so you think you are paying directly";
4. "this service is a scam! When you try to pay a toll for EZ pass this site links you to them instead of actual EZ pass and you dont know it. This just happened to me. I didnt realize that it wasnt the actual Ezpass payment site. They charged me a fee of \$4 to pay my \$3.10 toll";
5. "Thought I was paying directly to m[y] lender. Turns out they are just a third party who forwards my payment. How do I know? My payment ended up being late since doxo sent it in 2 weeks later";
6. "I am furious right now. I used Bing to look up paying my Labcorp bill online. Somehow an ad popped up before the Labcorp site. This site also used the Labcorp Logo on their site. I didn't realize until it was too late that I paid this site instead of Labcorp. They also charge a ridiculous fee";
7. "So thinking I was paying this company but you're a third party, you electronically deduct the money instantly out of my bank account. Only to find out that you send the paper check to the person[,] that makes no sense."

49. Doxo users also "reported that they were tricked into thinking that Doxo was their billers' chosen payment platform:"²¹

¹⁹ *Id.* at ¶ 38.

²⁰ *Id.* at ¶ 39.

²¹ *Id.* at ¶ 40.

1. “this service is a scam! When you try to pay a toll for EZ pass this site links you to them instead of actual EZ pass and you dont know it. This just happened to me. I didnt realize that it wasnt the actual Ezpass payment site. They charged me a fee of \$4 to pay my \$3.10 toll”;
2. “Thought I was paying directly to m[y] lender. Turns out they are just a third party who forwards my payment. How do I know? My payment ended up being late since doxo sent it in 2 weeks later”;
3. “I am furious right now. I used Bing to look up paying my Labcorp bill online. Somehow an ad popped up before the Labcorp site. This site also used the Labcorp Logo on their site. I didn’t realize until it was too late that I paid this site instead of Labcorp. They also charge a ridiculous fee”;
4. “So thinking I was paying this company but you’re a third party, you electronically deduct the money instantly out of my bank account. Only to find out that you send the paper check to the person[,] that makes no sense.”

50. Consumers also complained about Doxo “suddenly” adding fees at the end of the payment process and that they “did not know until it was too late that there was a sizable service charge.”²²

51. Consumers have complained to Doxo that they “received warning letters from bill collectors for medical bills they had already paid” to Doxo.²³ Doxo customers have “had their water, gas, internet and electricity turned off,” “missed child support payments,” and “have double paid their bills (once to Doxo, once to the biller) to avoid service cutoffs – all for payments that Doxo promised them would be made ‘directly’ to their billers.”²⁴

52. Defendants Parks and Shivers were aware of consumer complaints. Parks responded directly to consumers and Shivers “was directly informed that consumers frequently

²² *Id.* at ¶ 41.

²³ *Id.*

²⁴ *Id.* at ¶ 42.

1 raised similar complaints” such as “confusion with us being the biller,” “late fees” and “utilities
2 getting turned off.”²⁵

3 53. In July 2020, Parks responded to an inquiry from a state attorney general’s office
4 regarding Doxo’s advertising and billing practices, and Parks acknowledged under oath that Doxo
5 received complaints from consumers regarding “the relationship between Doxo and a [biller].”²⁶
6

7 54. In February 2021, Parks was informed via email that a credit card company had
8 terminated Doxo’s access to its network based in part on consumer complaints that Doxo had
9 “intercept[ed] payments online to upcharge the [c]ustomers,” and Parks negotiated directly with
10 the credit card company to regain access to the network without any changes to Doxo’s ads or
11 payment flows.²⁷

12 55. In March 2021, in response to an investigation into Doxo by a second attorney
13 general’s office, Shivers responded, under oath, that the company had received 58 complaints from
14 state agencies regarding its practices.²⁸
15

16 56. In March 2022, a toll authority spokesperson stated on a news report that consumers
17 had been charged \$100,000 in late fees due to Doxo’s delayed payments, and Parks responded by
18 accusing the toll authority spokesman of defamation.²⁹

19 57. Doxo universally rejects requests by billers to remove their name from doxo.com,
20 and Parks has stated “Doxo does not consider requests from [b]illers to be removed from the
21 directory.”³⁰
22
23
24

25 ²⁵ *Id.* at ¶ 43.

26 ²⁶ *Id.* at ¶ 44.

27 ²⁷ *Id.* at ¶ 45.

28 ²⁸ *Id.* at ¶ 46.

29 ²⁹ *Id.* at ¶ 47.

30 ³⁰ *Id.* at ¶ 50.

58. In April 2020, a nationwide network of urgent care centers wrote to Parks stating that Doxo’s ads and website were giving customers “false assurance that somehow Doxo is affiliated with or sponsored by” the company, but Doxo refused to delete the company from Doxo.com.³¹

59. Several billers have issued public statements warning consumers that Doxo has deceptively designed its website to appear like the billers’ authorized payment site³²:

1. “Doxo has created a page with our logo and name that looks very official, but it is not” (water company);
2. “It may appear that Doxo.com is affiliated with [local hospital]. IT IS NOT”;
3. “We have been receiving complaints that [Doxo] has set up online payment pages, claiming to be for [waste management company]”;
4. “Doxo.com is a ‘bill payment’ website that looks official but is NOT AFFILIATED with us” (water company) (emphasis in original);
5. Doxo “linked their site to our website and tried to mimic our website—several errors exist but to the customer unfamiliar with our website, it will look legit” (utility company);
6. “Third-party payment companies like doxo.com want you to think they are our partners assisting with your payment processing to us. Doxo.com and [physicians’ group] are NOT partners.”

60. The Washington State Department of Transportation (“DOT”) also recently warned toll customers about using Doxo to pay their toll bills. The state agency told customers it has no control over fees Doxo may charge or the timing of its payments, which can incur additional late fees. The DOT stated in an email:

We’ve heard confusion, complaints and frustration from our customers who paid their toll via Doxo, but received a late fee because the payment was delayed in reaching us ...

³¹ *Id.* at ¶ 49.

³² *Id.* at ¶ 52.

Often times, the customer doesn't realize they paid a third party until they call us regarding the late fee, and we inform them they actually paid through Doxo.³³

61. McLaughlin shared an X post from one such customer, upset about a \$3.99 payment delivery fee on a \$3.20 toll charge that he was paying through Doxo.

62. Unsurprisingly, consumers continue to register complaints against Doxo. In the last three years, 351 consumer complaints have been filed with the Better Business Bureau, 96 of which were submitted within the last 12 months.³⁴ A sampling of recent complaints shows how Doxo's platform continues to mislead consumers on a widespread basis³⁵:

1. September 1, 2024 complaint: "I was duped into signing up for doxo to Pay my energy bills a few months ago. Since then I dont receive bills from [biller] I get notices from doxo. I always pay [biller] directly. Never use doxo. Now I cant access my [biller] account directly. . . . I am trying to delete doxo. Its been impossible to do so and doxo requires a \$14.95 cancellation fee. But will not accept my credit card. They also require that I send a cancellation letter to their main office."
2. July 25, 2024 complaint: "I paid my toll citation of \$6.00 with a \$3.99 charge [i]n early June to Doxo. As of late July, Doxo never released funds, and I got more penalties and could have my license suspended for not paying citation. I got back online and paid \$31 to state md. Scared me bad. I looked up Doxo and seen where this happens all the time. I would like a full refund of what they cost me \$41.00. And for you to please look into this company."
3. July 24, 2024 complaint: "In the months of April, March and February, 2024, DOXO has taken money out of my account and I don't know why or where the payment was applied to. I used DOXO once to make a credit card payment but never told them to continue to pay this bill that way, as they charge \$3.99 to make the payments. A month ago I realized that DOXO was taking \$63.99 from my account for the months listed above. . . . I called Chase and all I got was that they couldn't find any fraud in the \$63.99 charges that DOXO took from my account. They told me to

³³ Kurt Schlosser, *Washington State Dept. of Transportation warns toll customers about using bill-pay service Doxo*, GeekWire (Aug. 27, 2024), <https://www.geekwire.com/2024/washington-state-dept-of-transportation-warns-toll-customers-about-using-bill-pay-service-doxo/>.

³⁴ *Doxo Inc*, Better Bus. Bureau, <https://www.bbb.org/us/wa/bellevue/profile/bill-paying-services/doxo-inc-1296-22661311> (last visited Sept. 23, 2024).

³⁵ *Id.*

contact DOXO directly. I tried to contact DOXO but they don't take phone calls and do not list a phone number."

4. July 12, 2024 complaint: "Doxo plus signed me up for a service I did not request under the guise of being the payer for Questlabs. I contacted [biller] and they informed me of the scam and of the . . . action against them for duping people into signing up. Their system actually automatically checks the box to sign you up without your knowledge. We were simply paying our \$10 co pay for lab work and they came in and set up for monthly payments. Complete fraud. . . I have found out how to cancel the account, which I did, but I also want a refund of the \$29.95 they charged me knowing full well they have nothing to do with Quest. It's not the money, it's the principal."

E. Defendants Were on Notice That Their Advertisements Were Misleading

63. As part of a 2021 compliance review, employees of a search engine concluded that Doxo's advertising headlines—for example, "AT&T | Pay Your Bill Online"—"impl[y] a relationship" between Doxo and the biller and suggest that "Bill Pay is a service provided by [the biller]."³⁶

64. During this compliance review, the search engine employees remarked that Doxo's ads were "super misleading" and that Doxo's ads placed the "brand term at the top which makes you think you are on an authorized site."³⁷

65. At the time of its compliance review, the search engine had received complaints from more than 1,500 companies reporting that Doxo was using their trademarks without permission, which placed the company "among the highest trademark complaint receivers."³⁸

66. Compliance personnel found that Doxo had violated several of the search engine's policies, concluding that "Doxo's ads and URLs were misleading, that Doxo's use of billers'

³⁶ *Id.* at ¶ 54.

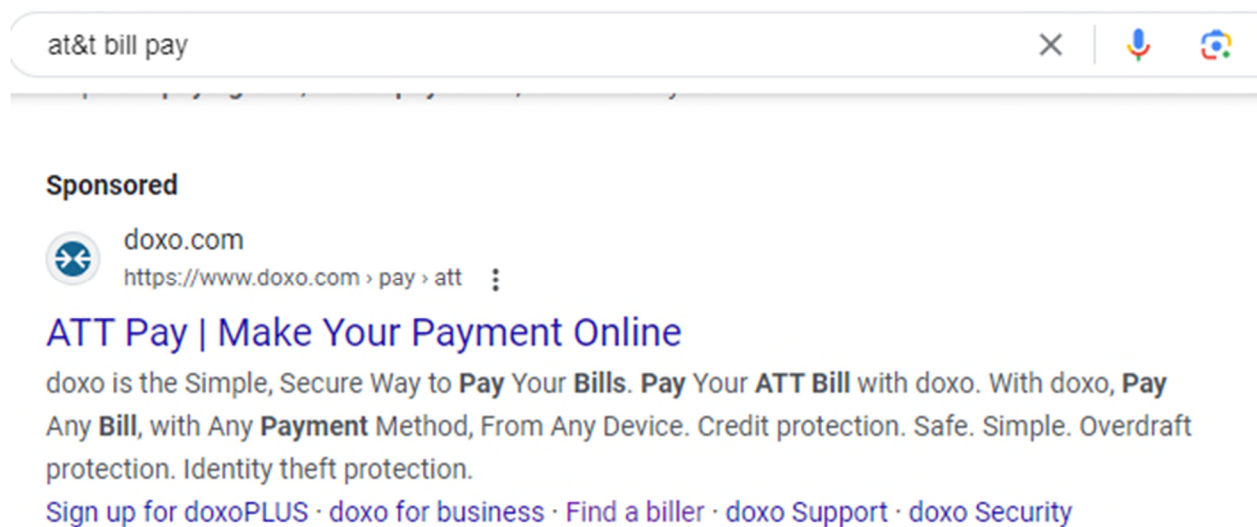
³⁷ *Id.* at ¶ 55.

³⁸ *Id.* at ¶ 56.

names and logos falsely implied a relationship with the biller, and that Doxo had failed to disclose terms in a clear and conspicuous manner.”³⁹

67. Shivers and Parks discussed changes with search engine employees and “proposed that Doxo leave its ads and webpages for each biller unchanged unless the biller complained to the search engine multiple times.”⁴⁰

68. Today, Doxo’s search engine headlines are substantially identical to those marked as falsely implying a relationship between Doxo and the biller. A May 2024 search for “AT&T Bill Pay” brings up a sponsored result for Doxo with the headline “ATT Pay | Make Your Payment Online”.⁴¹



³⁹ *Id.* at ¶ 57.

⁴⁰ *Id.* at ¶ 59.

⁴¹ As of September 27, 2024, a Google search for “AT&T Bill Pay” no longer returns a sponsored result for Doxo as the first headline, suggesting that Doxo may have decided to stop funding certain deceptive advertisements that previously appeared on prominent search engines.

F. Doxo Signs Up Users for Subscription Service Without Their Consent and Misleads Users on Terms of Subscription Service

69. Doxo has also signed up its users for its paid subscription service without their knowledge or consent. At the end of the bill payment process, an unchecked checkbox appears to sign up for Doxo's doxoPLUS Subscription service.⁴²

The screenshot displays a payment review interface. At the top, a progress bar shows four steps, with the fourth step (indicated by a blue circle with the number 4) being the current step. Below the progress bar is a dark blue header with the text "Review and Send Your Payment". The main content area is white and contains three sections: 1) "Total charge" showing "\$13.50" in large green font, with a note "Includes \$3.50 Payment Delivery Fee" and a help icon; 2) "Delivery by: November 3"; and 3) Payment method showing "VISA Debit Card" with a masked card number. Below these sections is a light blue box containing an unchecked checkbox labeled "doxoPLUS Subscription". The text below the checkbox states: "Save \$3.50 on this payment with doxoPLUS", "doxoPLUS subscribers pay all their bills without payment delivery fees. Start today for \$5.99 per month (plus tax where applicable). Cancel anytime. By selecting the box above you agree to the User Terms of Service." At the bottom of the form is a large green button labeled "Send Payment" and a link "Show payment details".

⁴² FTC Complaint at ¶ 61.

1 70. Until February 2024, if consumers clicked on the link to Doxo’s User Terms of
2 Service, Doxo automatically clicked the box without alerting the consumer, causing users who did
3 not notice this change to be signed up for doxoPLUS.⁴³

4 71. In or around March 2020, Doxo altered the text of this clickbox to make the cost of
5 the doxoPLUS subscription less noticeable.⁴⁴

6 72. At the time the FTC Complaint was filed, Doxo promised in its subscription prompt
7 that “doxoPLUS subscribers pay all their bills without payment delivery fees,” but in fact Doxo
8 charges the same fees it charges to non-subscribers “for all credit card and many debit card
9 payments.⁴⁵

10 73. As of May 2024, Doxo has edited this message to say “doxoPLUS subscribers pay
11 for free with a Linked Bank, ACH and most debit cards.” However, Doxo still advertises “save
12 \$3.99 on this payment” even if the user pays with a credit card. Once a user is subscribed to
13 doxoPLUS, any subsequent credit card payments would not be free, which is not obvious at this
14 sign-up page:
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26 ⁴³ *Id.* at ¶ 62.

⁴⁴ *Id.* at ¶ 64.

⁴⁵ *Id.* at ¶ 65.


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Total charge

\$18.49

Includes \$3.99 Payment Delivery Fee

Delivery by: June 4

 Credit Card
***** [REDACTED]

☐ **Enroll in doxoPLUS**

Save \$3.99 on this payment with a doxoPLUS Subscription.
Only \$5.99 per month (plus tax where applicable).






doxoPLUS subscribers pay for free with a Linked Bank, ACH, and most debit cards. Includes \$1M Identity Theft Protection, Credit Monitoring and more. Cancel anytime.

By selecting the box above you agree to the [doxoPLUS Terms of Service](#). [Learn more about doxoPLUS benefits.](#)

Send Payment

[Hide payment details](#)

17 74. As of September 2024, Doxo again edited this message to say: “doxoPLUS
18 Subscription: Save \$3.99 on this payment and future payments are free with a Linked Bank, ACH,
19 and most debit cards.” However, Doxo still advertises “[s]ave \$3.99 on this payment” even if the
20 user pays with a credit card. Again, once a user is subscribed to doxoPLUS, any subsequent credit
21 card payments would not be free:
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| | | |
|---|------------|---|
| Total charge | |  |
| \$4.99 | | |
| Includes \$3.99 Payment Delivery Fee  | | |
| Delivery by: October 2 | |  |
|  | Debit Card |  |
| ***** [REDACTED] | | |

☐ **doxoPLUS Subscription**
 Save \$3.99 on this payment and future payments are free with a Linked Bank, ACH, and most debit cards.

 Subscribe today for \$5.99 per month (plus tax where applicable). Includes \$1M Identity Theft Protection, Credit Monitoring and more. Cancel anytime.

 By selecting the box above you agree to the [doxoPLUS Terms of Service](#). Learn more about [doxoPLUS benefits](#).

Send Payment

75. In a 2019 presentation attended by Shivers and Parks, Doxo executives informed the Board that a “large number of users who enter doxoPLUS as part of the pay flow[] are . . . confused about the value proposition,” and that there would be “much less risk of confusion or accidental subscriptions” if Doxo presented doxoPLUS as a standalone offer and not part of the bill payment flow.⁴⁶

76. Tens of thousands of consumers have complained directly to Doxo that they never signed up for a paid subscription and did not authorize any recurring charges. Among thousands of similar sentiments, consumers have expressed to Doxo that “I didn’t sign up for this,” “I wasn’t

⁴⁶ *Id.* at ¶ 66.

1 trying to set up anything monthly,” “I’m seeing charges that I didn’t authorize,” “I do not wish to
 2 use a service I didn’t sign up for,” “I didn’t sign up for that,” “I don’t know what [this charge] is
 3 for,” and “I didn’t expect that money to be coming out.”⁴⁷

4 77. In April 2020, Shivers and Parks were informed that 65% of doxoPLUS subscribers
 5 who cancelled either did not know they had a subscription or (wrongly) thought a subscription was
 6 required to use Doxo.⁴⁸

7 78. At a subsequent Board meeting, attended by Shivers and Parks, Doxo set a “long-
 8 term goal to eliminate users enrolling in doxoPLUS if [they] don’t understand the offer,” but, in
 9 the “near term,” the company opted to keep the enrollment flow as-is to preserve doxoPLUS
 10 subscription rates.⁴⁹

11 79. In a 2022 Board meeting, attended by Shivers and Parks, the Board was presented
 12 with a survey that found that “approximately 40% of consumers charged for a doxoPLUS
 13 subscription were not aware that they had a doxoPLUS account” and many other consumers “were
 14 unaware that the account came with recurring and bill payment fees.”⁵⁰

15 80. When consumers ask why they are being charged for an unwanted subscription
 16 service, Doxo representatives are trained to tell consumers “not that they affirmatively enrolled in
 17 doxoPLUS, but that a doxoPLUS account was ‘created’ when they ‘chose[] the free delivery
 18 option’ in their bill.”⁵¹

19 81. Doxo customer service representatives also attempt to dissuade users from
 20 cancelling by telling them the service can “help [them] save a lot of money on delivery fees” and
 21

22
 23
 24
 25 ⁴⁷ *Id.* at ¶ 67.

26 ⁴⁸ *Id.* at ¶ 68.

⁴⁹ *Id.*

⁵⁰ *Id.* at ¶ 69.

⁵¹ *Id.* at ¶ 70.

“eliminate delivery fees”—even though Doxo also charges many doxoPLUS subscribers delivery fees.⁵²

82. Despite being aware of consumer confusion and many unwanted paid subscriptions, Doxo refuses to change its doxoPLUS enrollment process and has enlisted third party services “to fight chargebacks from consumers who have disputed Doxo’s unauthorized doxoPLUS subscription fees.”⁵³

V. CLASS ACTION ALLEGATIONS

83. The Class asserts claims against Defendants for violating the Washington Consumer Protection Act (Count 1), unjust enrichment (Count 2), and declaratory relief under the Declaratory Judgment Act (Count 3).

84. Certification of Plaintiffs’ claims for classwide treatment is appropriate because Plaintiffs can prove the elements of their claims regarding liability and entitlement to injunctive relief and damages on a classwide basis using the same evidence as would be used to prove those elements in individual actions alleging the same claims.

A. Class Definitions

85. Pursuant to Federal Rule of Civil Procedure 23(b)(2) and (b)(3), as applicable, Plaintiffs seek certification of the following nationwide class (the “Class”):

All natural persons located in the United States who, within the Class Period: (a) provided credit card, debit card, bank account, or other financial account information to Doxo; and (b) were subsequently charged for Doxo products and/or services, including, but not limited to, Doxo’s bill pay service and its monthly subscription plan “doxoPLUS,” for the benefit of Doxo without the persons’ prior informed authorization or consent.

⁵² *Id.* at ¶ 71.

⁵³ *Id.* at ¶ 72.

86. The “Class Period” for purposes of these definitions, and subject to modification prior to class certification, is January 1, 2008, the date of Doxo’s incorporation, to the present.

87. Plaintiffs reserve the right to modify the definitions of the Class and Class Period prior to class certification.

88. Excluded from the Class are governmental entities, Defendants, Defendants’ affiliates, legal representatives, agents, parents, subsidiaries, employees, officers, directors, and immediate family members. Also excluded from the Class are any judicial officer presiding over this matter, members of their immediate family, and members of their judicial staff.

B. Requirements of Federal Rule of Civil Procedure 23

89. **Numerosity: Rule 23(a)(1).** On information and belief, there are at least tens of thousands of Class Members in the nationwide Class. Accordingly, the members of the Class are so numerous and geographically dispersed that individual joinder of all Class Members is impracticable. While the exact number of Class Members is unknown to Plaintiffs at this time, publicly available information including a lawsuit filed by the Federal Trade Commission reveals that, according to Doxo’s own internal surveys, tens of thousands of consumers have complained to Doxo that they were misled.⁵⁴ Further, Doxo boasts that it has “help[ed] over 10 million people break free from the burden of paying bills.”⁵⁵ Countless businesses and local governments have also warned their customers and residents against using Doxo and described their fraudulent business practices.⁵⁶ The names and addresses of Class Members are available from Doxo’s

⁵⁴ See FTC Complaint at 3.

⁵⁵ Doxo (2024), <https://www.doxo.com>.

⁵⁶ See, e.g., *Customer Warning About Doxo.com Third-Party Website*, Campbell Cnty. Health (Apr. 1, 2022), <https://www.cchwyo.org/news/2022/april/customer-warning-about-doxo-com-third-party-webs> (webpage instructing patients to pay medical bills directly to Campbell County Health and not to Doxo); *Doxo Bill Payment – Warning!*, Delaware Div. Revenue, <https://revenue.delaware.gov/doxo-bill-payment-warning> (last visited Sept. 27, 2024) (webpage instructing consumers to pay tax bills directly to the Delaware Department of Revenue and not to Doxo); *Customer Warning: Doxo.com Third-Party Payment Website*, Trussville Gas & Water, <https://trussville.com/customer-warning-doxo-com-third-party-payment-website> (last visited Sept. 27, 2024)

records, and Class Members may be notified of the pendency of this action by recognized, Court-approved notice dissemination methods.

90. **Commonality and Predominance: Rules 23(a)(2) and 23(b)(3).** This Class Action involves common questions of law or fact, which predominate over any questions affecting individual Class Members. Included within the common questions of law or fact are, without limitation:

1. Whether Defendants engaged in the conduct alleged herein;
2. Whether Defendants misrepresented that Doxo is an official payment channel;
3. Whether Defendants misrepresented, in connection with the advertising, marketing, promotion, or provision of Doxo's bill payment products or services, that consumers would pay the amount listed on their bill;
4. Whether Defendants failed to clearly disclose material terms or to procure consent before charging a consumer's credit card, debit card, bank account, or other financial account for Doxo bill payment products or services, including Doxo's paid subscription plans;
4. Whether one or more Defendants violated the Washington Consumer Protection Act, Wash. Rev. Code § 19.86 *et seq.*;
5. Whether one or more Defendants was unjustly enriched;
6. Whether Plaintiffs and other members of the Class were injured by Defendants' uniform unlawful conduct and, if so, the amount of damages owed to the Class;
7. The appropriate measure of any statutory remedies recoverable by the Class; and

(webpage instructing customers to pay utility bills directly to Trussville Gas & Water and not to Doxo); *Resident Warning: Doxo.com*, Town of Queensbury, N.Y., <https://www.queensbury.net/resident-warning-doxo-com> (last visited Sept. 27, 2024) (explaining that "Doxo.com is not affiliated with the Town of Queensbury in any way" and advising residents to pay bills directly to the Town of Queensbury and not to Doxo); *Doxo.com Notice*, Town of Payson, Ariz., <https://www.paysonaz.gov/departments/water-department/customer-service/frequently-asked-questions-faqs> (last visited Sept. 27, 2024) (explaining that Doxo is not affiliated with the Town of Payson and instructing residents to pay utility bills directly to the Town of Payson and not to Doxo); *Online Bill Pay Warning*, City of Anderson, Ind., <https://www.cityofanderson.com/1228/Online-Bill-Pay-Fraud> (last visited Sept. 27, 2024) ("Doxo.com is a web site that attempts to charge Utility customers for online bill payment services. They have no affiliation with the City of Anderson and are not authorized to be taking payments.").

8. The type and format of any injunctive relief.

91. **Typicality: Rule 23(a)(3).** Plaintiffs' claims are typical of other Class Members' claims because Plaintiffs and Class Members were subjected to the same allegedly unlawful conduct and harmed in the same way. Plaintiffs' damages and injuries are akin to those of other Class Members, and Plaintiffs seek relief consistent with the relief of the Class.

92. **Adequacy of Representation: Rule 23(a)(4).** Consistent with Rule 23(a)(4), Plaintiffs Mundle and Knight are adequate representatives of the Class because Plaintiffs are members of the Class and are committed to pursuing this matter against Defendants to obtain relief for the Class. Plaintiffs have no conflicts of interest with the Class. Plaintiffs' Counsel are competent and experienced in litigating class actions, including extensive experience in consumer protection litigation. Plaintiffs intend to vigorously prosecute this case and will fairly and adequately protect the interests of the Class.

93. **Predominance & Superiority. Rule 23(b)(3).** Consistent with Rule 23(b)(3), a class action is superior to any other available means for the fair and efficient adjudication of this controversy, and no unusual difficulties are likely to be encountered in the management of this class action. Common issues in this litigation also predominate over individual issues because the issues discussed in the above paragraph on commonality are more important to the resolution of this litigation than any individual issues. The purpose of class actions is to permit litigation against wrongdoers even when damages to individual Plaintiffs may not be sufficient to justify individual litigation. And here, the damages suffered by Plaintiffs and the Class are relatively small compared to the burden and expense required to individually litigate their claims against Doxo. As such, individual litigation to redress Defendants' wrongful conduct would be impracticable. Individual litigation by each Class Member would also strain the courts. Moreover, individual litigation creates the potential for inconsistent or contradictory judgments and increases the delay and

1 expense to all parties and the court system. Conversely, class actions present far fewer management
 2 difficulties and provide the benefits of a single adjudication, economies of scale, and
 3 comprehensive supervision by a single court.

4 94. **Risk of Prosecuting Separate Actions.** This case is appropriate for certification
 5 because prosecuting separate actions by individual proposed Class Members would create the risks
 6 of inconsistent adjudications and incompatible standards of conduct for Defendants.

7 95. **Ascertainability.** The Class is defined by reference to objective criteria, and there
 8 is an administratively feasible mechanism to determine who fits within the Class. The Class
 9 consists of consumers who were harmed by Doxo's deceptive practices by paying fees that were
 10 deceptively added to their bills and/or enrolling in unwanted paid subscription plans. Further,
 11 membership in the Class can be determined by using Doxo's records.

12 96. **Injunctive Relief.** Class certification is also appropriate under Rule 23(b)(2).
 13 Defendants, through their uniform conduct, acted or refused to act on grounds generally applicable
 14 to the Class as a whole, making injunctive relief appropriate to the Class. Injunctive relief is
 15 necessary to uniformly protect the Class Members from unknowingly using Doxo's service in the
 16 future and incurring unwanted charges for Doxo's purported bill payment products and services.
 17 Plaintiffs seek prospective injunctive relief as a wholly separate remedy from any monetary relief.

18 VI. **CLAIMS FOR RELIEF**

19 COUNT ONE — VIOLATIONS OF THE WASHINGTON CONSUMER PROTECTION 20 ACT, WASH. REV. CODE §§ 19.86.020, *ET. SEQ.* 21 (Against All Defendants)

22 97. Plaintiffs repeat and re-allege each and every allegation set forth above as if fully
 23 set forth herein.

24 98. Plaintiffs bring this claim on behalf of themselves and on behalf of the Class against
 25 Defendants.

1 99. Washington’s Consumer Protection Act (“Washington CPA”) broadly prohibits
 2 “[u]nfair methods of competition and unfair or deceptive acts or practices in the conduct of any
 3 trade or commerce.” Wash. Rev. Code § 19.86.020.

4 100. Defendants are “persons” as defined by Wash. Rev. Code § 19.86.010.

5 101. Defendants advertised, offered, or sold goods or services in Washington and
 6 engaged in trade or commerce directly or indirectly affecting the people of Washington, as defined
 7 by Wash. Rev. Code § 19.86.010(2).

8 102. Defendants engaged and continue to engage in unfair and deceptive acts and
 9 practices in the conduct of trade or commerce in violation of Wash. Rev. Code § 19.86.020 by,
 10 among other things, taking the following actions:

- 11 1. Misrepresenting that Doxo is an official payment channel, thereby
- 12 misleading and deceiving consumers;
- 13 2. Misrepresenting, in connection with the advertising, marketing,
- 14 promotion, or provision of Doxo’s bill payment products or services, that
- 15 consumers would pay the amount listed on their bill, thereby misleading
- 16 and deceiving consumers;
- 17 3. Deceptively failing to clearly disclose material terms or to procure consent
- 18 before charging a consumer’s credit card, debit card, bank account, or
- 19 other financial account for Doxo bill payment products or services,
- 20 including Doxo’s paid subscription plans;
- 21 4. Charging consumers for fees and subscription plans without their
- 22 knowledge or consent;
- 23 5. Misstating, omitting or concealing other material facts concerning Doxo’s
- 24 products and services, thereby further misleading and deceiving Doxo
- 25 consumers;
- 26 6. Continuing to take steps to collect payments from Plaintiffs and Class
- Members notwithstanding the above; and
7. Developing, implementing, and executing upon a scheme to accomplish
- all of the above.

103. Defendants' acts and omissions as alleged herein violate the Washington CPA because they: (1) are unfair or deceptive acts or practices; (2) are committed in the course of Defendants' business; (3) have a pervasive public interest impact and have the potential to deceive a substantial portion of the public; and (4) have caused injury to Plaintiffs and Class Members in their business and/or property.

104. As a direct result of Defendants' deceptive acts and practices as alleged herein, Plaintiffs and Class Members paid for unwanted and unnecessary services and, in certain cases, paid late fees to their billers because of Doxo's belated payment to billers. Defendants' actions and inactions as alleged herein are the proximate cause of injury to Plaintiffs and the Class.

105. Defendants are liable to Plaintiffs and the Class for damages in amounts to be proven at trial, including reasonable attorneys' fees, costs, and treble damages, as well as any other remedies the Court may deem appropriate under Wash. Rev. Code § 19.86.090.

106. Members of the Class who reside and who used Doxo's services outside the State of Washington have standing to bring claims against Defendants for violations of the Washington CPA. The Washington CPA has extraterritorial jurisdiction and application, permitting out-of-state Plaintiffs to bring claims against businesses located in Washington State. *See Thornell v. Seattle Serv. Bureau, Inc.*, 184 Wash.2d 793, 804 (2015) ("Under the CPA, an out-of-state plaintiff may bring a claim against a Washington corporate defendant for allegedly deceptive acts."). Thus, victims of the conduct alleged herein who lived and used Doxo's services outside the State of Washington have enforceable rights under the Washington CPA.

COUNT TWO — UNJUST ENRICHMENT (Against All Defendants)

107. Plaintiffs repeat and re-allege each and every allegation set forth above as if fully set forth herein.

1 108. Plaintiffs bring this claim on behalf of themselves and on behalf of the Class against
2 Defendants.

3 109. Defendants, including Shivers and Parks, have received financial benefits from
4 Doxo's deceptive and unjust practices of charging Plaintiffs and Class Members unwanted fees
5 and unwanted paid subscription plans for Doxo's purported products and services.
6

7 110. Defendants' conduct demonstrates a purposeful plan to enrich themselves without
8 providing any benefit to Plaintiffs and Class Members. As alleged above, Defendants designed
9 Doxo to disguise itself as the official payment channel for consumers to pay their bills. Plaintiffs
10 and Class Members were duped into using Doxo's platform, through deceptive advertisements and
11 a misleading interface, and were led to believe they will pay the amount listed on their bill. But to
12 the surprise of Plaintiffs and Class Members, Doxo, at the end of the bill payment flow, charged
13 additional fees in excess of their bill and/or fees for unwanted paid subscription plans.
14

15 111. Defendants, including Shivers and Parks, have received and retained unjust benefits
16 from Plaintiffs and Class Members for these unwanted fees and unwanted paid subscription plans,
17 resulting in inequity. It is unconscionable, and inequitable, for Defendants to retain these benefits.
18

19 112. Defendants knowingly accepted the unjust benefits of their fraudulent conduct.
20

21 113. Equity in good conscience cannot permit Defendants to be financially and
22 economically enriched for their unjust actions at Plaintiffs' and the Class's expense.
23

24 114. Plaintiffs and the Class are entitled to restitution and/or disgorgement of
25 Defendants' ill-gotten gains as a result of the unjust enrichment described herein.
26

**COUNT THREE — DECLARATORY RELIEF UNDER THE DECLARATORY
JUDGMENT ACT, 28 U.S.C. § 2201
(Against All Defendants)**

115. Plaintiffs repeat and re-allege each and every allegation set forth above as if fully set forth herein.

116. Under the Declaratory Judgment Act, 28 U.S.C. § 2201 *et seq.*, this Court is authorized to enter a judgment declaring the rights and legal relations of the parties and grant further necessary relief. This Court has broad authority to restrain acts, such as here, that violate the terms of the Washington CPA as described in this Complaint.

117. An actual and existing dispute exists between Plaintiffs and Defendants which involves direct and substantial interests.

118. Doxo's statements on its website have a tendency to mislead and deceive members of the Class. Such misleading statements include: (1) misrepresenting that Doxo is an official payment channel; (2) misrepresenting that consumers would pay the amount listed on their bill; and (3) failing to clearly disclose material terms or to procure consent before charging a consumer's payment method for Doxo bill payment products or services, including Doxo's paid subscription plans, among other deceptive statements.

119. Plaintiffs continue to suffer injury because of Defendants' deceptive practices that result in charging consumers for fees and subscription plans without their knowledge or consent.

120. Pursuant to its authority under the Declaratory Judgment Act, this Court should enter a judgment declaring Plaintiffs' rights and legal relations under the Washington CPA.

121. A judicial determination will be final and conclusive of Plaintiffs' rights under the Washington CPA.

1 122. The Court should also issue corresponding prospective injunctive relief to prevent
2 future violations of the Washington CPA. The Court should enter an injunction requiring, among
3 other things, the following:

4 A. Defendants clearly disclose on all pages of the Doxo platform that it is not
5 an official payment channel for consumers to pay their bills;

6 B. Defendants cease to purchase online advertisements displayed on search
7 engines that misdirect consumers who seek to pay bills online on their biller's official
8 website, rather than through Doxo;

9 C. Defendants clearly disclose all material terms before charging a consumer's
10 payment method for Doxo bill payment products or services, including Doxo's paid
11 subscription plans;

12 D. Defendants procure consent before charging a consumer's payment method
13 for Doxo bill payment products or services, including Doxo's paid subscription plans;

14 123. If an injunction is not issued, Plaintiffs will suffer irreparable injury and lack an
15 adequate legal remedy.

16 124. The hardship to Plaintiffs if an injunction does not issue exceeds the hardship to
17 Doxo if an injunction is issued. Absent injunctive relief, Plaintiffs and Class Members will
18 continue to unknowingly pay for Defendants' unwanted bill payment products or services,
19 including Doxo's paid subscription plan. Conversely, the cost to Defendants of complying with an
20 injunction requiring proper disclosure of all material terms and ceasing of all deceptive practices
21 is relatively minimal.

22 125. Issuance of the requested injunction will not disserve the public interest. To the
23 contrary, such an injunction would benefit the public by preventing consumers from unknowingly
24

1 paying for Doxo products and services without their consent, thus eliminating the additional
 2 injuries that would surely result to Plaintiffs and Class Members absent an injunction.

3 **VII. CONCLUSION AND PRAYER FOR RELIEF**

4 126. For these reasons, Plaintiffs and the Class seek an order certifying and allowing this
 5 case to proceed as a class action with Plaintiffs Mundle and Knight as class representatives for the
 6 Class and the undersigned counsel as class counsel. Plaintiffs ask for an order awarding Plaintiffs
 7 and the Class the following relief against Defendants:
 8

- 9 (a) Declaratory and injunctive relief;
- 10 (b) Court costs;
- 11 (c) Actual damages in an amount to be proven at trial;
- 12 (d) Statutory treble damages;
- 13 (e) Punitive damages;
- 14 (f) Disgorgement;
- 15 (g) Restitution;
- 16 (h) Pre- and post-judgment interest;
- 17 (i) Reasonable investigative and attorneys' fees; and
- 18 (j) All other relief, general or special, at law or in equity to which Plaintiffs
 19 and the Class are justly entitled.

20 **VIII. JURY DEMAND**

21 127. Pursuant to Federal Rule of Civil Procedure 38(b), Plaintiffs hereby demand a trial
 22 by jury on all claims so triable.
 23

24 Dated: September 30, 2024.

Respectfully submitted,

25 **COTCHETT PITRE & MCCARTHY**
 26 **L.L.P.**

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