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8 *and Proposed Classes*

9 **UNITED STATES DISTRICT COURT**

10 **FOR THE CENTRAL DISTRICT OF CALIFORNIA**

11 ARTHI NAINI, individually and on  
12 behalf of all others similarly situated,

13 Plaintiff,

14 vs.

15 DELTA AIR LINES, INC., a  
16 Delaware Corporation; and DOES 1  
17 to 10, inclusive;

18 Defendant.

CASE NO.:

**CLASS ACTION COMPLAINT**

1. BREACH OF IMPLIED CONTRACT
2. NEGLIGENCE
3. VIOLATION OF CALIFORNIA’S UNFAIR COMPETITION LAW CAL. BUS. & PROF. CODE § 17200 - UNLAWFUL BUSINESS PRACTICES
4. VIOLATION OF CALIFORNIA’S UNFAIR COMPETITION LAW CAL. BUS. & PROF. CODE §17200 UNFAIR BUSINESS PRACTICES
5. VIOLATION OF CALIFORNIA’S UNFAIR COMPETITION LAW CAL. BUS. & PROF. CODE §17200 FRAUDULENT/DECEPTIVE BUSINESS PRACTICES
6. UNFAIR AND DECEPTIVE BUSINESS PRACTICES
7. CONSTITUTIONAL INVASION OF PRIVACY
8. NEGLIGENCE *PER SE*
9. BREACH OF COVENANT OF DUTY OF GOOD FAITH AND FAIR DEALING
10. VIOLATION OF STATE DATA BREACH ACTS

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1 Plaintiff Arthi Naini (“Plaintiff”), individually and on behalf of all others  
2 similarly situated, allege the following on information and belief, except that  
3 Plaintiff’s allegations as to their own actions are based on personal knowledge.

4 **NATURE OF THE ACTION**

5 1. In April, 2018, Delta Airlines, Inc. (“Delta”) announced that its  
6 customer service company had suffered a malware attack last fall and hundreds of  
7 thousands of Delta customers that used the customer service company from  
8 September 26, 2017 to October 12, 2017 is likely to be affected.

9 2. Plaintiff, individually and on behalf of those similarly situated persons  
10 (hereafter “Class Members”), brings this Class Action to secure redress against  
11 Delta, for its reckless and negligent violation of customer privacy rights. Plaintiff  
12 and Class Members are former customers who made reservations for flights and/or  
13 other travel services with Delta during the period of September 26, 2017 to October  
14 12, 2017.

15 3. Plaintiff and Class Members suffered injury. The security breach  
16 compromised customers’ full name, credit and debit card account numbers, card  
17 expiration dates, card verification codes, email, phone number, address, and other  
18 private identifiable information (“PII”).

19 4. As a result of Delta’s wrongful actions and inactions, customer  
20 information was stolen. Many of the customers who booked flights and/or other  
21 travel related services offered Delta have had their PII compromised, have had their  
22 privacy rights violated, have been exposed to the risk of fraud and identify theft,  
23 and have otherwise suffered damages.

24 **THE PARTIES**

25 5. Plaintiff Arthi Naini (“Plaintiff”) is a California citizen residing in Los  
26 Angeles, California.

27 6. Plaintiff brings this action on her own behalf and on behalf of all others  
28 similarly situated, namely all other individuals who had booked flights, and/or other

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1 travel related services offered by Delta during the period of September 26, 2017 to  
2 October 12, 2017.

3 7. Defendant Delta Air Lines, Inc. (“Delta”) is a is a Delaware limited  
4 liability company with a principal place of business at 1030 Delta Boulevard,  
5 Atlanta, Georgia 30320.

6 8. It is believed that Delta provides online travel reservation and related  
7 services to consumers and local partners through its website and through mobile  
8 applications and provide air transportation to consumers. Delta also maintains a  
9 hub at the Los Angeles International Airport.

10 9. Unless otherwise stated, all Defendants are collectively referred to  
11 herein as “Defendants.” Plaintiff is informed and alleges that at all relevant times  
12 Defendants shared common management, officers, owners, and directors, and that  
13 they carried out a joint scheme, business plan, or policy, and that acts or omissions  
14 of each are attributable to the other. Plaintiff is informed and alleges that at all  
15 relevant times Defendants did business in the state of California. Plaintiff is  
16 informed and alleges that each and every of the acts and omissions alleged herein  
17 were performed by, and/or attributable to, all Defendants, each acting as agents  
18 and/or employees, and/or under the direction and control of each of the other  
19 Defendants, and that said acts and failures to act were within the course and scope  
20 of said agency, employment and/or direction and control.

21 10. Whenever and wherever reference is made in this Complaint to any act  
22 by a Defendant or Defendants, such allegations and reference shall also be deemed  
23 to mean the acts and failures to act of each Defendant acting individually, jointly,  
24 and severally.

25 **JURISDICTION AND VENUE**

26 11. This Court has subject matter jurisdiction over the state law claims  
27 asserted here pursuant to the Class Action Fairness Act, 28 U.S.C. § 1332(d)(2),  
28 since some of the Class Members are citizens of a State different from the

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1 Defendant and, upon the original filing of this complaint, members of the putative  
2 Plaintiff class resided in states around the country; there are more than 100 putative  
3 class members; and the amount in controversy exceeds \$5 million.

4 12. The Court also has personal jurisdiction over the Parties because  
5 Defendants conduct a major part of their national operations with regular and  
6 continuous business activity in California, with an advertising budget both not  
7 exceeded in other jurisdictions throughout the United States.

8 13. Venue is appropriate because, among other things: (a) Plaintiff is a  
9 resident of this District and a citizen of this state; (b) the Defendants had directed  
10 their activities at residents in this District; (b) the acts and omissions that give rise  
11 to this Action took place, among others, in this judicial district.

12 14. Venue is further appropriate pursuant to 28 U.S.C. § 1391 because  
13 Defendants conduct a large amount of their business in this District, and Defendants  
14 have substantial relationships in this District. Venue is also proper in this Court  
15 because a substantial part of the events and omissions giving rise to the harm of the  
16 Class Members occurred in this District.

17 **SUBSTANTIVE ALLEGATIONS**

18 ***A. The Delta Data Breach.***

19 15. On or about April 6, 2018, Delta sent notice to credit card users stating  
20 that Delta's customer service company was hacked by malware and that any  
21 transactions made with Delta from September 26, 2017 to October 12, 2017 may  
22 be affected.

23 ***B. Stolen Information Is Valuable to Hackers and Thieves.***

24 16. It is well known, and the subject of many media reports, that payment  
25 card data is highly coveted and a frequent target of hackers. Especially in the  
26 technology industry, the issue of data security and threats thereto, is well known.  
27 Despite well-publicized litigation and frequent public announcements of data  
28 breaches, Defendants opted to maintain an insufficient and inadequate system to

1 protect the payment information of Plaintiff and Class Members. It is well known,  
2 and the subject of many media reports, that PII is highly coveted and a frequent  
3 target of hackers. Despite well-publicized litigation and frequent public  
4 announcements of data breaches, Defendants and its affiliates opted to maintain an  
5 insufficient and inadequate system to protect the PII of Plaintiff and Class Members.

6 17. Legitimate organizations and criminal underground alike recognize  
7 the value of PII. Otherwise, they would not aggressively seek or pay for it. As  
8 previously seen in one of the world's largest data breaches, hackers compromised  
9 the card holder data of 40 million of Target's customers. *See* "Target: 40 million  
10 credit cards compromised," CNN Money, Dec. 19, 2013, *available at*  
11 <http://money.cnn.com/2013/12/18/news/companies/target-credit-card/>, attached  
12 hereto as **Exhibit A**.

13 18. Credit or debit card information is highly valuable to hackers. Credit  
14 and debit card information that is stolen from the point of sale are known as  
15 "dumps." *See* Krebs on Security April 16, 2016, Blog Post, *available at*  
16 <https://krebsonsecurity.com/2016/04/all-about-fraud-how-crooks-get-the-cvv/>,  
17 attached hereto as **Exhibit B**. Credit and debit card dumps can be sold in the  
18 cybercrime underground for a retail value of about "\$20 apiece." *Id.* This  
19 information can also be used to clone a debit or credit card. *Id.*

20 ***C. The Data Breach Has and Will Result in Additional Identity Theft and***  
21 ***Identity Fraud***

22 19. Defendants failed to implement and maintain reasonable security  
23 procedures and practices appropriate to protect the PII of Plaintiff and the Class  
24 Members.

25 20. The ramification of Defendants' failure to keep Plaintiff's and Class  
26 Members' data secure is severe.

27 21. According to Javelin Strategy and Research, "one in every three people  
28 who is notified of being a potential fraud victim becomes one . . . with 46% of

1 consumers who had cards breached becoming fraud victims that same year.”  
2 “Someone Became an Identity Theft Victim Every 2 Seconds Last Year,” Fox  
3 Business, Feb. 5, 2014 *available* at [http://www.foxbusiness.com/personal-](http://www.foxbusiness.com/personal-finance/2014/02/05/someone-became-identitytheft-victim-every-2-seconds-last-year.html)  
4 [finance/2014/02/05/someone-became-identitytheft-victim-every-2-seconds-last-](http://www.foxbusiness.com/personal-finance/2014/02/05/someone-became-identitytheft-victim-every-2-seconds-last-year.html)  
5 [year.html](http://www.foxbusiness.com/personal-finance/2014/02/05/someone-became-identitytheft-victim-every-2-seconds-last-year.html), attached hereto as **Exhibit C**.

6 22. It is incorrect to assume that reimbursing a consumer for a financial  
7 loss due to fraud makes that individual whole again. On the contrary, after  
8 conducting a study, the Department of Justice’s Bureau of Justice Statistics (“BJS”)  
9 found that “among victims who had personal information used for fraudulent  
10 purposes, 29% spent a month or more resolving problems.” *See* “Victims of  
11 Identity Theft,” U.S. Department of Justice, Dec 2013, *available* at  
12 <https://www.bjs.gov/content/pub/pdf/vit12.pdf>, attached hereto as **Exhibit D**. In  
13 fact, the BJS reported, “resolving the problems caused by identity theft [could] take  
14 more than a year for some victims.” *Id.* at 11.

15 ***D. Annual Monetary Losses from Identity Theft are in the Billions of***  
16 ***Dollars***

17 23. Javelin Strategy and Research reports that losses from identity theft  
18 reached \$21 billion in 2013. *See* 2013 Identity Fraud Report, attached hereto as  
19 **Exhibit E**. There may be a time lag between when harm occurs and when it is  
20 discovered, and also between when PII is stolen and when it is used. According to  
21 the U.S. Government Accountability Office (“GAO”), which conducted a study  
22 regarding data breaches:

23 [L]aw enforcement officials told us that in some cases, stolen data may  
24 be held for up to a year or more before being used to commit identity  
25 theft. Further, once stolen data have been sold or posted on the Web,  
26 fraudulent use of that information may continue for years. As a result,  
27 studies that attempt to measure the harm resulting from data breaches  
28 cannot necessarily rule out all future harm.

1 See GAO, Report to Congressional Requesters, at 33 (June 2007), *available* at  
2 <http://www.gao.gov/new.items/d07737.pdf>, attached hereto as **Exhibit F**.

3 24. Plaintiff and Class Members now face years of constant surveillance  
4 of their financial and personal records, monitoring, and loss of rights. The Class is  
5 incurring and will continue to incur such damages in addition to any fraudulent  
6 credit and debit card charges incurred by them and the resulting loss of use of their  
7 credit and access to funds, whether or not such charges are ultimately reimbursed  
8 by the credit card companies.

9 ***E. Plaintiff and Class Members Suffered Damages***

10 25. The data breach was a direct and proximate result of Defendants'  
11 failure to properly safeguard and protect Plaintiff's and Class Members' PII from  
12 unauthorized access, use, and disclosure, as required by various state and federal  
13 regulations, industry practices, and the common law. The data breach was also a  
14 result of Defendants' failure to establish and implement appropriate administrative,  
15 technical, and physical safeguards to ensure the security and confidentiality of  
16 Plaintiff's and Class Members' PII to protect against reasonably foreseeable threats  
17 to the security or integrity of such information.

18 26. Plaintiff's and Class Members' PII is private and sensitive in nature  
19 and was inadequately protected by Defendants. Defendants did not obtain  
20 Plaintiff's and Class Members' consent to disclose their PII, except to certain  
21 persons not relevant to this action, as required by applicable law and industry  
22 standards.

23 27. As a direct and proximate result of Defendants' wrongful action and  
24 inaction and the resulting data breach, Plaintiff and Class Members have been  
25 placed at an imminent, immediate, and continuing risk of harm from identity theft  
26 and identity fraud, requiring them to take the time and effort to mitigate the actual  
27 and potential impact of the subject data breach on their lives by, among other things,  
28 placing "freezes" and "alerts" with credit reporting agencies, contacting their



1 financial institutions, closing or modifying financial accounts, and closely  
2 reviewing and monitoring their credit reports and accounts for unauthorized  
3 activity.

4 28. Defendants' wrongful actions and inaction directly and proximately  
5 caused the theft and dissemination into the public domain of Plaintiff's and Class  
6 Members' PII, causing them to suffer, and continue to suffer, economic damages  
7 and other actual harm for which they are entitled to compensation, including:

- 8 a. Theft of their PII;
- 9 b. The imminent and certainly impending injury flowing from potential  
10 fraud and identity theft posed by their PII being placed in the hands of  
11 criminals and already misused via the sale of Plaintiff's and Class  
12 Members' information on the Internet black market;
- 13 c. The untimely and inadequate notification of the data breach;
- 14 d. The improper disclosure of their PII;
- 15 e. Loss of privacy;
- 16 f. Ascertainable losses in the form of out-of-pocket expenses and the  
17 value of their time reasonably incurred to remedy or mitigate the effects  
18 of the data breach;
- 19 g. Ascertainable losses in the form of deprivation of the value of their PII,  
20 for which there is a well-established national and international market;
- 21 h. Overpayments to Defendants for booking and purchase during the  
22 subject data breach in that a portion of the price paid for such booking  
23 by Plaintiff and Class Members to Defendants was for the costs of  
24 reasonable and adequate safeguards and security measures that would  
25 protect customers' PII, which Defendants did not implement and, as a  
26 result, Plaintiff and Class Members did not receive what they paid for  
27 and were overcharged by Defendants; and
- 28 i. Deprivation of rights they possess under the Unfair Competition Laws.



1 **CLASS ACTION ALLEGATIONS**

2 29. Plaintiff bring this action on their own behalf and pursuant to the  
3 Federal Rules of Civil Procedure Rule 23(a), (b)(2), (b)(3), and (c)(4), Plaintiff  
4 seeks certification of a Nationwide class and a California class. The nationwide  
5 class is initially defined as follows:

6 All persons residing in the United States who made a reservation  
7 or booking with Delta and/or flew with Delta from the time  
8 period September 26, 2017 to October 12, 2017 (the  
9 “Nationwide Class”).

10 The California class is initially defined as follows:

11 All persons residing in California who made a reservation or  
12 booking with Delta and/or flew with Delta from the time period  
13 September 26, 2017 to October 12, 2017 (the “California  
14 Class”).

15 30. Excluded from each of the above Classes are Defendants, including  
16 any entity in which Defendants have a controlling interest, is a parent or subsidiary,  
17 or which is controlled by Defendants, as well as the officers, directors, affiliates,  
18 legal representatives, heirs, predecessors, successors, and assigns of Defendants.  
19 Also excluded are the judges and court personnel in this case and any members of  
20 their immediate families. Plaintiff reserves the right to amend the Class definitions  
21 if discovery and further investigation reveal that the Classes should be expanded or  
22 otherwise modified.

23 31. *Numerosity*. Fed. R. Civ. P. 23(a)(1). The members of the Classes are  
24 so numerous that the joinder of all members is impractical. While the exact number  
25 of Class Members is unknown to Plaintiff at this time, Defendants’ have  
26 acknowledged that customers’ PII was stolen for a period of two weeks. The  
27 disposition of the claims of Class Members in a single action will provide  
28 substantial benefits to all parties and to the Court. The Class Members are readily

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1 identifiable from information and records in Defendants’ possession, custody, or  
2 control, such as reservation receipts and confirmations.

3 32. *Commonality.* Fed. R. Civ. P. 23(a)(2) and (b)(3). There are questions  
4 of law and fact common to the Classes, which predominate over any questions  
5 affecting only individual Class Members. These common questions of law and fact  
6 include, without limitation:

- 7 a. Whether Defendants owed a duty of care to Plaintiff and Class  
8 Members with respect to the security of their personal information;
- 9 b. Whether Defendants took reasonable steps and measures to safeguard  
10 Plaintiff’s and Class Members’ personal information;
- 11 c. Whether Defendants violated California’s Unfair Competition Law by  
12 failing to implement reasonable security procedures and practices;
- 13 d. Whether Defendants violated common and statutory law by failing to  
14 promptly notify Class Members their Private Identifiable Information  
15 had been compromised;
- 16 e. Which security procedures and which data-breach notification  
17 procedure should Defendants be required to implement as part of any  
18 injunctive relief ordered by the Court;
- 19 f. Whether Defendants have an implied contractual obligation to use  
20 reasonable security measures;
- 21 g. Whether Defendants have complied with any implied contractual  
22 obligation to use reasonable security measures;
- 23 h. Whether Defendants’ acts and omissions described herein give rise to  
24 a claim of negligence;
- 25 i. Whether Defendants’ knew or should have known of the security  
26 breach prior to the disclosure;

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- 1 j. Whether Defendants’ had a duty to promptly notify Plaintiff and Class  
2 Members that their personal information was, or potentially could be,  
3 compromised;
- 4 k. What security measures, if any, must be implemented by Defendants  
5 to comply with their implied contractual obligations;
- 6 l. Whether Defendants violated California’s privacy laws in connection  
7 with the acts and omissions described herein;
- 8 m. What the nature of the relief should be, including equitable relief, to  
9 which Plaintiff and the Class Members are entitled;
- 10 n. Whether Defendants willfully and/or negligently violated the Fair  
11 Credit Reporting Act, 15 U.S.C. § 1681, *et seq.*; and
- 12 o. Whether Plaintiff and the Class are entitled to damages, civil penalties,  
13 punitive damages, and/or injunctive relief.

14 33. *Typicality*. Fed. R. Civ. P. 23(a)(3). Plaintiff’s claims are typical of  
15 those of other Class Members because Plaintiff’s PII, like that of every other Class  
16 Member, was misused and/or disclosed by Defendants.

17 34. *Adequacy of Representation*. Fed. R. Civ. P. 23(a)(4). Plaintiff will  
18 fairly and adequately represent and protect the interests of the members of the Class.  
19 Plaintiff has retained competent counsel experienced in litigation of class actions,  
20 including consumer and data breach class actions, and Plaintiff intend to prosecute  
21 this action vigorously. Plaintiff’s claims are typical of the claims of other members  
22 of the Class and Plaintiff has the same non-conflicting interests as the other  
23 Members of the Class. The interests of the Class will be fairly and adequately  
24 represented by Plaintiff and his counsel.

25 35. *Superiority of Class Action*. Fed. R. Civ. P. 23(b)(3). A class action is  
26 superior to other available methods for the fair and efficient adjudication of this  
27 controversy since joinder of all the members of the Classes is impracticable.  
28 Furthermore, the adjudication of this controversy through a class action will avoid

1 the possibility of inconsistent and potentially conflicting adjudication of the  
2 asserted claims. There will be no difficulty in the management of this action as a  
3 class action.

4 36. Damages for any individual class member are likely insufficient to  
5 justify the cost of individual litigation so that, in the absence of class treatment,  
6 Defendants’ violations of law inflicting substantial damages in the aggregate would  
7 go un-remedied.

8 37. Class certification is also appropriate under Fed. R. Civ. P. 23(a) and  
9 (b)(2), because Defendants have acted or refused to act on grounds generally  
10 applicable to the Classes, so that final injunctive relief or corresponding declaratory  
11 relief is appropriate as to the Classes as a whole.

12 **COUNT I**

13 **Breach of Implied Contract**

14 (On Behalf of Plaintiff and the Nationwide and California Classes)

15 38. Plaintiff alleges and incorporates herein by reference, each and every  
16 allegation contained in paragraphs 1 through 37, inclusive of this Complaint as if  
17 set forth fully herein.

18 39. Defendants solicited and invited Plaintiff and the members of the Class  
19 to make flight and/or other travel related reservations with Delta. Plaintiff and Class  
20 Members accepted Defendants’ offers and made reservations with Delta.

21 40. When Plaintiff and Class Members made reservations with Delta, they  
22 provided their Private Identifiable Information. In so doing, Plaintiff and Class  
23 Members entered into implied contracts with Defendants pursuant to which  
24 Defendants agreed to safeguard and protect such information and to timely and  
25 accurately notify Plaintiff and Class Members if their data had been breached and  
26 compromised.

27 41. Each reservation by Plaintiff and Class Members was made pursuant  
28 to the mutually agreed-upon implied contract with Defendants under which

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1 Defendants agreed to safeguard and protect Plaintiff's and Class Members' PII and  
2 to timely and accurately notify them if such information was compromised or  
3 stolen.

4 42. Plaintiff and Class Members would not have provided and entrusted  
5 their PII to Defendants in the absence of the implied contract.

6 43. Plaintiff and Class Members fully performed their obligations under  
7 the implied contracts with Defendants.

8 44. Defendants breached the implied contracts they made with Plaintiff  
9 and Class Members by failing to safeguard and protect the PII of Plaintiff and Class  
10 Members and by failing to provide timely and accurate notice to them that their PII  
11 was compromised as a result of the data breach.

12 45. As a direct and proximate result of Defendants' breaches of the implied  
13 contracts between Defendants and Plaintiff and Class Members, Plaintiff and Class  
14 Members sustained actual losses and damages as described in detail above.

15 **COUNT II**

16 **Negligence**

17 (On Behalf of Plaintiff and the Nationwide and California Classes)

18 46. Plaintiff alleges and incorporates herein by reference, each and every  
19 allegation contained in paragraphs 1 through 37, inclusive of this Complaint as if  
20 set forth fully herein.

21 47. Upon accepting Plaintiff's and Class Members' PII in their respective  
22 system, Defendants undertook and owed a duty to Plaintiff and Class Members to  
23 exercise reasonable care to secure and safeguard that information from being  
24 compromised, lost, stolen, misused, and or/disclosed to unauthorized parties, and to  
25 utilize commercially reasonable methods to do so. This duty included, among other  
26 things, designing, maintaining, and testing Defendants' security systems to ensure  
27 that Plaintiff's and the Class Members' PII was adequately secured and protected.

28 48. Defendants further had a duty to implement processes that would

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1 detect a breach of its security system in a timely manner.

2 49. Defendants had a duty to timely disclose to Plaintiff and Class  
3 Members that their PII had been or was reasonably believed to have been  
4 compromised. Timely disclosure was appropriate so that, among other things,  
5 Plaintiff and Class Members could take appropriate measures to avoid use of bank  
6 funds, and monitor their account information and credit reports for fraudulent  
7 activity.

8 50. Defendants breached its duty to discover and to notify Plaintiff and  
9 Class Members of the unauthorized access by failing to discover the security breach  
10 within reasonable time and by failing to notify Plaintiff and Class Members of the  
11 breach until April, 2018. To date, Defendants have not provided sufficient  
12 information to Plaintiff and Class Members regarding the extent and scope of the  
13 unauthorized access and continues to breach its disclosure obligations to Plaintiff  
14 and the Class.

15 51. Defendants also breached their duty to Plaintiff and Class Members to  
16 adequately protect and safeguard this information by knowingly disregarding  
17 standard information security principles, despite obvious risks, and by allowing  
18 unmonitored and unrestricted access to unsecured PII. Furthering its negligent  
19 practices, Defendants failed to provide adequate supervision and oversight of the  
20 PII, in spite of the known risk and foreseeable likelihood of breach and misuse,  
21 which permitted a third party to gather Plaintiff's and Class Members' PII, misuse  
22 the PII, and intentionally disclose it to others without consent.

23 52. Through Defendants' acts and omissions described in this Complaint,  
24 including Defendants' failure to provide adequate security and its failure to protect  
25 Plaintiff's and Class Members' PII from being foreseeably captured, accessed,  
26 disseminated, stolen, and misused, Defendants unlawfully breached their duty to  
27 use reasonable care to adequately protect and secure Plaintiff's and Class Members'  
28 PII during the time it was within Defendants' control.

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1 53. Further, through its failure to timely discover and provide clear  
2 notification of the data breach to consumers, Defendants prevented Plaintiff and  
3 Class Members from taking meaningful, proactive steps to secure their PII.

4 54. Upon information and belief, Defendants improperly and inadequately  
5 safeguarded the PII of Plaintiff and Class Members that deviated from standard  
6 industry rules, regulations, and practices at the time of the data breach.

7 55. Defendants’ failure to take proper security measures to protect Plaintiff  
8 and Class Members’ sensitive PII as described in this Complaint, created conditions  
9 conducive to a foreseeable, intentional criminal act, namely the unauthorized access  
10 of Plaintiff’s and Class Members’ PII.

11 56. Defendants’ conduct was grossly negligent and departed from all  
12 reasonable standards of care, including, but not limited to: failing to adequately  
13 protect the PII; failing to conduct adequate regular security audits; failing to provide  
14 adequate and appropriate supervision of persons having access to Plaintiff’s and  
15 Class Members’ PII.

16 57. Neither Plaintiff nor the other Class Members contributed to the data  
17 breach and subsequent misuse of their PII as described in this Complaint. As a  
18 direct and proximate result of Defendants’ negligence, Plaintiff and Class Members  
19 sustained actual losses and damages as described in detail above.

20 **COUNT III**

21 **Violation of California’s Unfair Competition Law Cal. Bus. & Prof. Code §**  
22 **17200 Unlawful Business Practices**

23 (On Behalf of Plaintiff and California Class)

24 58. Plaintiff alleges and incorporates herein by reference, each and every  
25 allegation contained in paragraphs 1 through 37, inclusive of this Complaint as if  
26 set forth fully herein

27 59. Defendants have violated Cal. Bus. and Prof. Code §17200 et seq. by  
28 engaging in unlawful, unfair or fraudulent business acts and practices and unfair,



1 deceptive, untrue or misleading advertising that constitute acts of “unfair  
2 competition” as defined in Cal. Bus. Prof. Code §17200. Defendants engaged in  
3 unlawful acts and practices with respect to its services by establishing the sub-  
4 standard security practices and procedures described herein; by soliciting and  
5 collecting Plaintiff’s and Class Members’ PII with knowledge that the information  
6 would not be adequately protected; and by gathering Plaintiff’s and Class Members’  
7 PII in an unsecure electronic environment in violation of California’s data breach  
8 statute, Cal. Civ. Code § 1798.81.5, which requires Defendants to take reasonable  
9 steps to safeguard the PII of Plaintiff and the Class Members.

10 60. In addition, Defendants engaged in unlawful acts and practices with  
11 respect to its services by failing to discover and then disclose the data breach to  
12 Plaintiff and Class Members in a timely and accurate manner, contrary to the duties  
13 imposed by Cal. Civ. Code § 1798.82. To date, Defendants have not provided such  
14 sufficient information to Plaintiff and the Class Members.

15 61. As a direct and proximate result of Defendants unlawful acts and  
16 practices, Plaintiff and the Class Members were injured and lost money or property,  
17 including but not limited to the loss of their legally protected interest in the  
18 confidentiality and privacy of their PII, and additional losses described above.

19 62. Defendants knew or should have known that their system had been  
20 breached and data security practices were inadequate to safeguard Plaintiff’s and  
21 Class Members’ PII and that the risk of a data breach or theft was highly likely.  
22 Defendants’ actions in engaging in the above-named unlawful practices and acts  
23 were negligent, knowing and willful, and/or wanton and reckless with respect to the  
24 rights of Plaintiff and Class Members.

25 63. Plaintiff and members of the Classes seek relief under Cal. Bus. &  
26 Prof. Code § 17200, *et. seq.*, including, but not limited to, restitution to Plaintiff and  
27 Class Members of money or property that Defendants may have acquired by means  
28 of its unlawful, and unfair business practices, restitutionary disgorgement of all

1 profits accruing to Defendants because of their unlawful and unfair business  
2 practices, declaratory relief, attorney’s fees and costs (pursuant to Cal. Code Civ.  
3 Proc. § 1021.5), and injunctive or other equitable relief.

4 **COUNT IV**

5 **Violation of California’s Unfair Competition Law Cal. Bus. & Prof. Code**  
6 **§17200 Unfair Business Practices**

7 (On Behalf of Plaintiff and the California Class)

8 64. Plaintiff allege and incorporate herein by reference, each and every  
9 allegation contained in paragraphs 1 through 37, inclusive of this Complaint as if  
10 set forth fully herein.

11 65. Defendants engaged in unfair acts and practices by soliciting and  
12 collecting Plaintiff’s and Class Members’ PII with knowledge that the information  
13 would not be adequately protected; while Plaintiff’s and the Class Members’ PII  
14 would be processed in an unsecure electronic environment. These unfair acts and  
15 practices were immoral, unethical, oppressive, unscrupulous, unconscionable,  
16 and/or substantially injurious to Plaintiff and Class Members. They were likely to  
17 deceive the public into believing their PII was secure, when it was not. The harm  
18 these practices caused to Plaintiff and the members of the Class outweighed their  
19 utility, if any.

20 66. Defendants engaged in unfair acts and practices with respect to the  
21 provision of its services by failing to enact adequate privacy and security measures  
22 and protect Plaintiff’s and Class Members’ PII from further unauthorized  
23 disclosure, release, data breaches, and theft, and failing to timely discovery and give  
24 notice of the data breach. These unfair acts and practices were immoral, unethical,  
25 oppressive, unscrupulous, unconscionable, and/or substantially injurious to  
26 Plaintiff and Class Members. They were likely to deceive the public into believing  
27 their Private Identifiable Information was secure, when it was not. The harm these  
28 practices caused to Plaintiff and the Class Members outweighed their utility, if any.

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1 67. As a direct and proximate result of Defendants' acts of unfair practices  
2 and acts, Plaintiff and the members of the Class were injured and lost money or  
3 property, including but not limited to the loss of their legally protected interest in  
4 the confidentiality and privacy of their PII, and additional losses described above.

5 68. Defendants knew or should have known that their systems and data  
6 security practices were inadequate to safeguard Plaintiff's and Class Members' PII  
7 and that the risk of a data breach or theft was highly likely. Defendants' actions in  
8 engaging in the above-named unlawful practices and acts were negligent, knowing  
9 and willful, and/or wanton and reckless with respect to the rights of Plaintiff and  
10 Class Members.

11 69. The members of the Class seek relief under Cal. Bus. & Prof. Code §  
12 17200, *et. seq.*, including, but not limited to, restitution to Plaintiff and Class  
13 Members of money or property that the Defendants may have acquired by means  
14 of its unfair business practices, restitutionary disgorgement of all profits accruing  
15 to Defendants because of its unfair business practices, declaratory relief, attorney's  
16 fees and costs (pursuant to Cal. Code Civ. Proc. §1021.5), and injunctive or other  
17 equitable relief.

18  
19 **COUNT V**

20 **Violation of California's Unfair Competition Law Cal. Bus. & Prof. Code**

21 **§17200 Fraudulent/Deceptive Business Practices**

22 (On Behalf of Plaintiff and California Class)

23 70. Plaintiff allege and incorporate herein by reference, each and every  
24 allegation contained in paragraphs 1 through 37, inclusive of this Complaint as if  
25 set forth fully herein

26 71. Defendants engaged in fraudulent and deceptive acts and practices by  
27 representing and advertising that it would maintain adequate data privacy and  
28 security practices and procedures to safeguard Plaintiff's and Class Members' PII

1 from unauthorized disclosure, release, data breaches, and theft; and representing  
2 and advertising that it did and would comply with the requirements of relevant  
3 federal and state laws pertaining to the privacy and security of the members of the  
4 Class' Private Identifiable Information. These representations were likely to  
5 deceive members of the public, including Plaintiff and Class Members, into  
6 believing their Private Identifiable Information was securely stored, when it was  
7 not, and that Sabre was complying with relevant law, when it was not.

8 72. Defendants engaged in fraudulent and deceptive acts and practices by  
9 omitting, suppressing, and concealing the material fact of the inadequacy of the  
10 privacy and security protections for Plaintiff's and Class Members' PII. When  
11 Plaintiff and Class Members were booking flights with Defendants, Defendants  
12 failed to disclose to Plaintiff and Class Members that its data security systems failed  
13 to meet legal and industry standards for the protection of their Private Identifiable  
14 Information. Plaintiff and the Class would not have made any type of bookings  
15 with Defendants if they had known about its substandard data security practices.  
16 These representations were likely to deceive members of the public, including  
17 Plaintiff and Class Members, into believing their PII was secure, when it was not,  
18 and that Defendants were complying with relevant law and industry standards,  
19 when it was not.

20 73. As a direct and proximate result of Defendants' deceptive practices  
21 and acts, Plaintiff and Class Members were injured and lost money or property,  
22 including but not limited to the loss of their legally protected interest in the  
23 confidentiality and privacy of their PII, and additional losses described above.

24 74. Defendants knew or should have known that their system and data  
25 security practices were inadequate to safeguard Plaintiff's and Class Members' PII  
26 and that the risk of a data breach or theft was highly likely. Defendants' actions in  
27 engaging in the above-named unlawful practices and acts were negligent, knowing  
28 and willful, and/or wanton and reckless with respect to the rights of Plaintiff and

1 Class Members.

2 75. Class Members seek relief under Cal. Bus. & Prof. Code § 17200, *et*  
3 *seq.*, including, but not limited to, restitution to Plaintiff and Class Members of  
4 money or property that Defendants may have acquired by means of their fraudulent  
5 and deceptive business practices, restitutionary disgorgement of all profits accruing  
6 to Defendants because of their fraudulent and deceptive business practices,  
7 declaratory relief, attorney’s fees and costs (pursuant to Cal. Code Civ. Proc.  
8 §1021.5), and injunctive or other equitable relief.

9 **COUNT VI**

10 **Unfair and Deceptive Business Practices**

11 (On Behalf of Plaintiff and Nationwide Class)

12 76. Plaintiff allege and incorporate herein by reference, each and every  
13 allegation contained in paragraphs 1 through 37, inclusive of this Complaint as if  
14 set forth fully herein.

15 77. Plaintiff brings this Count individually, and on behalf of all similarly  
16 situated residents of each of the 50 States and the District of Columbia, aside from  
17 the state of California, for violations of the respective statutory consumer protection  
18 laws, as follows:

- 19 a. the Alabama Deceptive Trade Practices Act, Ala.Code 1975, § 8–19–  
20 1, *et seq.*;
- 21 b. the Alaska Unfair Trade Practices and Consumer Protection Act, AS §  
22 45.50.471, *et seq.*;
- 23 c. the Arizona Consumer Fraud Act, A.R.S §§ 44-1521, *et seq.*;
- 24 d. the Arkansas Deceptive Trade Practices Act, Ark.Code §§ 4-88-101,  
25 *et seq.*;
- 26 e. the Colorado Consumer Protection Act, C.R.S.A. §6-1-101, *et seq.*;
- 27 f. the Connecticut Unfair Trade Practices Act, C.G.S.A. § 42-110, *et*  
28 *seq.*;

- 1 g. the Delaware Consumer Fraud Act, 6 Del. C. § 2513, *et seq.*;
- 2 h. the D.C. Consumer Protection Procedures Act, DC Code § 28-3901, *et*
- 3 *seq.*;
- 4 i. the Florida Deceptive and Unfair Trade Practices Act, FSA § 501.201,
- 5 *et seq.*;
- 6 j. the Georgia Fair Business Practices Act, OCGA § 10-1-390, *et seq.*;
- 7 k. the Hawaii Unfair Competition Law, H.R.S. § 480-1, *et seq.*;
- 8 l. the Idaho Consumer Protection Act, I.C. § 48-601, *et seq.*;
- 9 m. the Illinois Consumer Fraud and Deceptive Business Practices Act,
- 10 815 ILCS 501/1 *et seq.*;
- 11 n. the Indiana Deceptive Consumer Sales Act, IN ST § 24-5-0.5-2, *et seq.*
- 12 o. the Iowa Private Right of Action for Consumer Frauds Act, Iowa Code
- 13 Ann. § 714H.1, *et seq.*;
- 14 p. the Kansas Consumer Protection Act, K.S.A. § 50-623, *et seq.*;
- 15 q. the Kentucky Consumer Protection Act, KRS 367.110, *et seq.*;
- 16 r. the Louisiana Unfair Trade Practices and Consumer Protection Law,
- 17 LSA-R.S. 51:1401, *et seq.*;
- 18 s. the Maine Unfair Trade Practices Act, 5 M.R.S.A. § 205-A, *et seq.*;
- 19 t. the Maryland Consumer Protection Act, MD Code, Commercial Law,
- 20 § 13-301, *et seq.*;
- 21 u. the Massachusetts Regulation of Business Practices for Consumers
- 22 Protection Act, M.G.L.A. 93A, *et seq.*;
- 23 v. the Michigan Consumer Protection Act, M.C.L.A. 445.901, *et seq.*;
- 24 w. the Minnesota Prevention of Consumer Fraud Act, Minn. Stat. §
- 25 325F.68, *et seq.*;
- 26 x. the Mississippi Consumer Protection Act, Miss. Code Ann. § 75-24-1,
- 27 *et seq.*
- 28 y. the Missouri Merchandising Practices Act, V.A.M.S. § 407, *et seq.*;

- 1 z. the Montana Unfair Trade Practices and Consumer Protection Act of
- 2 1973, Mont. Code Ann. § 30-14-101, *et seq.*;
- 3 aa. the Nebraska Consumer Protection Act, Neb.Rev.St. §§ 59-1601, *et*
- 4 *seq.*;
- 5 bb. the Nevada Deceptive Trade Practices Act, N.R.S. 41.600, *et seq.*;
- 6 cc. the New Hampshire Regulation of Business Practices for Consumer
- 7 Protection, N.H.Rev.Stat. § 358-A:1, *et seq.*;
- 8 dd. the New Jersey Consumer Fraud Act, N.J.S.A. 56:8, *et seq.*;
- 9 ee. the New Mexico Unfair Practices Act, N.M.S.A. §§ 57-12-1, *et seq.*;
- 10 ff. the New York Consumer Protection from Deceptive Acts and
- 11 Practices, N.Y. GBL (McKinney) § 349, *et seq.*;
- 12 gg. the North Carolina Unfair and Deceptive Trade Practices Act, N.C.
- 13 Gen Stat. § 75-1.1, *et seq.*;
- 14 hh. the North Dakota Consumer Fraud Act, N.D. Cent.Code Chapter 51-
- 15 15, *et seq.*;
- 16 ii. the Ohio Consumer Sales Practices Act, R.C. 1345.01, *et seq.*;
- 17 jj. the Oklahoma Consumer Protection Act, 15 O.S.2001, §§ 751, *et seq.*;
- 18 kk. the Oregon Unlawful Trade Practices Act, ORS 646.605, *et seq.*;
- 19 ll. the Pennsylvania Unfair Trade Practices and Consumer Protection
- 20 Law, 73 P.S. § 201-1, *et seq.*;
- 21 mm. the Rhode Island Deceptive Trade Practices Act, G.L.1956 § 6-13.1-
- 22 5.2(B), *et seq.*;
- 23 nn. the South Carolina Unfair Trade Practices Act, SC Code 1976, §§ 39-
- 24 5-10, *et seq.*;
- 25 oo. the South Dakota Deceptive Trade Practices and Consumer Protection
- 26 Act, SDCL § 37-24-1, *et seq.*;
- 27 pp. the Tennessee Consumer Protection Act, T.C.A. § 47-18-101, *et seq.*;
- 28 qq. the Texas Deceptive Trade Practices-Consumer Protection Act,



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- 1 V.T.C.A., Bus. & C. § 17.41, *et seq.*;
- 2 rr. the Utah Consumer Sales Practices Act, UT ST § 13-11-1, *et seq.*;
- 3 ss. the Vermont Consumer Fraud Act, 9 V.S.A. § 2451, *et seq.*;
- 4 tt. the Virginia Consumer Protection Act of 1977, VA ST § 59.1-196, *et*
- 5 *seq.*;
- 6 uu. the Washington Consumer Protection Act, RCWA 19.86.010, *et seq.*;
- 7 vv. the West Virginia Consumer Credit And Protection Act, W.Va.Code §
- 8 46A-1-101, *et seq.*;
- 9 ww. the Wisconsin Deceptive Trade Practices Act, WIS.STAT. § 100.18,
- 10 *et seq.*; and
- 11 xx. the Wyoming Consumer Protection Act, WY ST § 40-12-101, *et seq.*

12 78. Defendants violated the statutes set forth above (collectively, the  
13 “Consumer Protection Acts”) by failing to properly implement adequate,  
14 commercially reasonable security measures to protect Plaintiff and Class Members’  
15 PII, and by allowing third parties to access Plaintiff’s and Class Members’ PII.

16 79. Defendants further violated the Consumer Protection Acts by failing  
17 to disclose to the consumers that its data security practices were inadequate, thus  
18 inducing consumers to book flights with Defendants.

19 80. Defendants’ acts and/or omissions constitute fraudulent, deceptive,  
20 and/or unfair acts or omissions under the Consumer Protection Acts.

21 81. Plaintiff and Class Members were deceived by Defendants’ failure to  
22 properly implement adequate, commercially reasonable security measures to  
23 protect their PII.

24 82. Defendants’ intended for Plaintiff and Class Members to rely on them  
25 to protect the information furnished to it in connection with debit and credit card  
26 transactions, in such manner that Plaintiff and Class Members’ PII would be  
27 protected, secure and not susceptible to access from unauthorized third parties.

28 83. Defendants instead handled Plaintiff and Class Members’ information

1 in such manner that it was compromised.

2 84. Defendants failed to follow industry best practices concerning data  
3 security or was negligent in preventing the data breach from occurring.

4 85. It was foreseeable that Defendants' willful indifference or negligent  
5 course of conduct in handling PII it collected would put that information at the risk  
6 of compromise by data thieves.

7 86. On information and belief, Defendants benefited from mishandling the  
8 PII of customers, by not taking effective measures to secure this information, and  
9 therefore saving on the cost of providing data security.

10 87. Defendants' fraudulent and deceptive acts and omissions were  
11 intended to induce Plaintiff's and Class Members' reliance on Defendants'  
12 deception that their PII was secure.

13 88. Defendants' conduct offends public policy and constitutes unfair acts  
14 or practices under the Consumer Protection Acts because Defendants caused  
15 substantial injury to Plaintiff and Class Members that is not offset by countervailing  
16 benefits to consumers or competition, and is not reasonably avoidable by  
17 consumers.

18 89. Defendants' acts or practice of failing to employ reasonable and  
19 appropriate security measures to protect Private Information constitute violations  
20 of the Federal Trade Commission Act, 15 U.S.C. § 45(a), which the courts consider  
21 when evaluating claims under the Consumer Protection Acts, including 815 ILCS  
22 505/2.

23 90. Defendants' conduct constitutes unfair acts or practices as defined in  
24 the Consumer Protection Acts because Defendants caused substantial injury to  
25 Class members, which injury is not offset by countervailing benefits to consumers  
26 or competition and was not reasonably avoidable by consumers.

27 91. Plaintiff and Class Members have suffered injury in fact and actual  
28 damages including lost money and property as a result of Defendants' violations of

1 the Consumer Protection Acts.

2 92. Defendants’ fraudulent and deceptive behavior proximately caused  
3 Plaintiff’s and Class Members’ injuries, and Defendants conducted itself with  
4 reckless indifference toward the rights of others, such that an award of punitive  
5 damages is appropriate.

6 93. Defendants failure to disclose information concerning the data breach  
7 directly and promptly to affected customers, constitutes a separate fraudulent act or  
8 practice in violation of the Consumer Protection Acts.

9 94. Plaintiff seek attorney’s fees and damages to the fullest extent  
10 permitted under the Consumer Protection Acts, including N.Y. G.B.L. § 349(h).

11 **COUNT VII**

12 **Constitutional Invasion of Privacy**

13 (On Behalf of Plaintiff and California Class)

14 95. Plaintiff allege and incorporate herein by reference, each and every  
15 allegation contained in paragraphs 1 through 37, inclusive of this Complaint as if  
16 set forth fully herein.

17 96. Cal. Const., Art. 1., section 1 provides that “[a]ll people are by nature  
18 free and independent and have inalienable rights. Among these are enjoying and  
19 defending life and liberty, acquiring, possessing, and protecting property, and  
20 pursuing and obtaining safety, happiness, and privacy.”

21 97. Plaintiff and Class Members had a legally protected privacy interest in  
22 the PII provided to Defendants.

23 98. Plaintiff and Class Members had a reasonable expectation of privacy  
24 as to the PII they provided to Defendants under the circumstances of their  
25 purchases.

26 99. Defendants’ actions and inactions amounted to a serious invasion of  
27 the protected privacy interests of Plaintiff and Class Members.

28 100. Defendants’ invasion of Plaintiff and Class Members' reasonable

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1 expectation of privacy caused Plaintiff and Class Members to suffer damages.

2 **COUNT VIII**

3 ***Negligence Per Se***

4 (On Behalf of Plaintiff and the Nationwide and California Classes

5 101. Plaintiff allege and incorporate herein by reference, each and every  
6 allegation contained in paragraphs 1 through 37, inclusive of this Complaint as if  
7 set forth fully herein.

8 102. Pursuant to the Federal Trade Commission Act (15 U.S.C. §45),  
9 Defendants had a duty to provide fair and adequate computer systems and data  
10 security practices to safeguard Plaintiff's and Class Members' PII.

11 103. Pursuant to the Gramm-Leach-Bliley Act (15 U.S.C. § 6801),  
12 Defendants had a duty to protect the security and confidentiality of Plaintiff's and  
13 Class Members' PII.

14 104. Pursuant to state laws in the following 12 states, Defendants operating  
15 in those states had a duty to those respective states' Class Members to implement  
16 and maintain reasonable security procedures and practices to safeguard Plaintiff's  
17 and Class Members' Personal Information:

- 18 a. Arkansas: Ark. Code § 4-110-104
- 19 b. California: Cal Civ. Code § 1798.81.5
- 20 c. Connecticut: Conn. Gen. Stat. § 42-471
- 21 d. Florida: Fla. Stat. § 501.171(2)
- 22 e. Indiana: Ind. Code § 24-4.9-3.5
- 23 f. Maryland: Md. Code. Comm. Law § 14-5303
- 24 g. Massachusetts: Mass. Gen Laws Ch. 93H, § 3(a)
- 25 h. Nevada: Nev. Rev. Stat. § 603A.210
- 26 i. Oregon: Ore. Rev. Stat. § 646A.622(1)
- 27 j. Rhode Island: R.I. Gen Laws § 11-49.2-2(2)
- 28 k. Texas: Tex. Bus. & Com. Code § 521.052(a)

1 1. Utah: Utah Code § 14-44-201(1)(a)

2 105. Defendants breached their duties to Plaintiff and Statewide Class  
3 Members under the Federal Trade Commission Act (15 U.S.C. § 45), Gramm-  
4 Leach-Bliley Act (15 U.S.C. § 6801), and the state reasonable data security statutes  
5 by failing to provide fair, reasonable, or adequate computer systems and data  
6 security practices to safeguard Plaintiff's and Class Members' Personal  
7 Information.

8 106. Defendants failure to comply with applicable laws and regulations  
9 constitutes negligence *per se*.

10 107. But for Defendants wrongful and negligent breach of their duties owed  
11 to Plaintiff and Statewide Class Members, Plaintiff and Statewide Class Members  
12 would not have been injured.

13 108. The injury and harm suffered by Plaintiff and Statewide Class  
14 Members was the reasonably foreseeable result of Defendants breach of their duties.  
15 Defendants knew or should have known that they were failing to meet their duties,  
16 and that Sabre's breach would cause Plaintiff and Statewide Class Members to  
17 experience the foreseeable harms associated with the exposure of their Personal  
18 Information.

19 109. As a direct and proximate result of Defendants negligent conduct,  
20 Plaintiff and Class Members have suffered injury and are entitled to damages in an  
21 amount to be proven at trial.

22 **COUNT IX**

23 **Breach of the Covenant of Duty of Good Faith and Fair Dealing**

24 (On Behalf of Plaintiff, Nationwide Class, and California Class)

25 110. Plaintiff allege and incorporate herein by reference, each and every  
26 allegation contained in paragraphs 1 through 37, inclusive of this Complaint as if  
27 set forth fully herein.

28 111. The law implies a covenant of good faith and fair dealing in every

1 contract.

2 112. Plaintiff and Class Members contracted with Defendants by accepting  
3 Defendants' offers and paying for the booking of flights.

4 113. Plaintiff and Class Members performed all of the significant duties  
5 under their agreements with Defendants.

6 114. The conditions required for Defendants' performance under the  
7 contract has occurred.

8 115. Defendants did not provide and/or unfairly interfered with and/or  
9 frustrated the right of Plaintiff and the Class Members to receive the full benefits  
10 under their agreement.

11 116. Defendants breached the covenant of good faith and fair dealing  
12 implied in its contracts with Plaintiff and the Class Members by failing to use and  
13 provide reasonable and industry-leading security practices.

14 117. Plaintiff and the Class Members were damaged by Defendants breach  
15 in that they paid for, but never received, the valuable security protections to which  
16 they were entitled, and which would have made their products and services more  
17 valuable.

18 **COUNT X**

19 **Violation of State Data Breach Acts**

20 (On Behalf of Plaintiff, Nationwide Class and California Class)

21 118. Plaintiff allege and incorporate herein by reference, each and every  
22 allegation contained in paragraphs 1 through 37, inclusive of this Complaint as if  
23 set forth fully herein.

24 119. Defendants were required to, but failed, to take all reasonable steps to  
25 dispose, or arrange for the disposal, of records within its custody or control  
26 containing PII when the records were no longer to be retained, by shredding,  
27 erasing, or otherwise modifying the personal information in those records to make  
28 it unreadable or undecipherable through any means.

1 120. Defendants’ conduct, as alleged above, violated the data breach  
2 statutes of many states, including:

- 3 a. California, Cal. Civ. Code §§ 1798.80 *et. seq.*;
- 4 b. Hawaii, Haw. Rev. Stat. § 487N-1–4 (2006);
- 5 c. Illinois, 815 Ill. Comp Stat. Ann. 530/1–/30 (2006);
- 6 d. Louisiana, La. Rev. Stat. § 51:3071-3077 (2005), and L.A.C.  
7 16:III.701;
- 8 e. Michigan, Mich. Comp. Laws Ann. §§ 445.63, 445.65, 445.72  
9 (2006);
- 10 f. New Hampshire, N.H. Rev. Stat. Ann. §§ 359-C:19–C:21, 358-A:4  
11 (2006)., 332-I:1–I:610;
- 12 g. New Jersey, N.J. Stat. Ann. § 56:8-163–66 (2005);
- 13 h. North Carolina, N.C. Gen. Stat. §§ 75-65 (2005); as amended  
14 (2009);
- 15 i. Oregon, Or. Rev. Stat. §§ 646A.602, 646A.604, 646A.624 (2011);
- 16 j. Puerto Rico, 10 L.P.R.A. § 4051; 10 L.P.R.A. § 4052 (2005), as  
17 amended (2008);
- 18 k. South Carolina, S.C. Code § 1-11-490 (2008); S.C. Code § 39-1-90  
19 (2009);
- 20 l. Virgin Islands, 14 V.I.C. § 2208, *et seq.* (2005);
- 21 m. Virginia, Va. Code Ann. § 18.2-186.6 (2008); Va. Code Ann. §  
22 32.1– 127.1:05 (2011); and
- 23 n. the District of Columbia, D.C. Code § 28-3851 to 28-3853 (2007)  
24 (collectively, the “State Data Breach Acts”).

25 121. Defendants were required to, but failed, to implement and maintain  
26 reasonable security procedures and practices appropriate to the nature and scope of  
27 the information compromised in the data breach.

28 122. The data breach constituted a “breach of the security system” within



1 the meaning of section 1798.82(g) of the California Civil Code, and other State Data  
2 Breach Acts.

3 123. The information compromised in the data breach constituted “personal  
4 information” within the meaning of section 1798.80(e) of the California Civil Code,  
5 and other State Data Breach Acts.

6 124. Like other State Data Breach Acts, California Civil Code § 1798.80(e)  
7 requires disclosure of data breaches “in the most expedient time possible and  
8 without unreasonable delay . . . .”

9 125. Defendants violated Cal. Civ. Code § 1798.80(e) and other State Data  
10 Breach Acts by unreasonably delaying disclosure of the data breach to Plaintiff and  
11 other Class Members, whose PII was, or was reasonably believed to have been,  
12 acquired by an unauthorized person.

13 126. Upon information and belief, no law enforcement agency instructed  
14 Defendants that notification to Plaintiff and Class Members would impede a  
15 criminal investigation.

16 127. As a result of Defendants’ violation of State Data Breach Acts,  
17 including Cal. Civ. Code § 1798.80, *et seq.*, Plaintiff and Class Members incurred  
18 economic damages, including expenses associated with monitoring their personal  
19 and financial information to prevent further fraud.

20 128. Plaintiff, individually and on behalf of the Class, seek all remedies  
21 available under Cal. Civ. Code § 1798.84 and under the other State Data Breach  
22 Acts, including, but not limited to: (a) actual damages suffered by Class Members  
23 as alleged above; (b) statutory damages for Defendants’ willful, intentional, and/or  
24 reckless violation of Cal. Civ. Code § 1798.83; (c) equitable relief; and (d)  
25 reasonable attorneys’ fees and costs under Cal. Civ. Code §1798.84(g).

26 129. Because Defendants were guilty of oppression, fraud or malice, in that  
27 they failed to act with a willful and conscious disregard of Plaintiff’s and Class  
28 Members’ rights, Plaintiff also seek punitive damages, individually and on behalf

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1 of the Class.

2 **II. PRAYER FOR RELIEF**

3 WHEREFORE, Plaintiff, individually and on behalf of all Class Members  
4 proposed in this Complaint, respectfully requests that the Court enter judgment in  
5 her favor and against Defendants as follows:

6 A. For an Order certifying the Nationwide Class and California Class as  
7 defined here, and appointing Plaintiff and their Counsel to represent  
8 the Nationwide Class and the California Class;

9 B. For equitable relief enjoining Defendants from engaging in the  
10 wrongful conduct complained of here pertaining to the misuse and/or  
11 disclosure of Plaintiff and Class Members' Private Identifiable  
12 Information, and from refusing to issue prompt, complete, and  
13 accurate disclosures to Plaintiff and Class Members;

14 C. For equitable relief compelling Defendants to utilize appropriate  
15 methods and policies with respect to consumer data collection, storage,  
16 and safety and to disclose with specificity to Class Members the type  
17 of PII compromised.

18 D. For equitable relief requiring restitution and disgorgement of the  
19 revenues wrongfully retained as a result of Defendants wrongful  
20 conduct;

21 E. For an award of actual damages and compensatory damages, in an  
22 amount to be determined;

23 F. For an award of costs of suit and attorneys' fees, as allowable by  
24 law; and

25 G. Such other and further relief as this court may deem just and proper.

26 ///

27 ///

28 ///

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1 Dated: April 6, 2018

Respectfully Submitted,

2  
3 /s/ Bobby Saadian

4 Bobby Saadian  
5 Attorneys for Plaintiff Arthi Naini  
6 and Proposed Classes

7 **DEMAND FOR JURY TRIAL**

8 Based on the foregoing, Plaintiff, on behalf of themselves, and all others  
9 similarly situated, hereby demand a jury trial for all claims so triable.

10  
11 Dated: April 6, 2018

Respectfully Submitted,

12  
13 /s/ Bobby Saadian

14 Bobby Saadian  
15 Attorneys for Plaintiff Arthi Naini  
16 and Proposed Classes

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