

1 Paul Mezan (NY Bar No. 5357124)
Stephanie Liebner (Virginia Bar No. 90647)
2 James Doty (NY Bar No. 4552550)
Federal Trade Commission
3 600 Pennsylvania Ave., NW, Mailstop CC-5201
Washington, DC 20580
4 Phone: (202) 758-4177 (Mezan)
Email: pmezan@ftc.gov (Mezan)
5 (202) 326-3395 (fax)

6 Attorneys for Plaintiff
Federal Trade Commission
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8 **UNITED STATES DISTRICT COURT**
9 **NORTHERN DISTRICT OF CALIFORNIA**
SAN FRANCISCO DIVISION

10 **Federal Trade Commission,**
11 **Plaintiff,**
12 **v.**
13 **Uber Technologies, Inc.,** a corporation, and
14 **Uber USA, LLC,** a limited liability
15 company,
16 **Defendants.**

No. _____

**COMPLAINT FOR PERMANENT
INJUNCTION, MONETARY
JUDGMENT, AND OTHER RELIEF**

17
18 Plaintiff, the Federal Trade Commission (“FTC” or “Commission”), for its Complaint
19 alleges:

20 1. The FTC brings this action for Defendants’ violations of Section 5(a) of the FTC
21 Act, 15 U.S.C. § 45(a), and Section 4 of the Restore Online Shoppers’ Confidence Act
22 (“ROSCA”), 15 U.S.C. § 8403, in connection with Defendants’ false or misleading claims
23 regarding their subscription service, their failure to provide simple mechanisms for customers to
24 cancel their subscription service, and their charging of customers without their consent. For
25 these violations, the FTC seeks relief, including a permanent injunction, monetary relief, and
26 other relief, pursuant to Sections 13(b) and 19 of the FTC Act, 15 U.S.C. §§ 53(b), 57b, and
27 Section 5 of ROSCA, 15 U.S.C. § 8404.
28

SUMMARY OF THE CASE

2. Defendants Uber Technologies, Inc. and Uber USA, LLC (collectively, “Uber”) provide ride-hailing and food delivery services that consumers can book and pay for through an app on their smartphone. Defendants also charge consumers \$9.99 a month or \$96 a year for a subscription service called Uber One in connection with these delivery services. In numerous instances, Uber claims that consumers in an Uber One membership will save certain amounts off ride bookings or food deliveries compared to those without an Uber One membership, and that Uber One consumers can “cancel anytime” without additional fees. Uber One renews automatically and charges consumers’ credit cards or debits their bank accounts directly on a recurring basis.

3. Consumers have complained that they have been enrolled in an Uber One subscription without their consent, reporting that they never signed up and have no idea why they were charged. [REDACTED]

4. Defendants have failed to provide a simple method to cancel Uber One, employing a series of obstacles that compound to deter and prevent consumers from stopping recurring charges. For any consumer wishing to cancel Uber One, Defendants require them to take at least 12 different actions and navigate a maze of at least 7 screens, if they guess the right paths to use, despite there being no mention of cancellation until the fourth screen. Cancellation is even more difficult for consumers within 48 hours of their billing date. During this period, Defendants remove the option to cancel their subscription service from their applications, forcing consumers to take as many as 32 actions and navigate as many as 23 screens, if they guess the right paths to use and only go through the loop described below once. Even after that, they have to contact customer service. In numerous instances, even when consumers are able to reach Uber’s customer service, the representatives take so long to respond to and effectuate consumers’ cancellation requests that consumers end up being charged again without their consent.

JURISDICTION AND VENUE

5. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331, 1337(a),

1 and 1345.

2 6. Venue is proper in this District under 28 U.S.C. § 1391(b)(1), (b)(2), (c)(2), and
3 (d), and 15 U.S.C. § 53(b).

4 **INTRADISTRICT ASSIGNMENT**

5 7. Assignment to the San Francisco Division is proper because at all relevant times
6 Defendants have conducted business, marketed, and sold their services throughout the United
7 States, including throughout the county of San Francisco.

8 **PLAINTIFF**

9 8. The FTC is an agency of the United States Government created by the FTC Act,
10 which authorizes the FTC to commence this district court civil action by its own attorneys. 15
11 U.S.C. §§ 41-58. The FTC enforces Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), which
12 prohibits unfair or deceptive acts or practices in or affecting commerce. The FTC also enforces
13 ROSCA, 15 U.S.C. §§ 8401-05, which, *inter alia*, prohibits the sale of goods or services on the
14 Internet through negative option marketing without meeting certain requirements to protect
15 consumers. A negative option is an offer in which the seller treats a consumer's silence – their
16 failure to reject an offer or cancel an agreement – as consent to be charged for goods or services.
17 16 C.F.R. § 310.2(w).

18 **DEFENDANTS**

19 9. Defendant Uber Technologies, Inc. is a Delaware corporation with its principal
20 place of business in San Francisco, California. Defendant Uber Technologies, Inc. provides ride-
21 hailing and food delivery services and transacts or has transacted business in this district and
22 throughout the United States.

23 10. Defendant Uber USA, LLC is a Delaware limited liability company with its
24 principal place of business in San Francisco, California. Together with Defendant Uber
25 Technologies, Inc., Defendant Uber USA, LLC offers a subscription service known as Uber One
26 and transacts or has transacted business in this district and throughout the United States.

27 **COMMON ENTERPRISE**

28 11. Defendants Uber Technologies, Inc. and Uber USA, LLC have operated as a

1 common enterprise while engaging in the deceptive acts and practices and other violations of law
2 alleged below. Uber has conducted the business practices described below through interrelated
3 companies that have common ownership, office locations, advertising, and lack any real
4 distinction. Because Uber Technologies, Inc. and Uber USA, LLC have operated as a common
5 enterprise, each of them is liable for the acts and practices alleged below.

6 **COMMERCE**

7 12. At all times relevant to this Complaint, Defendants have maintained a substantial
8 course of trade in or affecting commerce, as “commerce” is defined in Section 4 of the FTC Act,
9 15 U.S.C. § 44.

10 **DEFENDANTS’ BUSINESS ACTIVITIES**

11 13. Founded in 2009, Uber distributes mobile software applications that can be
12 downloaded to a smartphone (the “Uber App” and the “Uber Eats App”) (collectively, the “Uber
13 Apps”). The Uber Apps connect transportation providers or couriers with consumers seeking
14 transportation or food delivery services. Consumers book a ride or a food delivery from an Uber
15 driver using the Uber App or the Uber Eats App. Following completion of the ride or food
16 delivery, Uber bills the cost to the consumer, deducts fees, and remits a portion of that amount to
17 the provider or courier.

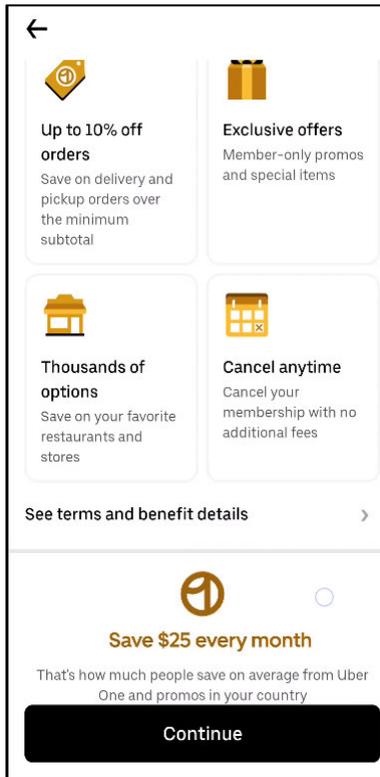
18 14. Since November 2021, Uber has enrolled consumers into a subscription service
19 called Uber One. Consumers enrolled in Uber One typically pay \$9.99 per month for a monthly
20 subscription or \$96 per year for an annual subscription. Uber One subscriptions renew
21 automatically, charging consumers on a recurring basis unless they take affirmative action to
22 cancel by a certain date. Month-to-month plans are renewed and charged monthly, and annual
23 plans are renewed and charged on a yearly basis, unless consumers are able to cancel.

24 15. [REDACTED]
25 [REDACTED]
26 [REDACTED]

27 **Uber Represents that Consumers Can Cancel Uber One Subscriptions “Anytime”**

28 16. Uber advertises Uber One on its website, the Uber Apps, and various other media

1 as a way for customers to qualify for certain discounts or promotions on eligible rides or
 2 deliveries by paying a monthly or annual membership fee. As part of this marketing, Uber
 3 promises consumers certain savings and that they will be able to cancel their subscriptions at
 4 “anytime.” For example, during the enrollment flow for Uber One in the Uber apps, Uber states
 5 that consumers “[s]ave \$25 every month” and can “cancel anytime” with no additional fees.*



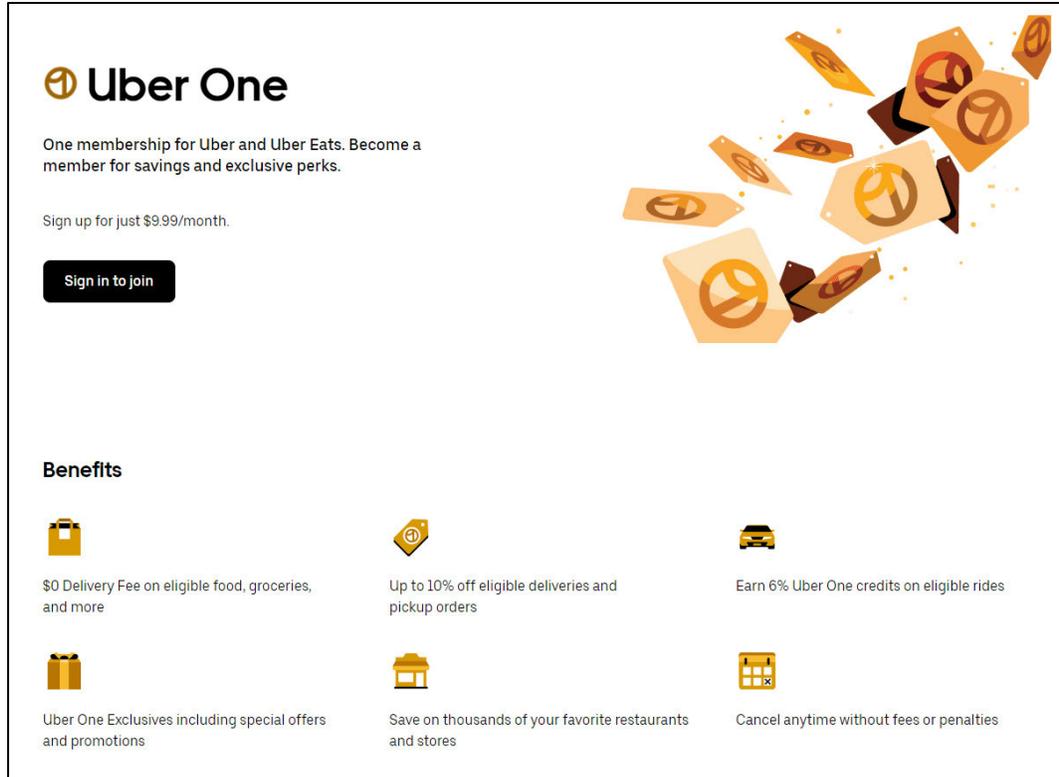
19 **Ex. 1**

20 17. Similarly, the sign-up page on Uber’s website markets six benefits of Uber One,
 21 including that Uber One consumers can “cancel anytime without fees or penalties.”

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 * Some of the screenshots that appear in this complaint represent the customer experience for users who have had their mobile devices set to “dark mode.” In that experience, screenshots have appeared in light mode at times and dark mode at other times.

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Ex. 2

18. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

19. In fact, these claims are false. Many consumers do not actually save \$25 a month by using Uber One. [REDACTED]

[REDACTED]

[REDACTED]

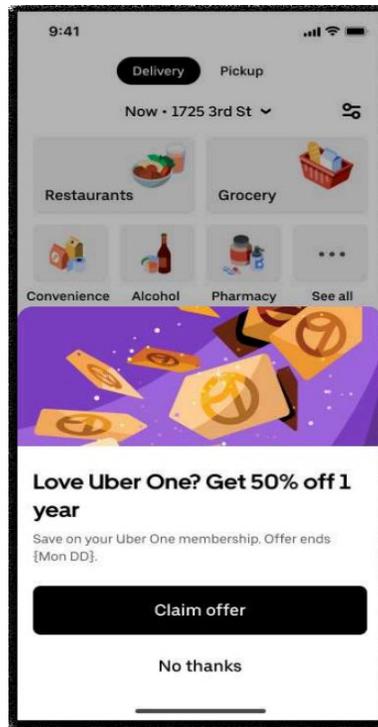
[REDACTED] Further, Uber’s savings claim assumes that the subscription is free; the purported savings does not subtract any costs.

20. Likewise, consumers cannot cancel Uber One “anytime” without paying additional fees. As discussed below, it is difficult to cancel an Uber One subscription, and consumers have not been able to cancel anytime.

**Uber Enrolls Consumers In Uber One In A Number Of Ways,
Including Without Consent**

21. Consumers are enrolled in Uber One in a variety of ways, including through push notifications, pop-ups in the Uber App or Uber Eats App, on the checkout screen when booking a ride or delivery, on Uber’s website, and through Uber’s partnerships with credit card companies. Regardless of the method, the enrollment process does not require any interaction with Uber customer service representatives and is processed immediately.

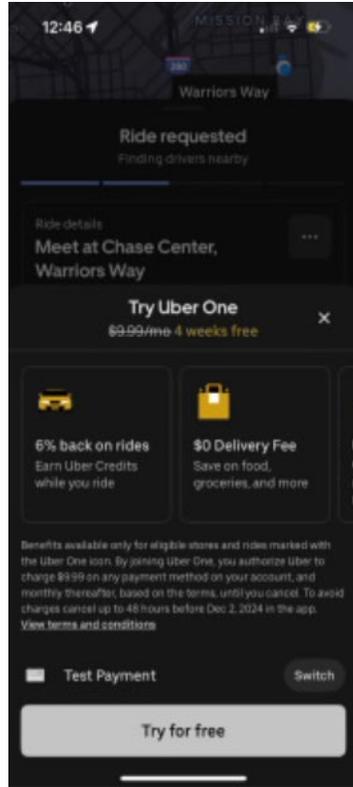
22. Uber sends push notifications to consumers’ phone lock screens and displays in-app pop-ups advertising savings, such as on the consumer’s next ride or delivery. For example, Defendants often present consumers using the Uber Apps with pop-up advertisements inviting them to “Claim offer,” and promising savings such as, “Get 50% off 1 year.”



Ex. 3

23. Consumers that “Claim [the] offer” through a pop-up advertisement proceed directly to a checkout screen that says, “Try Uber One,” crosses out the price of \$9.99, and has a big button labeled, “Try for free.”

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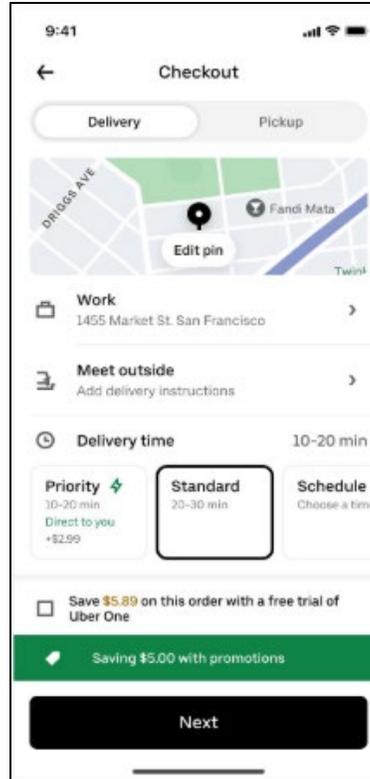


Ex. 4

24. Once consumers click the “Try for free” button, they are immediately enrolled in Uber One and will be charged within 4 weeks (in the example above), and on a recurring basis thereafter.

25. Other consumers who are using the Uber Apps to book a ride or food delivery are presented with an advertisement to enroll in Uber One on their checkout screen. For example, a consumer attempting to book a ride in the Uber App would see a checkbox above the “Next” button on their checkout screen which tells them that if they check that box they can save a certain dollar amount off their ride with a free trial of Uber One.

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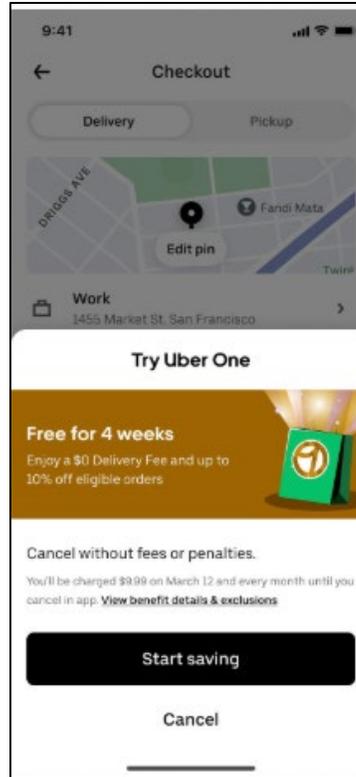


Ex. 5

26. If the consumer clicks to “check” the box, a pop-up appears prominently telling them that they will get Uber One “Free for 4 weeks” and can “cancel without fees or penalties,” above a bold button labeled “Start Saving”:

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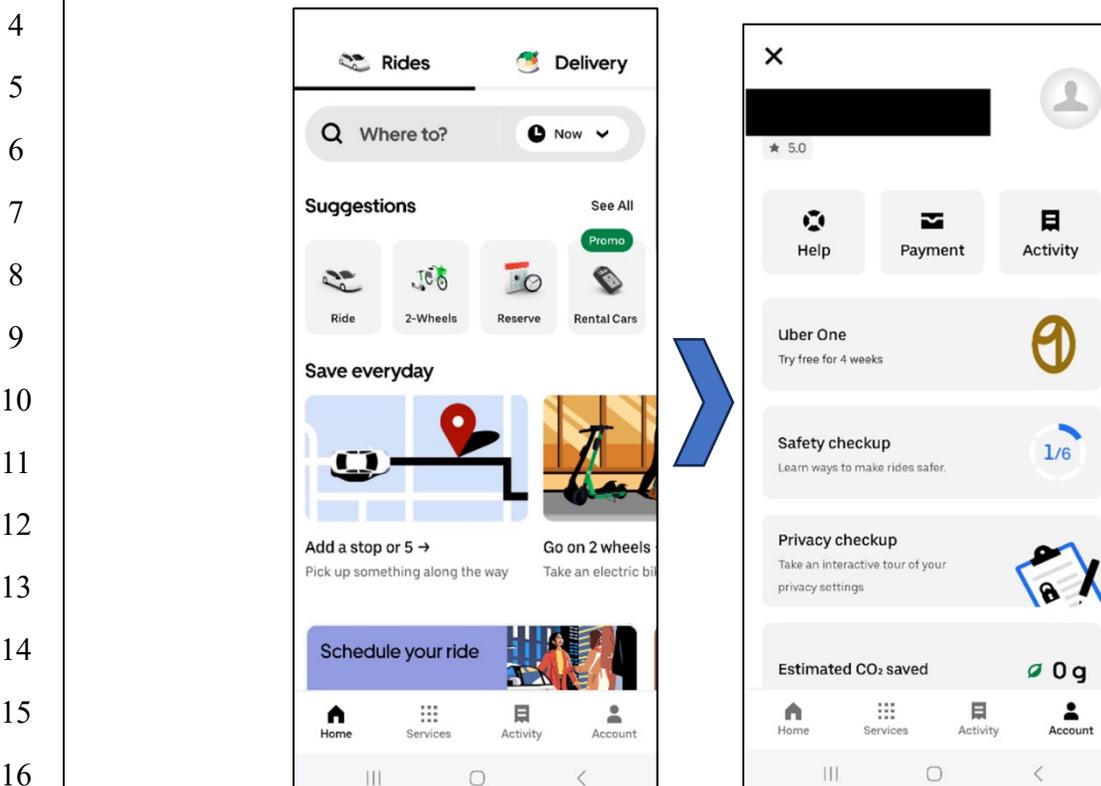
27. Once consumers click “Start saving,” they are immediately enrolled in Uber One and will be charged every month or year for a subscription. The only other choice is to “Cancel.” It is unclear what tapping that button would cancel at this point – it could be the delivery or ride they are trying to book; they have not signed up for Uber One and thus could not cancel it.

28. If a consumer were to notice smaller text above the button, they would see language that states that, “You’ll be charged \$9.99 on [billing date] and every month until you cancel in the app.” However, as discussed more below, consumers are actually charged *before* that date.

29. The consumers in the examples above never click a button labeled “Join Uber One” and do not need to affirmatively enter any billing information; Uber already has it stored if the consumer has ever taken a ride with Uber. Nevertheless, Uber charges these consumers a recurring subscription fee before the stated billing date – and on a recurring basis thereafter, at least until the consumer notices the charges and tries to cancel them, and in many instances, even

1 after that.

2 30. Consumers are also enrolled in Uber One if they do the following: first, tap
 3 “Account” on their home screen, then tap the “Uber One” button on their account screen.

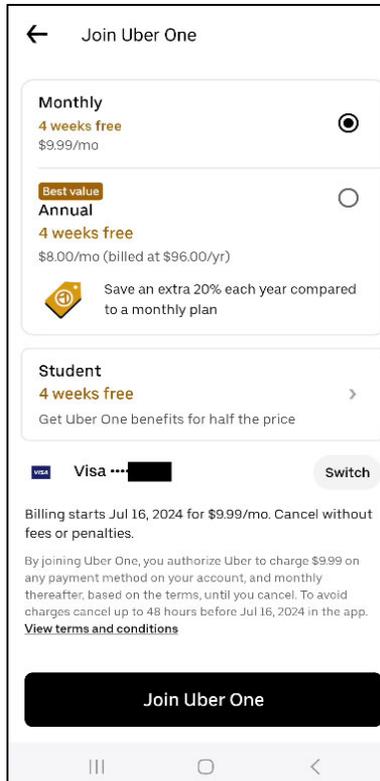


17 **Exs. 7 & 8**

18 31. This directs them to the screen that advertises the “benefits” of Uber One,
 19 including that consumers can “cancel anytime” with no additional fees (excerpted in paragraph
 20 16, above). Consumers then tap on the “Continue” button, which directs them to a checkout
 21 screen where they can complete their enrollment by tapping the “Join Uber One” button.

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Ex. 9

32. Consumers can also enroll using Uber’s website. Consumers simply click on the “Sign up now” button on the Uber One page and are directed to the checkout page where they can click the “Join Uber One” button to complete their enrollment.

33. Further, in some instances, consumers are enrolled into Uber One memberships through Uber’s partnerships with credit card companies. Consumers with certain credit cards may be signed up for Uber One memberships for free for a set number of months, then are charged automatically on a recurring basis.

34. Consumers report finding Uber One charges on their credit card bill despite *never* knowingly signing up for an Uber One subscription *at all*. For example, one consumer said, “Uber is charging me for Uber [O]ne and I did not sign up nor gave them credit card info,” while another consumer related that, “Uber One has been charging my bank account for \$9.99 a month without my consent or me subscribing.” Consumers often complain about this:

- “I’m not sure how it happened but I did an Uber to my job and now Uber one has been taking \$9.99 out of my account for the last 15 or 16 months.”

- 1 • “I looked at a credit card bill and I realized that Uber Eats had been charging \$9.99
2 for an Uber One account for the past 8 months. I have never signed up for this
3 service.”
- 4 • “I never signed up for Uber One subscription, but they automatically enrolled me and
5 charged me for it. I have not used Uber at all in months.”
- 6 • “I don[']t have an UBER account and NEVER have but I am being charged a
7 monthly recurring fee of \$9.99 for UBER ONE . I don[']t even know how they got
8 my debit card info.”
- 9 • “Uber unknowingly enrolled me in their Uber One membership and then charged me
10 \$9.99 for a monthly subscription. I was not notified that I had subscribed to the Uber
11 One subscription and only became aware that I was enrolled in the Uber
12 One membership after my credit card was charged \$9.99.”
- 13 • “When I created my account I had all those annoying Uber One popups. I clicked
14 exit, reject, deny on all of them. Fast forward to today, Sept 16th 2024, I check my
15 bank account and see that Uber has pulled \$9.99 from my debit card both months that
16 I've had it downloaded.”
- 17 • Uber “makes you think you could try it for free for a day or for an order so this kind
18 of feels like a scam.”
- 19 • “They offered me Uber One for free for 3 months and instead charged me \$96.”
- 20 • “Uber One took my money for an allegedly complementary account connected to
21 my Capital One card and then would not let me cancel it for a same day full refund!”

22 **Uber One’s Free Trial Period**

23 35. As referenced above, in numerous instances, Uber offers a free trial period. The
24 length of the free trial period varies but can range between one week and three months. [REDACTED]
25 [REDACTED] Before the
26 conclusion of the free trial period, consumers are automatically enrolled in and charged for an
27 Uber One subscription.

28 36. When consumers are enrolled in a free trial, Uber claims they will be charged on a

1 specific date unless they cancel beforehand (*see*, for example, the screen excerpted in paragraph
2 31, above). Uber further promises consumers that they will “Save \$25 every month” and may
3 “cancel anytime.”

4 37. However, Uber actually bills consumers *before* the stated billing date, during the
5 free trial period.

6 38. Further, if a consumer successfully cancels his or her free trial before the free trial
7 ends, then the consumer will lose access to Uber One immediately, on the date of his or her
8 cancellation, as opposed to the end of the free trial. [REDACTED]

9 [REDACTED]
10 [REDACTED]
11 Consumers are therefore incentivized to wait until the last day of their trial before initiating
12 cancellation, by which point Uber has already billed them.

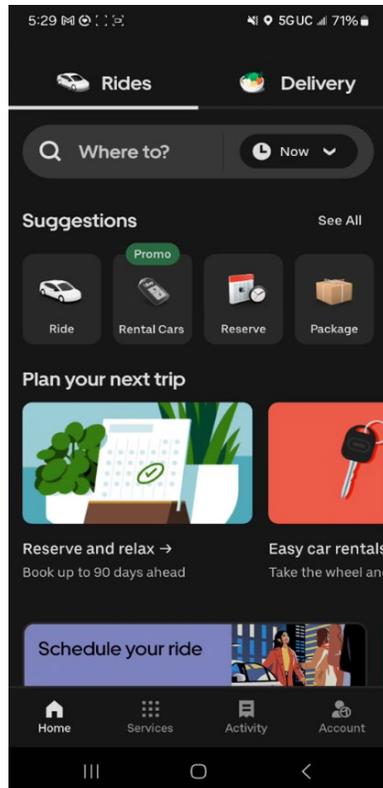
13 **Uber Makes It Difficult for Customers to Cancel**

14 39. Whether a consumer is in a free trial or a paid subscription, Uber has instituted a
15 cancellation process that is difficult, time-consuming, and far from simple. Despite advertising
16 that consumers can cancel “anytime,” Uber One cancellation is actually time-restricted, time-
17 intensive, and often ineffective. As detailed below, Uber utilizes various tactics that prevent or
18 make it hard for consumers to cancel, especially when they attempt to do so within 48 hours of
19 their billing date, often snaring consumers into additional months or even years of a service they
20 no longer want or need.

21 40. For consumers attempting to cancel Uber One, they begin by navigating a series
22 of screens within one of the Uber Apps. First, consumers must open the Uber apps’ home
23 screen.

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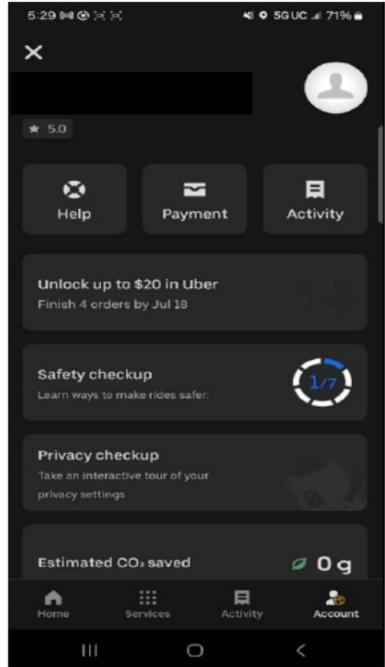
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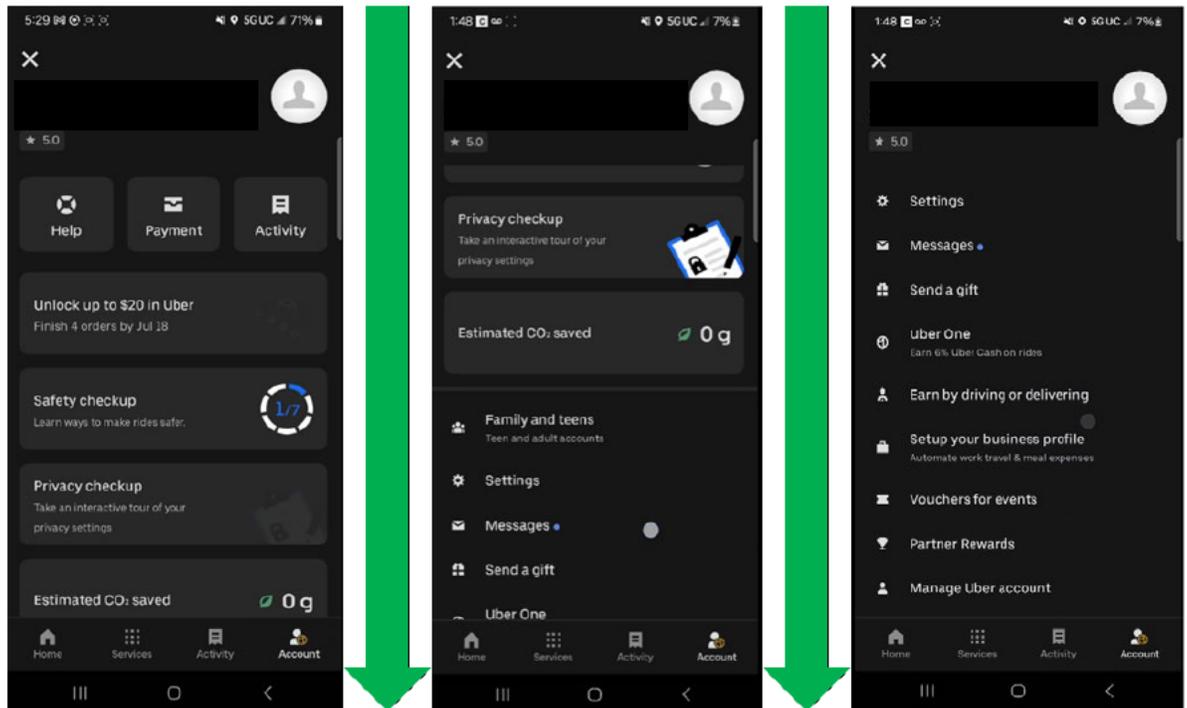
41. Because there is no mention of Uber One or “subscription” on the home screen, consumers who wish to cancel might try a few different tabs and buttons such as “Services” or “Activity,” which will be futile. Instead, consumers must find and click on the “Account Tab” at the bottom righthand corner of the screen to be directed to the “Account” screen, where they will begin the cancellation process.

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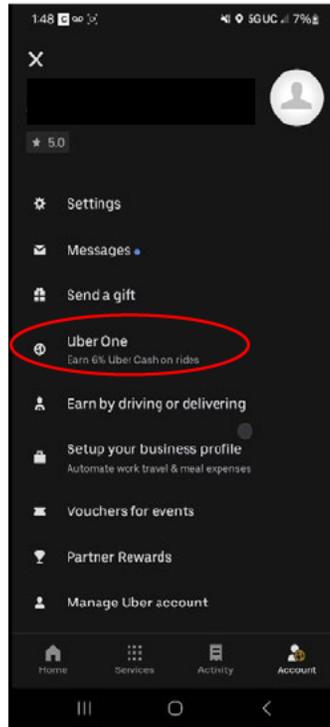
Ex. 11

42. On the Account screen, consumers encounter many buttons, none of which mention cancellation. If they clicked on “Payment,” for example, they would encounter other information, but not be able to cancel. Instead, they must scroll further, to view more choices.



Ex. 12

1 43. While scrolling, if a consumer clicks on “Settings” or “Manage Uber Account,”
2 they would be diverted from cancellation. Instead, once they’ve reached this point, they must
3 scroll down and tap the “Uber One” button.



16 **Ex. 13**

17 44. After a consumer taps the “Uber One” button, they are directed to the “Uber One”
18 screen, where still nothing about cancellation appears. Instead, consumers must again scroll to
19 the bottom of the screen.

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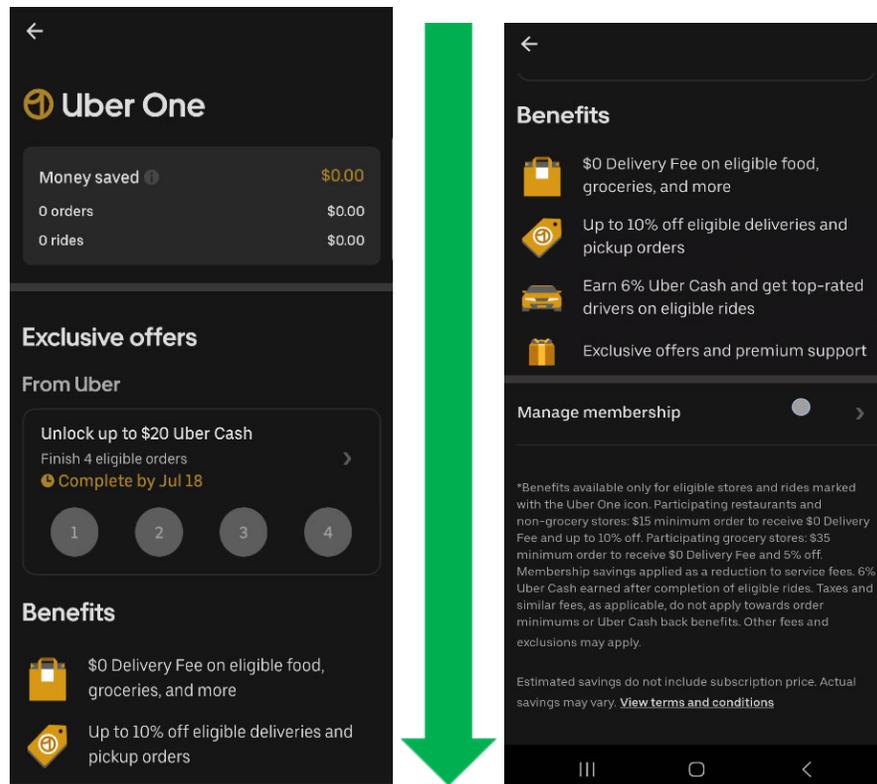
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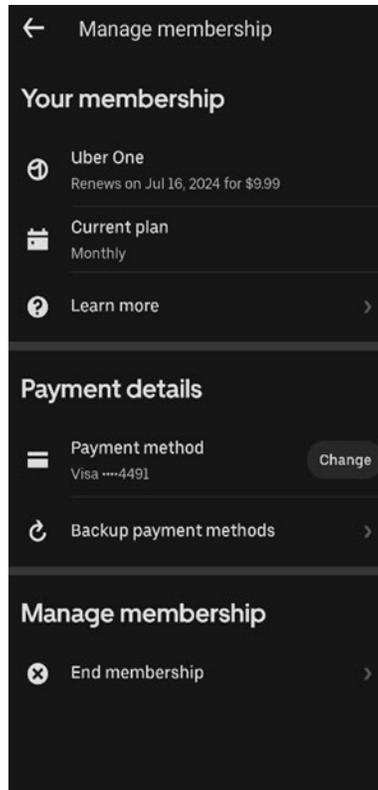
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Ex. 14

45. Next, near the bottom of the “Uber One” screen consumers must tap the “Manage membership” button. Once they tap “Manage Membership,” they are directed to a new screen, which notes a purported renewal date and how much the consumer will be charged. (In fact, as discussed elsewhere, consumers are charged before the stated renewal date.)

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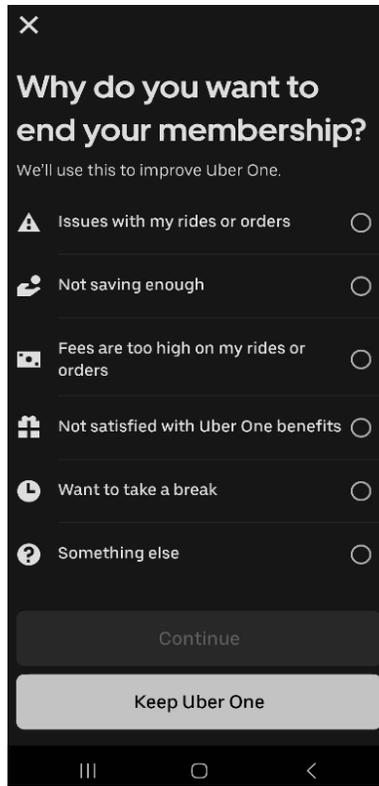


Ex. 15

46. Scrolling to the bottom of this screen reveals another button in smaller text titled, “End membership.” This is the first time in the process that consumers would see anything related to cancellation, indicating they are on the right track.

47. For a significant part of the relevant time period, this End Membership button was not visible to any consumers in the final 48 hours of their billing cycle. In fact, consumers attempting to cancel within 48 hours of their billing cycle would get to this page and have no way of knowing where to go next to proceed with cancellation. For those consumers lucky enough to have the button available to them, after a consumer taps the “End membership” button, the following screen has appeared:

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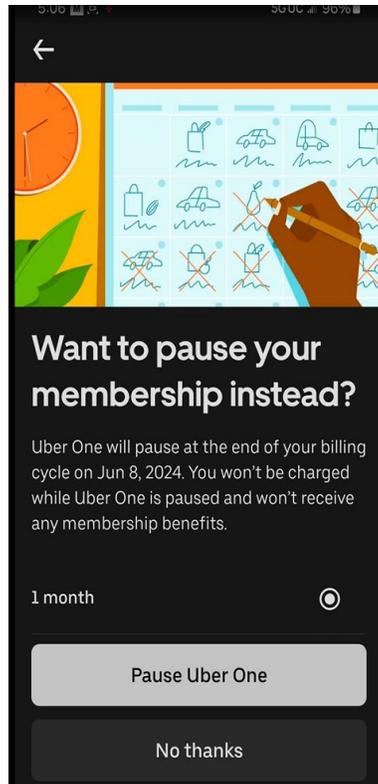
Ex. 16

48. Here, the consumer must answer a survey question about why they want to cancel their membership. While the consumer considers one of six preset answers to the survey question, a button at the bottom of the screen labeled “Keep Uber One” is prominently displayed in a bright gray textbox, while a second button labeled “Continue” is presented in a black textbox with dark gray text, faded into the black background. [REDACTED]

[REDACTED] Consumers cannot proceed with cancellation unless they select an answer.

49. If the consumer picks an answer and taps the “Continue” button, then the following screen has appeared:

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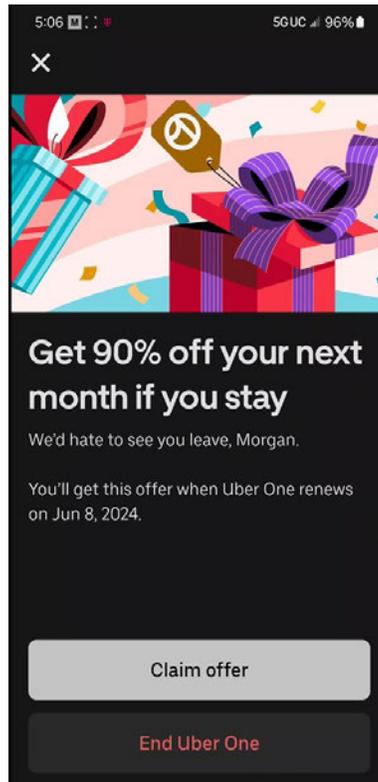


Ex. 17

50. On this screen, Uber presents the consumer with the option to “pause” his or her membership for one month instead of cancelling. At the bottom of the screen, a button labeled “Pause Uber One” appears prominently in a bright gray textbox, while beneath it is a button labeled “No thanks” in a subdued black textbox with white font. Neither option mentions cancellation, making it unclear which button to choose to proceed with cancellation. Further, these buttons are flipped from their placement on the previous screen: On the previous screen the button to click to proceed with cancellation is on the top, whereas, on this screen, the button to click to proceed with cancellation is now on the bottom. This design interface steers the consumer who wishes to cancel away from the action they are trying to take: If a consumer intuitively clicks in the same place on both screens to move through the cancellation process, they will inadvertently abandon cancellation and merely pause their membership instead. Indeed, if the consumer taps the “Pause Uber One” button, either because of its placement or because there is no clear cancellation option, then his or her subscription is paused for one month but not cancelled. At the end of that month, consumers will be billed again in perpetuity unless

1 they attempt the cancellation process again. Only by tapping the “No thanks” button may
 2 consumers continue with cancellation.

3 51. If the consumer correctly taps the “No thanks” button, the following screen has
 4 appeared:



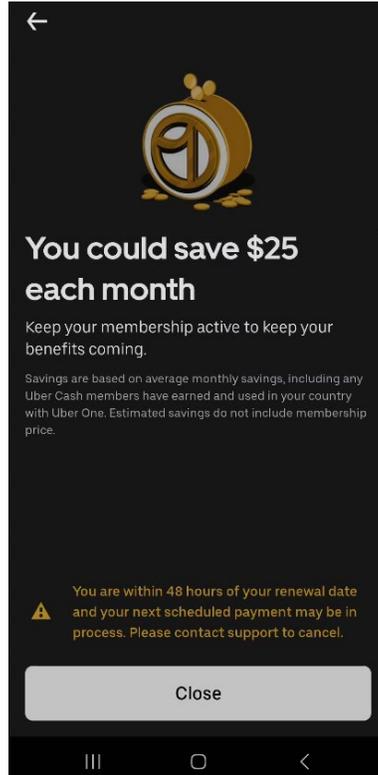
18 **Ex. 18**

19 52. Here, Uber presents the consumer with yet another offer to continue their
 20 subscription at a lower rate for a limited time, usually one month. At the bottom of this screen, a
 21 button labeled “Claim Offer” appears in a bright gray textbox, while a button labeled “End Uber
 22 One” appears beneath it in a black textbox with red font. If the consumer taps the “Claim Offer”
 23 button, his or her subscription continues. After navigating at least 7 screens that require at least
 24 12 different actions (assuming the consumer never clicked through any wrong paths), only then,
 25 by selecting the red “End Uber One” button, may a consumer actually cancel his or her
 26 subscription.

27 **Uber Makes It Even More Difficult to Cancel Near the End of a Subscription**

28 53. Consumers who attempt to cancel within 48 hours of their billing date, however,

1 have been directed to a different screen.

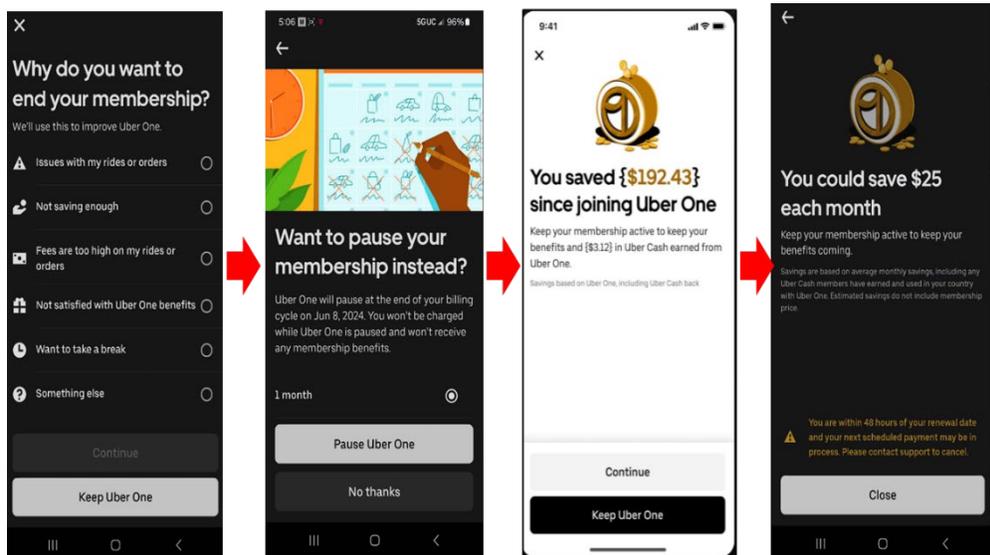


15 **Ex. 19**

16 54. This screen states that consumers can keep their memberships active in exchange
 17 for savings of “\$25 each month.” Consumers who wish to decline this purported “savings”
 18 proposition must exit out of the cancellation flow or click a button labeled “Close.” In many
 19 instances, however, consumers who click the “Close” button are bounced back to the survey
 20 question (excerpted in paragraph 47, above), where their only options are to (1) click “Continue”
 21 again, sending them back in a loop through the same steps described above; (2) click to “Keep
 22 Uber One,” contrary to their intentions; or (3) manually navigate back to their home screen by
 23 closing out the cancellation flow. No matter which of these three options they pick, these
 24 consumers have not cancelled, are still enrolled, and, most importantly, will be charged again.

25 55. Consumers who click the “Close” button then choose a survey response again,
 26 click “Continue” again, proceed back through the pause offer screen and the savings offer screen
 27 again without being diverted, just to land on the same ending screen that tells them they “could
 28 save \$25 each month.” If they click “Close” again, they will be sent back in the same loop again.

1 If they exit out to their home screen, they will be back at square one and will continue to be
 2 charged.



16 **Ex. 20**

17 56. Consumers have complained about getting stuck in this circuitous process,
 18 describing cancellation as a “loop” they can’t get out of. For example, one consumer described
 19 Uber One cancellation as “a circular loop” that was “impossibly difficult to navigate.” Another
 20 consumer recounted a similar experience: “When I tried to cancel the membership on my Uber
 21 app I encountered nothing but frustration because even after following all the steps to cancel, I
 22 could only get so far... It seems like they have created a loop that you cannot cancel an Uber
 23 One membership within 48 hours.”

24 57. If consumers on the final screen notice the small print language under the bold
 25 savings claim (see paragraph 53, above), they see a warning that their next scheduled payment
 26 “may” already be in process and that they should “contact support.” In fact, Uber *always*
 27 charges consumers before the supposed billing date and *never* processes cancellations concluded
 28 via the in-app cancellation flow in the final 48-hour window, and consumers have to pay in

1 perpetuity.

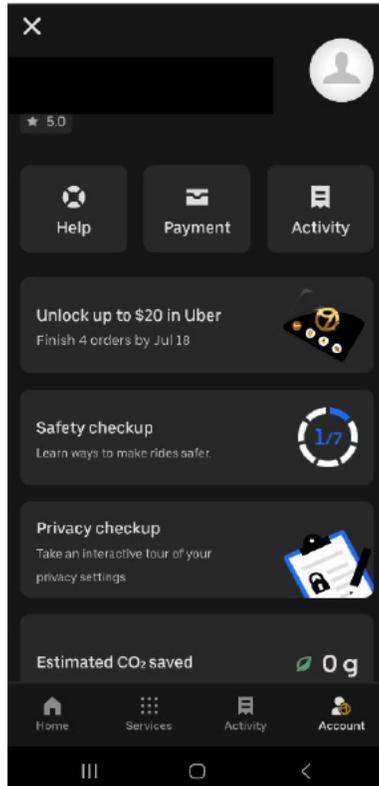
2 58. If consumers do realize their plan wasn't cancelled, they may not realize why.
3 For example, one consumer complained: "I tried to cancel the subscription before the end of the
4 free trial but the option of Ending Subscription on their app just goes on a loop. After you click
5 on it, it redirects you back to the membership page where it still shows that you are still
6 subscribed."

7 59. Consumers who do realize they have not successfully cancelled must figure out
8 where to go next. Uber did not provide any contact information for "support" or give any
9 guidance on where to navigate within the app to find "support" for the vast majority of the
10 relevant time period, and only offered the information after receiving notice of the FTC's
11 investigation. As one consumer explained, "Uber is making it impossible to cancel your Uber
12 One subscription without contacting support outside an app, but there's no mechanism to find
13 out how to contact support. When I go to cancel my membership, it consistently says I am
14 within 48 hours of renewal and will not let me cancel even for the following month. They're
15 making it deliberately hard to cancel." And even if consumers do contact support after seeing
16 this screen, they have been charged for another month anyway, as described further below. Uber
17 employees have even raised concerns about this, with one stating in August 2023: "My concern
18 about this is regarding the message shown in the screen that says 'contact support to cancel' and
19 we might not be able to do so if the payment is pending."

20 60. Another consumer described having to navigate the various screens within the in-
21 app cancellation flow before hitting a confusing roadblock: "After confirming my intent to
22 cancel, I was redirected to a screen stating that I was within 48 hours of the renewal date and that
23 I needed to contact support to cancel. However, there was no contact information provided on
24 this screen. I attempted to find and use the support options available in the app but was unsure if
25 my cancellation request was successfully submitted or received, leaving the status of my
26 membership unclear."

27 61. After already navigating a battery of screens to reach a dead end, consumers who
28 wished to contact customer support to cancel have then had to navigate a *second* maze of

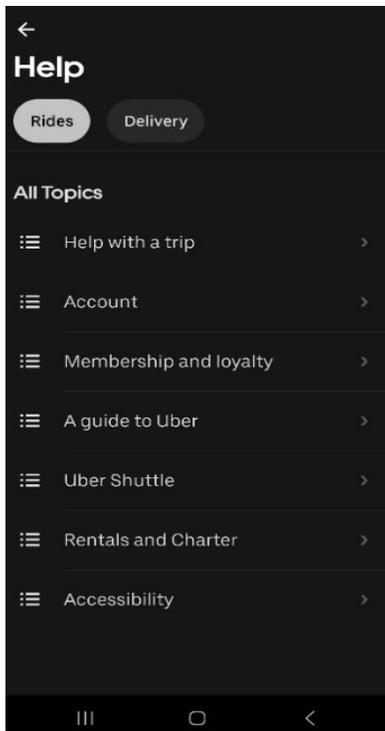
1 screens. Here is the process Uber has required consumers to navigate: First, they must start over
2 by navigating back to the Uber Apps' home screen (excerpted in paragraph 40, above). Second,
3 the consumer must tap on the "Account" button, which reveals the following screen again.



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Ex. 21

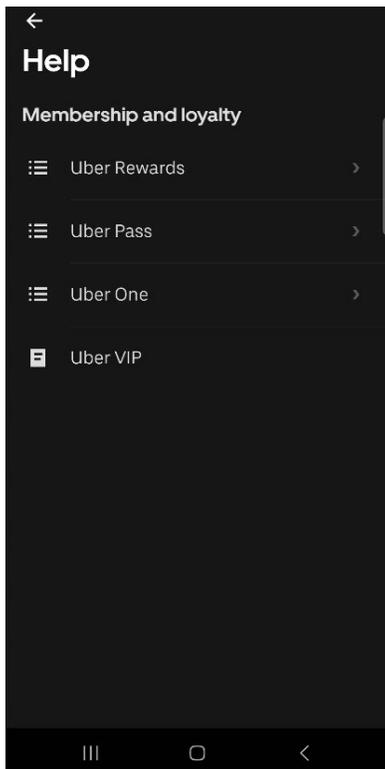
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18 62. Next, the consumer must tap on the "Help" button, which directs them to a new
19 screen.

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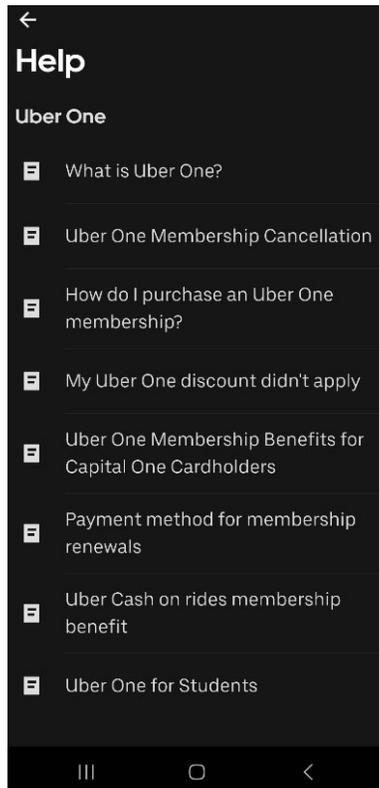
Ex. 22

63. On this screen, which mentions nothing about cancellation or Uber One, the consumer must tap the “Membership and loyalty” button, which opens another screen.



Ex. 23

1 64. On the “Membership and loyalty” screen, the consumer must tap the “Uber One”
2 button. If the consumer taps the “Uber One” button, the following screen appears.

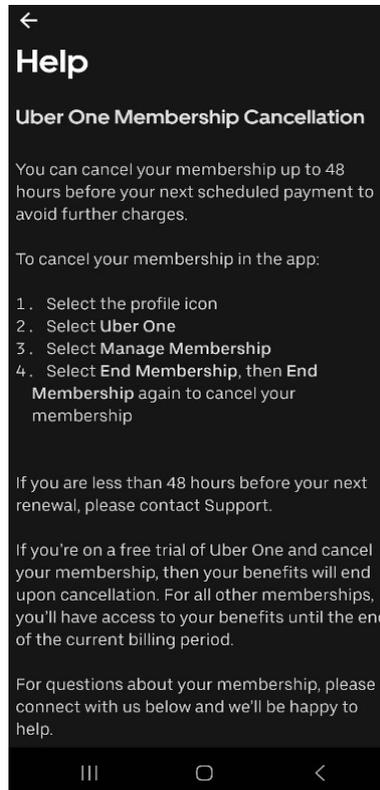


16 **Ex. 24**

17 65. Here, the consumer must tap the “Uber One Membership Cancellation” button,
18 which directs them to yet another screen.

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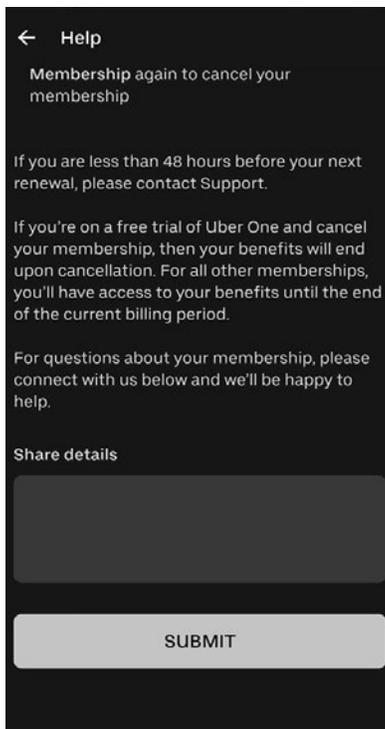
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Ex. 25

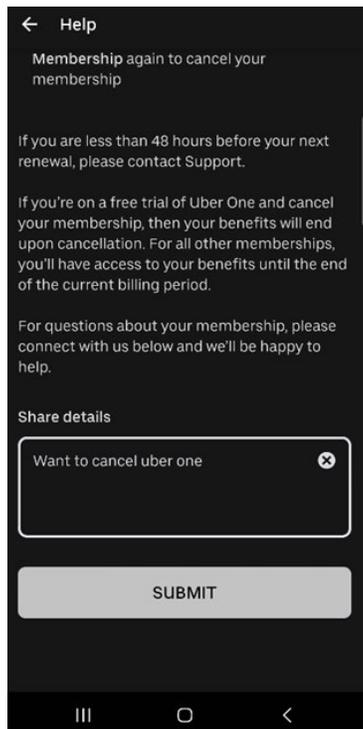
66. Here, at the top of the screen, consumers see instructions for how to cancel their membership in the app. If they attempt to follow these instructions, they will end up in the same loop described in paragraphs 54-56 above. If instead, they read down the page, they will see a note that says, “If you are less than 48 hours before your next renewal, please contact Support.” There are no instructions on how to contact support, causing at least some consumers to click out of the flow to attempt to find a “Support” tab. If, instead, the consumer stays on this page and scrolls to the very bottom of the screen, an empty text input field appears under the heading “Share details.”

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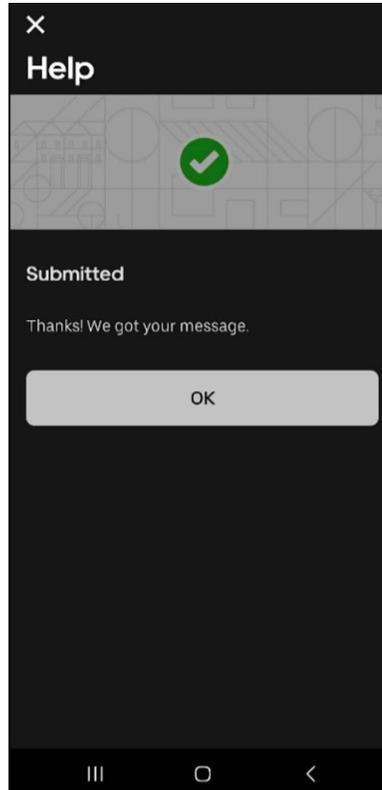
Ex. 26

67. Consumers must then manually type their cancellation request into the empty box and click the “Submit” button.



Ex. 27

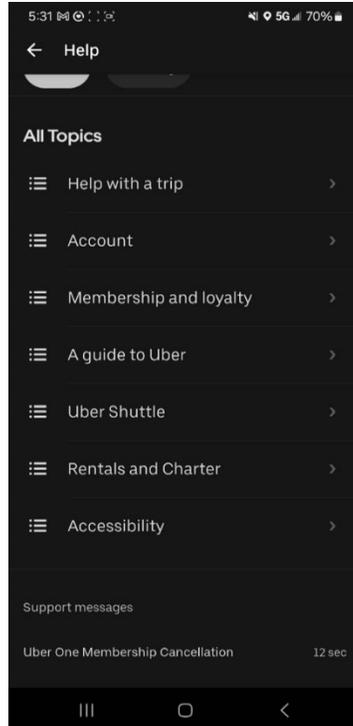
1 68. After consumers submit their cancellation request via the text input field, they are
2 presented with a new screen that does not indicate whether their request has been granted or
3 where to follow-up next.



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17 **Ex. 28**

18 69. If consumers click the button labeled “OK,” they are directed back to the Account
19 screen, excerpted above in paragraph 61. From there, if they click the “Help” button again, then
20 scroll all the way to the bottom of the “Help” page, they will see a button that was not there
21 before titled, “Uber One Membership Cancellation,” beneath text that reads, “Support
22 messages.”

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Ex. 29

70. If the consumer clicks “Uber One Membership Cancellation,” a new screen opens showing that they have entered a chat with Uber support.



Ex. 30

1 71. By this point consumers have gone through as many as 23 screens and have taken
2 at least 32 actions (including scrolling, clicking, and typing) if they follow the correct steps and
3 only go back through the loop described above once.[†] Consumers then must wait for an Uber
4 customer service representative to respond to their request and process their cancellation. But
5 even consumers who find their way to the cancellation support queue are often unable to
6 promptly cancel or avoid being charged due to excessively long hold times: consumers often
7 report waiting *hours or up to a full day* to receive a response from Uber, and that they were
8 already billed for the next payment in the interim.

9 72. Uber’s restriction on cancelling within 48 hours has come as a surprise to
10 consumers. [REDACTED]

11 [REDACTED]
12 [REDACTED] The only place where Uber One mentions anything
13 about a 48-hour period is on the initial checkout page (excerpted in paragraph 31, above), where
14 it appears in small, light gray fine print at the very bottom of the screen.

15 73. Even if consumers notice this fine print when they enroll, it only tells them to
16 “cancel up to 48 hours before [the billing date] in the app.” There is no information at all on
17 where or how to cancel and avoid charges once you are in the 48-hour window during which
18 consumers are likely to think about cancelling a subscription. This small and confusingly
19 worded disclosure lacks a date certain, only gives a time frame in reference to a different date,
20 *and* fails to warn consumers how long cancellation can take outside the app or that Uber bills
21 consumers before the promised billing date.

22 74. And, as noted in paragraph 38, above, [REDACTED]

23 [REDACTED]
24 [REDACTED] making it more likely they will slip into this 48-hour

25 _____
26 [†] Alternatively, consumers in the final 48 hours of their billing cycle who happen to tap the
27 “Help” button instead of the “Account” button discussed in paragraph 41, above, could
28 potentially start customer support cancellation directly. In that case, they would still need to
proceed through 10 screens with at least 14 actions, then wait for a response from customer
service representatives. This is a less likely path, however, because the only cancellation
instructions that Uber makes available (see paragraph 66, above) direct consumers to the in-app
cancellation path first, which would require them to proceed through customer service
cancellation second, totaling as many as 23 screens with at least 32 actions.

1 cancellation black hole without realizing how hard it will be to come out the other side.

2 75. Consumers regularly express their surprise, confusion, and frustration over Uber
3 One's tiresome and complicated cancellation process. In fact, the process is so challenging that
4 it has spawned online tutorials attempting to explain how consumers can cancel Uber One, which
5 have been viewed tens of thousands of times and include dozens of comments from fed up Uber
6 One users. Other consumers have also complained:

- 7 • "I signed up for an uber one account within the uber eats app. I have been trying to
8 cancel but when I go to the membership management tab it tells me to contact
9 customer support and no number is listed. After fully exploring the app to find
10 customer support number which is not anywhere in the uber eats app, I googled the
11 number only to find it is no longer in service. When you call the provided number it
12 tells you to go thru the app!"
- 13 • "I have an Uber One account, I try and cancel it and there's no direct way to do it
14 through either the website or the app. Instructions given in the app is either outdated
15 or does not work! There's no button to end the subscription! There's no phone number
16 to contact Uber directly! There's no email service! The only way to communicate
17 with the company as a rider is to go through their in-app help service- which simply
18 opens a claim through which they may or may not contact you. I'm not an old or
19 confused person, I work in tech. This is clearly a means to deceive customers or
20 intentionally make it difficult to stop monthly payments."
- 21 • "[A] courtesy trial period is offered but the credit card is charged 24-48 hours before
22 the end of the trial period. When the customer goes to cancel the membership before
23 the end of the trial period there is no way to cancel the membership except to contact
24 customer service. Customer service then informs that the charge is not refundable
25 even though it was made before the end of the trial period and the membership has
26 been cancelled. ... Customers are also discouraged from making the cancellation
27 themselves through the app by saying that all membership benefits will suddenly end
28 which does not seem true. Then you are forced into this period where customer

1 service can only cancel your membership and goes ahead and charges you anyway for
2 an additional month.”

3 **Uber One’s Enrollment and Cancellation Processes Result in**
4 **Unauthorized Charges for Customers**

5 76. Uber One’s enrollment and cancellation practices are not only frustrating to
6 consumers; they are also costly. In numerous instances, consumers are unexpectedly charged
7 significant sums of money for Uber One. For example, many consumers report finding charges
8 for Uber One on their credit card statements despite never authorizing enrollment in a paid Uber
9 One membership.

10 77. Additionally, many consumers in Uber One memberships are charged
11 unexpectedly due to Uber’s misleading policy of charging consumers for a new subscription 24
12 to 48 hours before their stated billing date. Consumers who have tried to cancel their Uber One
13 subscriptions within the last 48 hours of their free trial often find out they have already been
14 enrolled in and prematurely charged for a paid subscription before their free trial has even ended.
15 Similarly, consumers trying to cancel within the last 48 hours of a paid subscription often
16 discover they have been charged for another unwanted month *or even year* of Uber One prior to
17 the expiration of their current subscription period, or that Uber has not processed any
18 cancellation for them at all.

19 78. Some consumers who didn’t know they were ever enrolled in Uber One in the
20 first place, or who thought they had already cancelled, are surprised to see Uber One charges
21 appear on their bills and then have trouble canceling. To recoup their losses, they must then
22 expend significant time and effort requesting refunds, which, as described below, are not always
23 granted:

- 24 • “I was signed up for an Uber One Membership. The due date for my next charge
25 is supposed to be 12192023 [*sic*] and I was charged 48 hours in advance for the
26 membership fee of 9.99, I spoke to customer support about it and while they
27 cancelled the membership they would not refund the monthly charge.”
28

- 1 • “UBER ONE will charge you for the monthly subscription one day before your
2 current subscription expires....My current subscription ends on March 22 but I
3 was charged on March 21st and I tried to get refunded but they won't allow it.”
- 4 • “I signed up for a student account of Uber one free trial. The trial was supposed
5 to last thirty days, however today on the twenty ninth day I was charged \$48
6 dollars to my account. The payment is still processing, so I cannot dispute the
7 claim to my bank and must wait for it to be processed which can take about a
8 week. Uber does not have an active or easily accessible customer support phone
9 number. Instead, they have an in-app support guide which does little to help with
10 any situation and makes it harder to contact anyone in customer support. It even
11 says in the app for my account that I am supposed to be charged tomorrow, yet I
12 was charged today.”
- 13 • “On their terms, it says that if a user tries to cancel within 48 hours of their trial
14 ending - they need to contact uber support. They basically hide the End my
15 membership or manage my membership call to action button and I had to click
16 through buttons to get support through chat. Cancellation only takes effect until
17 the next billing cycle so even if you have 24 hours left of the trial -- they will still
18 charge your credit card for this month's. What a scam.”
- 19 • “I was attempting to cancel a membership to Uber One through their app. After
20 going through a few pages in the process, I landed on a roadblock page that
21 stated You are within 48 hours of your renewal window and must contact support
22 to cancel. This never existed before and is not only a deceptive business practice
23 but may be illegal. Rather than making it easy, or even possible to cancel in the
24 app they tried to make it much more difficult and time consuming, despite there
25 being no need to do so from a technical or accounting perspective. They also
26 charged my debit card a day before the renewal date, taking my money before
27 they were owed it, which is certainly illegal.”

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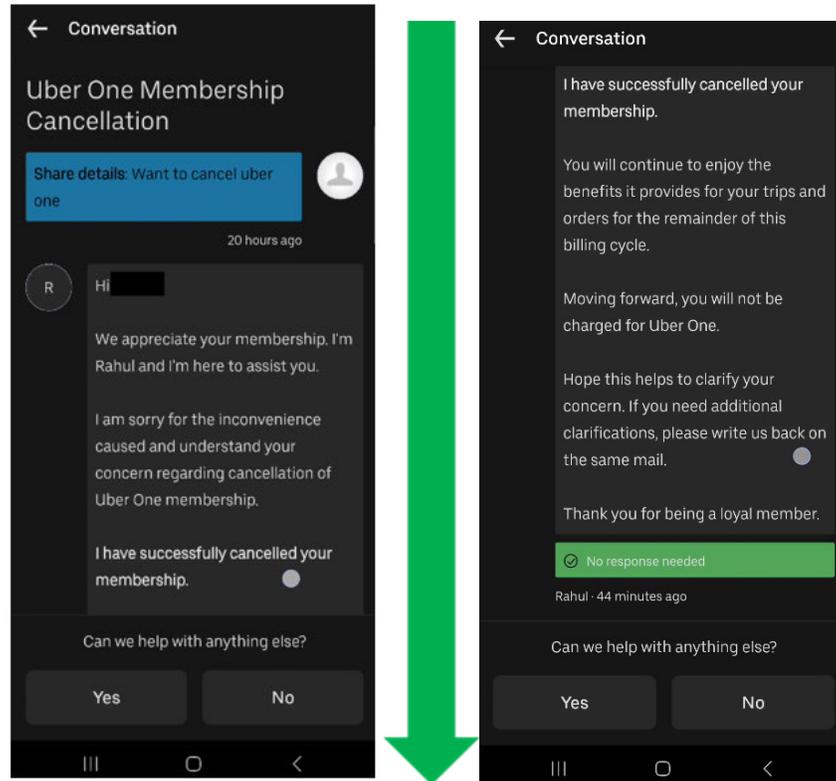
1 79. Consumers are also hit with unwanted additional charges for Uber One due to
2 unreasonably long wait times in the Uber customer support chat queue. Many times, when
3 consumers finally hear back from Uber’s customer service representatives, they have already
4 been charged for the next billing cycle, even when they initiated their cancellation request well
5 before the end of their free trial or within the current billing cycle of their paid subscription.

6 80. For example, one consumer complained, “I tried to cancel the subscription
7 through the Uber application on my phone. The app did not let me cancel the subscription and
8 displayed this message: You are within 48 hours of your renewal date and your next scheduled
9 payment may be in process. Please contact support to cancel. Uber does not have a phone
10 number for support and only uses the email support feature on the app to provide support. I
11 submitted a request to cancel on June 22 at approximately 11:45 AM over the email support
12 feature. There were no customer service agents available and the app said I will receive a reply
13 when a customer service agent is available. I received a reply on June 23 at 9:59 AM saying that
14 my membership auto renewal was cancelled and it will not renew after July 23. So I was
15 charged for a month of Uber one due to lack of proper way for a user to cancel Uber one
16 subscription.”

17 81. If consumers are finally able to reach an Uber customer service representative and
18 cancel, Uber confirms cancellation and states the consumer will not be charged after cancelling.
19 In the example below, Uber confirms cancellation and states “Moving forward, you will not be
20 charged for Uber One”:

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Ex. 31

82. But, in fact, Uber always charges consumers, including the one in this example who was enrolled in a four-week free trial, for one additional month.

83. As a result, many consumers have complained that they were charged for Uber One subscription services that they believed were cancelled. Some of these consumers completed the in-app cancellation flow, and clicked “Close,” with the reasonable belief that they had cancelled their subscription, while others connected with customer support and were specifically told their subscriptions were cancelled and they wouldn’t be charged again. In some instances, consumers have been charged for months without their consent for subscriptions that were already cancelled and have even been forced to cancel their credit or debit cards to finally stop the charges. Even after the primary payment method has been cancelled, Uber sometimes charges other cards it happens to have access to in the app if they have ever been used to book a ride or delivery in the past. Below are some examples of related consumer complaints:

- “I signed up for Uber Eats (Uber One) via their application. I cancelled their app when given the opportunity to cancel. Uber One still charged my checking account

1 the monthly fee in the amount of \$9.99 three times after cancelling. I reached out via
2 chat, and I was refunded. A couple of months later, Uber One restarted charging my
3 checking account for \$9.99. As a result, I cancelled my bankcard, and was issued a
4 new one so that the unauthorized charges would stop. Uber One then attempted
5 numerous times to charge my account. but was unsuccessful. Then Uber one charged
6 my wife’s bank card (she used her bankcard once to make a purchase prior to me
7 cancelling my account).”

8 • “I had signed up for a free trial of Uber One sometime last year. I attempted to cancel
9 this subscription, and I was told by Uber that it had, in fact, cancelled. This week, I
10 was suddenly charged \$96 for the subscription that I had cancelled. I spoke with them
11 and recieved [sic] a refund, but that same day I was charged AGAIN for the
12 subscription. They are now refusing to help me or actually issue any refund and are
13 instead putting me through a loop talking to representatives.”

14 • “I also contacted the customer service at Uber one, they promised to pay me back for
15 the reasnt [sic] charging and unsubscribe me, they said Yes, but they still talking [sic]
16 money form [sic] my account even when I tried to delete my debit card from the Uber
17 app. Please help, I did contact Uber 3 times. They still stealing me.”

18 84. The harm from unwanted recurring charges is not reasonably avoidable, as
19 consumers who did not consent to enroll in Uber One would not know they needed to cancel to
20 avoid charges, and those who did know do not expect that they will continue to be charged when
21 they request cancellation before their billing dates. In addition, there is no countervailing benefit
22 to consumers or competition from this conduct because there is no benefit to consumers or
23 competition from being enrolled into unwanted subscriptions or from being trapped by Uber
24 One’s circuitous cancellation flow. In fact, there is significant injury.

25 85. [REDACTED]
26 [REDACTED]
27 [REDACTED]
28 [REDACTED]

1 [REDACTED]
2 [REDACTED]
3 [REDACTED]
4 [REDACTED]
5 [REDACTED]

6 86. Based on the facts and violations of law alleged in this Complaint, the FTC has
7 reason to believe that Defendants are violating or are about to violate laws enforced by the
8 Commission.

9 **VIOLATIONS OF THE FTC ACT**

10 87. Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), prohibits “unfair or deceptive acts
11 or practices in or affecting commerce.”

12 88. Misrepresentations or deceptive omissions of material fact constitute deceptive
13 acts or practices prohibited by Section 5(a) of the FTC Act.

14 89. Acts or practices are unfair under Section 5 of the FTC Act if they cause or are
15 likely to cause substantial injury to consumers that consumers cannot reasonably avoid
16 themselves and that is not outweighed by countervailing benefits to consumers or competition.
17 15 U.S.C. § 45(n).

18 **Count I**

19 **Misrepresentations**

20 90. In numerous instances in connection with the advertising, marketing, promotion,
21 offering for sale, or sale of its subscription service, including through the means described in
22 Paragraphs 16 to 31 above, Defendants represent, directly or indirectly, expressly or by
23 implication, that consumers may cancel their subscription service at any time with no additional
24 fees.

25 91. The representations set forth in Paragraph 90 are false or misleading. In fact,
26 consumers cannot cancel at “any time” without being charged additional fees.

27 92. Therefore, the making of the representations as set forth in Paragraph 90
28 constitutes a deceptive act or practice in violation of Section 5(a) of the FTC Act, 15 U.S.C.

1 §45(a).

2 **Count II**

3 **Unfairly Charging Consumers Without Consent**

4 93. In numerous instances, as described in Paragraphs 34 and 76 to 85 above,
5 Defendants charge consumers without obtaining consumers' express informed consent.

6 94. Defendants' actions cause or are likely to cause substantial injury to consumers
7 that consumers cannot reasonably avoid themselves and that is not outweighed by countervailing
8 benefits to consumers or competition.

9 95. Therefore, Defendants' acts or practices as described in Paragraph 93 constitute
10 unfair acts or practices in violation of Section 5 of the FTC Act, 15 U.S.C. § 45(a), (n).

11 **VIOLATIONS OF THE RESTORE ONLINE SHOPPERS' CONFIDENCE ACT**

12 96. In 2010, Congress passed the Restore Online Shoppers' Confidence Act, 15
13 U.S.C. §§ 8401 et seq., which became effective on December 29, 2010. In passing ROSCA,
14 Congress declared that "[c]onsumer confidence is essential to the growth of online commerce.
15 To continue its development as a marketplace, the Internet must provide consumers with clear,
16 accurate information and give sellers an opportunity to fairly compete with one another for
17 consumers' business." Section 2 of ROSCA, 15 U.S.C. § 8401.

18 97. Section 4 of ROSCA, 15 U.S.C. § 8403, generally prohibits charging consumers
19 for goods or services sold in transactions effected on the Internet through a negative option
20 feature, as that term is defined in the Commission's Telemarketing Sales Rule ("TSR"), 16
21 C.F.R. § 310.2(w), unless the seller, among other things, provides text that clearly and
22 conspicuously discloses all material terms of the transaction before obtaining the consumer's
23 billing information, obtains the consumer's express informed consent for the charges, and
24 provides simple mechanisms for a consumer to stop recurring charges. *See* 15 U.S.C. § 8403.

25 98. The TSR defines a negative option feature as a provision in an offer or agreement
26 to sell or provide any goods or services "under which the customer's silence or failure to take an
27 affirmative action to reject goods or services or to cancel the agreement is interpreted by the
28 seller as acceptance of the offer." 16 C.F.R. § 310.2(w).

1 99. As described in Paragraphs 13 to 38 above, Defendants have advertised and sold
2 subscription services through a negative option feature as defined by the TSR. 16 C.F.R. §
3 310.2(w).

4 100. Pursuant to Section 5 of ROSCA, 15 U.S.C. § 8404, a violation of ROSCA is
5 treated as a violation of a rule promulgated under Section 18 of the FTC Act, 15 U.S.C. § 57a.

6 **Count III**

7 **Failure to Provide Required Disclosures**

8 101. In numerous instances, in connection with charging consumers for goods or
9 services sold in transactions effected on the Internet through a negative option feature, as
10 described in Paragraphs 16 to 85 above, Defendants have failed to clearly and conspicuously
11 disclose before obtaining consumers' billing information all material transaction terms, including
12 the following terms:

- 13 a. That they are being enrolled in a recurring paid subscription;
14 b. The amount of money that consumers in Uber One subscriptions actually save;
15 c. When they will be billed or charged; and
16 d. The method of cancellation.

17 102. Defendants' acts or practices, as described in Paragraph 101 above, violate
18 Section 4 of ROSCA, 15 U.S.C. § 8403.

19 **Count IV**

20 **Failure to Obtain Express Informed Consent Before Charges**

21 103. In numerous instances, in connection with charging consumers for goods or
22 services sold in transactions effected on the Internet through a negative option feature, as
23 described in Paragraphs 16 to 85 above, Defendants have failed to obtain a consumer's express
24 informed consent before charging the consumer's credit card, debit card, bank account, or other
25 financial account for products or services through such transaction.

26 104. Defendants' acts or practices, as described in Paragraph 103 above, violate
27 Section 4 of ROSCA, 15 U.S.C. § 8403.

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Count V

Failure to Provide Simple Mechanisms for Stopping Recurring Charges

105. In numerous instances, in connection with charging consumers for goods or services sold in transactions effected on the Internet through a negative option feature, as described in Paragraphs 16 to 85 above, Defendants have failed to provide simple mechanisms for a consumer to stop recurring charges from being placed on the consumer’s credit card, debit card, bank account, or other financial account.

106. Defendants’ acts or practices, as described in Paragraph 105 above, violate Section 4 of ROSCA, 15 U.S.C. § 8403.

CONSUMER INJURY

107. Consumers are suffering, have suffered, and will continue to suffer substantial injury as a result of Defendants’ violations of the FTC Act and ROSCA. Absent injunctive relief by this Court, Defendants are likely to continue to injure consumers and harm the public interest.

PRAYER FOR RELIEF

Wherefore, the FTC requests that the Court:

- A. Enter a permanent injunction to prevent future violations of the FTC Act and ROSCA;
- B. Award monetary and other relief within the Court’s power to grant;
- C. Award any additional relief as the Court determines to be just and proper.

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Respectfully submitted,

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/s/ Stephanie Liebner

Stephanie Liebner
Paul Mezan
James Doty
Federal Trade Commission
600 Pennsylvania Avenue, NW
Mail Stop CC-10232
Washington, DC 20580
(202) 758-4177 (Mezan)
E-mail: pmezan@ftc.gov
(202) 326-3395 (fax)

Attorneys for Plaintiff

Federal Trade Commission