

1 relief for Defendants’ acts or practices in violation of Section 5(a) of the FTC Act,
2 15 U.S.C. § 45(a), in connection with its mobile banking application.

3 **JURISDICTION AND VENUE**

4 2. This Court has subject matter jurisdiction pursuant to 28 U.S.C.
5 §§ 1331, 1337(a), and 1345.

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

8 **INTRADISTRICT ASSIGNMENT**

9 4. The conduct at issue in this action took place in substantial part in San
10 Francisco County.

11 **PLAINTIFF**

12 5. The FTC is an independent agency of the United States Government
13 created by statute. 15 U.S.C. §§ 41–58. The FTC enforces Section 5(a) of the
14 FTC Act, 15 U.S.C. § 45(a), which prohibits unfair or deceptive acts or practices in
15 or affecting commerce.

16 6. The FTC is authorized to initiate federal district court proceedings, by
17 its own attorneys, to enjoin violations of the FTC Act and to secure such equitable
18 relief as may be appropriate in each case, including rescission or reformation of
19 contracts, restitution, the refund of monies paid, and the disgorgement of ill-gotten
20 monies. 15 U.S.C. § 53(b).

21 **DEFENDANTS**

22 7. Defendant Beam Financial Inc. (“Beam Financial”) is a Delaware
23 corporation with its principal place of business at 1540 Market Street, Suite 100,
24 San Francisco, California. Beam Financial transacts or has transacted business in

1 this District and throughout the United States. At all times material to this
2 Complaint, acting alone or in concert with others, Beam Financial has advertised,
3 marketed, and distributed mobile applications to consumers throughout the United
4 States.

5 8. Defendant Yinan Du, also known as Aaron Du, (“Du”) is the founder
6 and sole officer of Beam Financial, holding the positions of chief executive officer,
7 secretary, and chief financial officer. Du is Beam Financial’s signatory on
8 contracts with financial entities used for transferring Beam Financial customers’
9 funds and is invoiced directly by at least one such entity. At all times material to
10 this Complaint, acting alone or in concert with others, he has formulated, directed,
11 controlled, had the authority to control, or participated in the acts and practices of
12 Beam Financial, including the acts and practices set forth in this Complaint.
13 Through his activities and positions as founder and sole officer of Beam Financial,
14 Du has actual knowledge of Beam Financial’s deceptive conduct, has been
15 recklessly indifferent to such conduct, or has intentionally avoided knowledge of
16 such conduct. Defendant Du resides in this District and, in connection with the
17 matters alleged herein, transacts or has transacted business in this District and
18 throughout the United States.

19 **COMMERCE**

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

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1 Defendants do respond, the response is most often boilerplate that does not address
2 the particulars of the consumer's complaint.

3 20. When Defendants provide a more specific response, in numerous
4 instances the response states or suggests that the consumer will receive their
5 money by "next week" and may also state or suggest that Defendants will follow
6 up if the consumer's money is not returned on that timeline. In numerous
7 instances, however, consumers who are sent such responses neither receive their
8 money by the next week, nor are contacted by Defendants, leaving the onus on the
9 consumer to again complain to Defendants.

10 21. To the extent Defendants p6.1 ()8mTc [(p6.1 ()8mTc [(p6.1 ()8mTc [(p6.1 ()8mTc

1 35. Based on the facts and violations of law alleged in this Complaint, the
2 FTC has reason to believe that Defendants are violating or are about to violate laws
3 enforced by the Commission.

4 **VIOLATIONS OF THE FTC ACT**

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

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Count II

41. In numerous instances in connection with the advertising, marketing, promotion, or offering of the Beam app, including through the means described in Paragraphs 28–31, Defendants represent, directly or indirectly, expressly or by implication, that consumers who deposit funds with the Beam app will receive substantial interest rates, including base interest rates on their deposits of at least 0.2% or 1.0%.

42. The representations set forth in Paragraph 41 are false or misleading or were not substantiated at the time the representations were made.

43. Therefore, the making of the representations as set forth in

Paragraph 41 constitutes deceptive practices in violation of Section 8658.6(h)(1) of the California Consumer Privacy Act of 2018.

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1 the disgorgement of ill-gotten monies, to prevent and remedy any violation of any
2 provision of law enforced by the FTC.

3 **PRAYER FOR RELIEF**

4 Wherefore, Plaintiff FTC, pursuant to Section 13(b) of the FTC Act,
5 15 U.S.C. § 53(b), and the Court's own equitable powers, requests that the Court:

6 A.

