CIVIL ACTION COVER SHEET

DOCKET NUMBER: 2084CV02094A

Trial Court of Massachusetts
The Superior Court

COUNTY: Suffolk

PLAINTIFF(S):	Commonwealth of Massachusetts	DEFENDANT(S):	Stripe, Inc.
ADDRESS:	Office of the Attorney General		
	One Ashburton Place, 18th Floor		
	Boston, MA 02108		
ATTORNEY:	Lilia Volynkova Dubois		
ADDRESS:	Office of the Attorney General	ADDRESS:	510 Townsend Street
	One Ashburton Place, 18th Floor		San Francisco, CA 94103
	Boston, MA 02108		
BBO:	688848		

RECEIVED
SEP 16 2020
SUPERIOR COURT-CIVIL
MICHAEL JOSEPH DONOVAN
CLERK/MAGISTRATE

TYPE OF ACTION AND TRACK DESIGNATION (see reverse side)

CODE NO.	TYPE OF ACTION (specify)	TRACK	HAS A JURY CLAIM BEEN MADE?
E99	Other Administrative Action	X	☒ YES ☐ NO

***If "Other" please describe:**

Is there a claim under G.L. c. 93A? ☒ YES ☐ NO

Is this a class action under Mass. R. Civ. P. 23? ☐ YES ☒ NO

STATEMENT OF DAMAGES PURSUANT TO G.L. c. 212, § 3A

The following is a full, itemized and detailed statement of the facts on which the undersigned plaintiff or plaintiff's counsel relies to determine money damages. For this form, disregard double or treble damage claims; indicate single damages only.

TORT CLAIMS
(attach additional sheets as necessary)

A. Documented medical expenses to date:
1. Total hospital expenses .... $______
2. Total doctor expenses .... $______
3. Total chiropractic expenses .... $______
4. Total physical therapy expenses .... $______
5. Total other expenses (describe below) .... $______

Subtotal (A): $______

B. Documented lost wages and compensation to date .... $______
C. Documented property damages to date .... $______
D. Reasonably anticipated future medical and hospital expenses .... $______
E. Reasonably anticipated lost wages .... $______
F. Other documented items of damages (describe below) .... $______

G. Briefly describe plaintiff's injury, including the nature and extent of injury:

TOTAL (A-F):$n/a

CONTRACT CLAIMS
(attach additional sheets as necessary)

☐ This action includes a claim involving collection of a debt incurred pursuant to a revolving credit agreement. Mass. R. Civ. P. 8.1(a).
Provide a detailed description of claim(s):

TOTAL: $ n/a

Signature of Attorney/ Unrepresented Plaintiff: X **Date:** 9/16/20

RELATED ACTIONS: Please provide the case number, case name, and county of any related actions pending in the Superior Court.

CERTIFICATION PURSUANT TO SJC RULE 1:18

I hereby certify that I have complied with requirements of Rule 5 of the Supreme Judicial Court Uniform Rules on Dispute Resolution (SJC Rule 1:18) requiring that I provide my clients with information about court-connected dispute resolution services and discuss with them the advantages and disadvantages of the various methods of dispute resolution.

Signature of Attorney of Record: X **Date:** 9/16/20

CIVIL ACTION COVER SHEET INSTRUCTIONS
SELECT CATEGORY THAT BEST DESCRIBES YOUR CASE

AC Actions Involving the State/Municipality *

AA1 Contract Action involving Commonwealth, Municipality, MBTA, etc.	(A)
AB1 Tortious Action involving Commonwealth, Municipality, MBTA, etc.	(A)
AC1 Real Property Action involving Commonwealth, Municipality, MBTA etc.	(A)
AD1 Equity Action involving Commonwealth, Municipality, MBTA, etc.	(A)
AE1 Administrative Action involving Commonwealth, Municipality, MBTA,etc.	(A)

CN Contract/Business Cases

A01 Services, Labor, and Materials	(F)
A02 Goods Sold and Delivered	(F)
A03 Commercial Paper	(F)
A04 Employment Contract	(F)
A05 Consumer Revolving Credit - M.R.C.P. 8.1	(F)
A06 Insurance Contract	(F)
A08 Sale or Lease of Real Estate	(F)
A12 Construction Dispute	(A)
A14 Interpleader	(F)
BA1 Governance, Conduct, Internal Affairs of Entities	(A)
BA3 Liability of Shareholders, Directors, Officers, Partners, etc.	(A)
BB1 Shareholder Derivative	(A)
BB2 Securities Transactions	(A)
BC1 Mergers, Consolidations, Sales of Assets, Issuance of Debt, Equity, etc.	(A)
BD1 Intellectual Property	(A)
BD2 Proprietary Information or Trade Secrets	(A)
BG1 Financial Institutions/Funds	(A)
BH1 Violation of Antitrust or Trade Regulation Laws	(A)
A99 Other Contract/Business Action - Specify	(F)

* Choose this case type if ANY party is the Commonwealth, a municipality, the MBTA, or any other governmental entity UNLESS your case is a case type listed under Administrative Civil Actions (AA).

† Choose this case type if ANY party is an incarcerated party, UNLESS your case is a case type listed under Administrative Civil Actions (AA) or is a Prisoner Habeas Corpus case (E97).

ER Equitable Remedies

D01 Specific Performance of a Contract	(A)
D02 Reach and Apply	(F)
D03 Injunction	(F)
D04 Reform/ Cancel Instrument	(F)
D05 Equitable Replevin	(F)
D06 Contribution or Indemnification	(F)
D07 Imposition of a Trust	(A)
D08 Minority Shareholder's Suit	(A)
D09 Interference in Contractual Relationship	(F)
D10 Accounting	(A)
D11 Enforcement of Restrictive Covenant	(F)
D12 Dissolution of a Partnership	(F)
D13 Declaratory Judgment, G.L. c. 231A	(A)
D14 Dissolution of a Corporation	(F)
D99 Other Equity Action	(F)

PA Civil Actions Involving Incarcerated Party †

PA1 Contract Action involving an Incarcerated Party	(A)
PB1 Tortious Action involving an Incarcerated Party	(A)
PC1 Real Property Action involving an Incarcerated Party	(F)
PD1 Equity Action involving an Incarcerated Party	(F)
PE1 Administrative Action involving an Incarcerated Party	(F)

TR Torts

B03 Motor Vehicle Negligence - Personal Injury/Property Damage	(F)
B04 Other Negligence - Personal Injury/Property Damage	(F)
B05 Products Liability	(A)
B06 Malpractice - Medical	(A)
B07 Malpractice - Other	(A)
B08 Wrongful Death - Non-medical	(A)
B15 Defamation	(A)
B19 Asbestos	(A)
B20 Personal Injury - Slip & Fall	(F)
B21 Environmental	(F)
B22 Employment Discrimination	(F)
BE1 Fraud, Business Torts, etc.	(A)
B99 Other Tortious Action	(F)

RP Summary Process (Real Property)

S01 Summary Process - Residential	(X)
S02 Summary Process - Commercial/ Non-residential	(F)

RP Real Property

C01 Land Taking	(F)
C02 Zoning Appeal, G.L. c. 40A	(F)
C03 Dispute Concerning Title	(F)
C04 Foreclosure of a Mortgage	(X)
C05 Condominium Lien & Charges	(X)
C99 Other Real Property Action	(F)

MC Miscellaneous Civil Actions

E18 Foreign Discovery Proceeding	(X)
E97 Prisoner Habeas Corpus	(X)
E22 Lottery Assignment, G.L. c. 10, § 28	(X)

AB Abuse/Harassment Prevention

E15 Abuse Prevention Petition, G.L. c. 209A	(X)
E21 Protection from Harassment, G.L. c. 258E	(X)

AA Administrative Civil Actions

E02 Appeal from Administrative Agency, G.L. c. 30A	(X)
E03 Certiorari Action, G.L. c. 249, § 4	(X)
E05 Confirmation of Arbitration Awards	(X)
E06 Mass Antitrust Act, G.L. c. 93, § 9	(A)
E07 Mass Antitrust Act, G.L. c. 93, § 8	(X)
E08 Appointment of a Receiver	(X)
E09 Construction Surety Bond, G.L. c. 149, §§ 29, 29A	(A)
E10 Summary Process Appeal	(X)
E11 Worker's Compensation	(X)
E16 Auto Surcharge Appeal	(X)
E17 Civil Rights Act, G.L. c.12, § 11H	(A)
E24 Appeal from District Court Commitment, G.L. c.123, § 9(b)	(X)
E25 Pleural Registry (Asbestos cases)	
E94 Forfeiture, G.L. c. 265, § 56	(X)
E95 Forfeiture, G.L. c. 94C, § 47	(F)
E99 Other Administrative Action	(X)
Z01 Medical Malpractice - Tribunal only, G.L. c. 231, § 60B	(F)
Z02 Appeal Bond Denial	(X)

SO Sex Offender Review

E12 SDP Commitment, G.L. c. 123A, § 12	(X)
E14 SDP Petition, G.L. c. 123A, § 9(b)	(X)

RC Restricted Civil Actions

E19 Sex Offender Registry, G.L. c. 6, § 178M	(X)
E27 Minor Seeking Consent, G.L. c.112, § 12S	(X)

TRANSFER YOUR SELECTION TO THE FACE SHEET

EXAMPLE:

CODE NO.	TYPE OF ACTION (specify)	TRACK	HAS A JURY CLAIM BEEN MADE?
B03	Motor Vehicle Negligence-Personal Injury	F	☒ YES ☐ NO

STATEMENT OF DAMAGES PURSUANT TO G.L. c. 212, § 3A

DUTY OF THE PLAINTIFF - The plaintiff shall set forth, on the face of the civil action cover sheet (or attach additional sheets as necessary), a statement specifying the facts on which the plaintiff relies to determine money damages. A copy of such civil action cover sheet, including the statement as to the damages, shall be served with the complaint. **A clerk-magistrate shall not accept for filing a complaint, except as otherwise provided by law, unless it is accompanied by such a statement signed by the attorney or self-represented litigant.**

DUTY OF THE DEFENDANT - If the defendant believes that the statement of damages filed by the plaintiff is inadequate, the defendant may file with his/her answer a statement specifying the potential damages which may result if the plaintiff prevails.

A CIVIL COVER SHEET MUST BE FILED WITH EACH COMPLAINT.
FAILURE TO COMPLETE THIS COVER SHEET THOROUGHLY AND ACCURATELY MAY RESULT IN DISMISSAL OF THIS ACTION.

COMMONWEALTH OF MASSACHUSETTS

SUFFOLK, SS.

SUPERIOR COURT
CIVIL ACTION NO.

IN THE MATTER OF STRIPE, INC.

ASSURANCE OF DISCONTINUANCE PURSUANT TO M.G.L. CHAPTER 93A, § 5

I. INTRODUCTION

1. The Commonwealth of Massachusetts ("Commonwealth"), by and through the Office of Attorney General Maura Healey ("AGO"), and Stripe, Inc. ("Stripe"), enter into this Assurance of Discontinuance ("AOD") pursuant to M.G.L. c. 93A, § 5.

2. Stripe is a Delaware corporation with its principal place of business at 510 Townsend Street, San Francisco, CA 94103. Stripe is a provider of payment software services and solutions. Among other services, Stripe designs and produces software to process online credit and debit card payments. Stripe provides these services worldwide, including in Massachusetts.

3. Starting in August of 2017, Stripe served as a payment processor for Dominic Lacroix and his affiliates (collectively, "Plexcorps"), who allegedly engaged in a fraudulent and unregistered offer and sale of securities called "PlexCoin" and the "PlexCoin Token" in a purported initial coin offering. Between August 2017 and September 2017, Plexcorps operated five accounts directly with Stripe and one additional Stripe account through an e-commerce platform. Stripe terminated the accounts by September 2017.

4. Plexcorps used these Stripe accounts to obtain millions of dollars in PlexCoin ICO investor funds from thousands of investors, including twenty-two investors in Massachusetts.

5. Pursuant to M.G.L. c. 93A, § 6, the AGO conducted an investigation of Stripe's risk monitoring and fraud prevention and mitigation practices and procedures (the "Investigation").

6. Based on the Investigation, the AGO alleges that Stripe knew or should have known of Plexcorp's fraud in time to prevent harm to Massachusetts consumers and that Stripe's risk monitoring and fraud prevention and mitigation practices and procedures violated M.G.L. c. 93A.

7. Specifically, the AGO alleges that Stripe failed to have in place risk monitoring and fraud prevention and mitigation procedures that would:

i. adequately detect and review duplicate accounts;

ii. adequately identify and appropriately escalate requests from law enforcement, such as subpoenas;

iii. adequately search and monitor merchants' websites to identify merchants that offer illegal products or are engaged in fraudulent practices; and

iv. adequately investigate and escalate consumer complaints about potential merchant fraud.

8. This AOD does not constitute an admission by Stripe of any fact or non-compliance with any state or federal law, rule, or regulation. Stripe enters this AOD for settlement purposes only and neither admits nor denies the AGO's allegations as contained in the foregoing paragraphs.

9. The parties are nevertheless desirous of resolving these matters and accordingly, the AGO and Stripe both voluntarily enter into this AOD.

10. This AOD is made without any trial or adjudication of any issue of fact or law.

II. TERMS OF THIS ASSURANCE

11. Stripe agrees to pay to the AGO the sum of one hundred and twenty thousand dollars ($120,000). No part of this payment is or shall be considered a penalty or a fine and the Attorney General shall in her sole discretion apply the funds for the amelioration of harm to Massachusetts consumers, investigative costs, and monitoring. Stripe shall make this payment within thirty (30) days of the entry of this AOD.

12. Stripe has improved its risk monitoring and fraud prevention and mitigation procedures. Stripe, among other things: (i) enhanced duplicate screening procedures for accounts with shared bank accounts, business representative information, or device fingerprints; (ii) improved the protocols for review and monitoring of merchants' websites; and (iii) revised its procedures concerning the handling of law enforcement requests and consumer complaints. Stripe also routinely conducts employee trainings in order to enhance their understanding of risk monitoring and fraud prevention and mitigation. Stripe agrees to maintain risk monitoring and fraud prevention and mitigation procedures at least as effective as its current procedures.

13. Stripe will cooperate with the AGO during the implementation of this AOD and will provide all information not subject to applicable privileges that is reasonably requested by the

AGO during the implementation of and related to this AOD.

14. The acceptance of this AOD by the AGO does not constitute acceptance or approval by the AGO of any of Stripe's assertions of fact or past practices, and Stripe will make no representation to that effect.

15. The AOD may be modified or supplemented only by a written document signed by both parties.

16. This AOD shall be binding upon Stripe, its officers, directors, employees, agents, parents, subsidiaries, affiliates, subdivisions, successors, and assigns.

17. This AOD and its provisions shall be effective on the date that it is filed in Suffolk Superior Court.

18. Any payments under this AOD shall be made by check payable to the Office of the Attorney General, delivered by hand or certified mail to Chloe Williams, Insurance & Financial Services Division, Office of the Attorney General, One Ashburton Place, 18th Floor, Boston, MA 02108.

19. By signing below, the Attorney General agrees that it will not proceed with or institute a civil action or proceeding (under M.G.L. c. 93A section 4, any other statute or regulation, or common law) against (i) Stripe, (ii) Stripe's parents, (iii) Stripe's direct or indirect subsidiaries, (iv) Stripe's affiliates (collectively, (i)-(iv) are hereafter referenced as the "Stripe Released Entities"), (v) any present or former employees of the Stripe Released Entities (relating solely to their conduct during their employment by any of the Stripe Released Entities), and (vi) any subsidiaries and subdivisions, successors, assigns, or any purchasers of all or substantially all of the assets of any of the Stripe Released Entities, regarding Stripe's conduct relating to the matters that are the subject of the Investigation. Any violation by Stripe of this AOD may be pursued in a civil action or proceeding under M.G.L. c. 93A hereafter commenced by the AGO.

20. By signing below, the signatories represent that they are authorized to sign this document on behalf of their respective parties and the parties agree to comply with their respective undertakings contained in this AOD. To avoid the need for a physical hand-signed document, while signatures on this document may be handwritten, they may also be created and applied via Docusign in PDF, manifested by application of an electronic pen, or applied via any

other electronic or electronic signature method.

STRIPE, INC.	COMMONWEALTH OF MASSACHUSETTS MAURA HEALEY ATTORNEY GENERAL
By: Simon Arscott	By:
Simon Arscott	Lilia V. DuBois, BBO # 688848 Assistant Attorney General One Ashburton Place, 18th Floor Boston, Massachusetts 02108 (617) 963-2239 Lilia.Dubois@mass.gov
Dated: 09 / 10 / 2020	Dated: 9/16/20