

<p>DISTRICT COURT, CITY AND COUNTY OF DENVER, COLORADO 1437 Bannock Street Denver, CO 80202</p> <hr/> <p>STATE OF COLORADO, ex rel. PHILIP J. WEISER, ATTORNEY GENERAL</p> <p>Plaintiff,</p> <p>v.</p> <p>CENTURYLINK, INC.; CENTURYTEL BROADBAND SERVICES, LLC; CENTURYTEL OF COLORADO, INC.; QWEST BROADBAND SERVICES, INC.; QWEST CORPORATION; CENTURYLINK COMMUNICATIONS, LLC; CENTURYTEL OF EAGLE, INC.; CENTURYTEL TELEVIDEO, INC.; EL PASO COUNTY TELEPHONE COMPANY</p> <p>Defendants.</p>	<p style="text-align: center;">▲ COURT USE ONLY ▲</p>
<p>PHILIP J. WEISER, Attorney General JAY B. SIMONSON, 24077* First Assistant Attorney General MARK T. BAILEY, 36861* Senior Assistant Attorney General Ralph L. Carr Judicial Center 1300 Broadway, 10th Floor Denver, CO 80203 Telephone: (720) 508-6000 FAX: (720) 508-6040 *Counsel of Record</p>	<p>Case No.</p> <p>Div.:</p>
<p>COMPLAINT</p>	

Plaintiff, the State of Colorado, upon relation of Philip J. Weiser, Attorney General for the State of Colorado, by and through undersigned counsel, alleges as follows:

INTRODUCTION

1. Since 2014, CenturyLink has systematically overcharged Colorado consumers for telephone, internet, and television services.
2. CenturyLink falsely advertised “price locks” and fixed prices and then charged more than the advertised price by adding a misleading “Internet Cost Recovery Fee” to customers’ bills. Even though the price was supposedly locked, CenturyLink twice increased the amount of the “Internet Cost Recovery Fee.” Also, CenturyLink relied on a complex promotional pricing scheme that led to frequent misquotes. Finally, CenturyLink failed to provide promised refunds to consumers who returned their equipment at the completion of service.

PARTIES

3. Philip J. Weiser is the duly elected Attorney General of the State of Colorado and is authorized under C.R.S. § 6-1-103 to enforce the provisions of the CCPA.
4. CenturyLink, Inc. is a Louisiana corporation with a principal office street address of 100 CenturyLink Drive, Monroe, Louisiana 71203. CenturyLink, Inc. commenced doing business in Colorado in or around November 1999 and has done so through the date of this filing.
5. CenturyTel Broadband Services, LLC is a Louisiana limited liability company with a principal office street address of 100 CenturyLink Drive, Monroe, Louisiana 71203. CenturyTel Broadband Services, LLC commenced doing business in Colorado in or around March 2000 and has done so through the date of this filing. CenturyTel Broadband Services, LLC does business under the trade name “CenturyLink Broadband.”
6. CenturyTel of Colorado, Inc. is a Colorado corporation with a principal office street address of 100 CenturyLink Drive, Monroe, Louisiana 71203. CenturyTel of Colorado, Inc. does business under the trade names “CenturyLink” and “CenturyTel.”
7. Qwest Broadband Services, Inc. is a Delaware corporation with a principal office street address of 100 CenturyLink Drive, Monroe, Louisiana 71203. Qwest Broadband Services, Inc. commenced doing business in Colorado in or around July 1999 and has done so through the date of this filing. Qwest Broadband Services, Inc. does business under the

trade name “CenturyLink.”

8. Qwest Corporation is a Colorado corporation with a principal office street address of 100 CenturyLink Drive, Monroe, Louisiana 71203. Qwest Corporation does business under the trade name “CenturyLink.”

9. CenturyLink Communications, LLC is a Delaware corporation with a principal office street address of 100 CenturyLink Drive, Monroe, Louisiana 71203. CenturyLink Communications, LLC commenced doing business in Colorado in or around November 1991 and has done so through the date of this filing. CenturyLink Communications, LLC does business under multiple trade names, including “CenturyLink QCC.”

10. CenturyTel of Eagle, Inc. is a Colorado corporation with a principal office street address of 100 CenturyLink Drive, Monroe, Louisiana 71203.

11. CenturyTel Televideo, Inc. is a Wisconsin corporation with a principal office street address of 100 CenturyLink Drive, Monroe, Louisiana 71203. CenturyTel Televideo, Inc. commenced doing business in Colorado on or about August 1, 2003 and has done so through the date of this filing.

12. The El Paso County Telephone Company is a Colorado corporation with a principal office street address of 100 CenturyLink Drive, Monroe, Louisiana 71203.

13. All Defendants participated in, cooperated in, directed, approved of, sanctioned, and/or knowingly received funds from Colorado consumers as a result of the deceptive trade practices described herein. This Complaint refers to Defendants collectively as “Defendants” or “CenturyLink.”

JURISDICTION AND VENUE

14. Pursuant to C.R.S. §§ 6-1-103 and 6-1-110, this Court has jurisdiction to enter appropriate orders prior to and following an ultimate determination of liability.

15. The violations alleged herein occurred, in part, in Denver County, Colorado. Therefore, venue is proper in Denver County pursuant to C.R.S. § 6-1-103 and C.R.C.P. 98 (2019).

RELEVANT TIMES

16. The conduct that gives rise to the claims for relief contained in this Complaint has been ongoing since at least January 1, 2014, and continues through the present day.

17. This action is timely brought pursuant to C.R.S. § 6-1-115 because it is initiated within three years of the date on which the last in a series of false, misleading, and deceptive acts or practices occurred and/or were discovered.

PUBLIC INTEREST

18. Through the unlawful practices of their business or occupation, Defendants have deceived, misled, and financially injured hundreds of thousands of Colorado consumers. Further, Defendants have taken market share from their competitors through their deceptive trade practices. Therefore, these legal proceedings are in the public interest and are necessary to safeguard citizens from Defendants' unlawful business activities.

ACTS OF AGENTS

19. Whenever reference is made in this Complaint to any act or practice of Defendants, such allegation shall be deemed to mean that the principals, owners, employees, independent contractors, agents, and representatives of such Defendants performed, directed, or authorized such act or practice on behalf of and at the direction and control of said Defendants, while actively engaged in the scope of their duties.

GENERAL ALLEGATIONS

20. CenturyLink advertises and provides multiple services in Colorado, including internet, telephone, and television services.

21. Since 2014, more than 550 Colorado consumers have filed complaints against CenturyLink through the Attorney General's consumer complaint system. Consumers complained, among other things, that:

- CenturyLink promised consumers low prices, but charged them significantly more than the quoted price;
- When consumers called to complain, CenturyLink employees were unable to provide assistance and refused to honor the rates quoted to consumers;

- CenturyLink charged late-payment fees, imposed early-termination fees, and sent consumers' accounts to collections even when CenturyLink had overbilled the consumers;
- CenturyLink charged fees for unreturned equipment even when consumers returned the equipment.

I. CenturyLink failed to honor the prices it offered consumers

A. CenturyLink's marketing emphasized CenturyLink's low prices

22. A central theme in CenturyLink's marketing has long been that its prices are low and affordable.

23. For example, in 2015, CenturyLink circulated a mailer that offered internet services for \$19.95 per month and "guaranteed" that the price would be "locked" for five years:



A complete copy of this mailer is attached as **Exhibit 1**.

24. In late 2016 or early 2017, CenturyLink circulated a mailer that advertised internet services for \$14.99/month:



Love your Internet. Love your new price.

NEW CenturyLink® High-Speed Internet Offer!

\$14.99 /mo.

FOR 6 MONTHS

Speeds up to 7 Mbps. May not be available in your area.*

No phone line required.



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A complete copy of this mailer is attached as **Exhibit 2**.

25. Another mailer that CenturyLink circulated in 2017 advertised a variety of prices for different packages:

Get 1 month FREE HBO® when you sign up for Prism.
Applies to Essential, Complete, and Preferred Packages.

Move your entertainment forward.

Prism® Essential
Whole-Home DVR, HD,
+ 2-YEAR PRICE LOCK included.
\$70/mo
for 2 years. Requires qualifying CenturyLink Internet or Home Phone plan and 2-year contract. Additional \$9.99/mo./set-top box fee and equipment fee will apply. Excludes taxes, fees, and surcharges.*

Prism® Complete
Whole-Home DVR, HD,
+ 2-YEAR PRICE LOCK included.
\$75/mo
for 2 years. Requires qualifying CenturyLink Internet or Home Phone plan and 2-year contract. Additional \$9.99/mo./set-top box fee and equipment fee will apply. Excludes taxes, fees, and surcharges.*

Prism® Preferred
Whole-Home DVR, HD, 1st Set-Top Box,
+ 2-YEAR PRICE LOCK included.
\$90/mo
for 2 years. Requires qualifying CenturyLink Internet or Home Phone plan and 2-year contract. Additional equipment fee will apply. Excludes taxes, fees, and surcharges.*

Prism® Premium
Whole-Home DVR, HD, 1st Set-Top Box,
+ 2-YEAR PRICE LOCK included.
\$125/mo
for 2 years. Requires qualifying CenturyLink Internet or Home Phone plan and 2-year contract. Additional equipment fee will apply. Excludes taxes, fees, and surcharges.*

Local channels included! CHANNELS **OVER 150**

Prism Essential PLUS: CHANNELS **OVER 220**

Prism Complete PLUS: CHANNELS **OVER 320**

Prism Preferred PLUS: CHANNELS **OVER 350**

*Depending on services you select, these CenturyLink surcharges apply: Internet/Broadband Cost Recovery Fee; Prism Local Broadcast Surchage; Prism Sports Network Surchage; Non-Telecom Services Surchage; and additional surcharges. These are neither taxes nor required by law, but set by CenturyLink and may change. Additional taxes and fees will apply and appear on your monthly bill. For information about taxes, fees and surcharges, visit www.centurylink.com/feesandtaxes; rates subject to change.

Service and offer are not available everywhere. Depending on your location, promotional discounts may not apply to first partial month of service. Rates exclude taxes, fees and surcharges which are based on standard, not promotional, rate. If customer cancels one of the required bundled services during promotion, all promotional rates are void. Customer must remain in good standing and either terminates or customer changes their account in any manner. Credit approval and deposit may be required. Rates, packages and programming are subject to change without notice. Customer must contact CenturyLink before the end of the HBO one-month promotion or \$18.99/mo. for HBO will apply until service is canceled. CenturyLink may change, cancel or substitute offers and services, or vary them by service area, at its sole discretion, without notice. Additional restrictions may apply. Fiber Internet—Internet rate is available to new CenturyLink® High-Speed Internet (HSI) customers who sign up by 4/15/2017. Customer must enroll in CenturyLink® AutoPay service within the specified promotional time frame to be eligible for rate. A one-time activation and professional installation fee (if selected) applies; self-installation is available at no charge. After 60 months, standard monthly rate will apply. CenturyLink provided modem may be required for HSI lease (\$9.99/mo. fee) or a one-time purchase (\$99.99) option available (S&H applies). In some areas, a telephone line is part of the service for data connection and 911 services, and applicable taxes, fees, and surcharges will apply. Customers must accept HSI Subscriber Agreement prior to using service. Listed internet speeds vary due to conditions outside of network control, including customer location, equipment, and access through a wireless connection, and are not guaranteed. See www.centurylink.com/internetpolicy for additional network performance information. Prism—Prism rate is available to new CenturyLink® Prism™ TV and new or existing CenturyLink HSI or Home Phone customers who sign up by 4/15/2017. Qualifying service includes select Home Phone or HSI plans. After 24 months, the standard monthly rate for Prism (includes DVR and HD for Essential and Complete; DVR, HD, and one set-top box for Preferred and Premium) will apply. CenturyLink-provided set-top box ("STB") required to view TV, a \$9.99/mo./STB fee (standard or wireless) will apply. CenturyLink-provided modem required for Prism; lease (\$9.99/mo. fee) or a one-time purchase (\$99.99) option available (S&H applies). An early termination fee of up to \$20, multiplied by the number of months remaining in customer's then-current term commitment, if customer terminates Prism service before the end of the applicable term commitment (up to \$250 max.), will apply. Subscription to Prism service in certain Prism territories may require a separate local phone service and preclude customers from purchasing high-speed internet services from any third party. Local channel availability varies by market. Of the 4 video streams per customer residence, customer's location will determine both HD availability and the maximum number of HD video streams (between 0 and 4) a customer can view and record in HD at any one time (remaining streams will be standard definition) regardless of the number of STBs in the household. Additional charges will apply for additional programming packages, movie channel subscriptions (except for certain movie subscriptions included in Prism Preferred or Premium packages), Pay Per View movies and events, On Demand purchases, and premium services/subscriptions for all plans. CenturyLink-issued equipment and professional installation are required. Professional installation provided at no additional charge for standard install; other fees may apply for abnormal installation. Included equipment will vary and be determined by Prism package selected. Equipment Return Policy (30 days after service disconnect; applicable charges for unreturned/damaged equipment) applies; see Prism terms and conditions at centurylink.com. Wireless Set-Top Box ("WSTB")—A \$9.99 monthly recurring fee per WSTB will apply for all Prism packages; limit: 2 per household. A one-time \$49.99 surcharge will apply to a second and third WSTB requested. Requires power and connection to TV range of wireless signal is limited. Additional restrictions may apply. Prism on the Go—Of fee content through the centurylink.net portal, programmer-supplied apps, and an internet facilities-based app (Prism™ TV app). The content accessible to individual subscribers depends on Prism package, device, location, and how they are accessing the content and will vary accordingly. Third-party terms and conditions apply to programmer-supplied apps. HBO GO and MAX GO—HBO GO and MAX GO are only accessible in the U.S. and certain U.S. territories where a high-speed broadband connection is available. Minimum 3G connection is required for viewing on mobile devices. Requires subscription to HBO and Cinemax. Other restrictions may apply. © 2017 Home Box Office, Inc. HBO and related channels and service marks are the property of Home Box Office, Inc. All television content images and logos are the property of their respective networks and providers. © 2017 CenturyLink. All Rights Reserved. The name CenturyLink, the pathways logo and other CenturyLink names are trademarks of CenturyLink. All other marks are the property of their respective owners.

6 Click centurylink.com/fiber Call 800.682.2802 7

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A complete copy of this mailer is attached as **Exhibit 3**.

26. CenturyLink's written advertisements emphasized the price in large, prominent print and listed a host of terms, conditions, and limitations in very small print. See, e.g., **Exhibits 1 – 3**.

27. CenturyLink's television and online advertisements similarly emphasized CenturyLink's low prices and flashed written disclosures and disclaimers in small print.

28. CenturyLink trained its telemarketers and online agents to emphasize CenturyLink's low prices.

B. CenturyLink routinely failed to honor the prices it quoted to consumers

29. CenturyLink routinely charged consumers higher rates than CenturyLink had promised in advertisements, telemarketing calls, and interactions with consumers at retail locations, door-to-door sales, and in internet chats.

30. As described below, there are multiple explanations for this pattern.

1. CenturyLink used a hidden surcharge to overcharge customers it promised a “price lock” or “fixed price”

31. At various times from 2014-2017, CenturyLink advertised “price locks” and fixed-term rates that it had no intention of honoring. An example is found in **Exhibit 1**, the “\$19.95 Price Lock” ad that CenturyLink ran in 2015 for internet service. The ad featured a picture of a padlock containing the words “5 years 1 Price 0 Contract” and “guarantee[d]” that there would be “No rising price for 5 years.” *Id.*

32. When CenturyLink ran this ad, it charged \$1.95 per month in Internet Cost Recovery Fees in addition to the base rate for internet service. In or around April 2016, CenturyLink increased the Internet Cost Recovery Fee to \$3.95. For customers who accepted the \$19.95 offer, the Internet Cost Recovery Fee represented a 20% increase over the advertised monthly rate.

33. At the bottom of the 2015 “Price Lock” ad, in the middle of a block of small-print text, the following disclaimers appeared: “Rate excludes taxes, fees, and surcharges which are based on standard, not promotional, rate. . . . Additional restrictions apply. CenturyLink may change, cancel, or substitute offers and services, or vary them by service area, at its sole discretion without notice.” **Exhibit 1**.

34. These disclaimers were confusing and misleading, and they directly contradicted the ad’s large-print, bold-font, false price offer.

35. In other advertisements, CenturyLink offered a fixed price for a period of time and charged the Internet Cost Recovery Fee in addition to that price. An example of a fixed-price ad is found in **Exhibit 2**.

36. CenturyLink ran multiple versions of its price lock and fixed-price ads, in print and visual media. All of these advertisements 1)

emphasized a “locked” or fixed price for a period of time, 2) did not include the Internet Cost Recovery Fee in the advertised price, and 3) contained disclosures that failed to adequately inform consumers that they would be charged the Internet Cost Recovery Fee, that the surcharge would increase, and the nature of the surcharge.

37. CenturyLink’s customer service representatives sometimes failed to disclose the Internet Cost Recovery Fee. In other instances, they falsely told consumers that the Internet Cost Recovery Fee was a tax. Sometimes, the customer service representatives disclosed the surcharge, but failed to explain the nature of the surcharge. Other times, the customer service representative’s disclosure was contradicted by other, false statements the customer service representative made about the price of the service.

38. CenturyLink deliberately chose to call the surcharge the “Internet Cost Recovery Fee” because of the similarity of that language to other, industry-standard fees. Thus, when a consumer saw the fee listed in a disclosure or a monthly bill, the consumer was misled to believe that the Internet Cost Recovery Fee was, like other industry-standard fees, authorized or required by law.

2. CenturyLink’s complicated promotional pricing schemes and outdated billing systems resulted in systemic misquotes

39. On top of the deceptive nature of the price lock and fixed-price ad campaigns, CenturyLink relied on a complex promotional pricing scheme that led to routine misquotes. Sometimes, CenturyLink billed consumers more than twice the rate that CenturyLink had promised the consumer. This occurred for two principal reasons.

40. First, the low prices CenturyLink advertised were subject to so many limitations, requirements, and conditions that CenturyLink’s own employees were unable to understand them or explain them to customers on their sales calls or internet chats.

41. CenturyLink’s prices were frequently “promotional,” which meant that after a certain period of time the price would expire and CenturyLink’s higher “standard” rates would kick in. In order to qualify for the low prices CenturyLink advertised, consumers often were required to “bundle” services – *i.e.*, order long-distance telephone or television services along with internet service – and to sign up for electronic billing and/or autopay. In some instances, CenturyLink’s promotions included gift cards

that were to be mailed to the consumer. Also, CenturyLink authorized its customer service representatives, in certain circumstances, to offer additional monthly discounts (*i.e.*, \$5 or \$10) to induce consumers to purchase CenturyLink services.

42. Many of these promotions and discounts applied only to specific services and/or were not available to consumers who were already taking advantage of another promotion.

43. This complex pricing scheme required CenturyLink's customer service representatives to learn and apply a host of complicated pricing rules and restrictions, making it extremely difficult to quote accurate prices and resulting in misquotes and failures to disclose material terms and conditions on the quoted price.

44. Sometimes, CenturyLink partnered with third parties such as Verizon and DirectTV to provide services in conjunction with CenturyLink. These partnerships further complicated CenturyLink's pricing schemes, which added to the confusion on the part of CenturyLink's customer service representatives and consumers.

45. From 2014 through at least 2017, CenturyLink's internal customer-service meeting agendas and "Customer Service Bulletins" detailed CenturyLink's shifting promotions and the complex web of requirements that were attached to each deal. Given the complexity of the promotions and requirements, misquotes were inevitable.

46. During the relevant time period, CenturyLink employed a National Orders Help Desk ("NOHD") and "Consumer Advocacy Group" to handle "escalated" complaints – *i.e.*, complaints from consumers who demand to speak to a manager or who file complaints with the Better Business Bureau, State Attorneys General, or federal agencies. When reviewing consumer complaints about misquotes, employees of the Customer Advocacy Group resorted to the use of large charts to track the promotions and pricing that might have been available to the consumer to try to determine why the misquote occurred. Even with these charts, Customer Advocacy Group employees were flummoxed in trying to determine which promotional prices were available to which consumers.

47. The second reason that even well-meaning CenturyLink customer service representatives were unable to quote CenturyLink's prices accurately is that CenturyLink's billing systems are antiquated and ill-equipped to handle the complexity of CenturyLink's pricing schemes.

48. One billing system that CenturyLink uses for its Colorado customers was originally created more than fifty-five years ago, by a telephone company whose assets came to be owned by CenturyLink after a series of mergers and acquisitions. Rather than incur the cost of replacing the antiquated system, CenturyLink has been building on top of this system since its acquisition of Qwest in 2010.

49. CenturyLink's billing systems require the customer service representatives to navigate multiple screens and systems and input pricing codes into those systems. In many instances, if there is a coding error – *i.e.*, the representative enters the code into the wrong system, or enters a code for a promotion that has expired or for which the consumer is not eligible – the system will display a price that is not available to the consumer. When this occurs, the customer service representative quotes one price to the consumer, and the billing system processes a higher price.

50. In other instances, CenturyLink's billing systems simply malfunction, failing to properly match up prices and services or failing to apply promised discounts to consumers' bills.

51. The result of these technical deficiencies is a longstanding and pervasive pattern of consumers not receiving the price that CenturyLink promised them.

3. CenturyLink customer service representatives deliberately misled consumers

52. Some CenturyLink customer service representatives deliberately misled consumers about the price of CenturyLink's services or withheld material information in order to close the sale.

53. CenturyLink knowingly created the conditions for this conduct to occur. Sometimes, CenturyLink specifically directed the misrepresentations. CenturyLink's high-pressure sales culture led to additional misrepresentations. Customer service representatives were required to meet sales quotas, and a significant portion of their income came from sales commissions. In at least one call center, CenturyLink added to the pressure by sending all customer service representatives hourly updates detailing how much each individual representative was selling.

54. CenturyLink's complex pricing model, described above, created multiple opportunities to mislead customers and omit facts about CenturyLink's actual pricing.

C. CenturyLink knew of the price misrepresentations

55. CenturyLink knew that its price lock and fixed-price advertisements misled consumers and that its complicated pricing scheme was leading to misquotes.

56. CenturyLink maintains detailed data about the consumer complaints that it receives.

57. At one point, the volume of complaints was large enough to warrant specific mention in CenturyLink's automated system for routing consumer phone calls. When a consumer called CenturyLink, the automated system asked a number of questions in order to direct the call properly. One question was, ". . . Not getting the promotional pricing you expected? Press 4."

58. Notwithstanding CenturyLink's knowledge that its representatives were routinely misquoting prices, CenturyLink did not take meaningful action to address the misquotes until after certain state Attorneys General began investigating CenturyLink in 2016 and 2017.

II. CenturyLink refused to honor the prices it advertised and quoted to consumers

59. When customers complained, CenturyLink directed its front-line customer service representatives to enforce CenturyLink's pricing policies, regardless of what false promises CenturyLink's salespeople had previously made to the customer.

60. Instead of honoring the price its agents had offered, CenturyLink directed its customer service representatives to offer other limited-time promotions in an attempt to arrive at a price that was close to the price that the consumer had been promised. When the existing promotions were not sufficient to lower the rate to what had been promised, the customer was stuck paying more than he or she had been promised.

61. Some customers who were overcharged elected not to pay the entire bill but instead paid CenturyLink only the amount that CenturyLink's customer service representatives had quoted them. Notwithstanding CenturyLink's knowledge of routine misquotes, CenturyLink imposed late-payment fees on these customers.

62. Many of CenturyLink's offerings required customers to enter into long-term commitments whose terms included an "early termination

fee.” Notwithstanding CenturyLink’s knowledge of routine misquotes, CenturyLink required its front-line customer service representatives to impose CenturyLink’s early termination fee without exception.

63. Customers consistently described their attempts to resolve pricing issues with CenturyLink as frustrating and exhausting. Customers were placed on long holds, were bounced from representative to representative, had their calls disconnected for no reason, and were given different and contradictory explanations when they spoke with different customer service representatives.

64. Some customers simply gave up, not having the time or energy to make lengthy, repeated phone calls to CenturyLink that were likely to end without resolution.

65. Customers who had the persistence and wherewithal to reach the Customer Advocacy Group were more likely to receive prices that were close to what they were quoted. The Customer Advocacy Group also had authority to waive early termination fees.

66. CenturyLink recorded its calls with customers, but kept the recordings for only thirty days or less. In many instances, CenturyLink’s misquotes did not become apparent until more than 30 days after the sales call. When this occurred, the Customer Advocacy Group cited the absence of a recording as a basis to conclude that the customer’s claim was unsubstantiated.

67. CenturyLink reported customers’ accounts to collection agencies, even when the customer had informed CenturyLink that CenturyLink’s charges were erroneous.

III. Century Link failed to refund customers for returned equipment

68. CenturyLink leases modems and cable boxes to customers who order internet and television services. If a customer fails to return the modem or cable box upon terminating CenturyLink’s services, CenturyLink imposes a fee of \$99 for the modem and \$150 for the cable box. On information and belief, these fees do not simply reimburse CenturyLink for its actual expenses in providing modems and cable boxes. Instead, the non-return fees generate substantial revenue for CenturyLink.

69. CenturyLink represents to customers that it will not impose the equipment fees if consumers return their equipment.

70. CenturyLink has been unable to track equipment that customers returned, resulting in charges to customers for equipment that they returned.

71. CenturyLink relies on its customer service representatives to ensure that a return label (i.e., Return Merchandise Authorization) is sent to the customer. On information and belief, customer service representatives have failed to properly process requests for return labels, resulting in customers being charged equipment fees due to CenturyLink's errors.

72. Under CenturyLink's policies, if the returned equipment is received after the timeframe imposed by CenturyLink (currently 30 days after termination of service), no refund is issued unless the customer calls CenturyLink and demonstrates that the equipment was returned. As a result of this policy, CenturyLink sometimes keeps customers' non-return fees even after customers return the equipment.

73. CenturyLink has failed to improve its practices for receiving and giving consumers credit for returned equipment, despite its knowledge of the pattern of improper charging of unreturned equipment fees.

IV. CenturyLink's Remedial Measures

74. In 2016 and 2017, Attorneys General from other states conducted investigations relating to the conduct described in this Complaint. In 2017, the Minnesota Attorney General brought a law-enforcement action seeking relief for Minnesota consumers. After these investigations, CenturyLink made changes to some, but not all, of the business practices described herein. This included more specific disclosure of the Internet Cost Recovery Fee in CenturyLink's marketing.

75. CenturyLink has not replaced or significantly upgraded its billing system(s) that caused systematic price misquotes. CenturyLink has made the business decision that it would be too expensive to do so.

76. CenturyLink has provided refunds in connection with some, but not all, of the issues described herein. These payments represent a small fraction of CenturyLink's ill-gotten gains and the amount of restitution that Colorado consumers are due as a result of CenturyLink's violations of the CCPA.

77. Notwithstanding CenturyLink's remedial measures, the State

continues to receive numerous consumer complaints about the matters alleged in this complaint.

FIRST CLAIM FOR RELIEF

(Knowingly making a false representation as to the characteristics, ingredients, uses, benefits, alterations, or quantities of goods, food, services, or property in violation of C.R.S. § 6-1-105(1)(e))

78. Plaintiff incorporates herein by reference all allegations preceding and following this paragraph.

79. By engaging in the conduct described in this Complaint and in the course of their business, vocation, or occupation, Defendants have knowingly made false representations as to the characteristics, uses, and benefits of services and property.

80. Defendants advertised their low prices – including but not limited to “price lock,” fixed-price, and similar offers – as unique characteristics and benefits of their services, and then failed to honor the prices they quoted. With specific regard to the “price lock,” fixed-price, and similar offers, Defendants subsequently increased the overcharge when they increased the Internet Cost Recovery Fee.

81. Defendants told consumers that Defendants would not charge a fee for unreturned equipment if consumers returned the equipment in a timely manner. Defendants told consumers that Defendants would provide Return Merchandise Authorizations for the consumers to use in returning the equipment.

82. Defendants failed to provide Return Merchandise Authorizations and charged unreturned-equipment fees to consumers who returned their equipment.

83. Defendants have deceived, misled, and unlawfully acquired money from Colorado consumers, causing injury to those consumers.

SECOND CLAIM FOR RELIEF

(Advertises goods, services, or property with intent not to sell them as advertised in violation of C.R.S. § 6-1-105(1)(i))

84. Plaintiff incorporates herein by reference all allegations preceding and following this paragraph.

85. By engaging in the conduct described in this Complaint and in the course of their business, vocation, or occupation, Defendants have advertised goods, services, and property with intent not to sell them as advertised.

86. Defendants advertised “price locks,” fixed rate contracts, and similar offers for internet services with intent to charge more than the advertised price and with intent to increase the purportedly “fixed” or “locked” price.

87. Defendants have deceived, misled, and unlawfully acquired money from Colorado consumers, causing injury to these consumers.

THIRD CLAIM FOR RELIEF

(False or misleading statements of fact concerning the price of goods, services, or property or the reasons for, existence of, or amounts of price reductions in violation of C.R.S. § 6-1-105(1)(l))

88. Plaintiff incorporates herein by reference all allegations preceding and following this paragraph.

89. By engaging in the conduct described in this Complaint and in the course of their business, vocation, or occupation, Defendants have made false and misleading statements of fact concerning the prices of goods, services, and property and the reasons for, existence of, and amounts of price reductions.

90. Defendants have made false or misleading statements of fact concerning the price of their internet, television, and telephone services. Defendants have also made false or misleading statements of fact concerning the reasons for, existence of, or amounts of price reductions in connection with internet, television, and telephone services. With respect to Defendants’ “price lock,” fixed-price, and similar advertisements, Defendants did so in two different ways – first, by charging more than the advertised price, and second, increasing the overcharge when they increased the Internet Cost Recovery Fee.

91. By means of the above-described conduct, Defendants have deceived, misled, and unlawfully acquired money from Colorado consumers, causing injury to those consumers.

FOURTH CLAIM FOR RELIEF

(Advertise or otherwise represent that goods or services are guaranteed without clearly and conspicuously disclosing the nature and extent of the

guarantee, any material conditions or limitations in the guarantee which are imposed by the guarantor, the manner in which the guarantor will perform, and the identity of such guarantor in violation of C.R.S. § 6-1-105(r))

92. Plaintiff incorporates herein by reference all allegations preceding and following this paragraph.

93. By engaging in the conduct described in this Complaint and in the course of their business, vocation, or occupation, Defendants have advertised and otherwise represented that goods or services are guaranteed without clearly and conspicuously disclosing the nature and extent of the guarantee, any material conditions or limitations in the guarantee which are imposed by the guarantor, and the manner in which the guarantor will perform.

94. Defendants “guaranteed” a “price lock” for internet services without clearly and conspicuously disclosing the nature and extent of the guarantee. Defendants failed to clearly and conspicuously disclose that 1) Defendants would charge more than the advertised price, and 2) the amount of Defendants’ overcharge would increase over time.

95. Defendants have deceived, misled, and unlawfully acquired money from Colorado consumers, causing injury to those consumers.

FIFTH CLAIM FOR RELIEF

(Fail to disclose material information concerning goods, services, or property which information was known at the time of an advertisement or sale if such failure to disclose such information was intended to induce the consumer to enter into a transaction, in violation of C.R.S. § 6-1-105(u))

96. Plaintiff incorporates herein by reference all allegations preceding and following this paragraph.

97. By engaging in the conduct described in this Complaint and in the course of their business, vocation, or occupation, Defendants have failed to disclose material information concerning goods, services, and property. Defendants knew of the undisclosed information and failed to disclose it with the intent to induce consumers to enter into a transaction.

98. Defendants failed to disclose that consumers would not receive Defendants’ advertised price for internet, telephone, and television services, with the intent to induce the consumer to enter into a transaction.

99. Defendants failed to adequately disclose that consumers would be charged the Internet Cost Recovery Fee, that the surcharge would increase, and the nature of the Internet Cost Recovery Fee.

100. Defendants failed to disclose that they might charge consumers for unreturned equipment (*i.e.*, modems and cable boxes) even if the consumers returned the equipment.

101. Defendants have deceived, misled, and unlawfully acquired money from Colorado consumers, causing injury to those consumers.

SIXTH CLAIM FOR RELIEF

(Knowingly or recklessly engages in any unfair, unconscionable, deceptive, deliberately misleading, false, or fraudulent act or practice, in violation of C.R.S. § 6-1-105(1)(kkk))

102. Plaintiff incorporates herein by reference all allegations preceding and following this paragraph.

103. By engaging in the conduct described in this Complaint and in the course of their business, vocation, or occupation, Defendants have knowingly and recklessly engaged in unfair, unconscionable, deceptive, deliberately misleading, false, and fraudulent acts and practices.

104. Defendants collected the Internet Cost Recovery Fee from tens of thousands of Colorado consumers every month, and Defendants continue to do so as of the date of this filing.

105. Defendants have deceived, misled, and unlawfully acquired money from Colorado consumers, causing injury to those consumers.

RELIEF REQUESTED

WHEREFORE, Plaintiff prays for entry of judgment in its favor, and for injunctive relief as follows:

- A. An order that Defendants' conduct violates the Colorado Consumer Protection Act, including sections 6-1-105(1)(e), 6-1-105(1)(i), 6-1-105(1)(l), 6-1-105(1)(r), 6-1-105(1)(u); and 6-1-105(1)(kkk).
- B. Judgment pursuant to C.R.S. § 6-1-110(1) against Defendants to completely compensate or restore to the original position of any

person injured by means of Defendants' deceptive practices;

- C. An order pursuant to C.R.S. § 6-1-110(1) requiring Defendants to disgorge all proceeds derived from their deceptive practices to prevent unjust enrichment;
- D. An order pursuant to C.R.S. § 6-1-110(1) for an injunction or other orders or judgments relating to deceptive practices;
- E. An order pursuant to C.R.S. § 6-1-112(1) for civil penalties payable to the general fund of this state;
- F. An order pursuant to C.R.S. § 6-1-113(4) requiring Defendants to pay costs and attorney fees incurred by the Attorney General; and
- G. Any such further relief as this Court may deem just and proper to effectuate the purposes of the Colorado Consumer Protection Act.

Respectfully submitted this _____ day of _____, 2019

PHILIP J. WEISER
Attorney General

s/ Mark T. Bailey _____
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