# UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF TEXAS SHERMAN DIVISION

Unknown Entity Holdings, LLC,	
Plaintiff,	
v.	
I 1 C/ 1/L / . I	Civ. Action No.
Jared Stern d/b/a LawsuitLoans.io	Jury trial demanded
Defendant.	July trial demanded

#### **COMPLAINT AND JURY DEMAND**

Plaintiff Unknown Entity Holdings, LLC ("Unknown Entity Holdings" or "Plaintiff"), by and through its attorneys, for its Complaint against Jared Stern d/b/a LawsuitLoans.io ("LawsuitLoans" or "Defendant"), alleges, on knowledge as to its own actions, and otherwise on information and belief, as follows:

#### **JURISDICTION AND VENUE**

- This court has jurisdiction over copyright infringement actions pursuant to 28
   U.S.C. §§ 1331 and 1338(a).
- 2. This Court has personal jurisdiction over Defendant because Defendant purposely availed himself of the privilege of conducting business in Texas. On information and belief, Defendant operates the website lawsuitloans.io (the "LawsuitLoans Website"). Defendant attempts to establish a presence in Texas through the LawsuitLoans Website by directing his advertising at Texas consumers. For example, the LawsuitLoans Website specifically identifies Texas as a state in which Defendant funds lawsuits. Further, the LawsuitLoans Website has a featured page entitled "Texas Lawsuit Loans" that advertises directly to Texas consumers. The

<sup>&</sup>lt;sup>1</sup> A website capture showing the Texas Lawsuit Loans page is attached as Exhibit 1.

LawsuitLoans Website has an interactive application feature, and directs users, including Texas residents, to contact Defendant via the interactive application feature or by phone. On information and belief, Defendant conducts his legal funding business in the state of Texas and with Texas consumers. Furthermore, as alleged herein, Defendant has committed a tort in whole or in part in Texas, subjecting him to jurisdiction here under Tex. Civ. Prac. & Rem. Code § 17.042.

3. Venue is proper in this district under 28 U.S.C. § 1391(b)(2) because a substantial part of the events or omissions giving rise to the claims occurred in this district, or 28 U.S.C. § 1391(b)(3) because Defendant is subject to personal jurisdiction in this district.

#### **PARTIES**

- 4. Plaintiff Unknown Entity Holdings, LLC is a Delaware limited liability company with a principal place of business at 5717 Legacy Drive, Suite 250, Plano, Texas 75024.
- 5. On information and belief, Defendant Jared Stern is an individual residing in California. Jared Stern does business as LawsuitLoans.io in Texas.

#### **FACTS**

### A. The Paraquat Lawsuit Work.

- 6. Plaintiff created the work "Paraquat Lawsuit Guide: Examples, Claims, and Settlements" (the "Paraquat Lawsuit Work") on or around September 18, 2022. As a result, Plaintiff owned any and all copyright rights in the Paraquat Lawsuit Work.
- 7. On September 18, 2022, the Paraquat Lawsuit Work was first made available on Plaintiff's website, expresslegalfunding.com.
- 8. Plaintiff filed an application for copyright registration for the Paraquat Lawsuit Work. The U.S. Copyright Office granted registration of the Paraquat Lawsuit Work as

Registration Number TXu002349946.<sup>2</sup> The registration date for the Paraquat Lawsuit Work is November 15, 2022.

9. The Paraquat Lawsuit Work is wholly original, and Plaintiff is the owner of the Paraquat Lawsuit Work, and the owner of valid and subsisting United States Copyright Registration No. TXu002349946.

#### B. The Zantac Lawsuit Work.

- 10. Plaintiff created the work "What's the Latest With the Zantac Lawsuit and Settlements?" (the "Zantac Lawsuit Work") on or around October 2, 2022. As a result, Plaintiff owned any and all copyright rights in the Zantac Lawsuit Work.
- 11. On October 2, 2022, the Zantac Lawsuit Work was first made available on Plaintiff's website, expresslegalfunding.com.
- 12. Plaintiff filed an application for copyright registration for the Zantac Lawsuit Work. The U.S. Copyright Office granted registration of the Zantac Lawsuit Work as Registration Number TXu002350009.<sup>3</sup> The registration date for the Zantac Lawsuit Work is November 15, 2022.
- 13. The Zantac Lawsuit Work is wholly original, and Plaintiff is the owner of the Zantac Lawsuit Work, and the owner of valid and subsisting United States Copyright Registration No. TXu002350009.

<sup>&</sup>lt;sup>2</sup> A true and correct copy of the registration certificate for Registration No. TXu002349946 is attached as Exhibit 2.

<sup>&</sup>lt;sup>3</sup> A true and correct copy of the registration certificate for Registration No. TXu002350009 is attached as Exhibit 3.

# C. The Settlement Check Hold Work.

- 14. Plaintiff created the work "How Long Can a Lawyer Hold Your Settlement Check in Escrow?" (the "Settlement Check Hold Work") on or around November 27, 2022. As a result, Plaintiff owned any and all copyright rights in the Settlement Check Hold Work.
- 15. On November 27, 2022, the Settlement Check Hold Work was first made available on Plaintiff's website, expresslegalfunding.com
- 16. Plaintiff filed an application for copyright registration for the Settlement Check Hold Work. The U.S. Copyright Office granted registration of the Settlement Check Hold Work as Registration Number TXu002348016.<sup>4</sup> The registration date for the Settlement Check Hold Work is November 29, 2022.
- 17. The Settlement Check Hold Work is wholly original, and Plaintiff is the owner of the Settlement Check Hold Work, and the owner of valid and subsisting United States Copyright Registration No. TXu002348016.

#### D. <u>Defendant's Conduct – The Paraquat Lawsuit Infringing Work.</u>

- 18. On information and belief, Defendant is engaged in the legal funding business in Texas and in other States, Defendant posts articles related to legal funding on the LawsuitLoans Website.
- 19. On the LawsuitLoans Website, Defendant has published, printed, and publicly displayed, or caused to be published, printed or publicly displayed, an article entitled "Paraquat Lawsuit Settlement: What to Know" (the "Paraquat Lawsuit Infringing Work")<sup>5</sup>, which is substantially similar to and a derivative work based on the Paraquat Lawsuit Work. On

<sup>&</sup>lt;sup>4</sup> A true and correct copy of the registration certificate for Registration No. TXu002348016 is attached as Exhibit 4.

<sup>&</sup>lt;sup>5</sup> A copy of the Paraquat Lawsuit Infringing Work is attached as Exhibit 5.

information and belief, the Paraquat Lawsuit Infringing Work was first made available to the public on February 15, 2023. via the LawsuitLoans Website<sup>6</sup>, and the Paraquat Lawsuit Infringing Work has been continuously available to the public since that time.

- 20. On information and belief, Defendant obtained physical possession of or otherwise viewed the Paraquat Lawsuit Work to create the Paraquat Lawsuit Infringing Work. That Defendant copied the Paraquat Lawsuit Work to create the Paraquat Lawsuit Infringing Work is evidenced by the striking similarities between the Paraquat Lawsuit Work and the Paraquat Lawsuit Infringing Work, which cannot be explained other than as a result of copying and Defendant's access to the Paraquat Lawsuit Work as a result of the Paraquat Lawsuit Work being available on Plaintiff's website.
- 21. Defendant copied the Paraquat Lawsuit Work without Plaintiff's authorization, consent, or knowledge, and without any remuneration to Plaintiff.
- 22. As a result of Defendant's actions described above, Plaintiff has been directly damaged, and is continuing to be damaged, by the unauthorized reproduction, distribution, and public display of the Paraquat Lawsuit Infringing Work. Defendant has never accounted to or otherwise paid Plaintiff for its use of the Paraquat Lawsuit Work.
- 23. Defendant's acts are causing, and unless restrained, will continue to cause damage and immediately irreparable harm to Plaintiff for which Plaintiff has no adequate remedy at law.
- E. <u>Defendant's Conduct The Zantac Lawsuit Infringing Work.</u>
- 24. On the LawsuitLoans Website, Defendant has published, printed, and publicly displayed, or caused to be published, printed or publicly displayed, an article entitled "Zantac

<sup>&</sup>lt;sup>6</sup> The Paraquat Lawsuit Infringing Work is available at lawsuitloans.io/blog/personal-injury/paraquat-lawsuit-settlement-what-to-know/.

Lawsuit: What to Know" (the "Zantac Lawsuit Infringing Work")<sup>7</sup>, which is substantially similar to and a derivative work based on the Zantac Lawsuit Work. On information and belief, the Zantac Lawsuit Infringing Work was first made available to the public on February 7, 2023 via the LawsuitLoans Website<sup>8</sup>, and the Zantac Lawsuit Infringing Work has been continuously available to the public since that time.

- 25. On information and belief, Defendant obtained physical possession of or otherwise viewed the Zantac Lawsuit Work to create the Zantac Lawsuit Infringing Work. That Defendant copied the Zantac Lawsuit Work to create the Zantac Lawsuit Infringing Work is evidenced by the striking similarities between the Zantac Lawsuit Work and the Zantac Lawsuit Infringing Work, which cannot be explained other than as a result of copying and Defendant's access to the Zantac Lawsuit Work as a result of the Zantac Lawsuit Work being available on Plaintiff's website.
- 26. Defendant copied the Zantac Lawsuit Work without Plaintiff's authorization, consent, or knowledge, and without any remuneration to Plaintiff.
- 27. As a result of Defendant's actions described above, Plaintiff has been directly damaged, and is continuing to be damaged, by the unauthorized reproduction, distribution, and public display of the Zantac Lawsuit Infringing Work. Defendant has never accounted to or otherwise paid Plaintiff for its use of the Zantac Lawsuit Work.
- 28. Defendant's acts are causing, and unless restrained, will continue to cause damage and immediately irreparable harm to Plaintiff for which Plaintiff has no adequate remedy at law.

<sup>&</sup>lt;sup>7</sup> A copy of the Zantac Lawsuit Infringing Work is attached as Exhibit 6.

<sup>&</sup>lt;sup>8</sup> The Zantac Lawsuit Infringing Work is available at lawsuitloans.io/blog/personal-injury/zantac-lawsuit-what-to-know/.

- F. <u>Defendant's Conduct The Settlement Check Hold Infringing Work.</u>
- 29. On the LawsuitLoans Website, Defendant has published, printed, and publicly displayed, or caused to be published, printed or publicly displayed, an article entitled "How Long Can a Lawyer Hold Your Personal Injury Settlement Check?" (the "Settlement Check Hold Infringing Work")<sup>9</sup>, which is substantially similar to and a derivative work based on the Settlement Check Hold Work. On information and belief, the Settlement Check Hold Infringing Work was first made available to the public on December 12, 2022 via the LawsuitLoans Website<sup>10</sup>, and the Settlement Check Hold Infringing Work has been continuously available to the public since that time.
- 30. On information and belief, Defendant obtained physical possession of or otherwise viewed the Settlement Check Hold Work to create the Settlement Check Hold Infringing Work. That Defendant copied the Settlement Check Hold Work to create the Settlement Check Hold Infringing Work is evidenced by the striking similarities between the Settlement Check Hold Work and the Settlement Check Hold Infringing Work, which cannot be explained other than as a result of copying and Defendant's access to the Settlement Check Hold Work as a result of the Settlement Check Hold Work being available on Plaintiff's website.
- 31. Defendant copied the Settlement Check Hold Work without Plaintiff's authorization, consent, or knowledge, and without any remuneration to Plaintiff.
- 32. As a result of Defendant's actions described above, Plaintiff has been directly damaged, and is continuing to be damaged, by the unauthorized reproduction, distribution, and

<sup>&</sup>lt;sup>9</sup> A copy of the Settlement Check Hold Infringing Work is attached as Exhibit 7.

<sup>&</sup>lt;sup>10</sup> The Settlement Check Hold Infringing Work is available at lawsuitloans.io/blog/personal-injury/how-long-can-a-lawyer-hold-your-personal-injury-settlement-check/.

public display of the Settlement Check Hold Infringing Work. Defendant has never accounted to or otherwise paid Plaintiff for its use of the Settlement Check Hold Work.

33. Defendant's acts are causing, and unless restrained, will continue to cause damage and immediately irreparable harm to Plaintiff for which Plaintiff has no adequate remedy at law.

#### **COUNT I**

# Federal Copyright Infringement of the Paraquat Lawsuit Work (17 U.S.C. § 501)

- 34. Plaintiff repeats and realleges the preceding paragraphs of this Complaint as if fully set forth in this Count.
- 35. The Paraquat Lawsuit Work is an original literary work containing copyrightable subject matter for which copyright protection exists under the Copyright Act, 17 U.S.C. § 101, et seq. Plaintiff is the exclusive owner of rights under copyright law in and to the Paraquat Lawsuit Work. Plaintiff owns a valid copyright registration for the Paraquat Lawsuit Work.
- 36. Through Defendant's conduct as alleged herein, including Defendant's reproduction, distribution, and public display of the Paraquat Lawsuit Infringing Work, which is copied from, a derivative of, and substantially similar to the Paraquat Lawsuit Work, without Plaintiff's permission, Defendant has directly infringed Plaintiff's exclusive rights in the Paraquat Lawsuit Work in violation of Section 501 of the Copyright Act, 17 U.S.C. § 501.
- 37. On information and belief, Defendant's infringing conduct alleged herein was, and continues to be, willful and with full knowledge of Plaintiff's rights in the Paraquat Lawsuit Work, and such infringing conduct has enabled Defendant illegally to obtain profit therefrom.
- 38. As a direct and proximate result of Defendant's infringing conduct alleged herein, Plaintiff has been harmed and is entitled to an amount to be proven at trial. Pursuant to 17 U.S.C. § 504(b), Plaintiff is also entitled to recovery of Defendant's profits attributable to Defendant's

infringing conduct alleged herein, including from any and all sales of the Paraquat Lawsuit Infringing Work, and an accounting of and a constructive trust with respect to such profits.

- 39. Alternatively, Plaintiff is entitled to the maximum statutory damages pursuant to 17 U.S.C. § 504(c) in the amount of \$150,000 for each of Plaintiff's works that Defendant has infringed, and for such other amount as may be proper pursuant to 17 U.S.C. § 504(c).
- 40. Plaintiff further is entitled to its attorneys' fees and costs pursuant to 17 U.S.C. § 505.
- 41. As a direct and proximate result of Defendant's infringing conduct alleged herein, Plaintiff has sustained and will continue to sustain, substantial, immediate, and irreparable injury, for which there is no adequate remedy at law. On information and belief, unless Defendant's infringing conduct is enjoined by this Court, Defendant will continue to infringe the Paraquat Lawsuit Work. Plaintiff therefore is entitled to permanent injunctive relief restraining and enjoining Defendant's ongoing infringing conduct.

# COUNT II Federal Copyright Infringement of the Zantac Lawsuit Work (17 U.S.C. § 501)

- 42. Plaintiff repeats and realleges the preceding paragraphs of this Complaint as if fully set forth in this Count.
- 43. The Zantac Lawsuit Work is an original literary work containing copyrightable subject matter for which copyright protection exists under the Copyright Act, 17 U.S.C. § 101, et seq. Plaintiff is the exclusive owner of rights under copyright law in and to the Zantac Lawsuit Work. Plaintiff owns a valid copyright registration for the Zantac Lawsuit Work.
- 44. Through Defendant's conduct as alleged herein, including Defendant's reproduction, distribution, and public display of the Zantac Lawsuit Infringing Work, which is copied from, a derivative of, and substantially similar to the Zantac Lawsuit Work, without

Plaintiff's permission, Defendant has directly infringed Plaintiff's exclusive rights in the Zantac Lawsuit Work in violation of Section 501 of the Copyright Act, 17 U.S.C. § 501.

- 45. On information and belief, Defendant's infringing conduct alleged herein was, and continues to be, willful and with full knowledge of Plaintiff's rights in the Zantac Lawsuit Work, and such infringing conduct has enabled Defendant illegally to obtain profit therefrom.
- 46. As a direct and proximate result of Defendant's infringing conduct alleged herein, Plaintiff has been harmed and is entitled to an amount to be proven at trial. Pursuant to 17 U.S.C. § 504(b), Plaintiff is also entitled to recovery of Defendant's profits attributable to Defendant's infringing conduct alleged herein, including from any and all sales of the Zantac Lawsuit Infringing Work, and an accounting of and a constructive trust with respect to such profits.
- 47. Alternatively, Plaintiff is entitled to the maximum statutory damages pursuant to 17 U.S.C. § 504(c) in the amount of \$150,000 for each of Plaintiff's works that Defendant has infringed, and for such other amount as may be proper pursuant to 17 U.S.C. § 504(c).
- 48. Plaintiff further is entitled to its attorneys' fees and costs pursuant to 17 U.S.C. § 505.
- 49. As a direct and proximate result of Defendant's infringing conduct alleged herein, Plaintiff has sustained and will continue to sustain substantial, immediate, and irreparable injury, for which there is no adequate remedy at law. On information and belief, unless Defendant's infringing conduct is enjoined by this Court, Defendant will continue to infringe the Zantac Lawsuit Work. Plaintiff therefore is entitled to permanent injunctive relief restraining and enjoining Defendant's ongoing infringing conduct.

#### **COUNT III**

## Federal Copyright Infringement of the Settlement Check Hold Work (17 U.S.C. § 501)

- 50. Plaintiff repeats and realleges the preceding paragraphs of this Complaint as if fully set forth in this Court.
- 51. The Settlement Check Hold Work is an original literary work containing copyrightable subject matter for which copyright protection exists under the Copyright Act, 17 U.S.C. § 101, et seq. Plaintiff is the exclusive owner of rights under copyright law in and to the Settlement Check Hold Work.
- 52. Through Defendant's conduct as alleged herein, including Defendant's reproduction, distribution, and public display of the Settlement Check Hold Infringing Work, which is copied from, a derivative of, and substantially similar to the Settlement Check Hold Work, without Plaintiff's permission, Defendant has directly infringed Plaintiff's exclusive rights in the Settlement Check Hold Work in violation of Section 501 of the Copyright Act, 17 U.S.C. § 501.
- 53. On information and belief, Defendant's infringing conduct alleged herein was, and continues to be, willful and with full knowledge of Plaintiff's rights in the Settlement Check Hold Work, and such infringing conduct has enabled Defendant illegally to obtain profit therefrom.
- 54. As a direct and proximate result of Defendant's infringing conduct alleged herein, Plaintiff has been harmed and is entitled to an amount to be proven at trial. Pursuant to 17 U.S.C. § 504(b), Plaintiff is also entitled to recovery of Defendant's profits attributable to Defendant's infringing conduct alleged herein, including from any and all sales of the Settlement Check Hold Infringing Work, and an accounting of and a constructive trust with respect to such profits.

- 55. Alternatively, Plaintiff is entitled to the maximum statutory damages pursuant to 17 U.S.C. § 504(c) in the amount of \$150,000 for each of Plaintiff's works that Defendant has infringed, and for such other amount as may be proper pursuant to 17 U.S.C. § 504(c).
- 56. Plaintiff further is entitled to its attorneys' fees and costs pursuant to 17 U.S.C. § 505.
- 57. As a direct and proximate result of Defendant's infringing conduct alleged herein, Plaintiff has sustained and will continue to sustain substantial, immediate, and irreparable injury, for which there is no adequate remedy at law. On information and belief, unless Defendant's infringing conduct is enjoined by this Court, Defendant will continue to infringe the Settlement Check Hold Work. Plaintiff therefore is entitled to permanent injunctive relief restraining and enjoining Defendant's ongoing infringing conduct.

#### **PRAYER**

WHEREFORE, Plaintiff respectfully requests and prays for the following relief:

- A. Judgment in favor of Plaintiff and finding Defendant liable on all Counts;
- B. That this Court award Plaintiff Defendant's profits obtained as a result of Defendant's infringing conduct, any damages sustained by Plaintiff as a result of Defendant's infringing conduct, Plaintiff's reasonable attorneys' fees and costs and, should Plaintiff so elect, statutory damages in the amount of \$450,000 instead of actual damages or profits;
- C. That this Court enter an injunction, permanently enjoining Defendant, its employees, agents, officers, directors, attorneys, successors, affiliates, subsidiaries, and assigns, and all those in active concert and participation with any of the foregoing persons and entities who receive actual notice of the Court's order by personal service or otherwise, from:

- a. distributing, advertising, or displaying, or authorizing any third party to distribute, advertise or display the Paraquat Lawsuit Infringing Work;
- b. distributing, advertising, or displaying, or authorizing any third party to distribute, advertise or display the Zantac Lawsuit Infringing Work;
- c. distributing, advertising, or displaying, or authorizing any third party to distribute, advertise or display the Settlement Check Hold Infringing Work;
- d. reproducing, distributing, or publicly displaying the Paraquat Lawsuit Work, creating any derivative works based on the Paraquat Lawsuit Work, or engaging in any activity that infringes Plaintiff's rights in the Paraquat Lawsuit Work;
- e. reproducing, distributing, or publicly displaying the Zantac Lawsuit Work, creating any derivative works based on the Zantac Lawsuit Work, or engaging in any activity that infringes Plaintiff's rights in the Zantac Lawsuit Work;
- f. reproducing, distributing, or publicly displaying the Settlement Check Hold Work, creating any derivative works based on the Settlement Check Hold Work, or engaging in any activity that infringes Plaintiff's rights in the Settlement Check Hold Work; and
- g. aiding, assisting, or abetting any other individual or entity in doing any act prohibited by subparagraphs (a) through (f);
- D. That this Court enter an Order pursuant to 28 U.S.C. § 1651(a), the All Writs Act, and the Court's inherent authority, that, upon Plaintiff's request, those acting in concert or participation with Defendant who have notice of the injunction, cease hosting, facilitating access to, or providing any support services to the domains and subdomains lawsuitloans.io/blog/personal-injury/paraquat-lawsuit-settlement-what-to-know/, lawsuitloans.io/blog/personal-injury/zantac-lawsuit-what-to-know/, and

lawsuitloans.io/blog/personal-injury/how-long-can-a-lawyer-hold-your-personal-injury-settlement-check/;

- E. That this Court enter an Order pursuant to 28 U.S.C. § 1651(a), the All Writs Act, and the Court's inherent authority, that, upon Plaintiff's request, Defendant and the top level domain (TLD) Registry for the domain and subdomains lawsuitloans.io/blog/personal-injury/paraquat-lawsuit-settlement-what-to-know/, lawsuitloans.io/blog/personal-injury/zantac-lawsuit-what-to-know/, and lawsuitloans.io/blog/personal-injury/how-long-can-a-lawyer-hold-your-personal-injury-settlement-check/ or their administrators, including backend registry operators or administrators, place the domain and subdomains on Registry Hold status for the remainder of the registration period, thus removing them from the TLD zone files which link the domain name to the IP addresses where associated websites are hosted; and
- F. That this Court order or award Plaintiff any such other relief that the Court deems just and proper under the circumstances.

#### **JURY DEMAND**

Plaintiff Unknown Entity Holdings, LLC respectfully demands a trial by jury as to all counts so triable.

Date: March 1, 2024

Respectfully submitted,

THOMPSON COBURN LLP

/s/ Matthew A. Braunel

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