



Office of the District Attorney, Alameda County  
Nancy E. O'Malley, District Attorney



PRESS RELEASE

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### **ALAMEDA COUNTY DISTRICT ATTORNEY NANCY E. O'MALLEY ANNOUNCES CONSUMER PROTECTION SETTLEMENT WITH DROPBOX, INC.**

Alameda County District Attorney Nancy E. O'Malley announced today that her office, along with the District Attorneys of San Diego, San Francisco and Sonoma Counties, have settled a consumer protection action against Dropbox, Inc., a company that provides file-sharing and other related services over the internet. The civil action was filed in Alameda County Superior Court.

According to the complaint, Dropbox offered paid services known as "Dropbox Pro" and "Dropbox for Business." Both services were available on an "automatic renewal" basis, that is, the subscription renewed without further action on the part of the customer, until cancellation. The complaint alleges that Dropbox violated California's Automatic Renewal Law with respect to "Dropbox Pro" by failing to display the automatic renewal terms in the manner required by law and by failing to get the consumer's affirmative consent to the agreement containing those terms. As for "Dropbox for Business," the Complaint alleges that the company failed to sufficiently advise consumers the service was intended only for organizations or businesses, not consumers using it for personal, family or household reasons (without, alternatively, complying with the Automatic Renewal Law).

Under the terms of the court-approved judgment, \$450,000 has been set aside to administer and fund restitution to qualifying California consumers. You may be an eligible consumer if, while residing in California either (i) you purchased "Dropbox Pro" between February 24, 2013 and August 1, 2014, and did not use the service more than 30 days after first paying for it; or (ii) you purchased "Dropbox for Business" for personal, family or household reasons (that is, not for a business or organization) and did not use the service more than 30 days after paying for it. Other conditions also apply to refund eligibility.

Consumers who believe they are entitled to restitution should call **866-670-3373** and/or visit the following website: [www.DropboxRestitution.com](http://www.DropboxRestitution.com). The restitution fund remains available for a period of one year.

"My office will remain vigilant in ensuring that California's consumer protection laws are followed, including laws intended to protect consumers who enroll in automatic renewal contracts," says Alameda County District Attorney Nancy E. O'Malley. "This vigilance applies to companies both large and small."

Without admitting liability, Dropbox also agreed to pay \$1.6 million in civil penalties and \$100,000 to reimburse the costs of investigation. Dropbox cooperated fully in the investigation and, as part of the settlement, agreed to make changes to its website.

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