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9	LINITED OTATES I		
10	UNITED STATES DISTRICT COURT		
11	CENTRAL DISTRIC	I OF CALIFORNIA	
12	MATTHEW AQUINO, individually and on	Case No. 2:19-cv-06200	
13	behalf of all others similarly situated,	CLASS ACTION COMPLAINT AND	
14 15	Plaintiff, v.	COMPLAINT FOR DAMAGES AND EQUITABLE RELIEF	
16 17	TOYOTA MOTOR SALES, U.S.A., INC., a California corporation; ZF TRW AUTOMOTIVE HOLDINGS CORP.,	Demand for Jury Trial	
18	a Delaware corporation,		
19	Defendants.		
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	CLASS ACTION COMPLAINT		

Plaintiffs Matthew Aquino ("Plaintiff"), acting on behalf of himself and all others
 similarly situated, brings this action for damages and equitable relief against Toyota Motor
 Sales, U.S.A., Inc. ("Toyota") and ZF TRW Automotive Holdings Corp. ("ZF TRW")
 (collectively, "Defendants"), and alleges as follows:

#### NATURE OF THE CASE

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1. This is a class action arising from vehicle manufacturers knowingly concealing
a defect in vehicles' airbag control unit ("ACU") manufactured by ZF TRW that, due to
excess electrical energy, becomes "over stressed" and seizes up at the moment of impact
and failing to deploy the airbags and lock the seatbelts during a crash (the "Defect").
Consequently, not only are the affected vehicles extremely dangerous and unsafe in the
event of a crash, but their value to the customer is significantly diminished now that the
manufacturers' concealment of the Defect has been exposed.

Coyota designed, manufactured, distributed, marketed, sold, and leased the
 following vehicles with the Defect: Toyota Avalon (model years 2012-2018), Toyota Avalon
 Hybrid (model years 2013-2018), Toyota Corolla (model years 2011-2019), Toyota Corolla
 IM (model years 2017-2018), Toyota Corolla Matrix (model years 2011-2013), Toyota
 Sequoia (model years 2012-2017), Toyota Tacoma (model years 2012-2019), and Toyota
 Tundra (model years 2012-2017) (collectively, the "Class Vehicles") to Plaintiff and Class
 Members.

3. Defendants knew about the Defect since at least 2011, when Toyota was
already engaged in communications with ZF TRW regarding the Defect. Defendants
knowingly concealed the Defect for years despite federal standards requiring a vehicle recall
within five days of learning of a defect.

4. The National Highway Safety Traffic Administration ("NHTSA") launched
an investigation in 2018 after numerous reports of serious injuries and even some deaths.
The NHTSA investigation has linked the Defect to at least four deaths and many other
reports of death and serious injury are under investigation, which continues to the present.

5. Plaintiff and Class Members reasonably expected that their Class Vehicles
 would not suffer from a dangerous defect that could cause the Class Vehicles to fail to
 deploy airbags and lock seatbelts during a collision, creating the potential for serious
 injuries and deaths. These are the reasonable and objective expectations of consumers.

6. Prior to purchasing the Class Vehicles, Plaintiff and Class Members did not
know that the Class Vehicles suffered from the Defect and did not contemplate that the
Class Vehicles would be significantly diminished in value had such a Defect been known.

Defendants knew or should have known that the Class Vehicles are defective 8 7. and are not fit for their intended purpose of providing consumers with safe and reliable 9 transportation. Nevertheless, Defendants actively concealed and failed to disclose the 10 Defect to Plaintiff and Class Members at the time they purchased or leased their Class 11 Vehicles and thereafter. Had Plaintiff and Class Members known at the time of sale or lease 12 about the Defect and the associated safety hazards and loss of value described herein, 13 Plaintiff and Class Members would not have purchased the Class Vehicles at all, or would 14 have paid substantially less for them. 15

16 8. Every Class Vehicle was sold or leased pursuant to express and implied
17 warranties, including a Limited Warranty that begins on the date in which the purchaser
18 first put the vehicle into service. The limited warranty transfers automatically with vehicle
19 ownership during the warranty period.

9. Moreover, despite notice of the Defect from various internal sources, Toyota
 has not recalled the Class Vehicles to repair the Defect, has not offered all of its customers
 a suitable repair or replacement free of charge, and has not offered to reimburse all Class
 Vehicle owners and leaseholders who incurred costs relating to the Defect, including, but
 not limited to, costs related to inspections, diagnosis, repairs, and/or replacements.

10. As a result of their reliance on Defendants' omissions and/or affirmative
misrepresentations, owners and/or lessees of the Class Vehicles have suffered ascertainable
losses of money, property, and/or of value of their Class Vehicles.

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#### PARTIES

11. Plaintiff is a California citizen who resides in Long Beach, California.
Plaintiff purchased a new 2016 Toyota Tundra from West Coast Toyota in Long Beach,
California in or around 2017, and he uses it for personal, family, or household purposes.
Plaintiff's Class Vehicle has been diminished as a result of the Defect. If Plaintiff had
known about the Defect, he would not have purchased his Class Vehicle at all, or would
not have paid as much for it.

8 12. Defendant Toyota is a California corporation, with its corporate headquarters located at 6565 Headquarters Drive, Plano, Texas 75024. Toyota, through its various 9 entities, designs, manufactures, markets, distributes, and sells its vehicles in this District 10 and multiple other locations in the United States and worldwide. Toyota and/or its agents 11 designed, manufactured, and installed the defective ACU manufactured by ZF TRW in 12 the Class Vehicles. Toyota also developed and disseminated the owner's manuals, warranty 13 booklets, advertisements, and other promotional materials pertaining to the Class 14 Vehicles, and makes decisions concerning warranty coverage of customer vehicles when 15 problems arise. 16

17 13. Defendant ZF TRW is a Delaware corporation, with its corporate 18 headquarters located at 12001 Tech Center Drive, Livonia, Michigan 48150. ZF TRW designs, manufactures, and sells automotive systems, modules, and components, including 19 airbag systems, to automotive original equipment manufacturers. ZF TRW markets, leases, 20 warrants, and oversees regulatory compliance and warranty servicing of ZF TRW products 21 from its headquarters. ZF TRW also creates and distributes the warranties and other 22 23 written materials that accompany the sale of ZF TRW products throughout the United States, and makes decisions concerning warranty coverage when problems arise. 24

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## JURISDICTION AND VENUE

14. This Court has jurisdiction over this action under the Class Action Fairness
Act ("CAFA"), 28 U.S.C. § 1332(d). There are at least 100 members in the proposed class,
the aggregated claims of the individual Class Members exceed the sum or value of

\$5,000,000.00 exclusive of interest and costs, and Members of the Proposed Class are
 citizens of states different from Defendant.

15. In addition, under 28 U.S.C. § 1367, this Court may exercise supplemental
jurisdiction over the state law claims because all the claims are derived from a common
nucleus of operative facts and are such that Plaintiff ordinarily would expect to try them in
one judicial proceeding.

7 16. This Court may exercise jurisdiction over Defendants because, by engaging in
8 business in California and within this District, they have established sufficient contacts in
9 this District such that personal jurisdiction is appropriate.

10 17. Venue is proper in this District under 28 U.S.C. § 1391(a) because a
substantial part of the events or omissions giving rise to Plaintiffs' claims occurred in this
District. Specifically, Plaintiff's Class Vehicle was purchased in this District and Plaintiff
resides in this District. Plaintiffs' counsel's declaration under California Civil Code section
1780(d) is also attached hereto.

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## FACTUAL ALLEGATIONS

16 18. The defective ACU at issue contains an application-specific integrated circuit
17 ("ASIC"), is the specific part at-issue in this matter. The ACU monitors signals from crash
18 sensors on the vehicle from vehicle's passenger compartment, connecting to sensors in the
19 front of the vehicle.

19. The ACU is supposed to detect a collision and signal the vehicle's safety features to spring into action in the milliseconds following a collision, including airbag inflation and engaging the seatbelt pretensioner, which removes slack from the seatbelt to secure a passenger's body firmly into the seat, then releases the passenger milliseconds later to receive the maximum protective benefit the airbag can provide. If the ASIC fails, then the ACU may fail to engage the vehicle's safety features, greatly increasing the risk of serious injury and death to vehicle occupants in the event of a crash.

27 20. The Class Vehicles' ASIC is prone to experiencing electrical over stress
28 ("EOS") as a result of excess electrical signals generated during a vehicle collision. This

EOS causes the ASIC and ACU to fail, thereby leading to failure of the vehicle's safety
 features, including the airbag deployment and seatbelt locking features.

21. ZF TRW designed, engineered and manufactured the ACUs defectively, with
both design and manufacturing flaws. The Defect causes failure of the airbags and seatbelt
restraints in a crash. By designing, manufacturing, assembling, inspecting, distributing, or
selling Class Vehicles equipped with airbag systems containing the Defect, Defendants
rendered the Class Vehicles unsafe for their intended use and purpose.

8 22. Defendants knew of the Defect for years but failed to alert affected consumers
9 or issue proper recalls. Other vehicle manufacturers, such as FCA (manufacturer of Dodge,
10 Jeep, and Ram vehicles), Hyundai, and KIA, issued partial recalls for their vehicles
11 equipped with the defective ACUs manufactured by ZF TRW.

12 23. On March 16, 2018, NHTSA opened its initial investigation into the Defect.
13 At that time, at least six injuries and four deaths resulted from the failure of vehicle features
14 such as airbags and seatbelt pretensioners. The initial investigation linked Kia and Hyundai
15 vehicles to the defective ZF TRW ACUs.

24. On April 19, 2019, NHTSA upgraded its investigation of the Defect to an
Engineering Analysis, which entails "a more detailed and complete analysis of the character
and scope of the alleged defect," than the initial investigation. An Engineering Analysis,
unlike the initial investigation, may recommend a safety recall.

20 25. Internal NHTSA documents reveal that Defendants knew of the problems
21 with the ASIC as early as August of 2011. Defendants could have taken steps to ensure the
22 safety of the public in August of 2011, but instead chose to conceal the Defect and its safety
23 problems.

24 26. While Toyota, along with other vehicle manufacturers Acura, FCA, Honda,
25 Hyundai, Kia, and Mitsubishi, were secretly discussing the Defect with ZF TRW, many
26 affected consumers lodged complaints about their vehicle airbags not deploying and
27 seatbelt locks not working during major collisions, resulting in death and serious injury.
28 Below are some examples of Class Vehicle owners' complaints to NHTSA:

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1	Vehicle	Date	NHTSA ID	Text of complaint
2 3	2011 Toyota Corolla	1/17/13	10493277	I was hit by a big rig traveling at approximately 20mph while stopped on the highway, the big rigs impact forced me into the back of an FL50XL, causing signifcant damage to the front and rear of
4				the vehicle. The air bags did not deploy. *TR
5	2011 Toyota	2/26/13	10500195	While traveling on a highway, a vehicle struck the Toyota Corolla automobile on the front, passenger
6	Corolla			side. This collision caused the Corolla to then strike a median wall. After the second impact, the Corolla
7 8				flipped at least two (2) times. The airbag never deployed. The entire front side was damaged in this accident. *TR
	2012	4/29/10	11204250	
9	2012 Toyota	4/28/19	11204250	My air bags did not deploy during an accident where a construction truck hit my car causing me
10 11	Corolla			to hit a tree and roll. My father died as a result of this accident. Now that a problem with the air bags not deploying in this type car I wonder if this is
				what happened.
12				Toyota did not inspect vehicle.
13				Lawyers Engineer said because of occupants bouncing around car couldn't tell where everyone
14				was and therefore air bag deployment was not commanded. Consumer stated 'Don't believe
15				Toyota was ever notified of incident. Cosumer stated air bag deployed when the fireman cut the
16				roof off the car to get her parents, who were at the bottom of the car.
17				Crush Report [XXX], Case #[XXX]
18				Traffic Homicide Investigation Case #[XXX]
19 20				Information Redacted Pursuant to the Freedom of Information Act (FOIA), 5 U.S.C. 552(B)(6). *TT *DT *DT *JB

Defendants failed to inform or notify consumers, Plaintiff, and Class 27. Members of the Defect, while at the same time marketing and representing that the Class Vehicles were safe and reliable. Plaintiff was exposed to and consumed Toyota's advertisements and marketing materials prior to purchasing or leasing the Class Vehicles. The misleading representations and omissions about Class Vehicles' safety in the Toyota's 26 advertising and marketing materials influenced Plaintiff's decision to purchase his Class 27 Vehicles, including, without limitation, Toyota's prominent slogan, "Designed for safety": 28



# Designed for safety.

9 28. Defendants have not recalled the Class Vehicles to repair the Defect, and have
10 not offered to reimburse Class Vehicle owners and lessees for costs relating to the Defect.

29. Plaintiffs and Class Members are reasonable consumers who do not
reasonably expect their Class Vehicles to contain the Defect, which can lead to significant
injuries and even death in the event of a collision.

30. Plaintiffs and Class Members reasonably expected that Defendants would not
sell or lease Class Vehicles with known defects, such as the Defect, and that they would
disclose any such defects to its consumers before they purchased or leased Class Vehicles.
Plaintiffs and Class Members did not expect Defendants to conceal the Defect, or to
continually deny its existence.

31. Consequently, Plaintiff and Class Members have not received the value for
which they bargained when they purchased or leased the Class Vehicles. As a result of the
Defect, the value of the Class Vehicles has diminished, including, without limitation, the
resale value of the Class Vehicles. Further, the Defect exposes Plaintiff, Class Members,
and their passengers to unreasonable safety risks every time they operate their Class
Vehicles.

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## TOLLING OF THE STATUTE OF LIMITATIONS

32. Because the Defect cannot be detected until the Class Vehicles are in a
collision and suffer an airbag or seatbelt failure, Plaintiff and Class Members were not

reasonably able to discover the problem until after purchasing or leasing the Class Vehicles,
 despite their exercise of due diligence.

3 33. In addition, even after Class Members contacted Defendants and/or their
authorized dealers concerning the Defect, Defendants concealed the Defect and failed to
alert consumers of the severe safety risk associated with operating the Class Vehicles.

34. Therefore, any applicable statute of limitation has therefore been tolled by
Defendants' knowledge, active concealment, and denial of the facts alleged herein.
Defendants are further estopped from relying on any statute of limitation because of their
concealment of the defective nature of the Class Vehicles and their airbag systems.

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## CLASS ACTION ALLEGATIONS

35. Plaintiff brings this lawsuit individually and as a class action on behalf all
others similarly situated pursuant to Federal Rules of Civil Procedure ("Rule") 23(a), (b)(2),
and/or (b)(3). This action satisfies the numerosity, commonality, typicality, adequacy,
predominance, and superiority requirements of Rule 23.

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36. The Class and Sub-Class are defined as:

- 16 <u>Nationwide Class</u>:
  - All current and former owners or lessees of Class Vehicles ("the Nationwide Class").
  - California Sub-Class:
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All Members of the Nationwide Class who reside in the state of California and who purchased or leased their vehicles in the state of California ("the California Sub-Class").

21 37. Excluded from the Class and Sub-Classes are: (1) Defendants, any entity or 22 division in which Defendants have a controlling interest, and its legal representatives, 23 officers, directors, assigns, and successors; (2) the Judge to whom this case is assigned and 24 the Judge's staff; and (3) those persons who have suffered personal injuries as a result of 25 the facts alleged herein. Plaintiff reserves the right to amend the Class and Sub-Class 26 definitions if discovery and further investigation reveal that the Class and Sub-Class should 27 be expanded or otherwise modified.

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38. <u>Numerosity</u>: Although the exact number of Class Members is uncertain and
 can only be ascertained through appropriate discovery, the number is great enough such
 that joinder is impracticable. The disposition of the claims of these Class Members in a
 single action will provide substantial benefits to all parties and to the Court. The Class
 Members are readily identifiable from information and records in Defendants' possession,
 custody, or control, as well as from records kept by the Department of Motor Vehicles of
 various states.

39. 8 Typicality: Plaintiff's claims are typical in that Plaintiff, like all Class Members, purchased and/or leased a Class Vehicle designed, manufactured, and 9 distributed by Toyota with the Defect in the airbag system manufactured by ZF TRW. 10 Plaintiff, like all Class Members, has been damaged by Defendants' misconduct in that, 11 inter alia, he has purchased a Class Vehicle that is diminished in value and prone to 12 dangerous safety failures. Furthermore, the factual bases of Defendants' misconduct are 13 common to all Class Members and represent a common thread of fraudulent, deliberate, 14 and negligent misconduct resulting in injury to all Class Members. 15

40. <u>Commonality</u>: There are numerous questions of law and fact common to
Plaintiff and Class Members that predominate over any individual questions. These
common legal and factual issues include the following:

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- a) whether the Class Vehicles and their engines are defectively designed or manufactured such that they are not suitable for their intended use;
- b) whether the fact that the Class Vehicles suffer from the Defect would be considered material by a reasonable consumer;
- c) whether, as a result of Defendants' concealment or failure to disclose material facts, Plaintiff and Class Members acted to their detriment by purchasing Class Vehicles;
  - d) whether Defendants were aware of the Defect;
  - e) whether the Defect constitutes an unreasonable safety risk;

- f) whether Defendants breached express warranties with respect to the Class Vehicles;
- g) whether Defendants had a duty to disclose the defective nature of the ClassVehicles and the Defect to Plaintiff and Class Members;
- h) whether Plaintiff and Class Members are entitled to equitable relief, including but not limited to a preliminary and/or permanent injunction; and
- i) Whether Defendants violated the consumer protection statutes of California when it sold to consumers Class Vehicles that suffered from the Defect.

9 41. <u>Adequate Representation</u>: Plaintiff will fairly and adequately protect the
10 interests of Class Members. Plaintiff has retained attorneys experienced in the prosecution
11 of class actions, including consumer and product defect class actions, and Plaintiff intends
12 to prosecute this action vigorously.

Predominance and Superiority: Plaintiff and Class Members have all suffered 13 42. and will continue to suffer harm and damages as a result of Defendants' unlawful and 14 wrongful conduct. A class action is superior to other available methods for the fair and 15 efficient adjudication of the controversy. Absent a class action, Class Members would likely 16 find the cost of litigating their claims prohibitively high and would therefore have no 17 18 effective remedy at law. Because of the relatively small size of Class Members' individual claims, it is likely that few Class Members could afford to seek legal redress for Defendants' 19 misconduct. Absent a class action, Class Members will continue to incur damages, and 20 21 Defendants' misconduct will continue without remedy. Class treatment of common questions of law and fact would also be a superior method to multiple individual actions 22 23 or piecemeal litigation in that class treatment will conserve the resources of the courts and the litigants and will promote consistency and efficiency of adjudication. 24

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1 2 3	FIRST CAUSE OF ACTION Breach of Written Warranties under the Magnuson-Moss Warranty Act 15 U.S.C. § 2301, <i>et seq.</i> (On behalf of the proposed Nationwide Class)	
4	43. Plaintiff incorporates by reference the preceding allegations.	
5	44. Plaintiff brings this cause of action individually and on behalf of the	
6	Nationwide Class against Defendants.	
7	45. Plaintiff and Class Members are "consumers" within the meaning of the	
8	Magnuson-Moss Warranty Act ("MMWA"), 15 U.S.C. § 2301(3).	
9	46. Defendants are "suppliers" and "warrantors" within the meaning of 15	
10	U.S.C. § 2301(4)-(5).	
11	47. The Class Vehicles are "consumer products" within the meaning of 15 U.S.C.	
12	2 § 2301(1).	
13	48. Defendants' express warranties are each a "written warranty" within the	
14	meaning of 15 U.S.C. § 2301(6).	
15	49. Defendants breached these express warranties by:	
16	a) Selling and leasing Class Vehicles with airbag systems that were defective in	
17	material and workmanship, requiring repair or replacement within the	
18	warranty period; and	
19	b) Refusing and/or failing to honor the express warranties by repairing or	
20	replacing, free of charge, any defective component parts.	
21	50. Defendants' breach of express warranty has deprived Plaintiff and Class	
22	members of the benefit of their bargain.	
23	51. Defendants have been afforded a reasonable opportunity to cure its breach of	
24	written warranties but have failed to do so – Plaintiff has provided Defendants with notice	
25	of his breach of warranty claims.	
26	52. As a direct and proximate cause of Defendants' breach of written warranties,	
27	Plaintiff and Class members sustained damages and other losses in an amount to be	
28	determined at trial. Defendants' conduct damaged Plaintiff and Class Members, who are	
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entitled to recover actual damages, consequential damages, specific performance,
 diminution in value, costs, including statutory attorneys' fees and/or other relief as
 appropriate.

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4	SECOND CAUSE OF ACTION		
5	Violations of the California Consumers Legal Remedies Act		
6	Cal. Civ. Code § 1750, <i>et seq</i> . (On behalf of the proposed California Sub-Class)		
7	53.	Plaintiff incorporates by reference the preceding allegations.	
8	54.	Plaintiff brings this cause of action individually and on behalf of the	
9	California Sub-Class against Defendants.		
10	55.	Defendants are "persons" as defined by Cal. Civ. Code § 1761(c).	
11	56.	Plaintiff and Class Members are "consumers" within the meaning of Cal. Civ.	
12	Code § 1761(d).		
13	57.	The Class Vehicles that Toyota marketed and sold constitute "goods" as	
14	defined by Cal. Civ. Code § 1761(a) and (b).		
15	58.	Plaintiff's and Class Members' purchases of the Class Vehicles constituted	
16	"transactions," as defined by Cal. Civ. Code § 1761(e).		
17	59.	Plaintiff's and Class Members' purchases of the Class Vehicles were for	
18	personal, fa	mily, and household purposes as meant by Cal. Civ. Code § 1761(d).	
19	60.	Venue is proper under Cal. Civ. Code § 1780(d) because a substantial portion	
20	of the transactions at issue occurred in this District. (See attached declaration.)		
21	61.	Defendants deceived consumers in that they misrepresented that the Class	
22	Vehicles were free of defects as alleged above, when in fact they had the Defect. Further,		
23	Defendants knew of the Defect prior to selling the Class Vehicles and actively concealed		
24	this Defect from consumers.		
25	62.	Defendants' misrepresentations, active concealment, and failures to disclose	
26	violated the	California Consumers Legal Remedies Act ("CLRA") in the following manner:	
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a. In violation of Section 1770(a)(5), Defendants misrepresented that the
 Class Vehicles had characteristics, benefits, or uses that they did not have (free of defects
 when in fact they contained the Defect);

b. In violation of Section 1770(a)(7), Defendants misrepresented that the
Class Vehicles were of a particular standard, quality, and/or grade when they were of
another (free of defects when in fact they contained the Defect);

c. In violation of Section 1770(a)(9), Defendants advertised the Class
Vehicles with an intent not to sell them as advertised (free of defects when in fact they
contained the Defect);

10 d. In violation of Section 1770(a)(14), Defendants misrepresented that
11 the Class Vehicles conferred or involved rights, remedies, or obligations that they did not
12 have (free of defects when in fact they contained Defect); and

e. In violation of Section 1770(a)(16), Defendants misrepresented that
the Class Vehicles were supplied in accordance with previous representations when they
were not (free of defects when in fact they contained the Defect).

16 63. Defendants' misrepresentations and nondisclosures regarding the Class
17 Vehicles never disclosed at the time of purchase were material to Plaintiff and Class
18 Members because a reasonable person would have considered them important in deciding
19 whether or not to purchase the Class Vehicles and because Defendants had a duty to
20 disclose the truth about the Defect.

64. Plaintiff and Class Members relied upon Defendants' material
misrepresentations and nondisclosures, and had Plaintiff and Class Members known the
truth about the Defect they would not have purchased the Class Vehicles or not have paid
as much for the Class Vehicles.

25 65. As a direct and proximate result of Defendants' material misrepresentations
26 and nondisclosures, Plaintiff and Class Members have been irreparably harmed.

27 66. On behalf of the California Sub-Class, Plaintiff seeks injunctive relief in the28 form of an order enjoining Defendants from making such material misrepresentations and

failing to disclose or actively concealing its aforementioned practices. Plaintiff also seeks
 attorneys' fees and costs.

3 67. In accordance with Cal. Civ. Code § 1782(a), Plaintiff's counsel served
4 Defendants with notice of the CLRA violations by certified mail, return receipt requested.

5 68. If Defendants fail to provide appropriate relief for their CLRA violations 6 within 30 days of receipt of Plaintiff's notification letter, Plaintiff also will seek 7 compensatory and exemplary damages as permitted by Cal. Civ. Code §§ 1780 and 8 1782(b).

THIRD CAUSE OF ACTION
Violations of the California Unfair Competition Law
Cal. Bus. & Prof. Code § 17200, <i>et seq.</i>
(On behalf of the proposed California Sub-Class)

69. Plaintiff incorporates by reference the preceding allegations.

13 70. Plaintiff brings this cause of action individually and on behalf of the14 California Sub-Class against Defendants.

15 71. California Business & Professions Code § 17200, *et seq.* ("UCL") prohibits
16 acts of "unfair competition," including any "unlawful, unfair or fraudulent business act or
17 practice" and "unfair, deceptive, untrue or misleading advertising."

18 72. Defendants knew that the Class Vehicles suffered from an inherent defect,19 were defectively designed and manufactured, and were not suitable for their intended use.

20 73. In failing to disclose the Defect, Defendants knowingly and intentionally21 concealed material facts and breached their duty not to do so.

74. Defendants were under a duty to Plaintiff and Class Members to disclose thedefective nature of the Class Vehicles because:

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 a) Defendants were in a superior position to know the true state of facts about the Defect in the Class Vehicles;

b) Defendants made disclosures about the safety and quality of the Class

Vehicles without revealing the defective nature of the Class Vehicles; and

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- c) Defendants actively concealed the defective nature of the Class Vehicles from Plaintiff and Class Members.

75. The facts concealed by Defendants to Plaintiff and Class Members are
material in that reasonable persons would have considered them to be important in
deciding whether to purchase the Class Vehicles, or to pay less for them. Had Plaintiff and
Class Members known that the Class Vehicles suffered from Defect, they would not have
purchased the Class Vehicles or would have paid less for them.

8 76. Defendants concealed the Defect even after Class Members began to report
9 problems, and Defendants continue to cover up and conceal the true nature of the
10 problem.

11 77. Defendants have violated and continues to violate the UCL's prohibition12 against engaging in "unlawful" business acts or practices, by, among other things:

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Violating the CLRA;

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- violating the CERT,
- Violating the MMWA; and
- Violating the Song-Beverly Consumer Warranty Act.

16 78. Defendants also violated the unlawful prong of the UCL by failing to honor
17 the terms of its express and implied warranties with Plaintiff and Class Members, as alleged
18 herein.

79. Defendants' acts, omissions, and conduct also violate the unfair prong of the
UCL because Defendants' acts, omissions, and conduct, as alleged herein, offended public
policy and constitutes immoral, unethical, oppressive, and unscrupulous activities that
caused substantial injury, including to Plaintiff and Class Members. The gravity of
Defendants' conduct outweighs any potential benefits attributable to such conduct and
there were reasonably available alternatives to further Defendants' legitimate business
interests, other than Defendants' conduct described herein.

80. By failing to disclose and actively concealing the Defect, Defendants engagedin a fraudulent business practice that is likely to deceive a reasonable consumer.

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81. As a direct and proximate result of Defendants' unfair and deceptive 1 practices, Plaintiff and Class Members have suffered and will continue to suffer actual 2 3 damages.

82. Defendants have been unjustly enriched and should be required to make 4 restitution to Plaintiff and the California Sub-Class pursuant to §§ 17203 and 17204 of the UCL.

## FOURTH CAUSE OF ACTION

# Breach of Implied Warranties and Song-Beverly Consumer Warranty Act California Civil Code § 1790, et seq.

## (On behalf of the proposed California Sub-Class)

83. Plaintiff incorporates by reference the preceding allegations.

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11 Plaintiff brings this cause of action individually and on behalf of the 84. 12 California Sub-Class against Defendants.

13 85 Defendants at all relevant times the manufacturer, distributor, warrantor, and/or seller of the Class Vehicles and/or the defective airbag component. Defendants 14 15 knew or had reason to know of the specific use for which the Class Vehicles were 16 purchased.

17 86. Defendants provided Plaintiff and Class Members with implied warranties 18 that the Class Vehicles and any parts thereof were merchantable and fit for the ordinary 19 purposes for which they were sold.

20 87. However, the Class Vehicles are not fit for their ordinary purpose of providing 21 reasonably reliable and safe transportation because, inter alia, the Class Vehicles contained 22 the Defect. Therefore, the Class Vehicles are not fit for their particular purpose of 23 providing safe and reliable transportation.

24 88. Defendants impliedly warranted that the Class Vehicles were of merchantable 25 quality and fit for such use. These implied warranties included, among other things: (i) a 26 warranty that the Class Vehicles and their engines were manufactured, supplied, 27 distributed, and/or sold by Defendants were safe and reliable for providing transportation; 28

and (ii) a warranty that the Class Vehicles and their engines would be fit for their intended
 use while the Class Vehicles were being operated.

89. Contrary to the applicable implied warranties, the Class Vehicles and their
engines, at the time of sale and thereafter, were not fit for their ordinary and intended
purpose of providing Plaintiff and Class Members with reliable, durable, and safe
transportation. Instead, the Class Vehicles are defective, including but not limited to their
defective design and/or manufacture related to the Defect alleged herein.

8 90. Defendants' actions, as complained of herein, breached the implied
9 warranties that the Class Vehicles were of merchantable quality and fit for such use in
10 violation of Cal. Civ. Code §§ 1791.1 and 1792.

FIFTH CAUSE OF ACTION Common Law Breach of Express Warranties (On behalf of the proposed Nationwide Class)

91. Plaintiff incorporates by reference the preceding allegations.

15 92. In the course of selling the Class Vehicles, Defendants expressly warranted in
16 writing that the vehicles and/or applicable components were covered by certain warranties,
17 including, without limitation, the Class Vehicles' Limited Warranties.

18 93. Defendants breached their express warranties to repair defects in materials
19 and workmanship of any part supplied by Defendants. Defendants have not repaired, and
20 has been unwilling to reasonably repair, the Defect in Class Vehicles.

94. Furthermore, the express warranties to repair defective parts, fail in their
essential purpose because the contractual remedy is insufficient to make Plaintiff and Class
Members whole and because Defendants have failed and/or has refused to adequately
provide the promised remedies within a reasonable time.

25 95. Accordingly, recovery by Plaintiff is not limited to the express warranties of
26 repair to parts defective in materials or workmanship, and Plaintiff seeks all remedies as
27 allowed by law.

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96. Also, as alleged in more detail herein, at the time that Defendants warranted 1 and sold the Class Vehicles it knew that the Class Vehicles did not conform to the 2 warranties and were inherently defective, and Defendants wrongfully and fraudulently 3 misrepresented and/or concealed material facts regarding the Class Vehicles. Plaintiff and 4 Class Members were therefore induced to purchase the Class Vehicles under false and/or 5 fraudulent pretenses. The enforcement under these circumstances of any limitations 6 whatsoever precluding the recovery of incidental and/or consequential damages is 7 unenforceable. 8

9 97. Moreover, many of the damages flowing from the Class Vehicles cannot be
10 resolved through the limited remedy of "replacement or adjustments," as those incidental
11 and consequential damages have already been suffered due to Defendants' fraudulent
12 conduct as alleged herein, and due to their failure and/or continued failure to provide
13 such limited remedy within a reasonable time, and any limitation on Plaintiff's remedies
14 would be insufficient to make Plaintiff whole.

98. Defendants were provided notice of these issues by numerous complaints,
including Plaintiff's correspondence and numerous other customer complaints regarding
the Defect before or within a reasonable amount of time after the allegations of the defect
became public.

19 99. As a direct and proximate result of Defendants' breach of express warranties,20 Plaintiff and Class Members have been damaged in an amount to be determined at trial.

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#### PRAYER FOR RELIEF

Plaintiff, individually and on behalf of all others similarly situated, requests theCourt enter judgment against Defendants, and accordingly requests the following:

undersigned as Class Counsel;

- 24 25 26
- 27 28
- b) A declaration that Defendants are financially responsible for notifying all Class Members about the defective nature of the Class Vehicles;

a) An order certifying the proposed Class and Sub-Class and designating

Plaintiff as the named representative of the Classes and designating the

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- c) An order enjoining Defendants from further deceptive distribution, sales, and lease practices with respect to their Class Vehicles and the defective airbag components; to remove and replace Plaintiff and Class Members' airbag systems with a suitable alternative product; and repair all other damages to the Class Vehicles caused by the Defect;
- d) A further order enjoining Defendants from the conduct alleged herein, including an order enjoining Defendants from concealing the existence of the Defect during distribution, sales, and advertisements, as well as during customer and warranty service visits for the Class Vehicles;
- e) An award to Plaintiff and Class Members of compensatory, actual, exemplary, and statutory damages, including interest, in an amount to be proven at trial;
- f) A declaration that Defendants must disgorge, for the benefit of Plaintiff and Class Members, all or part of the ill-gotten profits it received from the sale or lease of their Class Vehicles and/or the defective airbag components, or make full restitution to Plaintiff and Class Members;
  - g) An award of attorneys' fees and costs pursuant to California Code of Civil Procedure § 1021.5 and all other applicable laws;
  - h) An award of pre-judgment and post-judgment interest, as provided by law;
- i) Any and all remedies provided pursuant to the Song-Beverly Act, including California Civil Code § 1794;
  - j) Leave to amend this Complaint to conform to the evidence produced at trial;
  - k) A recall of all Class Vehicles; and
  - 1) Such other relief as may be appropriate under the circumstances.

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1	DEMAND FOR JURY TRIAL
2	Plaintiff, individually and on behalf of all others similarly situated, hereby demand
3	a trial by jury as to all matters so triable.
4	
5	Dated: July 18, 2019 /s/ Tina Wolfson
6	Robert Ahdoot
7	Tina Wolfson Theodore W. Maya
8	Bradley K. King
9	AHDOOT & WOLFSON, PC 10728 Lindbrook Drive
10	Los Angeles, California 90024
11	Tel: (310) 474-9111; Fax: (310) 474-8585
12	Counsel for Plaintiff Matthew Aquino
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	20 CLASS ACTION COMPLAINT

## 1 2

I, Tina Wolfson, declare as follows:

I am an attorney with the law firm of Ahdoot & Wolfson, PC, counsel for
 Plaintiff in the above-captioned action. I am admitted to practice law in California and
 before this Court, and am a member in good standing of the State Bar of California. This
 declaration is made pursuant to California Civil Code section 1780(d). I make this
 declaration based on my research of public records and upon personal knowledge and, if
 called upon to do so, could and would testify competently thereto.

DECLARATION OF TINA WOLFSON

9 2. Venue is proper in this Court because Plaintiff suffered injuries as a result of
10 Defendants' acts in this District, including the purchase of his Class Vehicle in this District,
11 and Defendants regularly conduct business in this District and/or are registered to do
12 business in California.

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3. Plaintiff Matthew Aquino is a resident of Long Beach, California.

Defendant Toyota Motor Sales, U.S.A., Inc. is a California corporation, with
 its corporate headquarters located at 6565 Headquarters Drive, Plano, Texas 75024.

16 5. Defendant ZF TRW Automotive Holdings Corp. is a Delaware corporation,
17 with its corporate headquarters located at 12001 Tech Center Drive, Livonia, Michigan
18 48150.

I declare under penalty of perjury under the laws of the United States and the State
of California this 18th day of July, 2019 in Los Angeles, California that the foregoing is
true and correct.

<u>/s/ Tina Wolfson</u> Tina Wolfson

# **ClassAction.org**

This complaint is part of ClassAction.org's searchable class action lawsuit database and can be found in this post: <u>Toyota, ZF TRW Facing Class Action Over Alleged Concealment of Airbag Control Unit Defect</u>