

James E. Cecchi
Caroline F. Bartlett
Kevin G. Cooper
**CARELLA, BYRNE, CECCHI,
BRODY & AGNELLO, P.C.**
5 Becker Farm Road
Roseland, New Jersey 07068
Telephone: (973)-994-1700
Facsimile: (973)-994-1744

Joseph H. Meltzer
Melissa L. Yeates
Tyler S. Graden
Jonathan F. Neumann
**KESSLER TOPAZ
MELTZER & CHECK, LLP**
280 King of Prussia Road
Radnor, PA 19087
Telephone: (610) 667-7706
Facsimile: (610) 667-7056

Attorneys for Plaintiffs and the Proposed Classes

**UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY**

TIMOTHY Y. CHEN and ROBERT
WARREN, individually and on behalf of
all others similarly situated,

Plaintiffs,

v.

VOLKSWAGEN
AKTIENGESELLSCHAFT and
VOLKSWAGEN GROUP OF
AMERICA, INC.,

Defendants.

Civil Action No.

CLASS ACTION COMPLAINT

DEMAND FOR JURY TRIAL

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The allegations herein are based on personal knowledge as to Plaintiffs' own conduct, and are made upon information and belief as to all other matters, based on an investigation by counsel.¹

I. INTRODUCTION

1. Plaintiffs Timothy Y. Chen and Robert Warren (collectively, "Plaintiffs") bring this class action against Volkswagen Aktiengesellschaft ("VWAG") and Volkswagen Group of America, Inc. ("VWoA") (together, "VW" or "Defendants"), individually and on behalf of all persons or entities in the United States who purchased, leased, or own a Class Vehicle (defined below), asserting claims for breach of express warranty, breach of implied warranty, fraud by omission/fraudulent concealment, negligent misrepresentation, and violation of the Magnuson-Moss Warranty Act, 15 U.S.C. § 2301, *et seq.* on behalf of the Nationwide Class (defined below) and for violation of the California Consumer Legal Remedies Act, CAL. CIV. CODE § 1750, *et seq.*, California Unfair Competition Law, CAL. BUS. & PROF. CODE, § 17200, *et seq.*, and Song-Beverly Consumer

¹ Counsel's investigation includes an analysis of publicly available information, including information from the National Highway Traffic Safety Administration ("NHTSA") and independent analysis. Plaintiffs believe that a reasonable opportunity for discovery will provide further support for the claims alleged herein. In addition, Plaintiffs' counsel continues to investigate whether other model years contain the same defect. Plaintiffs reserve the right to update the definition of Class Vehicles to include additional model years.

Warranty Act, CAL. CIV. CODE § 1791, *et seq.* on behalf of the California Sub-Class (defined below).

2. The Class Vehicles include model years 2023-2025 Volkswagen ID.4s designed, manufactured, marketed, distributed, sold, leased, warranted, and/or serviced by Defendants (together, the “Class Vehicles”). The Class Vehicles have been built with defective high-voltage (“HV”) batteries that are susceptible to misaligned electrodes that can lead to thermal events and fires (the “Battery Defect”).

3. The Battery Defect poses a clear and significant safety risk to Plaintiffs and members of the Classes given the possibility that the Class Vehicles may suddenly and unexpectedly catch fire. The Battery Defect also poses a potential risk of fire damage to personal property.

4. The Battery Defect is not new to Defendants. On January 18, 2024, VW first learned of a battery fire involving a Class Vehicle that was charging at a Level 3 DC charger, the quickest charger currently available.² After conducting an on-site investigation, VW concluded that the origin of the fire was within the HV battery.

² Nick Kurczewski, *EV Charging Levels Explained for New and Future Electric Vehicle Owners*, Car & Driver (Jan. 26, 2026), <https://www.caranddriver.com/features/a70141873/ev-charging-levels-explained/#level-3-or-dc-fast-charging>.

5. From July 2024 through December 2024, VW received three additional reports of fires originating from the HV battery in Volkswagen ID.4s.

6. It was not until December of 2025—nearly two years after it first learned of a battery fire in one of the Class Vehicles—that VW initiated a safety recall related to the Battery Defect (“Recall 25V-836”), initially recalling 311 2023-2024 Volkswagen ID.4s and eventually expanding the recall to 629 Class Vehicles.³

7. Recall 25V-836 identified a “quality deviation (mis-aligned electrode)” for HV batteries produced within a specific period of time, i.e., September 16, 2022 to September 22, 2024. Recall 25V-836 further stated that “[i]n certain situations, a misaligned electrode in the HV battery cell may lead to a fire.”

8. Recall 25V-836 also advised that drivers should (1) “set their vehicle’s high voltage battery system to a 80% state of charge limitation;” (2) “avoid using Level 3 DC chargers;” and (3) “park their vehicles outdoors immediately after charging and not leave their vehicles charging indoors overnight.”

9. Between December 2025 and January 2026, the supplier of the HV battery in the Class Vehicles, SK Battery America (“SKBA”) identified a “second hardware issue from production that potentially could result in a different shifted electrode condition” that is present in the HV batteries used in the Class Vehicles.

³ NHTSA, Part 573 Safety Recall Report Recall No. 25V-836 (Dec. 15, 2025), <https://static.nhtsa.gov/odi/rcl/2025/RCLRPT-25V836-1434.pdf>.

And, on January 21, 2026, VW issued a second safety recall (“Recall 26V-028”), which affected 670 2023-2024 Volkswagen ID.4s.⁴

10. Also on January 21, 2026, VW issued a third, more expansive recall related to the Battery Defect (“Recall 26V-030”), which involved 43,881 total model year 2023 to 2025 ID.4s.⁵ VW disclosed, in Recall 26V-030, that there have been “thermal incidents outside the ranges identified by the [HV battery] supplier” but that VW still has not determined “a clear root cause for these incidents.” VW understood that a Self-Discharge Detection (“SDD”) software would have triggered a warning in advance of at least three known incidents but that certain vehicles lacked the SDD software.

11. No reasonable consumer expects to purchase or lease a vehicle containing a concealed defect that creates a risk of a vehicle fire and possible catastrophic danger. The Battery Defect is material to Plaintiffs and members of the Classes. Had Defendants disclosed the Battery Defect, Plaintiffs and members of the Classes would not have purchased or leased the Class Vehicles, or would have paid less for their vehicles.

⁴ NHTSA, Part 573 Safety Recall Report Recall No. 26V-028 (Jan. 21, 2026), <https://static.nhtsa.gov/odi/rcl/2026/RCLRPT-26V028-5667.pdf>.

⁵ NHTSA, Part 573 Safety Recall Report Recall No. 26V-030 (Jan. 21, 2026), <https://static.nhtsa.gov/odi/rcl/2026/RCLRPT-26V030-0889.pdf>.

12. Moreover, VW's initial warning to restrict charging undermines the central purpose of an electric vehicle. An 80% charge limitation and an overnight charging restriction would limit the distance that owners could travel. And the avoidance of Level 3 DC chargers, which are fast chargers that save owners considerable time in charging the Class Vehicles, would diminish one of the touted technology and convenience features included in VW's retail order guide.⁶ Without access to the fast charger, using an 11 kW Level 2 charger would take 6 hours and 15 minutes to 7 hours and 30 minutes to fully charge the 2023 VW ID.4.⁷

13. Thus, as a direct result of Defendants' unlawful conduct, Plaintiffs and members of the Classes have been harmed and are entitled to, *inter alia*, actual damages, including: damages for diagnosis, repair and/or replacement of the damaged components; damages for the diminished value of their vehicles; compensatory, statutory, and punitive damages; attorneys' fees; costs; restitution; and/or injunctive and declaratory relief.

⁶ *MY 2025 Retail Order Guide US ID.4*, Emich Volkswagen: Volkswagen Order Guides, <https://www.emichvw.com/vw-order-guides/?srsltid=AfmBOooMCiLtiKSn8H2MaO2cyZAuDqAks9gakym-xRp3NxZJpvHO77M-> (last visited Apr. 10, 2026).

⁷ *Volkswagen ID.4. The First Electric SUV for Everyone*, Capital Volkswagen, <https://www.capitolvw.com/volkswagen-id4-electric-vehicle/?srsltid=AfmBOork7cMhhQQFs9ReYjdUxuk4id51grq5QBMwrI96YwULI-aC-PQU> (last visited Apr. 10, 2026).

II. JURISDICTION AND VENUE

14. This Court has jurisdiction over this action pursuant to the Class Action Fairness Act, 28 U.S.C. § 1332(d)(2). The matter in controversy, exclusive of interest and costs, exceeds the sum or value of \$5,000,000 and is a class action in which there are more than 100 members of the Class and members of the Class (as defined below) are citizens of states different from a Defendant. Additionally, this Court has subject matter jurisdiction over the claim for violation of the Magnuson-Moss Warranty Act, 15 U.S.C. § 2301, *et seq.* and supplemental jurisdiction over the state law claims pursuant to 28 U.S.C. § 1367.

15. This Court has specific personal jurisdiction over Defendants because each Defendant also maintains extensive, continuous, and systematic contacts with New Jersey. VWoA is incorporated in the State of New Jersey. Both VWoA and VWAG maintain sufficient minimum contacts in New Jersey; and otherwise intentionally avails itself of the markets within New Jersey through promotion, sale, marketing, and distribution of its vehicles. Defendants have marketed, advertised, and/or sold the Class Vehicles within this District through approximately 25 dealers doing business in the District.⁸

⁸ See *Volkswagen Group of America Locations*, Volkswagen Group of America, <https://www.volkswagengroupofamerica.com/locations> (last visited Apr. 10, 2026).

16. Venue properly lies in this District pursuant to 28 U.S.C. § 1391 because a substantial part of the events or omissions giving rise to these claims occurred in New Jersey and hundreds of the Class Vehicles at issue are located in New Jersey. Defendants caused harm to hundreds of members of the Class in New Jersey.

III. PARTIES

A. Plaintiffs

17. Plaintiff Timothy Y. Chen (“Plaintiff Chen”) is a citizen of the State of California and resides in Piedmont, Alameda County, California. Plaintiff Chen leased a 2025 Volkswagen ID.4 from Volkswagen Marin in San Rafael, California for personal, family, or household purposes, on or about August 12, 2025, with a lease period of 24 months.

18. Plaintiff Robert Warren (“Plaintiff Warren”) is a citizen of the State of California and resides in Dublin, Alameda County, California. Plaintiff Warren leased a 2023 Volkswagen ID.4 from Dublin, California for personal, family, or household purposes on or about February 3, 2024, with a lease period of 36 months. On or about March 20, 2025, Plaintiff Warren received a recall notice from VW informing him of the Battery Defect. He subsequently brought his Class Vehicle to an authorized VW dealer, where technicians installed a software update but did not replace the vehicle’s HV battery and/or any of the HV battery’s cell modules.

B. Defendant

19. Defendant VWAG is a German corporation with its principal place of business in Wolfsburg, Germany. VWAG is one of the largest automobile manufacturers in the world, and is in the business of designing, developing, manufacturing, and selling automobiles. VWAG is the parent corporation of VWoA.

20. Defendant VWoA is a New Jersey corporation that does business throughout the United States, including in this District. VWoA's corporate headquarters is located in Herndon, Virginia. VWoA is a wholly-owned U.S. subsidiary of VWAG, and it engages in business activities in furtherance of the interests of VWAG, including the advertising, marketing and sale of Volkswagen automobiles nationwide.

21. Defendants design, engineer, manufacture, market, lease, and/or sell vehicles. Defendants market and distribute vehicles for lease and sale under the Volkswagen, Audi, Porsche, Skoda, SEAT, Lamborghini, and Bentley brands through authorized VW dealers located throughout the United States, including within this District.

22. At all times relevant to this action, Defendants and/or their agents manufactured, distributed, sold, leased, and warranted the Class Vehicles, containing the Battery Defect described herein, throughout the United States, including in this District. Defendants developed and disseminated the owner's manuals and warranty

booklets, maintenance schedules, advertisements, and other promotional materials relating to the Class Vehicles, with the intent that such documents be purposely distributed throughout all fifty states, including New Jersey.

IV. FACTUAL ALLEGATIONS

23. VW currently markets, leases, and sells two electric vehicle (“EV”) models in the United States, one of which is the ID.4. “ID” in the naming represents “intelligent design, identity and visionary technologies” and the number 4 identifies the vehicle as an entrant in the compact SUV segment.⁹ And at the heart of the ID.4 family “lies its fast-charging battery system.”¹⁰

24. For model years 2023-2025, VW offered either the 62 kWh or the 82 kWh battery-equipped ID.4s, providing EPA-estimated ranges of 209 miles and 275 miles, respectively as of 2023.¹¹

25. VW debuted the ID.4 in September 2020, and the first models became available in the United States, Europe, and China in early 2021.¹²

⁹ Press Release, Volkswagen Reveals ID.4 Name for Its First Long-Range Electric Compact SUV, Volkswagen US Media Site (Mar. 3, 2020), <https://media.vw.com/releases/1263>.

¹⁰ *The All-New ID.4: Model Specification*, Volkswagen Singapore (July 2024), <https://autocatalogarchive.com/wp-content/uploads/2025/03/VW-ID.4-2025-SG.pdf>.

¹¹ 2023 ID.4 Press Kit, Volkswagen US Media Site, <https://media.vw.com/press-kits/2023-id4-press-kit> (last visited Apr. 10, 2026).

¹² Press Release, The New Volkswagen ID.4 – World Premiere of the Fully Electrically Driven SUV, Volkswagen Newsroom (Sep. 23, 2020),

26. The ID.4 is Volkswagen's first all-electric SUV. A picture of the 2023 Volkswagen ID.4 is below:



27. After initially assembling ID.4s in Europe, VW began assembling ID.4s in Chattanooga, Tennessee in July 2022,¹³ VW reported that it would aim to assemble 7,000 ID.4 vehicles per month at the new facility and increase output through 2023.¹⁴

<https://www.volkswagen-newsroom.com/en/press-releases/the-new-volkswagen-id4-world-premiere-of-the-fully-electrically-driven-suv-6446>.

¹³ Press Release, Volkswagen Starts U.S. Assembly of All-Electric ID.4 Flagship in Chattanooga, Tennessee, PR Newswire (July 26, 2022), <https://www.prnewswire.com/news-releases/volkswagen-starts-us-assembly-of-all-electric-id4-flagship-in-chattanooga-tennessee-301592882.html>.

¹⁴ *Id.*

28. In 2024 and 2023, VW sold 17,021 ID.4 units and 37,789 ID.4 units in the United States, respectively.¹⁵ The Volkswagen ID.4 was the tenth-highest selling EV in the United States in 2025, having sold 22,373 units.¹⁶

29. Defendants provide New Vehicle Limited Warranty coverage and HV Battery Limited Warranty Coverage for the Class Vehicles. The New Vehicle Limited Warranty Coverage applies for 4 years or 50,000 miles and includes any repair to correct a defect in manufacturer's material or workmanship. The HV Battery Limited Warranty Coverage applies for 8-years or 100,000 miles and includes coverage for defects in material and workmanship for the Class Vehicles' HV battery.

A. VW Marketed the Class Vehicles as Safe, Technologically-Advanced, and Environment-Friendly

30. VW engages in direct marketing of the Class Vehicles to consumers, such as Plaintiffs and members of the Classes, via TV and radio commercials, print advertising, and the publication of vehicle brochures which are distributed through its network of authorized dealerships, in order to induce consumers to purchase or lease its vehicles. This comprehensive advertising campaign is ongoing.

¹⁵ Press Release, Volkswagen of America Reports Q4 and Year-End Sales for 2024, Volkswagen US Media Site (Jan. 3, 2025), <https://media.vw.com/releases/1840>.

¹⁶ Caleb Miller, *The 10 Bestselling EVs of 2025*, Car and Driver (Jan. 19, 2026), <https://www.caranddriver.com/news/g64540955/bestselling-evs-2025/>.

31. Defendants marketed the Volkswagen ID.4 as the “future of driving” and describe the vehicle as possessing “[c]harged up style, energized handling.”¹⁷

32. VW’s marketing of the ID.4 conveyed to consumers that they could have the both a fully electrically driven SUV and the space, flexibility, and other benefits that customers appreciate about SUVs.¹⁸

33. VW’s promotional webpage for the ID.4 highlights several reasons to choose a Volkswagen, among which include the 291-mile EPA estimated range, two years of Electrify America Pass+ Membership that allows VW ID.4 owners to use more than 5,000 DC fast charging networks in North America, safety-enhancing technology, and two years of complimentary maintenance coverages.

34. VW also represented in a press release that, the ID.4 can be charged at home or when out and about “with direct current to cover the next 320 km (as per [Worldwide Harmonized Light Vehicles Test Procedure], at 125 kW) at a DC quick-charging station in around 30 minutes.”¹⁹

¹⁷ The 2026 ID.4 All-Electric SUV, Volkswagen Homepage, https://www.vw.com/en/models/id-4.html?---=%7B%22models_id-4_sectiongroup_1918728_featureappsection%22%3A%22%2F%3Fzip%3D19087%22%7D (last visited Apr. 10, 2026).

¹⁸ Press Release, The New Volkswagen ID.4 – World Premiere of the Fully Electrically Driven SUV, Volkswagen Newsroom (Sep. 23, 2020), <https://www.volkswagen-newsroom.com/en/press-releases/the-new-volkswagen-id4-world-premiere-of-the-fully-electrically-driven-suv-6446>.

¹⁹ Press Release, The New Volkswagen ID.4 – World Premiere of the Fully Electrically Driven SUV, Volkswagen Newsroom (Sep. 23, 2020),

35. Additionally, in its marketing material disseminated across its dealerships, VW represented that “SK On cells and modules charge 10% to 80% in about 30 minutes when charging at 170kW or higher” and referred to the Level 3 DC Fast Charging.²⁰

36. In its Order Guide for 2025, VW also represented that the 170 kW DC fast charging capability for its 82 kWh battery-equipped vehicles came standard across all trims of 2025 ID.4s.²¹

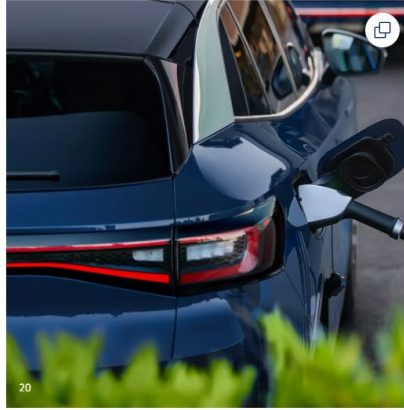
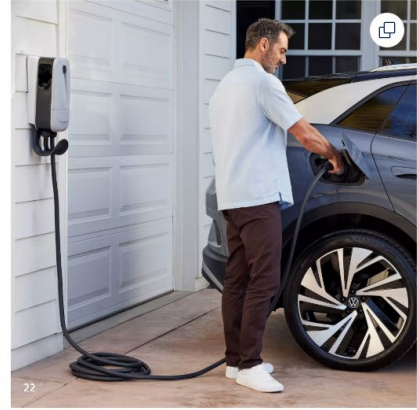
37. Furthermore, VW’s promotional webpage for the ID.4 further highlights the ease and convenience of charging the VW ID.4 and includes the below images on its webpage:²²

<https://www.volkswagen-newsroom.com/en/press-releases/the-new-volkswagen-id4-world-premiere-of-the-fully-electrically-driven-suv-6446>.

²⁰ Volkswagen ID.4. The First Electric SUV for Everyone, Capital Volkswagen, <https://www.capitolvw.com/volkswagen-id4-electric-vehicle/?srsltid=AfmBOork7cMhhQQFs9ReYjdUxuk4id5lgrq5QBMwrI96YwULI-aC-PQU> (last visited Apr. 1, 2026).

²¹ MY 2025 Retail Order Guide US ID.4, Emich Volkswagen: Volkswagen Order Guides, <https://www.emichvw.com/vw-order-guides/?srsltid=AfmBOooMCiLtiKS n8H2MaO2cyZAuDqAks9gakym-xRp3NxZJpvHO77M-> (last visited Apr. 1, 2026).

²² The 2026 ID.4 All-Electric SUV, Volkswagen Homepage, https://www.vw.com/en/models/id-4.html?---=%7B%22models_id-4_sectiongroup_1918728_featureappsection%22%3A%22%2F%3Fzip%3D19087%22%7D (last visited Apr. 10, 2026).

2-year ID.4 Charging Plan included¹⁹Plug&Charge²¹

At-Home Charging

38. VW also advertised that the 82 kWh battery in the 2023 Volkswagen ID.4 provides for an EPA-estimated range of up to 275 miles and “an EPA-estimated fuel economy rating of 115 MPGe in city driving; 99 MPGe on the highway; and 107 MPGe in combined city/highway driving.”²³ However, without the ability to fully charge the vehicle, Plaintiffs and members of the Classes would not be able to achieve the full capabilities of the Class Vehicles as represented.

39. Defendants made these representations regarding the ID.4s when they knew or should have known that they were selling, and have sold, tens of thousands of Class Vehicles vulnerable to the Battery Defect that pose serious safety risks and that VW has indicated cannot be safely charged using DC 3 chargers or safely charged to their full capacity. These representations have helped Defendants conceal

²³ 2023 ID.4 Press Kit, Volkswagen US Media Site, <https://media.vw.com/press-kits/2023-id4-press-kit> (last visited Apr. 10, 2026).

the Battery Defect's existence in order to sell and lease more vehicles and avoid the financial responsibility to effectively repair and/or replace the defective condition.

B. The Battery Defect

40. The batteries in the Class Vehicles are manufactured by SKBA. VW ID.4 includes either a 62 kWh or 82kWh battery module made with components from SK On, the parent company of SKBA.

41. Like other batteries, lithium-ion batteries are made up, in pertinent part, of multiple power-generating compartments called "cells." Each cell contains the basic functional components of a battery: a positive electrode ("cathode"), a negative electrode ("anode"), and an electrolyte.²⁴

42. The electrodes store lithium. The electrolyte carries lithium ions between electrodes.²⁵ When lithium ions flow from the anode to the cathode, energy is discharged from the battery cell in the form of electricity.²⁶ When the cell is charging, those ions flow in the opposite direction, or from cathode to anode.²⁷

²⁴ Chris Woodford, *Lithium-ion batteries*, explainthatstuff, (updated Sep. 11, 2023), <https://www.explainthatstuff.com/how-lithium-ion-batteries-work.html>.

²⁵ *Id.*

²⁶ *Id.*

²⁷ *Id.*

43. A single cell cannot store nearly enough energy to power an automobile, so cells are grouped into modules and packs. Those modules and packs, together with control systems, constitute the complete battery.²⁸

44. A module ordinarily contains an array of cells, sensors, controls, mounts, communications capabilities, protective safety devices, and cooling elements or cooling provisions.²⁹

45. Beyond this, there are various methods of: (i) arranging the cells into arrays within the module; (ii) managing the flow of electrical current to and from the module or arrays within the module; and (iii) monitoring and managing the temperature of the cells within the module. Finally, control electronic and other components are also necessary to meet performance and safety requirements.³⁰

46. Just as important as the design and safety features used in a lithium-ion battery pack is rigorous pre-launch testing.³¹ The use of better safety systems and more rigorous testing would have prevented the reported thermal event and battery

²⁸ See NHTSA, *Lithium-Ion Battery Safety Issues for Electric and Plug-in Hybrid Vehicles* § 4 (Oct. 2017), https://www.nhtsa.gov/sites/nhtsa.gov/files/documents/12848-lithiumionsafetyhybrids_101217-v3-tag.pdf (“2017 NHTSA Report”).

²⁹ *Id.* at § 4.1.1.

³⁰ *Id.* at § 4.

³¹ *Id.* at § 8.

fire incidents in the Class Vehicles and the significant cost and inconvenience now visited upon Plaintiffs and members of the Class.

47. Most EVs, like the Class Vehicles, use lithium-ion batteries because of their “high power-to-weight ratio, high energy efficiency, good high-temperature performance, long life, and low self-discharge.”³²

48. VW has admitted that the Class Vehicles contain “battery cells in certain high-voltage (HV) battery cell modules . . . [which] may contain misaligned electrodes In certain situations, a misaligned electrode in the HV battery cell may lead to a fire.”³³

49. After reviewing damaged cell modules that were involved in Class Vehicle fires, the SKBA found that the damaged cell modules contained shifted cathodes.³⁴

50. VW failed to adequately research, design, test, and manufacture the Class Vehicles before warranting, advertising, promoting, marketing, and selling the Class Vehicles as suitable and safe for use in an intended and reasonably foreseeable manner.

³² U.S. Dep’t of Energy, *Batteries for Electric Vehicles*, https://afdc.energy.gov/vehicles/electric_batteries.html (last visited Apr. 10, 2026).

³³ Recall 25V-836; Recall 26V-028.

³⁴ Recall 25V-836; Recall 26V-028.

51. In particular, SDD software should have been installed in all Class Vehicles before sale and/or lease given the crucial role early detection of battery faults play in ensuring the safety of EVs,³⁵ and the Class Vehicles should have been equipped with HV batteries that were not prone to electrode misalignment.

1. Recall 25V-836 Was Delayed and Under-Inclusive

52. On January 18, 2024, VW received a field report of a fire in a Volkswagen ID.4 that was charging at a Level 3 DC charger.³⁶ After an on-site investigation into the vehicle and the charging apparatus on January 30, 2024, VW determined that the origin of the fire was within the HV battery.³⁷

53. On July 2, 2024, VW was notified of a thermal event in California involving a parked Class Vehicle that was not charging.³⁸ After inspection, VW determined that the origin of the fire was within the HV battery, and the HV battery cell modules were sent to SKBA for analysis.³⁹

³⁵ Jinwen Li, et al., *Efficient Battery Fault Monitoring in Electric Vehicles: Advancing from Detection to Quantification*, 313 Energy 134150 (Dec. 30, 2024), <https://www.sciencedirect.com/science/article/abs/pii/S0360544224039288> (“Therefore, early detection of battery faults and providing quantitative warnings of potential fault onset are crucial for ensuring the safety of EVs.”).

³⁶ Recall 25V-836.

³⁷ *Id.*

³⁸ *Id.*

³⁹ *Id.*

54. On October 6, 2024, VW was notified of another thermal event in California involving a parked Class Vehicle that was not charging.⁴⁰ The origin of the fire was determined to be within the HV battery, and SKBA identified that the cell modules had shifted electrodes.⁴¹

55. On December 6, 2024, VW was notified of another thermal event in Class Vehicles that occurred while driving.⁴² After investigation, VW determined that the origin was within the HV battery.⁴³

56. In June and July of 2025, SKBA conducted a computed tomography (“CT”) analysis of the cell modules from the incidents, and along with VW investigated other potential causes but ultimately “refocused on the HV battery” as the source of the defect.⁴⁴

57. On August 15, 2025, VW was informed of a thermal event in Colorado involving a Class Vehicle charging at a Level 3 DC charger.⁴⁵ While the root cause

⁴⁰ *Id.*

⁴¹ *Id.*

⁴² *Id.*

⁴³ *Id.*

⁴⁴ *Id.*

⁴⁵ *Id.*

of the fire was not determined, SKBA identified the cell modules to have shifted electrodes.⁴⁶

58. In late September 2025, SKBA performed a Tear-Down Analysis of other damaged cell modules from Class Vehicles, which revealed shifted electrodes.⁴⁷ SKBA then looked at images from a CT analysis conducted earlier in June 2025 and recognized the shifted cathode in the CT images.⁴⁸

59. On November 26, 2025, nearly two years after opening its first investigation into the HV battery fires in the Class Vehicles, VW raised the electrode misalignment issue to the Volkswagen Product Safety Committee and decided to issue Recall 25V-836.⁴⁹

60. Recall 25V-836 described the defect as “[i]ndividual battery cells in certain high-voltage (HV) battery cell modules . . . [that] may contain misaligned electrodes” that may lead to a vehicle fire.⁵⁰

61. Recall 25V-836 disclosed that 629 Volkswagen ID.4s, for model years 2023-2024, were potentially involved and that 100% percent of those vehicles identified may have the defect:

⁴⁶ *Id.*

⁴⁷ *Id.*

⁴⁸ *Id.*

⁴⁹ *Id.*

⁵⁰ *Id.*

The recall population was determined by production records. The supplier of the high voltage (HV) battery identified battery cells within a production period where a quality deviation (misaligned electrode) has been confirmed. Vehicles included in the recall have HV battery modules with the cells identified by the supplier within the identified production period; vehicles not included in this recall do not have HV battery modules with the cells identified by the supplier within the identified production period.⁵¹

62. Recall 25V-836 repeatedly acknowledges that VW had not identified the root cause of the fire caused in the HV battery.⁵² The Remedy Owner Notification Letter merely informed owners that battery cells in certain HV battery modules may contain misaligned electrodes that may result in a fire and advised the owners to contact an authorized Volkswagen dealer to schedule a battery replacement:

⁵¹ *Id.*

⁵² *Id.*

IMPORTANT SAFETY RECALL



Volkswagen of America, Inc.
3800 Hamlin Road
Auburn Hills, MI 48326

*****SINGLE-PIECE 48233
XXXXXXXXXXXXXXXXXXXX 0000
JOHN DOE
12345 YOUR STREET
HOMETOWN, MI 98765-4321

(barcode)

<MONTH YEAR>

This notice applies to your vehicle: <MODEL YEAR> <BRAND> <CARLINE>, <VIN>

NHTSA: 25V836

Subject: Safety Recall 25EV – High-Voltage (HV) Battery Modules

Dear Volkswagen Owner,

This notice is sent to you in accordance with the National Traffic and Motor Vehicle Safety Act. Volkswagen has decided that a defect, which relates to motor vehicle safety, exists in certain 2023-2024 model year Volkswagen vehicles. Our records show that you are the owner of a vehicle affected by this action.

What is the issue?

Individual battery cells in certain high-voltage (HV) battery cell modules manufactured during a certain production period may contain misaligned electrodes. In certain situations, a misaligned electrode in the HV battery cell may lead to a fire.

What will we do?

To correct this defect, your authorized Volkswagen dealer will replace the potentially affected HV battery cell modules. This work will take up to one day to complete and will be performed for you free of charge. Please keep in mind that your dealer may need additional time for the preparation of the work, as well as to accommodate their daily workshop schedule.

What should you do?

Please contact your authorized Volkswagen dealer without delay to schedule this recall work.

Because the battery cell module(s) that need to be replaced under this recall have been pre-identified by the factory for each affected vehicle, this recall work must be performed only by a certified Volkswagen battery repair dealer.

Please visit vw.com and click on Find a Dealer, click on Show Filter and then select the EV Repair (including Battery) filter to locate the closest certified Volkswagen battery repair dealer to have this recall work completed.

Precautions you should take:

Owners may experience a loss of range and/or performance if the recall condition exists in the vehicle. If you have any vehicle concerns, please make an appointment to have the vehicle diagnosed by an authorized Volkswagen dealer.

Until the recall remedy is performed, owners should take the following precautions:

- Set the vehicle's high-voltage battery system to an 80% state of charge limitation.
- Avoid using Level 3 DC chargers.
- Out of an abundance of caution, park the vehicle outdoors immediately after charging and do not leave the vehicle charging indoors overnight.

As a reminder, the vehicle owner's manual contains important information about vehicle charging. We encourage anyone who drives the vehicle to review the owner's manual to become familiar with this important information.

2025 USA

63. Recall 25V-836 also advised (i) that the recalled vehicles should not be charged above 80%; (ii) that owners should avoid using Level 3 DC chargers; and

(iii) that owners should “park their vehicle outdoors immediately after charging and not leave the vehicle charging indoors overnight.”⁵³

64. According to Recall 25V-836, the proposed remedy was to “replace the potentially affected HV battery cell modules.”⁵⁴ However, the remedy notification to owners was not scheduled until January 30, 2026.⁵⁵

65. In December 2025, SKBA provided VW with updated investigational findings that revealed additional HV battery cell modules with shifted electrodes.⁵⁶ On December 15, 2025, VW amended Recall 25V-836, adding 318 more affected vehicles to the original 311.⁵⁷

66. From December 2025 to January 2026, SKBA identified a second hardware issue in the Class Vehicles’ HV batteries that could result in a different shifted electrode condition.⁵⁸ While there were no known field incidents involving this issue, VW and SKBA undertook a risk analysis.⁵⁹

⁵³ *Id.*

⁵⁴ *Id.*

⁵⁵ *Id.*

⁵⁶ Recall 26V-028.

⁵⁷ *Id.*

⁵⁸ *Id.*

⁵⁹ *Id.*

67. On January 14, 2026, the VW Product Safety Committee decided to issue a new recall—Recall 26V-028—of vehicles with HV battery cell modules affected by the second electrode issue, but the remedy program remained the same.⁶⁰

68. Recall 26V-028 identified 670 model year 2023 and 2024 Volkswagen ID.4 vehicles as potentially involved.⁶¹

69. Recall 26V-028 also advised (i) that the recalled vehicles be set to an 80% charge limitation; (ii) that owners should avoid using Level 3 DC chargers; and (iii) that owners should “park the vehicle outdoors immediately after charging and do not leave the vehicle charging indoors overnight.”⁶²

2. Recall 26V-030

70. One week later, on January 21, 2026, VW initiated a third safety recall of Volkswagen ID.4s affected by the Battery Defect—Recall 26V-030.⁶³ Recall 26V-030 covered nearly 44,000 2023-2025 Volkswagen ID.4s and identified “[d]efective high-voltage battery cell modules [that] may overheat, increasing the risk of a fire.”⁶⁴ VW also admitted, “there appear to be thermal incidents outside of

⁶⁰ Recall 26V-028.

⁶¹ *Id.*

⁶² *Id.*

⁶³ Recall 26V-030.

⁶⁴ *Id.*

the ranges identified by the supplier as potentially having a defined hardware anomaly.”⁶⁵

71. Recall 26V-030 again acknowledged that VW and the supplier had not determined the root cause but identified that self-discharge detection software would have triggered a warning in advance of at least three known incidents.⁶⁶

72. The remedy offered in Recall 26V-030 included a battery health check inspection and installation of updated SDD software on vehicles and replacement of potentially affected HV battery cell modules as needed.⁶⁷ VW claimed that the remedy was advised “out of an abundance of caution.”⁶⁸

73. In addition, on March 25, 2026, Autoblog reported that Volkswagen is recalling nearly 100,000 electric vehicles from its Volkswagen and Cupra brands built between February 2022 and August 2024 worldwide due to “potential issues with their high-voltage battery modules.”⁶⁹ The proposed remedy is the same as the remedy proposed in the NHTSA recalls—“inspecting the high-voltage battery in

⁶⁵ *Id.*

⁶⁶ *Id.*

⁶⁷ Recall 26V-030.

⁶⁸ *Id.*

⁶⁹ Rex Sanchez, *VW Recalls Nearly 100,000 EVs Over Battery Fire Risk*, Autoblog (Mar. 25, 2026), <https://www.autoblog.com/news/vw-recalls-nearly-100000-evs-over-battery-fire-risk>.

affected vehicles for potentially faulty modules” and “receiv[ing] a software update, and if necessary, [replacing] individual battery modules.”⁷⁰

74. VW mailed recall notices to the owners and lessees of the Class Vehicles beginning on March 20, 2026. Shortly after March 20, 2026, Plaintiff Warren received a recall notice pursuant to Recall 26V-030 advising him to bring him to bring his Class Vehicle to an authorized Volkswagen dealer to perform a battery health check inspection and install updated Self Discharge Diagnosis software, and that “potentially affected HV battery cell module(s)” would be replaced.

75. Plaintiff Warren brought his Class Vehicle to an authorized Volkswagen dealer, where the vehicles HV battery was inspected and the updated SDD software was installed. The defective HV battery in Plaintiff’s Class Vehicle was not replaced, nor were any of the HV battery cell modules.

C. VW Knew or Should Have Known About the Battery Defect Long Before It Disclosed the Problem

76. Despite the VW investigations beginning in January 2024, VW knowingly, actively, and affirmatively omitted and/or concealed the existence of the Battery Defect to increase profits by selling and leasing additional Class Vehicles. Knowledge and information regarding the Battery Defect and the associated safety

⁷⁰ *Id.*

risk was in the exclusive and superior possession of Defendants and their dealers, and was not provided to Plaintiffs and members of the Classes, who could not reasonably discover the Battery Defect through due diligence. Based on pre-production testing and design failure mode analysis, *inter alia*,⁷¹ Defendants knew or should have known of the Battery Defect in the Class Vehicles and fraudulently concealed the Battery Defect from Plaintiffs and members of the Classes.

77. As set forth below, VW has long known or should have known that the HV batteries in its ID.4s were susceptible to fire risk. VW knew or should have known about the Battery Defect before it began selling the Class Vehicles given the rigorous pre-launch testing VW should have performed on the HV batteries in the Class Vehicles.

78. The Battery Defect was inherent in each of the Class Vehicles and was present at the time of sale or lease.

79. Defendants knew or should have known about the Battery Defect present in the Class Vehicles, along with the corresponding safety risk, and concealed this information from Plaintiffs and members of the Classes at the time of sale or lease, repair, and thereafter.

⁷¹ Further, at least one earlier complaint was filed with NHTSA concerning the Battery Defect. On March 22, 2023, a driver reported that his 2023 Volkswagen ID.4 had caught fire while charging on a DC fast charger on March 10, 2023. NHTSA ID No. 11513315.

80. If Plaintiffs and members of the Classes had known about the Battery Defect at the time of sale or lease, Plaintiffs and members of the Classes would not have purchased or leased the Class Vehicles or would have paid less for them.

81. The delay, inconclusiveness, and under-inclusiveness of VW's recalls have allowed Defendants to maximize sales of the Class Vehicles.

82. Safety concerns related to unexpected fires connected with lithium-ion batteries are well-documented and were known to VW at the time it designed, manufactured, and sold the Class Vehicles.⁷²

83. Well before the first Class Vehicle fire VW investigated in January 2024, many scientific and engineering articles discussed the thermal-runaway-related safety concerns of lithium-ion cells and battery packs and proposed solutions.⁷³ There are also publications examining how shifted electrode assembly in lithium-ion batteries can lead to thermal runaway.⁷⁴

⁷² 2017 NHTSA Report at 2-24 through 2-27, 3-9-3 through 3-11 (discussing fire risks of HV lithium-ion batteries in vehicles).

⁷³ See, e.g., Jianwu Wen, et al., *A Review on Lithium-Ion Batteries Safety Issues: Existing Problems and Possible Solutions*, Am. Scientific Publishers (2012), <https://www.sciencedirect.com/science/article/pii/S2095495620307075>; Xuning Feng, et al., *Thermal runaway mechanism of lithium ion battery for electric vehicles: A review*, ScienceDirect, (2018) <https://www.sciencedirect.com/science/article/abs/pii/S2405829716303464>.

⁷⁴ See Donal P. Finegan, et al., *Identifying the Cause of Rupture of Li-Ion Batteries During Thermal Runaway*, 5 ADV. SCI. 1700369 (2018), <https://pmc.ncbi.nlm.nih.gov/articles/PMC5770664/>.

84. A thermal runaway “is a phenomenon in which the lithium-ion cell enters an uncontrollable, self-heating state.”⁷⁵ Thermal runaway can result in “extremely high temperatures, violent cell venting, smoke and fire.”⁷⁶

85. In October 2017, NHTSA distributed the 2017 NHTSA Report that summarized an assessment of potential lithium-ion battery vehicle safety issues.⁷⁷

The 2017 NHTSA Report explains:

[T]hermal runaway of a Li[thium]-ion cell is one of the fundamental failure mechanisms leading to safety hazards from Li[thium]-ion batteries. Cell heating is normal, but temperatures must be maintained within a predetermined safe operating level. Thermal runaway is most likely to be realized when an event occurs that results in rapid heating of the cell that outpaces the rate of heat dissipation by the cell. Rapid heating may be caused by internal or external short circuits, overcharging, and general use [among other things].⁷⁸

As the Report further notes, “[t]he thermal and mechanical design of a cell strongly influences its ability to control and dissipate heat, thereby influencing its safety performance.”⁷⁹

⁷⁵ *What is Thermal Runaway?*, Underwriters Laboratories (Aug. 24, 2021), <https://ul.org/research/electrochemical-safety/getting-started-electrochemical-safety/what-causes-thermal#:~:text=Defects%20in%20the%20cell%20that,can%20result%20in%20thermal%20runaway>.

⁷⁶ *Id.*

⁷⁷ 2017 NHTSA Report, *supra* note 16.

⁷⁸ *Id.* at § 3.2.

⁷⁹ *Id.*

86. When thermal runaway spreads from one cell to adjacent cells in the module, the result is what appears to be happening in the Class Vehicles—thermal runaway propagation, causing spontaneous combustion that leads to fires and explosions even when the cars are parked. In other words, “the rapid and extreme rise in temperature (thermal runaway) can easily propagate to nearby cells in a domino effect that has been dubbed thermal runaway propagation.”⁸⁰

87. The 2017 NHTSA Report, which documented well-known battery fire risks associated with lithium-ion batteries used in EVs, cited to the vast body of academic and engineering studies on those risks and recommended rigorous design and testing protocols to protect against those risks. All of this was or should have been known to VW at the time it launched the Class Vehicles.

88. The 2017 NHTSA Report reiterated that all car manufacturers have a duty “to conduct their own due diligence safety testing and analysis, while the industry is working to develop a consensus.”⁸¹

89. The fire risk associated with lithium-ion batteries is central focus of the 2017 NHTSA Report, which recommended protection methods and laid out rigorous

⁸⁰ Alysha Liebscher and Gary Gayman, *Preventing Thermal Runaway in Electric Vehicle Batteries*, *Machine Design* (Dec. 26, 2018) <https://www.machinedesign.com/materials/article/21837402/preventing-thermal-runaway-in-electric-vehicle-batteries>.

⁸¹ 2017 NHTSA Report, *supra* note 16, at 11-4.

testing requirements to mitigate that risk.⁸² The major cause of fires arising from lithium-ion batteries is the propagation of thermal runaway.

90. In addition to the 2017 NHTSA Report, at the time VW launched the first ID.4s in 2021, standards and safety testing protocols had been set forth for lithium-ion batteries and vehicles that use them, including those promulgated by the Society for Automotive Engineers, the International Organization for Standardization, Underwriters Laboratories, the Institute for Electrical and Electronics Engineers, the United Nations Economic Commission for Europe, and Sandia National Laboratories for the FreedomCAR program.⁸³

91. These standards and testing protocols provided VW with guidelines for design and laboratory testing to ensure the safety of lithium-ion batteries in the Class Vehicles.

92. All vehicle manufacturers, including VW, routinely monitor and analyze NHTSA complaints to determine whether vehicles or components should be recalled due to safety concerns. Thus, on information and belief, VW has knowledge of all NHTSA complaints filed concerning the vehicles it manufactures, including the Class Vehicles. *See* TREAD Act, Pub. L. No. 106-414, 114 Stat. 1800 (2000).

⁸² *See id.* at xvi; *see also id.* at Ch. 6 (management and control systems), 8-10 (testing, “gap assessments,” and “hazards, risks and risk mitigation strategies”).

⁸³ 2017 NHTSA Report, *supra* note 16, at 8-1.

93. VW has admitted that it is aware of *at least six* fires between January 2024 and August 2025 connected with the HV battery in the Class Vehicles.⁸⁴

94. Knowledge and information regarding the Battery Defect were in the exclusive and superior possession of Defendants, and that information was not provided to Plaintiffs and members of the Classes. Based on pre-production testing, pre-production design failure mode analysis, production design failure mode analysis, field reports, and testing performed in response to reported thermal events and fires, *inter alia*, Defendants were aware (or should have been aware) of the Battery Defect in the Class Vehicles and fraudulently concealed the Battery Defect and safety risk from Plaintiffs and members of the Classes.

95. Defendants knew, or should have known, that the Battery Defect and the associated safety risk was material to owners and lessees of Class Vehicles and were not known or reasonably discoverable by Plaintiffs and members of the Classes before they purchased or leased Class Vehicles or within the applicable warranty periods.

96. Notwithstanding Defendants' exclusive and superior knowledge of the Battery Defect, Defendants failed to disclose the Battery Defect to Plaintiffs and

⁸⁴ This includes one complaint that was filed with NHTSA on March 22, 2023 regarding a 2023 Volkswagen ID.4 that caught on fire on March 10, 2023 while charging on a DC fast charger. NHTSA ID No. 11513315.

members of the Classes at the time of purchase or lease of the Class Vehicles (or within a reasonable time of learning of the fires caused by the Battery Defect) and continued to sell and lease the Class Vehicles containing the Battery Defect. Defendants intentionally concealed that the Battery Defect presents a safety risk to consumers, including Plaintiffs and members of the Class, and the public.

D. Plaintiffs and Members of the Classes Suffered an Injury

97. Plaintiffs and members of the Classes suffer ongoing harm as a result of the Battery Defect in the Class Vehicles.

98. To date, VW has not provided a remedy that eliminates the Battery Defect in the Class Vehicles other than an offer to install SDD software, and, in limited instances, to replace certain HV battery cell modules.

99. Instead, VW has advised owners and lessees of some of the Class Vehicles to “set their vehicle’s high-voltage battery system to a 80% state of charge limitation; ... avoid using Level 3 DC chargers; ... park their vehicles outdoors immediately after charging and not leave their vehicles charging indoors overnight” until the remedy is performed.⁸⁵

100. Without the ability to fully recharge, these Class Vehicles, can only be operated at maximum 80% of its full capacity. And without the ability to use fast charging systems or to charge the vehicle overnight, owners and lessors must spend

⁸⁵ Recall 25V-836 at 4; Recall 26V-028 at 4.

hours waiting for their cars to charge. An EV that does not allow fast charging or does not allow a full 100% charge is not fit for its ordinary purpose. Although they cannot safely use their vehicles—or even safely park them in their own garages—owners and lessees of the Class Vehicles must continue to make loan, lease, and insurance payments for the Class Vehicles.

101. Plaintiffs and members of the Classes are injured in fact, incurred damages, and have suffered ascertainable losses in money and property because of the Battery Defect. Had Plaintiffs and members of the Classes known of the Battery Defect, they would not have purchased or leased the Class Vehicles, would have paid substantially less for them, or would have purchased or leased non-EV vehicles, which are significantly less expensive.

V. TOLLING OF THE STATUTE OF LIMITATIONS AND ESTOPPEL

102. Any applicable statute of limitations has been tolled by Defendants' knowing and active concealment of the Battery Defect and the misrepresentations and omissions alleged herein. Through no fault or lack of diligence, Plaintiffs and members of the Classes were deceived regarding the Class Vehicles and could not reasonably discover the Battery Defect or Defendants' deception with respect to the Battery Defect.

103. Plaintiffs and members of the Classes did not discover and did not know of any facts that would have caused a reasonable person to suspect that Defendants

were concealing a defect and/or that the Class Vehicles contained the Battery Defect and corresponding safety risk. As alleged herein, the existence of the Battery Defect was material to Plaintiffs and members of the Classes at all relevant times. Within the time period of any applicable statutes of limitations, Plaintiffs and members of the Classes could not have discovered, through the exercise of reasonable diligence, the existence of the Battery Defect or that Defendants were concealing the defect.

104. At all times, Defendants are and were under a continuous duty to disclose to Plaintiffs and members of the Classes the true standard, quality, and grade of the Class Vehicles and to disclose the Battery Defect and corresponding safety risk.

105. Defendants knowingly, actively, and affirmatively concealed the facts alleged herein. Plaintiffs and members of the Classes reasonably relied on Defendants' knowing, active, and affirmative concealment.

106. For these reasons, all applicable statutes of limitation have been tolled based on the discovery rule and Defendants' fraudulent concealment, and Defendants are estopped from relying on any statutes of limitations in defense of this action.

VI. CLASS ACTION ALLEGATIONS

107. Plaintiffs bring this action pursuant to Federal Rules of Civil Procedure 23(a) and 23(b)(2) and/or (b)(3) on behalf of the following Class and Sub-Class (together, the “Classes”):

Nationwide Class: All persons or entities who purchased or leased a Class Vehicle (the “Nationwide Class” or the “Class”).

California Sub-Class: All persons or entities who purchased or leased a Class Vehicle in the State of California (the “California Sub-Class”).

108. Excluded from the Class and Sub-Class are Defendants and their parents, subsidiaries, and corporate affiliates. Plaintiffs reserve the right to revise the definition of the Class and Sub-Class based upon subsequently discovered information and reserves the right to establish further sub-classes where appropriate.

109. The Class and Sub-Class are so numerous that joinder of all members is impracticable. Plaintiffs believe that there are at least thousands of proposed members of the Classes.

110. Common questions of law and fact exist as to all members of the Classes and predominate over any issues solely affecting individual members. The common and predominating questions of law and fact include, but are not limited to:

- a. Whether the Class Vehicles contain the Battery Defect;
- b. Whether the Battery Defect is a design defect and/or a defect in material, manufacturing, and/or workmanship;

- c. Whether the Battery Defect in the Class Vehicles presents a safety risk;
- d. Whether and when Defendants knew or should have known about the Battery Defect;
- e. Whether Defendants knew or should have known that the Battery Defect in the Class Vehicles presents a safety risk;
- f. Whether Defendants had a duty to disclose the Battery Defect;
- g. Whether Defendants breached their duty to disclose the Battery Defect;
- h. Whether Defendants intentionally and knowingly concealed, suppressed, and/or omitted material facts concerning the standard, quality, or grade of the Class Vehicles and/or the Battery Defect;
- i. Whether Defendants negligently omitted material facts concerning the standard, quality, or grade of the Class Vehicles and/or the Battery Defect;
- j. Whether Defendants made material omissions concerning the standard, quality, or grade of the Class Vehicles and/or the Battery Defect;
- k. Whether members of the Classes would pay less for a Class Vehicle if Defendants, at the time of purchase or lease, disclosed the Battery Defect;
- l. Whether members of the Classes would have purchased or leased a Class Vehicle if Defendants, at the time of purchase or lease, disclosed the Battery Defect;

- m. Whether Defendants actively concealed material facts from Plaintiffs and members of the Classes in order to, *inter alia*, sell more Class Vehicles;
- n. Whether Defendants breached its express and/or implied warranties to Plaintiffs and members of the Classes;
- o. Whether Defendants violated the Magnuson-Moss Warranty Act, 15 U.S.C. § 2301, *et seq.*;
- p. Whether Defendants violated the California Consumer Legal Remedies Act, CAL. CIV. CODE § 1750, *et seq.*;
- q. Whether Defendants violated the California Unfair Competition Law, CAL. BUS. & PROF. CODE § 17200, *et seq.*;
- r. Whether Defendants violated the Song-Beverly Consumer Warranty Act, CAL. CIV. CODE § 1791, *et seq.*; and
- s. Whether damages, restitution, equitable, injunctive, compulsory, or other relief is warranted.

111. Plaintiffs' claims are typical of the claims of the Class and Sub-Class that Plaintiffs seek to represent. As alleged herein, Plaintiffs and the Class and Sub-Class sustained damages arising out of the same unlawful actions and conduct by Defendants.

112. Plaintiffs are willing and prepared to serve the Class and Sub-Class in a representative capacity with all of the obligations and duties material thereto.

Plaintiffs will fairly and adequately protect the interests of the Class and Sub-Class and have no interest adverse to or in conflict with the interests of the other members of the Classes.

113. Plaintiffs' interests are co-extensive with and are not antagonistic to those of absent members within the Class and Sub-Class. Plaintiffs will undertake to represent and protect the interests of absent members within the Class and Sub-Class and will vigorously prosecute this action.

114. Plaintiffs have engaged the services of the undersigned counsel. Counsel is experienced in complex litigation, will adequately prosecute this action and will assert and protect the rights of, and otherwise represent, Plaintiffs and absent members of the Classes.

115. A class action is superior to all other available methods for the fair and efficient adjudication of this controversy. The damages or other financial detriment suffered by Plaintiffs and the other Class and Sub-Class members are relatively small compared to the burden and expense that would be required to individually litigate their claims against Defendants, so it would be impracticable for the members of the Classes to individually seek redress for Defendants' wrongful conduct. Even if Class and Sub-Class members could afford individual litigation, the court system could not. Individualized litigation creates a potential for inconsistent or contradictory judgments and increases the delay and expense to all parties and the court system.

By contrast, the class action device presents far fewer management difficulties and provides the benefits of single adjudication, economy of scale, and comprehensive supervision by a single court. Plaintiffs know of no difficulty to be encountered in the management of this litigation that would preclude its maintenance as a class action.

116. Class action status is warranted under Rule 23(b)(3) because questions of law or fact common to the members of the Classes predominate over any questions affecting only individual members, and a class action is superior to other available methods for the fair and efficient adjudication of this controversy.

117. The Class and Sub-Class may also be certified under Rule 23(b)(2) because Defendants have acted on grounds generally applicable to the Class and Sub-Class, thereby making it appropriate to award final injunctive relief or corresponding declaratory relief with respect to the Class and Sub-Class.

118. The interest of members within the Class and Sub-Class individually controlling the prosecution of separate actions is theoretical and not practical. The Class and Sub-Class have a high degree of similarity and is cohesive, and Plaintiffs anticipate no difficulty in the management of this matter as a class action.

119. The nature of notice to the proposed Class and Sub-Class is contemplated to be by direct mail upon certification of the Class and Sub-Class or,

if such notice is not practicable, by the best notice practicable under the circumstance including, *inter alia*, email, publication in major newspapers, and/or on the internet.

VII. CLAIMS FOR RELIEF

COUNT I

Violation of the Magnuson-Moss Warranty Act (“MMWA”)

15 U.S.C. § 2301, *et seq.*

(On behalf of Plaintiffs and the Nationwide Class and the California Sub-Class)

120. Plaintiffs incorporate by reference and re-allege the allegations contained in the preceding paragraphs of this Complaint.

121. Plaintiffs bring this count individually and on behalf of all Class members.

122. The Class Vehicles are “consumer products” within the meaning of 15 U.S.C. § 2301(1).

123. Plaintiffs and Class members are “consumers” within the meaning of 15 U.S.C. § 2301(3). Plaintiffs are consumers because they are persons entitled under applicable state law to enforce against the warrantor the obligations of its express and implied warranties.

124. Each Defendant is a “supplier” and “warrantor” within the meaning of 15 U.S.C. §§ 2301(4)-(5).

125. Defendants’ express warranty is a “written warranty” within 15 U.S.C. § 2301(6).

126. The MMWA provides a cause of action for any customer who is damaged by the failure of a warrantor to comply with a written or implied warranty. *See* 15 U.S.C. § 2310(d)(1).

127. Defendants provided Plaintiffs and members of the Classes with one or more express warranties, which are covered under 15 U.S.C. § 2301(6). Specifically, Defendants provide New Vehicle Limited Warranty coverage and HV Battery Limited Warranty Coverage for the Class Vehicles. The New Vehicles Limited Warranty Coverage applies for 4 years or 50,000 miles and includes all components other than normal wear and maintenance items. The HV Battery Limited Warranty Coverage pertains to the Class Vehicles' HV battery and applies for 8-years or 100,000 miles.

128. Defendants provided Plaintiffs and members of the Classes with an implied warranty of merchantability in connection with the purchase or lease of their Class Vehicles that is an “implied warranty” within the meaning of 15 U.S.C. § 2301(7). As part of the implied warranty of merchantability, Defendants warranted that the Class Vehicles were fit for their ordinary purpose as safe passenger motor vehicles, would pass without objection in the trade as designed, manufactured, and marketed, and were adequately contained, packaged, and labeled.

129. Under warranties provided to Plaintiffs and members of the Classes, Defendants promised to repair or replace covered defective components arising out

of defects in materials and/or workmanship, including the Battery Defect, at no cost to owners and lessees of the Class Vehicles. As alleged herein, Defendants breached these warranties.

130. Plaintiffs and Class members experienced the Battery Defect within the warranty periods, but Defendants failed to inform Plaintiffs and Class members of the existence of the Battery Defect and associated safety hazard, and failed to provide a suitable remedy or repair of the Battery Defect free of charge within a reasonable time.

131. Defendants breached these warranties by failing to disclose and fraudulently concealing information regarding the standard, quality, or grade of the Class Vehicles and the presence of the Battery Defect. Without limitation, the Class Vehicles share a common defect in design, material, manufacturing, and/or workmanship that fails to operate as represented by Defendants and presents a safety risk.

132. Any attempt by Defendants to disclaim or limit their express or implied warranties is unconscionable and unenforceable here. Specifically, Defendants' warranty limitations are unenforceable because they knowingly sold or leased a defective product without informing consumers about the defect. The limits contained in Defendants' warranty periods are also unconscionable and inadequate to protect Plaintiffs and members of the Classes. Among other things, Plaintiffs and

members of the Classes did not determine these limitations, the terms of which unreasonably favored Defendants. A gross disparity in bargaining power existed between Defendants and members of the Classes, and Defendants knew or should have known that the Class Vehicles' batteries were defective at the time of sale or lease and that they posed a safety risk.

133. Affording Defendants a reasonable opportunity to cure their breach of warranties would be unnecessary and futile. At the time of sale or lease of each Class Vehicle and at all relevant times thereafter, Defendants knew, or were reckless in not knowing, of the material omissions concerning the standard, quality, or grade of the Class Vehicles and the presence of the Battery Defect, but failed to repair or remedy and/or disclose the Battery Defect. Under the circumstances, the remedies available under any informal settlement procedure would be inadequate and any requirement that Plaintiffs resort to an informal dispute resolution procedure and/or afford Defendants a reasonable opportunity to cure their breach of warranties is excused and thereby deemed satisfied.

134. Plaintiffs and members of the Classes have had sufficient direct dealings with either the Defendants or their agents (dealerships) to establish privity of contract.

135. Nonetheless, privity is not required here because Plaintiffs and each of the other Class members are intended third-party beneficiaries of contracts between

the Defendants and their dealers, and specifically, of the warranties. The dealers were not intended to be the ultimate consumers of the Class Vehicles and have no rights under the warranty agreements provided with the Class Vehicles; the warranty agreements were designed for and intended to benefit consumers. Finally, privity is also not required because the Class Vehicles are dangerous instrumentalities due to the Battery Defect.

136. Plaintiffs and members of the Classes would suffer economic hardship if they returned their Class Vehicles but did not receive the return of all payments made by them to Defendants. Thus, Plaintiffs and members of the Classes have not re-accepted their Class Vehicles by retaining them.

137. The amount in controversy of Plaintiffs' individual claims meets or exceeds the sum of \$25. The amount in controversy of this action exceeds the sum of \$50,000, exclusive of interest and costs, computed on the basis of all claims to be determined in this lawsuit.

138. Plaintiffs, individually and on behalf of members of the Classes, seek all damages permitted by law, including diminution in the value of the Class Vehicles, in an amount to be proven at trial. In addition, pursuant to 15 U.S.C. § 2310(d)(2), Plaintiffs and the other members of the Classes are entitled to recover a sum equal to the aggregate amount of costs and expenses (including attorneys' fees based on actual time expended) determined by the Court to have reasonably been

incurred by Plaintiffs and the other members of the Classes in connection with the commencement and prosecution of this action.

COUNT II
Breach of Express Warranty
(On behalf of Plaintiffs and the Nationwide Class and the California Sub-Class)

139. Plaintiffs incorporate by reference and re-allege the allegations contained in the preceding paragraphs of this Complaint.

140. Plaintiffs bring this count individually and on behalf of all Class members.

141. Defendants marketed the Class Vehicles as safe, reliable vehicles. Such representations formed the basis of the bargain in Plaintiffs' and members of the Class's decisions to purchase or lease the Class Vehicles. These statements helped conceal the existence of the Battery Defect and its corresponding safety risk.

142. Defendants are and were at all relevant times merchants and sellers of motor vehicles within the meaning of the Uniform Commercial Code. With respect to leases, Defendants are and were at all relevant times lessors of motor vehicles within the meaning of the Uniform Commercial Code.

143. The Class Vehicles are and were at all relevant times goods within the meaning of the Uniform Commercial Code.

144. In connection with the purchase and lease of each of the Class Vehicles, Defendants provide New Vehicle Limited Warranty coverage and HV Battery

Limited Warranty Coverage for the Class Vehicles. The New Vehicle Limited Warranty Coverage applies for 4 years or 50,000 miles and includes any repair to correct a defect in manufacturer's material or workmanship. The HV Battery Limited Warranty Coverage pertains to the Class Vehicles' HV battery applies for 8-years or 100,000 miles and includes coverage for defects in material and workmanship.

145. Under the express warranties provided to Plaintiffs and members of the Classes, Defendants promised to repair or replace covered components of the Class Vehicles, including the HV Battery, arising out of defects in materials and/or workmanship, including the Battery Defect, at no cost to owners and lessees of the Class Vehicles. As alleged herein, Defendants breached these express warranties.

146. Defendants' express warranties formed a basis of the bargain that was reached when Plaintiffs and members of the Classes purchased or leased their Class Vehicles.

147. The Battery Defect at issue in this litigation was present at the time the Class Vehicles were sold to Plaintiffs and members of the Classes.

148. Plaintiffs relied on Defendants' express warranties, which were a material part of the bargain, when purchasing his Class Vehicle.

149. Plaintiffs and members of the Classes had no knowledge of the existence of this Battery Defect and the associated safety hazard at the time of their purchase or lease of the Class Vehicles.

150. Under the express warranties, VW was obligated to correct the Battery Defect in the Class Vehicles.

151. Defendants breached the express warranty promising to repair and correct a manufacturing defect or defect in materials or workmanship of any parts they supplied, including the HV Battery.

152. On information and belief, Defendants have not suitably repaired or replaced the Battery Defect free of charge for Plaintiffs and members of the Classes.

153. The Defendants further breached their express warranties by selling Class Vehicles that were defective with respect to materials, workmanship, design, and manufacture.

154. The Class Vehicles were not of merchantable quality and were unfit for the ordinary purposes for which passenger vehicles are used because of materials, workmanship, design, and/or manufacturing defects which cause a their HV batteries to experience thermal events and fires.

155. Defendants were provided notice of the Battery Defect by field reports and through their own testing. Affording Defendants further opportunity to cure its breach of written warranties would be unnecessary and futile here because

Defendants have known of and concealed the Battery Defect and has failed to provide a suitable repair or replacement of the Battery Defect free of charge within a reasonable time. Defendants' conduct, as discussed throughout this Complaint, has voided any attempt on its part to disclaim liability for their actions.

156. Defendants provided warranties directly to Plaintiffs and members of the Classes, and Plaintiffs and members of the Classes are the intended beneficiaries of Defendants' express and implied warranties. The dealers were not intended to be the ultimate consumers of their vehicles and have no right under the warranty agreements provided with the Class Vehicles; the warranty agreements were designed for and intended to benefit the consumer only.

157. Any attempt by Defendants to disclaim or limit recovery to the terms of the express warranties is unconscionable and unenforceable here. Defendants' warranty limitation is unenforceable because it knowingly sold or leased a defective product without informing consumers about the defect. The limits contained in Defendants' warranty periods were also unconscionable and inadequate to protect Plaintiffs and members of the Classes. Among other things, Plaintiffs and the members of the Classes did not determine these limitations, the terms of which unreasonably favored Defendants. A gross disparity in bargaining power existed between Defendants and members of the Classes, and Defendants knew or should

have known that the Class Vehicles were defective at the time of sale or lease and that the Battery Defect posed a safety hazard.

158. The Defendants knew that the Class Vehicles were inherently defective and did not conform to their warranties, and Plaintiffs and members of the Classes were induced to purchase or lease the Class Vehicles under false and/or fraudulent pretenses.

159. Plaintiffs and members of the Classes have complied with all obligations under the express warranties, or otherwise have been excused from performance of said obligations as a result of Defendants' conduct described herein.

160. Because Defendants have issued recalls for Class Vehicles with the Battery Defect, Defendants cannot now deny that the express warranties cover the Battery Defect.

161. Further, the limited warranty promising to repair and/or correct a manufacturing defect fails in its essential purpose because the contractual remedy is insufficient to make Plaintiffs and members of the Classes whole, rendering it null and void.

162. As a direct and proximate result of Defendants' breach of express warranties, Plaintiffs and members of the Classes have been damaged and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles.

163. Finally, because of Defendants’ breach of express warranties as set forth herein, Plaintiffs and members of the Classes assert, as additional and/or alternative remedies, the revocation of acceptance of the goods and the return to Plaintiffs and members of the Classes of the purchase or lease price of all Class Vehicles currently owned or leased, and for such other incidental and consequential damages as allowed.

COUNT III
Breach of Implied Warranty of Merchantability
(On behalf of Plaintiffs and the Nationwide Class and the California Sub-Class)

164. Plaintiffs incorporate by reference and re-allege the allegations contained in the preceding paragraphs of this Complaint.

165. Plaintiffs bring this count individually and on behalf of all Class members.

166. Defendants are and were at all relevant times “merchants” and “sellers” of motor vehicles within the meaning of the Uniform Commercial Code.

167. With respect to leases, Defendants are and were at all relevant times “lessor[s]” motor vehicles within the meaning of the Uniform Commercial Code

168. The Class Vehicles are and were at all relevant times “goods” within the meaning of the Uniform Commercial Code.

169. Defendants impliedly warranted that the Class Vehicles were in merchantable condition and fit for the ordinary purpose for which vehicles are used.

170. Plaintiffs and members of the Classes purchased or leased the Class Vehicles from Defendants by and through Defendants' authorized agents for retail sales, or were otherwise expected to be the eventual purchasers of the Class Vehicles when bought from a third party. At all relevant times, VW was the manufacturer, distributor, warrantor, lessor, and/or seller of the Class Vehicles. VW knew or had reason to know of the specific use for which the Class Vehicles were purchased or leased. VW knew that the Class Vehicles would and did pass unchanged from the authorized dealers to Plaintiff and members of the Classes, with no modification to their defective HV batteries.

171. Defendants impliedly warranted that the Class Vehicles were in merchantable condition and fit for the ordinary purpose for which vehicles are used. This implied warranty included, among other things: (i) a warranty that the Class Vehicles and HV batteries that were manufactured, supplied, distributed, and/or sold by Defendants were safe and reliable for providing transportation; and (ii) a warranty that the Class Vehicles and their HV batteries would be fit for their intended use while the Class Vehicles were being operated.

172. The Class Vehicles, when sold or leased and at all times thereafter, were not in merchantable condition and were and are not fit for the ordinary purpose of providing safe and reliable transportation. The Class Vehicles contain an inherent defect—the Battery Defect—at the time of sale or lease and thereafter), and present

a safety hazard to drivers and occupants. Defendants knew or should have known of this defect at the time these sale transactions occurred. Thus, Defendants breached their implied warranty of merchantability.

173. Defendants cannot disclaim their implied warranty as they knowingly sold or leased a defective product. Defendants were provided notice of the Battery Defect by field reports and through their own testing. Affording Defendants further opportunity to cure their breach of implied warranties would be unnecessary and futile here because Defendants have known of and concealed the Battery Defect and, on information and belief, have failed to repair the Battery Defect free of charge.

174. Any attempt by Defendants to disclaim or limit the implied warranty of merchantability vis-à-vis consumers is unconscionable and unenforceable here. A gross disparity in bargaining power existed between Defendants and members of the Classes, and Defendants knew or should have known that the Class Vehicles were defective at the time of sale or lease and that the Battery Defect posed a safety hazard.

175. Plaintiffs and members of the Classes have complied with all obligations under the warranty, or otherwise have been excused from performance of any warranty obligations as a result of Defendants' conduct described herein.

176. Defendants provided warranties directly to Plaintiffs and members of the Classes, and Plaintiffs and members of the Classes are the intended beneficiaries

of the Defendants' implied warranties. The dealers were not intended to be the ultimate consumers of their vehicles and have no right under the warranty agreements provided with the Class Vehicles; the warranty agreements were designed for and intended to benefit the consumer only.

177. As a direct and proximate result of Defendants' breach of implied warranties, Plaintiffs and members of the Classes have been damaged and continue to suffer damages, including economic damages, at the point of sale or lease and diminution of value of their Class Vehicles.

178. As a direct and proximate result of Defendants' breach of the implied warranty of merchantability, Plaintiffs and members of the Classes have been damaged in an amount to be proven at trial.

COUNT IV
Fraudulent Concealment
(On behalf of Plaintiffs and the Nationwide Class and the California Sub-Class)

179. Plaintiffs incorporate by reference and re-allege the allegations contained in the preceding paragraphs of this Complaint.

180. Plaintiffs bring this count individually and on behalf of all Class members.

181. Defendants intentionally and knowingly concealed, suppressed, and/or omitted material facts including the standard, quality, or grade of the Class Vehicles and the presence of the Battery Defect in the Class Vehicles, with the intent that

Plaintiffs and members of the Classes rely on Defendants' omissions. As a direct result of Defendants' fraudulent conduct, Plaintiffs and members of the Classes have suffered actual damages.

182. Defendants knew or should have known (at the time of sale or lease and thereafter) that the Class Vehicles contained the Battery Defect, concealed the Battery Defect, and never intended to repair or replace the Battery Defect during the warranty periods. To date, Defendants have not provided Plaintiffs or members of the Classes with a repair or remedy that will eliminate the Battery Defect.

183. Defendants owed a duty to disclose the Battery Defect and its corresponding safety hazard to Plaintiffs and members of the Classes because Defendants possessed superior and exclusive knowledge regarding the Battery Defect. Rather than disclose the Battery Defect, Defendants intentionally and knowingly concealed, suppressed, and/or omitted material facts including the standard, quality, or grade of the Class Vehicles and the presence of the Battery Defect, to sell additional Class Vehicles.

184. The fact that the Battery Defect causes HV batteries in the Class Vehicles to fail and cause thermal events and fires is material because Plaintiffs and members of the Classes had a reasonable expectation that the Class Vehicles would not expose them and other vehicle occupants to such a safety hazard. No reasonable

consumer expects a vehicle to be designed, manufactured, and assembled such that the HV battery would unexpectedly fail and cause the vehicle to catch fire.

185. Defendants intentionally and knowingly concealed and suppressed material facts from regulators and consumers regarding the Battery Defect. Defendants were aware of the Battery Defect by at least January 30, 2024, when they determined that the origin of a Class Vehicle fire was within the HV battery.

186. Plaintiffs and members of the Classes would not have purchased or leased the Class Vehicles but for Defendants' omissions and concealment of material facts regarding the nature and quality of the Class Vehicles and existence of the Battery Defect, or would have paid less for the Class Vehicles.

187. Defendants knew their concealment and suppression of material facts were false and misleading and knew the effect of concealing those material facts. Defendants knew their concealment and suppression of the Battery Defect would sell more Class Vehicles. Further, Defendants intended to induce Plaintiffs and members of the Classes into purchasing or leasing the Class Vehicles, in order to increase profits.

188. Defendants acted with fraudulent intent when they omitted information regarding the Battery Defect in order to continue profiting from sale of the Class Vehicles and when they offered under-inclusive and insufficient remedies addressing the Battery Defect.

189. Defendants owed Plaintiffs and the Class members a duty to disclose the true safety, performance, and reliability of the Class Vehicles, and the devaluing of safety and performance, because Plaintiffs and members of the Classes relied on Defendants' material representations that the Class Vehicles they were purchasing were safe and free from defects.

190. The aforementioned concealment was material because if it had been disclosed Plaintiffs and members of the Classes would not have bought or leased the Class Vehicles or would not have bought or leased the Class Vehicles at the prices they paid.

191. Plaintiffs and members of the Classes relied on Defendants' reputation—along with Defendants' failure to disclose the faulty and defective nature of the Class Vehicles—in purchasing or leasing the Class Vehicles.

192. Plaintiffs and members of the Classes reasonably relied upon Defendants' knowing concealment and omissions. A reasonable consumer would not have expected that the Class Vehicles contain HV batteries that are prone to thermal events and fires. Defendants knew that reasonable consumers expect that their vehicles have working airbags, and would rely on those facts in deciding whether to purchase, lease, or retain a new or used motor vehicle. Whether a manufacturer's products are safe and reliable, and whether that manufacturer stands behind its products, are material concerns to a consumer.

193. As a direct and proximate result of Defendants' omissions and active concealment of material facts regarding the Battery Defect and associated safety hazard, Plaintiffs and members of the Classes have suffered actual damages in an amount to be determined at trial, including, but not limited to, their lost benefit of the bargain and overpayment at the time of purchase or lease and/or the diminished value of their Class Vehicles.

194. Defendants' conduct was knowing, intentional, with malice, demonstrated a complete lack of care, and was in reckless disregard for the rights of Plaintiff and members of the Classes. Plaintiffs and members of the Classes are therefore entitled to an award of punitive damages.

COUNT V
Negligent Misrepresentation
(On behalf of Plaintiffs and the Nationwide Class and the California Sub-Class)

195. Plaintiffs incorporate by reference and re-allege the allegations contained in the preceding paragraphs of this Complaint.

196. Plaintiffs bring this count individually and on behalf of all Class members.

197. Defendants owed a duty to disclose the Battery Defect and its corresponding safety risk to Plaintiffs because Defendants possessed superior and exclusive knowledge regarding the Battery Defect and associated risks.

198. Defendants negligently omitted material facts including the standard, quality, and grade of the Class Vehicles and/or the presence of the Battery Defect in the Class Vehicles. As a direct result of Defendants' negligent conduct, Plaintiffs and members of the Classes have suffered actual damages.

199. The Battery Defect is material to Plaintiffs and members of the Classes because Plaintiffs and members of the Classes had a reasonable expectation that the vehicles would not contain a defect, such as the Battery Defect, that exposes them and other vehicle occupants to a safety risk. No reasonable consumer expects a vehicle to contain a concealed defect in design, manufacture, materials, or workmanship, such as the Battery Defect, that can cause the batteries to fail, causing Class Vehicles to suddenly catch fire.

200. Plaintiffs and members of the Classes would not have purchased or leased the Class Vehicles but for Defendants' negligent omissions of material facts regarding the nature and quality of the Class Vehicles and/or the existence of the Battery Defect and corresponding safety risk, or would have paid less for the Class Vehicles. Plaintiffs and members of the Classes justifiably relied upon Defendants' negligent omissions of materials facts.

201. As a direct and proximate result of Defendants' negligent omissions or misrepresentation of material facts regarding the standard, quality, or grade of the Class Vehicles and/or the presence of the Battery Defect and corresponding safety

risk, Plaintiffs and members of the Classes have suffered an ascertainable loss and actual damages in an amount to be determined at trial.

COUNT VI

Violation of California Consumer Legal Remedies Act (“CLRA”)

CAL. CIV. CODE § 1750, *et seq.*

(On behalf of Plaintiffs and the California Sub-Class)

202. Plaintiffs incorporate by reference each allegation as if fully set forth herein.

203. Plaintiffs bring this Count individually and on behalf of the California Sub-Class.

204. The CLRA “protect[s] consumers against unfair and deceptive business practices.” *See* CAL. CIV. CODE § 1760.

205. Plaintiffs and members of California Sub-Class are persons within the context of the CLRA, *see* CAL. CIV. CODE § 1761(d), who purchased or leased the Class Vehicles for personal, family, or household use.

206. The Class Vehicles are goods within the meaning of CAL. CIV. CODE § 1761(a).

207. Defendants violated and continue to violate the CLRA by engaging in unfair and deceptive trade practices, including, *inter alia*: (1) representing that the Class Vehicles have characteristics which they do not; (2) representing that the Class Vehicles are of a particular standard when they are of another; and (3) advertising

the Class Vehicles with the intent not to sell them as advertised. *See* CAL. CIV. CODE § 1770.

208. Defendants also violated the CLRA by actively concealing the material fact that the Class Vehicles possessed the Battery Defect and its corresponding safety hazard and/or transferring the cost of repair or replacement of the Battery Defect to Plaintiff and members of the California Sub-Class.

209. The fact that the Battery Defect exists in the Class Vehicles and exposes consumers to a corresponding safety hazard is material because Plaintiffs and members of the California Sub-Class had a reasonable expectation that the vehicles would not suffer from a defect that can cause the Class Vehicles to catch fire.

210. Defendants have knowingly and willfully engaged in deceptive and unfair trade practices, including, but not limited to, deception, fraud, false pretense, false promise, misrepresentation and the knowing concealment, suppression and omission of material facts concerning the Class Vehicles' Battery Defect and corresponding safety risk in connection with the sale, lease, and/or advertisement of Class Vehicles. Defendants unconscionably marketed the Class Vehicles to uninformed consumers in order to maximize profits by selling additional Class Vehicles containing the undisclosed defect and corresponding safety hazard.

211. Defendants fraudulently, intentionally, negligently, and/or recklessly misrepresented to Plaintiffs and members of the California Sub-Class that the HV

battery in the Class Vehicles would not require maintenance, repair or replacement and did not present a safety risk.

212. Upon information and belief, Defendants' decisions to fraudulently, intentionally, negligently, and/or recklessly misrepresent to Plaintiffs and members of the California Sub-Class that the HV Battery in the Class Vehicles would not require maintenance, repair or replacement and did not present a safety risk was made in California.

213. Information regarding the Battery Defect as described in this Complaint is material to consumers in that the defect results in exorbitant repair or replacement costs and poses a significant safety risk because it can cause the Class Vehicles to catch fire.

214. Defendants' unlawful acts and practices affect the public interest, and trade and commerce in the State of California, and present a continuing safety hazard to Plaintiffs and the members of the California Sub-Class.

215. As a proximate and direct result of Defendants' violations of the CLRA, Plaintiffs and members of the California Sub-Class have suffered diminution of Class Vehicle resale value, increased repair and maintenance costs, and other substantial monetary damages and inconvenience.

216. With this filing, and on this Count, Plaintiffs and members of the California Sub-Class seek an order enjoining Defendants' unfair and deceptive practices.

217. Defendants' violations of the CLRA were willful and oppressive.

218. Plaintiffs have provided Defendants with notice of their violations of the CLRA pursuant to CAL. CIV. CODE § 1782(a) by letter dated May 13, 2026. Once more than 30 days have passed, if Defendants have failed to remedy their violations of the CLRA, Plaintiffs and members of the California Sub-Class are entitled to seek monetary relief for Defendants' violation of the CLRA.

219. Plaintiffs and members of the California Sub-Class seek actual damages, punitive damages, statutory damages, restitution, attorneys' fees, and any other relief proper under the CLRA. *See* CAL. CIV. CODE § 1780.

COUNT VII

**Violation of California Unfair Competition Law ("UCL")
CAL. BUS. & PROF. CODE § 17200, *et seq.*
(On behalf of Plaintiffs and the California Sub-Class)**

220. Plaintiffs incorporate by reference each allegation as if fully set forth herein.

221. Plaintiffs bring this Count individually and on behalf of the California Sub-Class.

222. As alleged herein, Defendants have violated the UCL by engaging in unlawful, unfair and fraudulent business acts or practices.

223. In violation of the UCL, Defendants employed unfair, unlawful, and deceptive acts or practices, fraud, false pretense, misrepresentations, or concealment, suppression, or omission of a material fact with intent that others rely upon such concealment, suppression, or omission, in connection with the sale of Class Vehicles. Defendants knowingly concealed, suppressed, and/or omitted material facts regarding the Battery Defect and corresponding safety hazard and misrepresented the standard, quality, or grade of the Class Vehicles, which directly caused harm to Plaintiffs and members of the California Sub-Class.

224. Defendants actively suppressed the fact of Battery Defect's existence in Class Vehicles and that it presents a safety hazard because of materials, workmanship, design and/or manufacturing defects. Further, Defendants employed unfair, unlawful, and fraudulent business practices to deny repair or replacement of the HV Battery within a reasonable time in violation of the UCL.

225. Upon information and belief, Defendants' decisions to actively suppress the fact of the Battery Defect's existence in Class Vehicles and its corresponding safety hazard was made in California. Further, Defendants' decisions to employ unfair, unlawful, and fraudulent business practices to deny repair or replacement of the defective HV battery within a reasonable time in violation of the UCL were made in California.

226. Defendants breached the CLRA, Song-Beverly Consumer Warranty Act, and the Magnuson-Moss Warranty Act as alleged herein in violation of the UCL.

227. Defendants' unfair, unlawful, and fraudulent business practices were likely to deceive a reasonable consumer. Plaintiffs and members of the California Sub-Class had no reasonable way to know that Class Vehicles contained the Battery Defect and that the Class Vehicles were defective in materials, workmanship, design, and/or manufacture and posed a corresponding safety risk. Defendants possessed superior knowledge as to the quality and characteristic of the Class Vehicles, including the Battery Defect and its associated safety risk, and any reasonable consumer would have relied on Defendants' misrepresentations and omissions as did Plaintiffs and members of the California Sub-Class.

228. Defendants intentionally and knowingly misrepresented and omitted facts regarding the Battery Defect in the Class Vehicles and its associated safety hazard with the intent to mislead Plaintiffs and the members of the California Sub-Class. Defendants knew, or should have known, that the Class Vehicles possessed the Battery Defect and exposes consumers to a corresponding safety hazard.

229. Defendants owed a duty to disclose the Battery Defect and its corresponding safety hazard to Plaintiffs and the members of the California Sub-Class because Defendants possessed superior knowledge regarding the defect and

the corresponding safety hazard. Defendants also owed a duty to disclose the Battery Defect because Defendants made partial representations regarding the safety of the Class Vehicles and thus owed a duty to reveal the complete truth to Plaintiffs and members of the California Sub-Class. Defendants had a duty to disclose any information relating to the safety, quality, functionality, and reliability of Class Vehicles because they consistently marketed the Class Vehicles as safe.

230. Once Defendants made representations to the public about safety, quality, functionality, and reliability, Defendants were under a duty to disclose these omitted facts, because where one does speak one must speak the whole truth and not conceal any facts which materially qualify those facts stated. One who volunteers information must be truthful, and the telling of a half-truth calculated to deceive is fraud. Rather than disclose the Battery Defect, Defendants engaged in unfair, unlawful, and fraudulent business practices in order to sell additional Class Vehicles and avoid the cost of repair or replacement of the defective HV battery.

231. Defendants' unfair, unlawful, and fraudulent acts or practices, affirmative misrepresentations and/or material omissions regarding the Battery Defect were intended to mislead consumers and misled Plaintiffs and members of the California Sub-Class.

232. At all relevant times, Defendants' unfair and deceptive acts or practices, affirmative misrepresentations and/or omissions regarding the Battery Defect and its

corresponding safety hazard were material to Plaintiffs and members of the California Sub-Class. When Plaintiffs and members of the California Sub-Class purchased or leased their Class Vehicles, they reasonably relied on the reasonable expectation that the Class Vehicles would be free from defects that pose an unavoidable safety hazard. Had Defendants disclosed that the Class Vehicles contained the Battery Defect and/or pose an unavoidable safety hazard, Plaintiffs and members of the California Sub-Class would not have purchased or leased the Class Vehicles, or would have paid less for their vehicles.

233. Defendants had a continuous duty to Plaintiffs and members of the California Sub-Class to refrain from unfair, unlawful, and fraudulent practices under the UCL and to disclose the Battery Defect and associated safety hazard. Defendants' unfair, unlawful, and fraudulent acts or practices, affirmative misrepresentations and/or material omissions regarding the Battery Defect and corresponding safety hazard are substantially injurious to consumers. As a result of Defendants' knowing, intentional concealment and/or omission of the Battery Defect and associated safety hazard in violation of the UCL, Plaintiffs and members of the California Sub-Class have suffered damages to be determined at trial. Owners and lessees of Class Vehicles also suffered an ascertainable loss in the form of, *inter alia*, loss of the benefit of the bargain and diminished value of their vehicles as a

result of Defendants' unfair, unlawful, and fraudulent acts and practices in the course of its business.

234. Defendants have knowingly and willfully engaged in the unfair, unlawful, and fraudulent business practices alleged herein. Further, Defendants unconscionably marketed the Class Vehicles to uninformed consumers in order to maximize profits by selling additional Class Vehicles containing the undisclosed Battery Defect and corresponding safety hazard.

235. Defendants' unfair, unlawful, and fraudulent acts and practices have harmed and continue to harm Plaintiffs and members of the California Sub-Class, have negatively affected the public interest, and present a continuing safety hazard to Plaintiffs and members of the California Sub-Class.

236. Plaintiffs and members of the California Sub-Class seek an order enjoining Defendants' unfair, unlawful, and fraudulent practices and award costs, attorneys' fees and restitution, disgorgement of funds, and any other just and proper relief available under the UCL and California law.

COUNT VIII
Violation of Song-Beverly Consumer Warranty Act,
CAL. CIV. CODE § 1791, *et seq.*
(On behalf of Plaintiffs and the California Sub-Class)

237. Plaintiffs incorporate by reference each allegation as if fully set forth herein.

238. Plaintiffs bring this Count individually and on behalf of the California Sub-Class.

239. The Class Vehicles are “consumer goods” within the meaning of CAL. CIV. CODE §1791(a).

240. Defendants are “manufacturers” of the Class Vehicles within the meaning of CAL. CIV. CODE §1791(j).

241. Defendants impliedly warranted to Plaintiffs and the California Sub-Class members that the Class Vehicles were “merchantable” within the meaning of CAL. CIV. CODE §§1791.1(a) and 1792; however, the Class Vehicles do not have the quality that a buyer would reasonably expect.

242. CAL. CIV. CODE § 1791.1(a) states: “Implied warranty of merchantability” or “implied warranty that goods are merchantable” means that the consumer goods meet each of the following:

- (1) Pass without objection in the trade under the contract description.
- (2) Are fit for the ordinary purposes for which such goods are used.
- (3) Are adequately contained, packaged, and labeled.
- (4) Conform to the promises or affirmations of fact made on the container or label.

243. Plaintiffs and members of the California Sub-Class purchased or leased the Class Vehicles, manufactured by the Defendants, from the Defendants and/or through their authorized agents for retail sales, or were otherwise expected to be the

eventual purchasers of the Class Vehicles when bought from a third party. At all relevant times, Defendants were the manufacturers, distributors, warrantors, and/or sellers of Class Vehicles. Defendants knew or had reason to know of the specific use for which the Class Vehicles were purchased or leased.

244. Defendants provided Plaintiffs and members of the California Sub-Class with one or more express warranties. For illustrative purposes, in connection with the purchase and lease of each of the Class Vehicles, Defendants provide New Vehicle Limited Warranty coverage and HV Battery Limited Warranty Coverage for the Class Vehicles. The New Vehicle Limited Warranty Coverage applies for 4 years or 50,000 miles and includes any repair to correct a defect in manufacturer's material or workmanship. The HV Battery Limited Warranty Coverage pertains to the Class Vehicles' HV battery applies for 8-years or 100,000 miles and includes coverage for defects in material and workmanship.

245. Under the warranties provided to members of the Class, Defendants promised to repair or replace covered defective HV batteries arising out of defects in materials and/or workmanship, including the Battery Defect, at no cost to owners of the Class Vehicles.

246. Plaintiffs and members of the California Sub-Class experienced the Battery Defect within the warranty periods but Defendants failed to provide a

suitable repair or replacement of the HV Battery free of charge within a reasonable time.

247. Defendants impliedly warranted that the Class Vehicles were in merchantable condition and fit for the ordinary purpose for which vehicles are used.

248. The Class Vehicles, when sold or leased and at all times thereafter, were not in merchantable condition and were and are not fit for the ordinary purpose of providing safe and reliable transportation. The Class Vehicles contain an inherent defect – the Battery Defect – (at the time of sale and/or lease and thereafter) and present an undisclosed safety risk to drivers and occupants. Thus, Defendants breached the implied warranty of merchantability.

249. Defendants cannot disclaim their implied warranty as they knowingly sold a defective product.

250. Defendants were provided notice of the Battery Defect by field reports and their own testing performed in response to reported thermal events and fires. Affording Defendants a reasonable opportunity to cure their breach of implied warranties would be unnecessary and futile here because Defendants have known of and concealed the Battery Defect and, on information and belief, have refused to replace the defective HV batteries free of charge within a reasonable time.

251. Defendants breached their express and/or implied warranties in violation of CAL. CIV. CODE § 1791, *et seq.*

252. As a direct and proximate result of Defendants' breach of their express and/or implied warranties, Plaintiffs and members of the California Sub-Class have been damaged in an amount to be proven at trial.

253. Plaintiffs and members of the California Sub-Class have been excused from performance of any warranty obligations as a result of Defendants' conduct described herein.

254. Plaintiffs and members of the California Sub-Class seek actual damages, costs, attorneys' fees, and statutory damages as a result of Defendants' willful conduct alleged herein. Plaintiffs and members of the California Sub-Class also seek reimbursement, replacement of the defective HV batteries in the Class Vehicles, and/or the revocation of the purchase or lease of the Class Vehicles, and all other relief available under CAL CIV. CODE § 1794.

255. The applicable statute of limitations for the implied warranty claim has been tolled by the discovery rule and/or fraudulent concealment

VIII. PRAYER FOR RELIEF

WHEREFORE, Plaintiffs, individually and on behalf of all others similarly situated, respectfully requests that this Court enter judgment against Defendants and in favor of Plaintiffs and the Classes, and award the following relief:

- t. An order certifying this action as a class action pursuant to Rule 23 of the Federal Rules of Civil Procedure, declaring Plaintiffs as the representatives of the Class and Sub-Class, and Plaintiffs' counsel as counsel for the Classes;
- u. An order awarding declaratory relief and enjoining Defendants from continuing the unlawful, deceptive, fraudulent, harmful, and unfair business conduct and practices alleged herein;
- v. Appropriate injunctive and equitable relief;
- w. A declaration that Defendants are financially responsible for all Class notice and the administration of Class relief;
- x. An order awarding costs, restitution, disgorgement, punitive damages, statutory damages, treble damages, and exemplary damages under applicable law, and compensatory damages for economic loss, diminished value, and out-of-pocket costs in an amount to be determined at trial;
- y. An order awarding any applicable statutory and civil penalties;
- z. An order requiring Defendants to pay both pre- and post-judgment interest on any amounts awarded;
- aa. An award of costs, expenses, and attorneys' fees as permitted by law; and
- bb. Such other or further relief as the Court may deem appropriate, just, and equitable.

IX. DEMAND FOR JURY TRIAL

Pursuant to Federal Rule of Civil Procedure 38(b), Plaintiffs demand a trial by jury of any and all issues in this action so triable of right.

DATED: May 13, 2026

Respectfully submitted,
/s/ James E. Cecchi
James E. Cecchi
jcecchi@carellabyrne.com
Caroline F. Bartlett
cbartlett@carellabyrne.com
Kevin G. Cooper
kcooper@carellabyrne.com
**CARELLA, BYRNE, CECCHI,
BRODY & AGNELLO, P.C.**
5 Becker Farm Road
Roseland, New Jersey 07068

-and-

Joseph H. Meltzer
jmeltzer@ktmc.com
Melissa L. Yeates
myeates@ktmc.com
Tyler S. Graden
tgraden@ktmc.com
Jonathan F. Neumann
jneumann@ktmc.com
**KESSLER TOPAZ
MELTZER & CHECK, LLP**
280 King of Prussia Road
Radnor, PA 19087
Telephone: (610) 667-7706
Facsimile: (610) 667-7056

*Counsel for Plaintiffs and the
Proposed Classes*