

LOCKRIDGE GRINDAL NAUEN P.L.L.P.

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**UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT OF CALIFORNIA**

TODD AND JUDITH FISHKIND,
individually and on behalf of all others
similarly situated,

Plaintiffs,

v.

TOYOTA MOTOR SALES, U.S.A.,
INC., TOYOTA MOTOR NORTH
AMERICA, INC., AND TOYOTA
MOTOR CORPORATION,

Defendants.

Case No. 2:23-cv-2279

CLASS ACTION COMPLAINT

1. Violations of the Magnuson-Moss Warranty Act; 15 U.S.C. §2301, *et seq.*
2. Breach of Implied Warranty of Merchantability (N.C. Gen. Stat. § 25-2-314)
3. Violations of the North Carolina Unfair and Deceptive Trade Practices Act (N.C. Gen. Stat. §§ 75-1.1, *et seq.*)
4. Fraudulent Concealment
5. Unjust Enrichment

JURY TRIAL DEMANDED

1 Plaintiffs Todd and Judith Fishkind, by and through their undersigned
2 counsel, individually and on behalf of all others similarly situated, against
3 Defendants Toyota Motor Sales, U.S.A., Inc., Toyota Motor North America, Inc.,
4 and Toyota Motor Corporation (collectively “Toyota”) seek all available damages,
5 restitution and/or disgorgement. Plaintiffs’ allegations are based upon personal
6 knowledge and experience, and upon information and belief, including an
7 investigation conducted by the undersigned attorneys. Plaintiffs allege as follows:
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11 **NATURE OF THE ACTION**

12 1. This case concerns a dangerous defect inherent in 2019-2021 Toyota
13 RAV4 vehicles (“Class Vehicles”). Specifically, the Class Vehicles are
14 manufactured with roof rails that use a white plastic stake and rubber gasket to
15 affix the rails to the Class Vehicles’ roofs. To accomplish this, Toyota drills holes
16 in the Class Vehicles’ roofs and then mounts the racks using the plastic stakes.
17 Unfortunately, the rubber gasket used on the plastic stake is manufactured using a
18 thin material that rapidly degrades allowing water to infiltrate the vehicle and short
19 its electrical system.
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23 2. Unbeknownst to Plaintiffs and the putative Class, as the thin rubber
24 gasket degrades, water from rain, snow, ice, a car wash, or other sources, leaks into
25 the drilled holes and ultimately into the Class Vehicles’ pillars, which house the
26 air bags. But the water does not stop there. Rather, the water will ultimately move
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1 into the vehicle’s dashboard area, which houses critical electrical components that
2 govern the functionality of the vehicle. The water will cause these electrical
3 components to malfunction without warning. Plaintiffs refer to this defect as the
4 “Roof Rail Defect.”
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7 3. Indeed, numerous owners of Class Vehicles have reported to the
8 National Highway Traffic Safety Administration that this water leak has caused an
9 electrical malfunction in their vehicle, rendering it inoperable.
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11 4. Although Toyota knew of the Roof Rail Defect as early as 2019, it
12 waited until September 2021 to change the design of the rubber gaskets to
13 remediate the Roof Rail Defect. Instead of using a thin material, Toyota now uses
14 a far thicker material that does not degrade from basic exposure to elements.
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17 5. Unfortunately, and despite its purported commitment to customer
18 satisfaction and safety, Toyota concealed this design change. Toyota did not issue
19 a recall or even a Technical Service Bulletin (“TSB”) to alert its dealers to change
20 the plastic stakes to remediate the defect. Instead, Toyota has allowed these leaks
21 to continue, which create a dangerous safety hazard when the vehicle’s electrical
22 components malfunction without warning or when water damages the vehicle’s air
23 bags, causing them to malfunction.
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27 6. Here, certain electrical components in Plaintiffs’ Class Vehicle
28 malfunctioned due to the Roof Rail Defect. Consequently, their vehicle became

1 inoperable and can no longer be driven causing it to now remain disabled for nearly
2 6 months. Despite its knowledge of this defect, Toyota has denied any warranty
3 coverage to Plaintiffs.
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5 7. Accordingly, Plaintiffs bring this action on behalf of themselves, and
6 all others similarly situated to redress Toyota's breach of warranties, both express
7 and implied, breach of consumer protection laws, and for unjust enrichment.
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9 JURISDICTION

10 8. This Court has jurisdiction over this litigation pursuant to 28 U.S.C.
11 § 1332(d), as the matter is brought as a class action under Rule 23 of the Federal
12 Rules of Civil Procedure, and the sum of the amount in controversy exceeds
13 \$5,000,000. The requirement of minimal diversity is met as the dispute is between
14 citizens of different states. *See* 28 U.S.C. § 1332(d)(2)(A).
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18 9. Venue is proper in this Court pursuant to 28 U.S.C. § 1391 because
19 the causes of action for Plaintiff and the putative Class arose in California, and the
20 Defendants reside in this district and regularly transact business in this District and
21 within California.
22

23 PARTIES

24 Plaintiffs:

25 10. Plaintiffs Todd and Judith Fishkind are natural persons who
26 purchased a new 2019 Toyota RAV4 4x4, VIN: JTMN1RFV6KD516756, on April
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1 7, 2019, at Fred Anderson Toyota in Raleigh, North Carolina. The MSRP for their
2 vehicle was \$38,946, plus taxes and applicable fees. Plaintiffs also elected to
3 purchase a 10 year / 100,000-mile extended warranty from a third-party. The safety
4 and reliability of the vehicle were important factors to Plaintiffs in their purchasing
5 decision. Both Plaintiffs are retired and purchased this vehicle with the intent of it
6 lasting them a considerable amount of time—certainly longer than 42 months /
7 28,000 miles in which they owned / operated the vehicle before the Roof Rail
8 Defect rendered it inoperable.
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12 **Defendants:**

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14 11. Defendant Toyota Motor Sales, U.S.A., Inc. (“TMS”) is a corporation
15 organized and in existence under the laws of the State of California and registered
16 to do business in the State of California. TMS is headquartered at 6565
17 Headquarters Dr., Plano, TX 75024. TMS markets motor vehicles, parts, and other
18 products for sale in California, North Carolina, the United States, and throughout
19 the world. TMS is the warrantor and distributor of Class Vehicles throughout the
20 United States.
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24 12. To sell vehicles to the public, TMS enters into agreements with
25 dealerships who are then authorized to sell Toyota-branded vehicles to consumers
26 such as Plaintiffs. In return for the exclusive right to sell new Toyota vehicles in a
27 geographic area, authorized dealerships are also permitted to service and repair
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1 these vehicles under the warranties TMS provides directly to consumers. These
2 contracts give TMS significant control over the actions of the dealerships,
3 including the sale and marketing of vehicles and parts for those vehicles. All
4 service and repairs at an authorized dealership are also completed according to
5 TMS's explicit instructions, issued through service manuals, TSBs, and other
6 documents, which were created with input from Toyota Motor North America, Inc.
7 Per the agreements between TMS and the authorized dealers, consumers such as
8 Plaintiffs can receive services under TMS's issued warranties at dealer locations
9 that are convenient to them. TMS has a nationwide dealership network and
10 operates offices and facilities throughout the United States.

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15 13. Defendant Toyota Motor North America, Inc. ("TMNA") is a
16 corporation organized and in existence under the laws of the State of California
17 and registered to do business in the State of California. TMNA is headquartered at
18 6565 Headquarters Dr, Plano, TX 75024. According to Toyota's official website,
19 TMNA "brings together Toyota's marketing, sales, engineering and manufacturing
20 arms in North America on one shared, state-of-the-art campus."¹
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24 14. TMNA also maintains offices in Torrance, California. Additionally,
25 TMNA's research and development offices are located in Gardena, California,
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¹ <https://www.toyota.com/usa/operations/index.html#!/Operations-Map> (last visited March 16, 2022)

1 where they are “engaged in engineering design, vehicle evaluation, powertrain
2 development & calibration, regulatory affairs, and alternative powertrain research
3 for Toyota and Lexus vehicles manufactured or sold in North America.”²¹⁵ The
4 Gardena offices are also known as “Toyota Technical Center” (“TTC”).
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7 15. TMS and TMNA also develop and disseminate the owners’ manuals,
8 warranty booklets, maintenance schedules, advertising, such as vehicle brochures,
9 and other promotional materials relating to the Class Vehicles through the
10 dealership network. TMS is also responsible for the production and content of the
11 information on the Monroney Stickers placed in the vehicle’s window.
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14 16. Founded in 1937 and headquartered in Toyota City, Japan, Defendant
15 Toyota Motor Corporation (“TMC”) is a corporation organized under the laws of
16 Japan. TMC manufactures and distributes automobiles, as well as parts for Toyota
17 branded vehicles, and is the parent company of both TMS and TMNA. Discovery
18 will show that TMC is responsible for the design of the Class Vehicles, and also
19 manufactures the Class Vehicles, in Japan and in the United States through TMNA.
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22 17. Defendants, through their various entities, design, manufacture,
23 market, distribute, service, repair, sell, and lease passenger vehicles, including the
24 Class Vehicles, nationwide.
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² https://www.toyota.com/usa/operations/map.html#!/ttc_gardena (last visited March 16, 2022)

1 18. At all relevant times, Defendants were and are engaged in the business
2 of designing, manufacturing, constructing, assembling, marketing, distributing,
3 and selling automobiles and motor vehicle components throughout the United
4 States of America.
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6 **FACTUAL ALLEGATIONS**
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8 **A. The Roof Rail Defect**
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10 19. Toyota is the world's second largest manufacturer of automotive
11 vehicles, and it sells its vehicles across the United States through a network of over
12 1,200 dealers, including those in California, North Carolina, and New York.
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14 20. Through these authorized dealerships across the United States, Toyota
15 controls the distribution of automobiles, parts, services, and warranty repairs.
16 Toyota authorizes these distributors and dealerships to sell Toyota vehicles, parts,
17 and accessories and to service and repair Toyota vehicles using Toyota parts.
18 Toyota sells its vehicles to its authorized distributors and dealerships, which in turn
19 sell those vehicles to consumers. After these dealerships sell cars to consumers,
20 including Plaintiffs and Class members, they purchase additional inventory from
21 Toyota to replace the vehicles sold, increasing Toyota's revenues. Thus, Plaintiffs'
22 and Class Members' purchases of Class Vehicles inure to the benefit of Toyota by
23 increasing its revenues.
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1 21. Toyota has branded itself as the maker of safe and dependable
2 vehicles and has spent millions, if not billions, of dollars on extensive marketing
3 and advertising campaigns to cement consumers' association of safety and
4 reliability with Toyota vehicles, including the Class Vehicles.
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7 22. In 1995, Toyota introduced the first RAV4 into the United States
8 market. It was billed as a station wagon, sedan and SUV rolled into one. Toyota
9 touted the RAV4 as achieving the ease of handling and the good fuel economy of
10 a sedan, the cargo room of a wagon, and the height and power of an SUV. Shortly
11 after its launch, the RAV4 quickly became one of Toyota's best-selling vehicles.
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14 23. In December 2018, Toyota introduced the 5th generation of RAV4
15 vehicles in the United States. For the 5th generation RAV4, many models came
16 pre-equipped with the roof rails, which could be used to connect roof rack cross
17 bars for adding storage to the vehicle. An image of the roof rails on Plaintiffs'
18 RAV4 is shown below:
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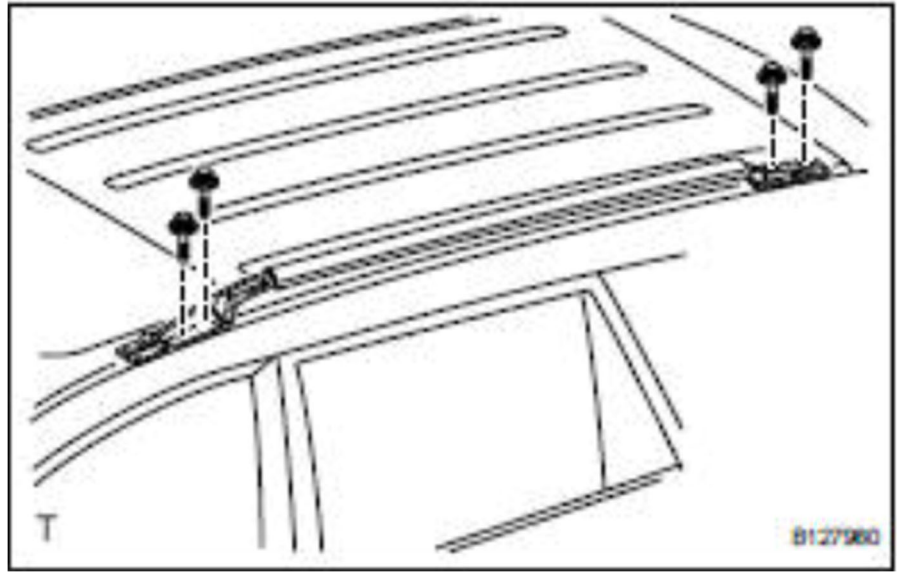
1 24. Pictured immediately above is the low-profile style of roof rails. The
2 RAV4 Adventure and TRD models have a higher profile roof rail. Regardless of
3 style (low versus high profile) the roof rail mounting process for both is identical.
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5 25. To install the roof rails on the RAV4, Toyota drills multiple holes into
6 the RAV4's roof, as pictured below.
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23 26. To affix the roof rails to the RAV4, Toyota uses a retainer clip at the
24 points above the RAV4's A-pillar and C-pillar. Prior to September 2021, the
25 retainer clip was identified as Toyota Part No. 6345142010. An image from the
26 installation instructions for the roof rails is below.
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27. Toyota's retainer clip design—Part No. 6345142010—consisted of a white plastic spear with a thin rubber gasket around it. Below (and on the left-hand side) is a photograph of the original plastic retainer clip (Part No. 6345142010)



1 with rubber gasket (indicated by the red arrow). On the right-hand side is an image
2 of the rubber gasket placed inside the matting hole on the RAV4's roof.
3

4 28. Because of the rubber gasket's thin material, the gasket will
5 deteriorate over time and ultimately fail, allowing water to infiltrate the vehicle.³
6
7 When water enters the vehicle, it can cause considerable damage, including in the
8 following ways:

- 9
- 10 a. Water can enter the vehicle's air bag compartments in the A and
11 C pillars, damaging the air bags and causing them to malfunction.
 - 12 b. Water can damage the vehicle's various electrical components,
13 which are essential to the vehicle's safe operation. This is
14 precisely what occurred with Plaintiffs' vehicle. The following
15 images from the internet show damage to the RAV4's wire
16 harness connectors from water infiltration caused by the Roof
17 Rail Defect.
 - 18 c. In addition, the water infiltration can result in the growth of
19 organic material, such as mold, to which the vehicle's occupants
20 unknowingly may be exposed.
 - 21 d. Moreover, the water leaks can cause significant rust damage to
22 the vehicle's frame.

23 29. Each of these circumstances caused by the Roof Rail Defect creates a
24 significant safety hazard that endangers the Class members who operate Class
25 Vehicles.
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28 ³ The Roof Rail Defect is so prevalent that consumers have created videos explaining the
problem. *See, e.g.*, <https://www.youtube.com/watch?v=DbKHfLtI2Sc&t=1s>

1 30. Consequently, and not surprisingly, consumer complaints concerning
2 the Roof Rail Defect began to mount. In response, at some point in or around
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4 September 2021—prior to Plaintiffs’ leak and vehicle failure in October 2022—
5 Toyota discontinued Part No. 6345142010 and implemented Part No. 634510-
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7 R010.

8 31. The new part (63451-0R010) is the identical retainer clip as the
9 original except it uses a thicker rubber gasket that would (theoretically) not be
10 susceptible to degradation. An image of the two rubber gaskets, side-by-side, is
11 below (new Part No. 63451-0R010 on the left and defective Part No. 6345142010
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13 on the right).



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26 **B. Plaintiffs’ Experience with the Roof Rail Defect**

27 32. Prior to experiencing the Roof Rail Defect, Plaintiffs had returned to
28 Toyota dealerships during the warranty period for other services, including on

1 April 5, 2022, for an abnormal noise that occurred when driving over 20 mph.
2 Despite its knowledge of the Roof Rail Defect, Toyota did not warn Plaintiffs about
3 the Roof Rail Defect nor did it take any steps to remediate the Defect during the
4 warranty period and while Plaintiffs' vehicle was in Toyota's possession.
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7 33. On October 15, 2022, with approximately 28,000 miles on the
8 vehicle, Plaintiffs' RAV4 vehicle began experiencing electrical issues. Plaintiffs
9 took the vehicle to Empire Toyota in Huntington, New York. Empire diagnosed
10 the vehicle as having a malfunctioning dash cluster and the vehicle was rendered
11 inoperable. Empire was unable to quickly obtain the parts needed to fix Plaintiffs'
12 vehicle, so the vehicle remained on Empire's lot for many weeks.
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15 34. On December 20, 2022, Empire advised Plaintiffs that the parts were
16 available and would be shipped for installation. Empire attempted to conduct the
17 repair between December 23-24, 2022. On those days, the average temperature
18 was between 7-8 degrees Fahrenheit. When Empire opened the dashboard to
19 replace the dash cluster, it discovered that the vehicle's wiring was encased in a
20 ball of ice. Empire would later inform Plaintiffs that the Defect allowed water to
21 infiltrate the A-pillar of the vehicle, covering the airbags, and then eventually water
22 leaked into the dashboard.
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26 35. On December 30, 2022, after Empire informed them about the roof
27 rail leak, Plaintiffs began researching this issue on the internet. They discovered
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1 scores of complaints about the Defect. Empire informed Plaintiffs that Toyota
2 would not cover the loss because the vehicle was outside the 3 year / 36,000
3 warranty. Empire also informed Plaintiffs that their extended warranty would not
4 cover the loss because it was “not a mechanical failure.” By this point, Plaintiffs’
5 vehicle had remained inoperable on Empire’s lot for 75 days.
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8 36. Plaintiffs next turned to Toyota’s dispute resolution procedure. Due
9 to the safety concerns associated with driving a vehicle that was prone to water
10 leaks and the resulting malfunctioning of electrical components and/or air bag
11 failure, Plaintiffs requested Toyota repurchase their vehicle.
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14 37. On January 27, 2023, Toyota sent Plaintiffs a letter acknowledging
15 their claim and assigning them case number 230123000038. Plaintiffs also
16 contacted Toyota Corporate, which assigned them case number 221205001110.
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1 38. On February 21, 2023, 129 days after Plaintiffs first took their vehicle
2 to Empire, Toyota denied Plaintiffs' claim because the Roof Rail Defect was not
3 reported during the vehicle's 3 year / 36,000-mile warranty. Plaintiffs still do not
4 have the vehicle. It remains in a state of total disrepair on Empire's lot. See photos
5 of Plaintiffs' vehicle, below:
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21 39. Had Plaintiffs known, or been made aware of, the Roof Rail Defect,
22 they would have taken steps to protect their investment in the vehicle and prevent
23 the extensive damage they suffered, paid less for the vehicle, or not purchased it
24 all.
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1 **C. The Roof Rail Defect Is Widespread**

2 40. Plaintiffs are informed and believe and based thereon allege that prior
3 to the sale of the Class Vehicles, Toyota knew, or should have known, about the
4 Roof Rail Defect through its exclusive knowledge of non-public, internal data
5 about the Defect, including: pre-release testing data; early consumer complaints
6 about the Defect to Toyota’s dealers who are their agents for vehicle repairs;
7 warranty claim data related to the Defect; aggregate data from Toyota’s dealers;
8 numerous consumer complaints to NHTSA; dealership repair orders; testing
9 conducted in response to owner or lessee complaints; and other internal sources of
10 aggregate information about the problem. Nevertheless, Toyota has actively
11 concealed and failed to disclose the Roof Rail Defect to Plaintiffs and Class
12 Members at the time of purchase or lease and thereafter.
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17 41. Federal law requires automakers like Toyota to be in close contact
18 with NHTSA regarding potential automobile defects, including imposing a legal
19 requirement (backed by criminal penalties) compelling the confidential disclosure
20 of defects and related data by automakers to NHTSA, including field reports,
21 customer complaints, and warranty data. *See* TREAD Act, Pub. L. No. 106-414,
22 114 Stat. 1800 (2000).
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26 42. In fact, automakers have a legal obligation to promptly identify and
27 report emerging safety-related defects to NHTSA under the Early Warning Report
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1 requirements. *Id.* Similarly, automakers monitor NHTSA databases for consumer
2 complaints regarding their automobiles as part of their ongoing obligation to
3 identify potential defects in their vehicles, including safety-related defects. *Id.*
4 Thus, Toyota knew or should have known of the many complaints about the Roof
5 Rail Defect logged by NHTSA ODI, and the content, consistency, and large
6 number of those complaints alerted, or should have alerted, Toyota to the Defect.
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9 43. In addition, complaints that owners and lessees filed with NHTSA
10 demonstrate that the Roof Rail Defect is widespread and that it manifests without
11 warning. The complaints also indicate Toyota's awareness of the problems with
12 the Roof Rail Defect and the safety concerns that the Defect poses. Despite the
13 mountains of complaints to NHTSA as well as Toyota's internal decision to change
14 the retainer part design to remediate the water leak, astonishingly Toyota did not
15 issue a recall to have the retainer clips replaced, nor did it issue a Technical Service
16 Bulletin to alert its dealers to the defective retainer clips.
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21 44. A review of the NHTSA complaint database for *just* the 2019 RAV4
22 model year reveals numerous complaints about the Roof Rail Defect and concerns
23 that it may have an impact on the functionality of the vehicle's airbags and/or the
24 vehicle's vital electrical components, which could result in vehicle failure. Indeed,
25 in several of the following examples, the complainants report losing power *while*
26 *operating the vehicle* due to electrical malfunction.
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1 45. The following examples from the NHTSA complaint database
2 demonstrate the seriousness and prevalence of the Roof Rail Defect:
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4 **Incident Date** January 6, 2020

5 **Consumer Location** EAST ELMHURST, NY

6 **Summary of Complaint**

7 Water stains on the interior headliner where the plastic A-
8 pillar cover meets the roof. This appears on both side of
9 the car. The water leaks all the way down to the floor not
10 the driver and passenger side. *There is a lot of electronic*
11 *wires/connectors/side airbags and driver dash panel and*
12 *they all get wet and appear they get corroded thus*
13 *impairing function of the car and create danger or*
14 *unexpected behavior of the car.* The issue appears to be a
15 pin that mounts the roof rails to the body of the car. Water
16 will leak inside the car after rain or car wash. The issue
17 appears when car is stationary and while in motion but
18 during movement water leaks faster.

19 **Incident Date** May 19, 2021

20 **Consumer Location** WYLIE, TX

21 **Summary of Complaint**

22 The 2019 Rav4 models have an issue with the roof rack
23 rails leaking water into the A pillar as well as the C pillar
24 due to a failure in the materials the manufacturer used. Not
25 only does this cause issues with the headliner of the
26 vehicles but this could also endanger the occupants of the
27 entire vehicle due to the leak affecting airbags located in
28 the A and C pillars. This leak has a potential to affect
electrica[1] as well as the main safety component located
in the locations stated above. *Not addressing the issue*
could result in death due to airbag failures and could
then lead to class action lawsuits.

Incident Date June 1, 2021

Consumer Location COVINGTON, OH

Summary of Complaint

1 Roof rack seals failed, allowing water in above the A-
2 pillar, which damages the headliner and could damage
3 electrical and side airbags, compromising safety. In
4 talking with other 2019 Rav4 owners, many have
5 experienced the same issue as the sealing mechanism is
6 poorly designed.

6 **Incident Date** August 15, 2021

7 **Consumer Location** SALISBURY, NC

8 **Summary of Complaint**

9 Roof rails water sealing failure – causing water to enter the
10 vehicle on each side of the front A pillars of the vehicle
11 and is reaching the airbag electrical components *which
12 can lead to airbag failure during an accident due to
13 corroded electrical connections[.]*

12 **Incident Date** December 15, 2021

13 **Consumer Location** PALMDALE, CA

14 **Summary of Complaint**

15 I bought my vehicle new in August 2019, it currently has
16 approximately 30,500 miles. A few months ago *I noticed
17 a water stain by the roof, right on the A pillar on the
18 passenger side.* I took it to Toyota and they determined it
19 was from the sunroof, according to them one of the drains
20 was clogged with leaves and dirt (prior to this I had
21 NEVER opened/used the sunroof, not sure if leaves are
22 able to get in there without ever opening the roof). They
23 cleaned the water stain and sent me on my way, without
24 checking for water damage. After doing some research
25 online found out this was happening to quite a few
26 frustrated people and seemed to happen in the 2019-2021
27 RAV4 vehicles, most people were told it was the sunroof
28 but further research revealed the possibility that *it was the
roof rail that contained bad seals. The water is now
pooling on both A pillars right where the airbags are
housed. I feel there is a good possibility those airbags will
not deploy properly in case of an accident. In addition,
multiple customers have complaint of this issues causing
electrical problems as well.*

1 **Incident Date** December 24, 2021
2 **Consumer Location** LOS ANGELES, CA
3 **Summary of Complaint**

4 The issue is the stock roof rack that comes with the
5 vehicles. The clips that clip on to the body of the car have
6 gaskets that deteriorate. Water leaks in through those holes
7 and into the headliner of the car. *The front SRS airbags*
8 *are compromised and potentially rendered useless. The*
9 *wiring that attaches to the airbags is also compromised*
10 *because the water will eventually corrode it.*

11 **Incident Date** April 19, 2022
12 **Consumer Location** BRISTOW, VA
13 **Summary of Complaint**

14 As noted by many other 2019 thru 2021 Toyota Rav4
15 owners, there is significant water leakage intruding into
16 the vehicle passenger compartment. I can confirm that the
17 water intrusion that my vehicle has sustained is leaking
18 through inadequately sealed holes for clips that are part of
19 the Roof-rack side rails. And that this severe water
20 intrusion is likely damaging the electrical system
21 connectors associated with the vehicles Side Impact Air
22 Bags and possibly the tire-pressure monitoring system
23 (TPMS) connectors in the side body pillar areas. *Our local*
24 *Toyota Dealership Service Center is aware of this*
25 *problem. They tell me that our standard and extended*
26 *warranty will not cover the repairs, and that we should*
27 *contact our auto insurance provider.* I feel that should not
28 be the case, and that this leak is going to cause severe
injury or death due to the water leaks incapacitating the
Side Impact Air Bag System and possibly other safety
systems with electrical connection affected by the water
intrusion.

29 **Incident Date** May 19, 2022
30 **Consumer Location** GREENSBORO, NC
31 **Summary of Complaint**

32 There is a leak coming from the top rails on the 2019
33 Toyota Rav4. *Any time it rains the water runs down the*
34 *side arm/airbag area which has gone into the electrical*

1 *system and corroded the wires.* In addition the corrosion,
2 the water has caused organic growth to occur underneath
3 the carpets. When it rains, the vehicle will not open
4 without the physical key. Upon opening the door, the radio
5 and all service lights are on. The speedometer goes awry,
6 saying I'm at 9mph while I'm stopped at a red light. The
7 acceleration of the vehicle tugs and takes awhile to get up
8 to speed, which is dangerous. When I get out of the car,
9 the car will not lock. It beeps as if I have left my key in the
10 car. This is also dangerous at night time or in other areas
11 that my car can easily be broken into. This issue occurs
12 when it rains. I have taken it to a local toyota dealership
13 and after numerous tests, figured out the problem is with
14 the guide rails/racks on the tops of the car. They did this
15 by running the car through the car wash. The estimated
16 damage for a manufacturer defect is over 7K. The carpets
17 need replaced due to organic growth and still water. The
18 entire electrical system and board needs replaced.

14 **Incident Date** May 24, 2022

15 **Consumer Location** AVON, CT

16 **Summary of Complaint**

17 *Roof rail leak known to Toyota leading to potential*
18 *compromise of SRS airbags and any other electrical*
19 *wiring within anterior pillars.* Long term water damage
20 can lead to corrosion of components within that area.
21 Toyota assessed and confirmed water intrusion due to roof
22 rail leak. Leak became visible to owner due to water marks
23 on headliner. Of note, Toyota refuses to accept blame for
24 water intrusion and provide remedy.

23 **Incident Date** July 1, 2022

24 **Consumer Location** PEMBROKE PINES, FL

25 **Summary of Complaint**

26 There is a known issue with 2019+ Toyoya RAV4 where
27 the *Roof Rack Rails seaks leak water into the Driver and*
28 *Passenger SRS A Pillar, i don't understand why there*
isn't a TSB for this, im concerned that the water
intrusion will damage the Airbags or Electrical
components and cause the airbag to deploy or cause

1 *improper SRS A pillar airbag operation.* I'm also
2 concerned about rust, A Quick google search and youtube
3 will show the issue occurring but toyota is only fixing it
4 under warranty, i don't think this should happen on a car
5 under 3 years old with less than 50,000 miles. I do notice
6 a foul odor in the car which led me to find this related TSB
7 T-SB-0094-21 for a similar issue but none for Roof Rack
8 Seals. Toyota has updated the Seals to thicker ones from
9 the flimsy paper gasket to thicker plastic since 2019 so
they know about the issue and have corrected it but only
under warranty. i did see complaints on
carcomplaints.com also but i'm out of factory warranty.

10 **Incident Date:** August 1, 2022

11 **Consumer Location:** BOULDER, CO

12 **Summary of Complaint:**

13 The contact owns a 2019 Toyota RAV4. The contact
14 stated that while driving at various speeds, there was water
15 leaking into the driver's side of the vehicle. The vehicle
16 was taken to the local dealer; however, the failure could
17 not be duplicated, and the vehicle was not repaired. The
18 contact then stated that the failure persisted, and he
19 noticed the *water was leaking from the roof rack and had*
20 *entered the air bag compartment area.* The vehicle was
21 taken back to the dealer, where it was diagnosed that the
water was entering through the headliners; however, the
vehicle was not repaired. The manufacturer was made
aware of the failure. The approximate failure mileage was
28,000.

22 **Incident Date** September 20, 2022

23 **Consumer Location** BARRE, VT

24 **Summary of Complaint**

25 The contact owns a 2019 Toyota Rav4. The contact stated
26 that while driving at an undisclosed speed, the vehicle was
27 jerking and making abnormal sounds. Additionally, the
28 vehicle was intermittently unable to start. The vehicle was
taken to the dealer where *it was diagnosed that the roof*
rack sustained water damage, causing an electrical
system failure. The vehicle was not repaired and remained

1 at the dealer. The manufacturer was not made aware of the
2 failure. The failure mileage was approximately 40,000.
3 The VIN was unavailable.

4 **Incident Date** December 7, 2022

5 **Consumer Location** NEW BERN, NC

6 **Summary of Complaint**

7 This vehicle has continued to have issues. *The most recent*
8 *and dangerous issue is the electrical problems due to*
9 *water leakage. Water getting into the vehicle's interior*
10 *can be hazardous with all the solenoids, modules, and*
11 *wires. The roof rack leaking is a common issue for these*
12 *vehicles.* It does not become an issue until they have been
13 exposed to rainy environments or washed. *The water in*
14 *our vehicle leaked down the driver-side A-pillar, behind*
15 *the steering wheel, and into the floorboard. This caused*
16 *a shortage in wiring for the mud/sand terrain modes and*
17 *the safety systems for the vehicle.* This would happen at
18 random times, including down the freeway at 70mph. The
19 adaptive cruise control would shut off and emergency
20 braking would be defective if needed. The water does flow
21 across the airbag in the A-pillar which could cause a more
22 serious issue. Now, there is a possibility of the airbag not
23 deploying in the case of a collision. The racks leaking is
24 something Toyota should be recalling or publishing a
25 TSB.

26 **Incident Date** January 5, 2023

27 **Consumer Location** PLACENTIA, CA

28 **Summary of Complaint**

The contact owns a 2019 Toyota Rav4. The contact stated
while driving 65 MPH, the *vehicle lost motive power and*
stalled with unknown warning lights illuminated and
blinking. The contact stated that the steering wheel
became very firm. The contact pulled over on the side of
the roadway and turned off the vehicle. The contact stated
that the vehicle failed to restart and was towed to the local
dealer to be diagnosed. *The contact was informed that*
water enter the cabin of the vehicle through the roof rails
and caused electrical damages to an unknown wiring

1 *harness connector*. The vehicle was not repaired. The
2 manufacturer was contacted, and a case was filed;
3 however, no additional assistance was provided. The
4 failure mileage was 70,811.

5 **Incident Date** January 26, 2023

6 **Consumer Location** HARRISONBURG, VA

7 **Summary of Complaint**

8 I was recently driving my 2019 RAV4 when it started
9 switching to mud and sand mode and turns of all my safety
10 features. This would occur at random when I was parked
11 and driving. I was able to find several discussion boards
12 about this issue by searching ‘ 2019 rav4 switching to mud
13 and sand mode.’ *I took it to the dealership and they*
14 *discovered that there is a leak from the roof racks that is*
15 *causing water to get in my car and is now impacting the*
16 *driving ability and safety features on this car.* I was able
17 to find many discussion boards and even YouTube videos
18 on how to fix this issue by searching “2019 rav4 roof rack
19 leak.” It was reported in Australia, Japan, Taiwan, and the
20 US. Many reported they had this issue fixed for free under
21 warranty but now warranty has run out on the car and to
22 fix the roof rack costs approximately \$5000. Fixing the
23 roof rack does not cover potential water damage that my
24 airbags may have experienced as well and does not ensure
25 there is not permanent water damage to the driving mode
26 buttons

27 **Incident Date:** February 10, 2023

28 **Consumer Location** KODAK, TN

Summary of Complaint

Car randomly switches into different driving modes, BSM
and anti collision goes off while driving. Seat warmers
randomly come on high and can’t be turned
off. *Dealership identified water damage from leaking*
roof rack resulting in mold and electrical damage.
Possible damage to airbags as water leaking into the
pillar at front window. Many instances documented
online.

1 **Incident Date** March 12, 2023

2 **Consumer Location** GARDEN GROVE, CA

3 **Summary of Complaint**

4 A couple of months ago, *I noticed water had somehow*
5 *entered the inside of my car, collecting along the interior*
6 *roof panel and inside the C-pillar close to the top of the*
7 *driver door.* I did a little research to see if I could figure
8 out what the cause of it was. I found that many other
9 owners of 2019 and 2020 Rav4's had similar problems.
10 *Their findings indicated that Toyota had equipped poor*
11 *quality gaskets, along the the area in which the roof rail*
12 *trim were fastened to the roof of the car.* I also read that
13 this problem could be fixed by the owner, but was unaware
14 that the water leakage would come in contact with
15 electrical components. Yesterday, I experienced first hand
16 the result of this situation. When starting my car, the
17 display board was indicating a multitude of warnings for
18 system malfunctions. These included power steering
19 malfunction, brake system malfunction, pre-collision
20 warning malfunction, lane-monitoring, and on top of this
21 the RPM gauge and engine temperature gauge were both
22 malfunctioning. These warning/indicators persistently
23 flashed and caused a loud beeping sound to go off. The
24 warnings also informed me to not drive the car and see a
25 dealer immediately. *After taking it to the dealer, the*
26 *technicians were able to confirm that water has leaked*
27 *through the roof rail panels from the area I previously*
28 *specified. They found water on fuse box/junction*
connectors. They also found corrosion on pins on driver
front door connector, under dash harness connector and
body harness connector. While the water damage did not
lead to a car accident, it did cause serious concern for
the potential risk of car malfunctions. This information
will be soon be reviewed by my insurance provider.

46. In addition, certain websites permit automobile owners to post complaints concerning their vehicles. On information and belief, Toyota monitors these websites and the complaints posted thereon. One such website is Cars.com,

1 where RAV4 owners have posted concerns about the Roof Rail Defect, including
2 the following examples:
3

4 2.6 ★★☆☆☆

5 **Leaking roof racks.**

6 May 5, 2022

7 By Jojo from Sewell, NJ

Owns this car

8 This is a follow-up to my previous review. Today I had to pay the ransom to get my car
9 back from my local Toyota service department. The leaking roof racks were replaced and
10 after a dealership discount of \$175 and an alleged Toyota discount of around \$366, my
11 portion of the bill was \$1,052 PLUS an additional \$140 to diagnose the problem. This is a
12 manufacturing defect that should have been paid for in-full by the Toyota Corporation.
13 The dealership did all they could to help but the Toyota Corporation was indifferent. This
14 should not have happened to a 3 1/2 year old car that was largely garage kept and
15 accident free. Lesson learned. This Toyota customer is a one-and-done.

16 2.7 ★★☆☆☆

17 **2019 Limited Roof Rail leak at 28,000 miles**

18 August 16, 2022

19 By Switched to Honda from Portage, MI

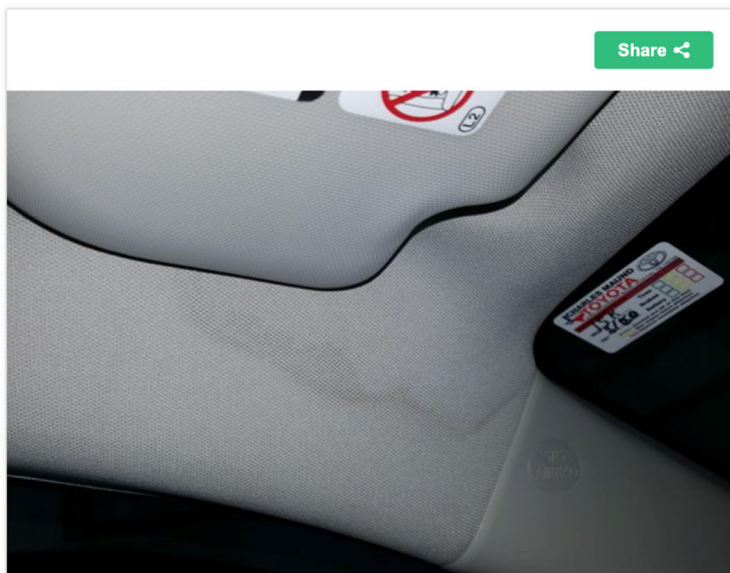
Used to own this car

20 Our 2019 Limited experienced the unfortunate roof leak from under the roof rails just two
21 months out of warranty. At 38 months, the car had under 30,000 miles, had been
22 garaged 100% of the time, and hand-washed 90% of the time. The roof rails were never
23 used or modified in any way. If you search the web for "RAV4 roof leak" you'll find
24 hundreds of owners who document the same problem. The issue is caused by water
25 getting under the roof rails and then getting through holes under the roof rails that are
26 protected only by a thin rubber gasket and flimsy plastic trim clips. We asked Toyota to
27 cover the cost of replacing and reinforcing the roof rail seals and the resulting water
28 damage/mold because of it. Toyota, not so politely, declined, because the car was two
months out of warranty. So, we decided to no longer be a Toyota customer. Likely for life.
We traded it in for a CR-V. Beyond the water-tight roof, the CR-V also has a softer and
quieter ride and a smoother CVT. The RAV4 is a pretty box, but by most other measures,
we give the edge to the CR-V.

47. Similarly, numerous RAV4 owners posted complaints about the Roof
Rail Defect on the website RAV4World.com:

Discussion Starter · #1 · Mar 28, 2020 (Edited)

I just noticed some water stains on the interior headliner where the plastic A-pillar cover meets the roof. This is on both sides? Has anyone had this issue? Its not really a spot I look at often and its pretty dark. I had to shine a flashlight on it, but there's definitely water leaking. I'm gonna probably take it in for warranty work, but was wondering if anyone else had this issue?



Discussion Starter · #1 · Feb 26, 2020 (Edited)

I've just spent the day at my local Toyota dealership and wanted to alert others of this issue. Last week, I noticed two watermarks/stains in the headliner above my 2019 RAV4 Adventure's front passenger door (at the A pillar and at the assist handle above the door). I was able to spot the stains due to the fact that the car wash that I use has a blue dye formulated into their soap, which resulted in a light blue stain as it leaked through to the headliner; otherwise, the discoloration to the beige headliner would likely have been so subtle that it would have been missed. I stopped by the Service Department last Saturday and arranged today's appointment.

At the initial inspection, the service writer stated that the leak appeared to be located near the attachment point of the factory-installed roof rack and that it should be investigated. In today's service visit, they confirmed that there is a leak in the roof and determined that the car is unsafe to drive, as the side airbag has been damaged by the leaking water; therefore, I was given a loaner until the necessary repairs have been completed.

The service writer volunteered that he has seen this before on the new RAV4's (not sure if he was referring to the Adventure model, specifically); but, he states that he doesn't know of any current TSB's related to the issue. I would suggest that others carefully examine your headliner for evidence of leaks. FYI, mine was built in July 2019, in Canada.


BighornPorpoise, Dgt845 and Lindenwood

Reply Quote

Save Share


1 ///

2 Discussion Starter · #3 · Mar 28, 2020

3 SeanBeanDiesInTheEnd said: 

4 What model do you have?





5 Here's a thread in the mechanical sub with similar issues on an adventure model:

6  [Potential Safety Issue for RAV4 Adventure Owners](#)
 I've just spent the day at my local Toyota dealership and wanted to alert others of this issue.
[Click to expand...](#)

7

8 I have a 19 Adventure with the roof rails. It looks like this is pretty common issue with this trim.
 9 Thanks.

10 2019 RAV4 Adventure

11  Reply  Quote  Save  Share





13 #4 · Mar 28, 2020

14 Note that since this is specifically near the A Pillar, it's possible the airbag got wet. Have them
 15 specifically look at that when you're in for service.

16


17





18

19  Reply  Quote  Save  Share

21 Discussion Starter · #1 · Apr 23, 2020

22 Before anyone's warranty is up, if you have a 2019 RAV4 check your headliner for light bluish marks,
 23 if you have this, that means your roof racks aren't properly sealed and water is leaking inside your
 24 car!!!! I just had my passenger side rails resealed and headliner replaced♥

25  jfr, rav2017 and Jmsa540

26  Reply  Quote  Save  Share

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Discussion Starter · #6 · Apr 24, 2020

tagheuer said: ↻

What model do you have? Adventure?

And by roof rack, do you mean crossbars?

I have an XLE, but I'm on a group where people with an adventure and Premium has had they same problem.

Reply Quote

Save Share

///

#16 · May 14, 2020

ThatRAV4girl said: ↻

Before anyone's warranty is up, if you have a 2019 RAV4 check your headliner for light bluish marks, if you have this, that means your roof racks aren't properly sealed and water is leaking inside your car!!!! I just hade my passenger side rails resealed and headliner replaced♥

thought I was the only one! Been with 2 dealerships already and both denied me with my warranty! I cannot believe it! Help!!

pgeezer

Reply Quote

Save Share

#11 · May 23, 2020

Romerohiker said: ↻

I've just spent the day at my local Toyota dealership and wanted to alert others of this issue. Last week, I noticed two watermarks/stains in the headliner above my 2019 RAV4 Adventure's front passenger door (at the A pillar and at the assist handle above the door). I was able to spot the stains due to the fact that the car wash that I use has a blue dye formulated into their soap, which resulted in a light blue stain as it leaked through to the headliner; otherwise, the discoloration to the beige headliner would likely have been so subtle that it would have been missed. I stopped by the Service Department last Saturday and arranged today's appointment.

Click to expand...

We are having the same issue on 2019 adventure - taking it in to get it check out today

Reply Quote

Save Share

#19 · Jun 23, 2020

I'm having the same issues. What did Toyota do??

Discussion Starter · #1 · Dec 1, 2020

It seems like many reports are now popping up of leaking roof rails which leads to very expensive water damage.

Probably not covered by warranty, in fact it is specifically excluded.

Probably best not to buy one until this issue is resolved.

This can be a major problem, very expensive like thousands of dollars in damage and not covered under warranty.

I may sell mine if they don't repair and / or deny warranty.



2019 ROOF RACK LEAK

Before anyone's warranty is up, if you have a 2019 RAV4 check your headliner for light bluish marks, if you have this, that means your roof racks aren't properly sealed and water is leaking inside your car!!!! I just had my passenger side rails resealed and headliner replaced ❤️

www.rav4world.com

48. In the 2019 RAV4 “Warranty and Maintenance Guide,” Toyota admits that “your Toyota is an important part of your life and something you depend on every day.” According to Toyota, that is why it is “dedicated to building products of the highest quality and reliability.”

49. Toyota furthers its claim that Toyota “stand[s] behind the quality of [its] vehicles” and that it is “confident” that “your [RAV4] will provide [the owner] with many years of enjoyable driving.”

1 **Nationwide Class:**

2 All persons who purchased and/or leased a
3 2019-2021 Toyota RAV4 in the United
4 States.

5 **North Carolina Sub-Class (or in the
6 alternative):**

7 All persons who purchased and/or leased a
8 2019-2021 Toyota RAV4 in North Carolina.

9 (Nationwide Class and North Carolina Sub-Class collectively referred to as “Class.”)

10 54. Excluded from the Class is Defendant Toyota and any entities in
11 which it has a controlling interest, any of its parents, subsidiaries, affiliates,
12 officers, directors, employees and members of such person’s immediate families,
13 the presiding judge(s) in this case and his/her immediate family.

14 55. Numerosity: Plaintiffs believe, and therefore aver, that Toyota has
15 sold thousands of Class Vehicles. Accordingly, individual joinder of all the Class
16 members is impracticable. The Class is readily identifiable using vehicle
17 registration documents and Toyota’s customer information.

18 56. Commonality and Predominance: Questions of law and fact are
19 common to Plaintiffs, and the Class, and they predominate over questions affecting
20 only individual members. Common questions include:

- 21 (a) Whether the Class Vehicles suffer from the Roof Rail Defect;
22 (b) Whether Toyota knew about the Roof Rail Defect;
23 (c) Whether the Roof Rail Defect is a safety issue;
24
25
26
27
28

1 (d) Whether Toyota had a duty to warn about the Roof Rail Defect;
2 and

3 (e) Whether Plaintiffs and the Class are entitled to damages.

4 57. Typicality: Plaintiffs' claims are typical of the claims of the Class
5 described above, and they arise from the same course of conduct by Toyota. The
6 relief Plaintiffs seek is typical of the relief sought for the absent Class members.
7

8 58. Adequacy: Plaintiffs will fairly and adequately represent and protect
9 the interests of all absent Class members. Plaintiffs are represented by counsel
10 competent and experienced in class action litigation.
11

12 59. Superiority: A class action is superior to other available methods for
13 the fair and efficient adjudication of the controversy. Class treatment of common
14 questions of law and fact is superior to multiple individual actions or piecemeal
15 litigation. Moreover, absent a class action, most Class members would likely find
16 the cost of litigating their claims prohibitively high and would therefore have no
17 effective remedy at law.
18

19 60. The prosecution of separate actions by individual Class members
20 would create a risk of inconsistent or varying adjudications, which would establish
21 incompatible standards of conduct for Toyota. In contrast, the conduct of this
22 action as a class action presents far fewer management difficulties, conserves
23 judicial resources and the parties' resources, and protects the rights of each Class
24 member.
25
26
27
28

1 **CAUSES OF ACTION**

2 **FIRST CAUSE OF ACTION**

3 **VIOLATIONS OF THE MAGNUSON-MOSS WARRANTY ACT**

4 **15 U.S.C. §2301, *et seq.***

5 **All Classes**

6 61. Plaintiffs hereby incorporate by reference the allegations contained in
7 the preceding paragraphs of this Complaint.

8
9 62. Plaintiffs bring this claim on behalf of themselves and on behalf of
10 the Nationwide Class, or alternatively, on behalf of the North Carolina Sub-Class.

11
12 63. Plaintiffs and the Class members are “consumers” within the meaning
13 of the Magnuson-Moss Warranty Act, 15 U.S.C. § 2301(3).

14
15 64. Toyota is a supplier and warrantor within the meanings of 15 U.S.C.
16 §§ 2301(4)-(5).

17
18 65. The Class Vehicles, including Plaintiffs’ vehicles, are “consumer
19 products” within the meaning of 15 U.S.C. § 2301(1).

20
21 66. Toyota’s 3 year / 36,000-mile limited warranty is a “written warranty”
22 within the meaning of 15 U.S.C. § 2301(6). Further, Toyota makes an affirmative
23 promise at the time of sale in its warranty that states: that it is “dedicated to building
24 products of the highest quality and reliability” and “[Toyota] stand[s] behind the
25 quality of [its] vehicles” and that for certain circumstances “to demonstrate [its]
26 commitment to [its] customers satisfaction” it “may establish a special policy
27
28

1 adjustment to pay for specific repairs that are no longer covered by warranty,”
2 which is likewise a written warranty under the MMWA.
3

4 67. Toyota breached its express warranties by:

5 a. Selling and leasing Class Vehicles with the roof rail retainers that
6 are defective in materials and/or workmanship, requiring repair or
7 replacement within the warranty period; and

8 b. Refusing and/or failing to honor Plaintiffs’ express warranties by
9 repairing or replacing, free of charge, the roof rail retainers, which
10 allow water to leak into the Class Vehicles, causing damage to electrical
11 equipment, among other things, and rendering the vehicles inoperable.

12 68. Plaintiffs and the Class members relied on Toyota’s written
13 representations that Toyota had a “commitment to [] customer satisfaction” and
14 that based on its knowledge of the Roof Rail Defect and numerous complaints
15 about the problem that Toyota would “establish a special policy adjustment” to
16 replace the old rubber gaskets with improved gaskets.
17

18 69. Toyota’s failure to act consistent with its warranty promises has
19 deprived Plaintiffs and the other Class members of the benefit of their bargain and
20 resulted in an ascertainable loss.
21

22 70. The amount in controversy of Plaintiffs’ individual claims meets or
23 exceeds the sum or value of \$25. In addition, the amount in controversy meets or
24 exceeds the sum value of \$50,000 (exclusive of interest and costs) computed on
25 the basis of all claims to be determined in this suit.
26
27
28

1 71. Toyota was provided notice and reasonable opportunity to cure its
2 breach of the written warranty. Toyota has long been on notice of the alleged
3 defect from complaints and service requests it has received from Class members,
4 as well as from its own warranty claims, customer complaint data, and/or parts
5 sales data, and has made clear from its actions it has no intention of notifying
6 customers and resolving the defect prior to water infiltrating the Class Vehicles.
7

8
9 72. As a direct and proximate result of Toyota's breach, Plaintiffs and
10 Class members sustained damages and other losses in an amount to be determined
11 at trial. Toyota's conduct damaged Plaintiffs and Class members, who are entitled
12 to recover actual damages, consequential damages, specific performance,
13 diminution in value, costs, including statutory attorney fees and/or other relief as
14 deemed appropriate.
15
16
17

18 **SECOND CAUSE OF ACTION**
19 **BREACH OF IMPLIED WARRANTY OF MERCHANTABILITY**
20 **(N.C. Gen. Stat. § 25-2-314)**
21 **North Carolina Sub-Class**

22 73. Plaintiffs hereby incorporate by reference the allegations contained in
23 the preceding paragraphs of this Complaint.

24 74. Toyota manufactured and distributed the Class Vehicles throughout
25 the United States, including North Carolina, for sale to Plaintiffs and Class
26 Members.
27
28

1 75. Toyota impliedly warranted to Plaintiffs and Class members that the
2 Class Vehicles were free of defects and were merchantable and fit for their ordinary
3 purpose for which such goods are used.
4

5 76. As alleged herein, Toyota breached the implied warranty of
6 merchantability because the Class Vehicles suffer from the Roof Rail Defect that
7 cause water to infiltrate the Class Vehicles destroying the vehicle's electronics and
8 rendering them unusable. The Class Vehicles are therefore defective,
9 unmerchantable, and unfit for their ordinary, intended purpose.
10
11

12 77. Plaintiffs experienced the Roof Rail Defect and returned the vehicle
13 to a Toyota dealership. Plaintiffs gave reasonable and adequate notice to Toyota
14 that the Class Vehicles were defective, unmerchantable, and unfit for their intended
15 use or purpose.
16
17

18 78. Toyota was also provided notice of these issues by complaints lodged
19 by consumers with NHTSA – which vehicle manufacturers like Toyota are legally
20 required to monitor – before or within a reasonable amount of time after the
21 allegations of the Class Vehicle defects became public.
22

23 79. Due to the Roof Rail Defect, Plaintiffs and the Class members are
24 unable to operate their vehicles as intended in a safe condition, substantially free
25 from defects. The Class Vehicles do not provide safe and reliable transportation
26 to Plaintiff and Class members. As a result, Plaintiffs and Class members are
27
28

1 unable to safely drive their Class Vehicles without manifestation, or imminent
2 threat of manifestation, of the Roof Rail Defect.
3

4 **THIRD CAUSE OF ACTION**
5 **VIOLATIONS OF THE NORTH CAROLINA UNFAIR AND DECEPTIVE**
6 **TRADE PRACTICES ACT**
7 **(N.C. Gen. Stat. §§ 75-1.1, et. seq.)**
8 **North Carolina Sub-Class**

9 80. Plaintiffs hereby incorporate by reference the allegations contained in
10 the preceding paragraphs of this Complaint.

11 81. North Carolina’s Unfair and Deceptive Trade Practices Act, N.C.
12 Gen. Stat. §§ 75-1.1, et seq. (“NCUDTPA”), prohibits a person from engaging in
13 “[u]nfair methods of competition in or affecting commerce, and unfair or deceptive
14 acts or practices in or affecting commerce[.]” The NCUDTPA provides a private
15 right of action for any person injured “by reason of any act or thing done by any
16 other person, firm or corporation in violation of” the NCUDTPA. N.C. Gen. Stat.
17 § 75-16.
18

19 82. Toyota’s acts and practices complained of herein were performed in
20 the course of Toyota’s trade or business and thus occurred in or affected
21 “commerce,” as defined in N.C. Gen. Stat. § 75-1.1(b).
22

23 83. In the course of its business, Toyota willfully failed to disclose and
24 actively concealed the Roof Rail Defect discussed herein and otherwise engaged
25 in activities with a tendency or capacity to deceive. Toyota also engaged in
26 unlawful trade practices by employing deception, deceptive acts or practices, fraud,
27
28

1 misrepresentations, or concealment, suppression, or omission of any material fact
2 with intent that others rely upon such concealment, suppression, or omission, in
3 connection with the sale of the Class Vehicles.
4

5 84. Toyota knew about the Roof Rail Defect, took internal steps to
6 remediate the Defect, but never informed Plaintiffs and the Class about the
7 presence of the Defect prior to it manifesting in Plaintiffs' vehicle.
8

9 85. Toyota was also aware that the Roof Rail Defect created a significant
10 and dangerous safety issue, whereby the Defect allows water to leak into the vehicle,
11 causing the airbags to become damaged/inoperable, causing vital electrical
12 components to malfunction, permitting organic material, such as mold, to grow in
13 the vehicle, and/or causing significant rust damage to the vehicle's frame. Toyota
14 had actual notice that it manufactured, sold, and distributed vehicles throughout the
15 United States that suffered from the Roof Rail Defect, which jeopardized the safety
16 of the vehicle's occupants.
17
18
19
20

21 86. By failing to disclose that the Class Vehicles were not safe, by
22 marketing its vehicles as safe, reliable, and of high quality, and by presenting itself
23 as a reputable manufacturer that valued safety and stood behind its vehicles after
24 they were sold, Toyota engaged in deceptive business practices in violation of the
25 NCUDDTPA.
26
27
28

1 87. Toyota's unfair or deceptive acts or practices were likely to and did
2 in fact deceive reasonable consumers, including Plaintiffs and the other Class
3 members, about the true performance of the Class Vehicles, Toyota's alleged
4 commitment to customer satisfaction, and undermining safety and performance.
5

6 88. Toyota knew or should have known that its conduct violated the
7 NCUDDTPA.
8

9 89. As alleged above, Toyota made material statements about the safety
10 and utility of the Class Vehicles and the Toyota brand that were either false or
11 misleading.
12

13 90. Toyota owed Plaintiffs a duty to disclose the Roof Rail Defect as it
14 creates a true safety hazard, impacts performance, and the reliability of the Class
15 Vehicles.
16

17 91. Plaintiffs and the Class suffered an ascertainable loss caused by
18 Toyota's concealment of, and failure to, disclose material information about the
19 Roof Rail Defect, including rendering their vehicles inoperable.
20

21 92. Toyota had an ongoing duty to refrain from unfair and deceptive
22 practices.
23

24 93. Toyota's unlawful acts and practices complained of herein affect the
25 public interest.
26
27
28

1 94. As a direct and proximate result of Toyota's violations of the
2 NCUADTPA, Plaintiffs and the Class have suffered injury-in-fact and/or actual
3 damage.
4

5 95. Plaintiffs, individually and on behalf of the other Class members, seek
6 an award of attorneys' fees pursuant to N.C. Gen. Stat. § 75-16.1.
7

8 **FOURTH CAUSE OF ACTION**
9 **FRAUDULENT CONCEALMENT**
10 **North Carolina Sub-Class**

11 96. Plaintiffs hereby incorporate by reference the allegations contained in
12 the preceding paragraphs of this Complaint.
13

14 97. Plaintiffs incorporate by reference and re-allege the allegations
15 contained in the preceding paragraphs of this complaint, as though fully set forth
16 herein.
17

18 98. Plaintiffs bring this Count on their own behalf and on behalf of the
19 North Carolina Sub-Class.
20

21 99. As set forth herein, Toyota concealed and/or suppressed material facts
22 concerning the safety, quality, functionality, and reliability of their Class Vehicles.
23 Toyota had a duty to disclose these safety, quality, functionality, and reliability
24 issues because they consistently marketed their Class Vehicles as safe, functional,
25 reliable, and of high quality.
26
27
28

1 100. Toyota had a duty to disclose these omitted material facts because
2 they were known and/or accessible only to Toyota, which has superior knowledge
3 and access to the facts, and Toyota knew they were not known to or reasonably
4 discoverable by Plaintiffs and Class members. These omitted facts were material
5 because they directly impact the safety, quality, functionality, and reliability of the
6 Class Vehicles.
7

8
9 101. Whether or not the Class vehicles' airbags and/or electrical
10 components fail as a result of the Defect are material safety concerns. Toyota
11 possessed exclusive knowledge of the Roof Rail Defect rendering Class Vehicles
12 inherently more dangerous and unreliable than similar vehicles.
13
14

15 102. Toyota actively concealed and/or suppressed these material facts, in
16 whole or in part, with the intent to induce Plaintiffs and Class members to purchase
17 or lease Class Vehicles at a higher price than the Class Vehicles' true value.
18

19 103. Toyota still has not made full and adequate disclosure and continues
20 to defraud Plaintiffs and Class members.
21

22 104. Plaintiffs and Class members were unaware of these omitted material
23 facts and would not have acted as they did if they had known of the concealed
24 and/or suppressed facts. Plaintiffs' and Class members actions were justified.
25 Toyota was in exclusive control of the material facts and such facts were not known
26 to the public, Plaintiffs, or the Class.
27
28

1 105. As a result of the concealment and/or suppression of the facts,
2 Plaintiffs and Class members sustained damage.
3

4 106. Toyota's acts were done maliciously, oppressively, deliberately, with
5 intent to defraud, and in reckless disregard of Plaintiffs' and Class members' rights
6 and well-being in an effort to enrich Toyota. Toyota's conduct warrants an
7 assessment of punitive damages in an amount sufficient to deter such conduct in
8 the future, which amount is to be determined according to proof.
9
10

11 **FIFTH CAUSE OF ACTION**
12 **UNJUST ENRICHMENT**
13 **Nationwide and North Carolina Sub-Class**

14 107. Plaintiffs hereby incorporate by reference the allegations contained in
15 the preceding paragraphs of this Complaint.
16

17 108. Plaintiff and the Class have conferred a benefit upon Toyota in the
18 form of money paid for the Class Vehicles.
19

20 109. Toyota appreciates and/or has knowledge of the benefits conferred on
21 it by Plaintiffs and the putative Class.
22

23 110. Under principles of equity and good conscience, Toyota should not
24 be permitted to retain all the money obtained from Plaintiffs and the putative Class,
25 which Toyota took without disclosing the Roof Rail Defect. Toyota should not be
26 permitted to retain the ill-gotten gains it received.
27
28

1 111. Accordingly, Plaintiffs and the Class seek disgorgement and
2 restitution of any money in an amount to be determined at trial that Toyota received
3 because of the unlawful and/or wrongful conduct alleged herein.
4

5 **PRAYER FOR RELIEF**

6 **WHEREFORE**, Plaintiffs, individually and on behalf all others similarly
7 situated, respectfully request that this Court enter a judgment against Toyota and in
8 favor of Plaintiffs, and grant the following relief:
9

10
11 A. Determine that this action may be maintained as a Class action with
12 respect to the Class identified herein; certify a class action pursuant to Rule 23
13 (b)(3) and designate and appoint the named Plaintiffs herein and their counsel to
14 serve as Class Representatives and Class Counsel;
15

16
17 B. Damages, including actual, compensatory, general, special, incidental,
18 statutory, punitive, and consequential damages and disgorgement in an amount to
19 be determined at trial;
20

21 C. Grant Plaintiffs and the Class members their costs of suit, including
22 reasonable attorneys' fees and expenses, as provided by law;
23

24 D. Awarding pre- and post-judgment interest, to the extent allowed by
25 law; and
26
27
28

1 E. Grant Plaintiffs and the members of the Class such other, further, and
2 different relief as the nature of the case may require or as may be determined to be
3 just, equitable, and proper by this Court.
4

5 **JURY TRIAL DEMAND**

6 Plaintiffs, by their counsel, request a trial by jury on those causes of actions
7 set forth herein.
8

9 Dated: March 28, 2023

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ClassAction.org

This complaint is part of ClassAction.org's searchable class action lawsuit database and can be found in this post: [Roof Rail Defect Can Allow Water to Short Toyota RAV4 Electrical System, Class Action Says](#)
