## UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF ILLINOIS

CHRIS HANUSEK and JESSE SWAFFORD, on behalf of themselves and all others similarly situated,

Plaintiffs,

v.

FCA US LLC,

Defendant.

Case No. 3:18-cv-00509-NJR-SCW

THIRD AMENDED
CLASS ACTION COMPLAINT<sup>1</sup>
WITH JURY DEMAND

Plaintiffs Chris Hanusek and Jesse Swafford ("Plaintiffs"), on behalf of themselves and all others similarly situated, by and through the undersigned counsel, bring this Second Amended Class Action Complaint against Defendant FCA US LLC (hereinafter "Defendant," "FCA" and/or "Chrysler"). Plaintiffs allege the following based upon personal knowledge as to their own acts, and based upon the investigation conducted by their counsel as to all other allegations:

#### NATURE OF THE CASE

- 1. This action concerns Chrysler's refusal to honor its warranty and cover the cost of repairing a defect in the engines of Chrysler's Jeep Wrangler model years 2012 to 2017 (collectively, "Jeeps" and "Class Vehicles").
- 2. At the point of sale, Class Vehicles suffer from a defect (the "Defect," described in detail below) in the engine's heating and cooling system (hereinafter referred to generally as the "Cooling System"). The Defect consists of a reaction between the manufacturer-installed coolant and the aluminum components in the engine, namely those comprising the Cooling System. The

<sup>&</sup>lt;sup>1</sup> Plaintiffs previously filed a "First Amended Class Action Complaint," ECF No. 20, which was later stricken. Plaintiffs additionally sought leave to amend, ECF No. 22, which the Court, in its Order to Dismiss, denied as moot, ECF No. 75. Although no First Amended Class Action Complaint technically remains on the Court's docket, in order to avoid confusion Plaintiffs elected to file a subsequent amendment as their Second Amended Class Action Complaint, ECF No. 78. Following that filing, the Court ordered Plaintiffs to "amend their complaint to omit all references to information and belief from the jurisdictional allegations." ECF No. 79.

Defect can be exacerbated by the presence of flux left over from fabrication of the radiator. The Defect results in the build-up of sludge within the heater core and other components of the Cooling System.

- 3. Early in its investigation of the Defect, Chrysler and its dealerships identified various particles in the coolant sludge including casting sand and flux, a characterization that was subsequently shared with service departments. This information informally was relayed to a limited number of consumers and became a common explanation of the problem that many Jeep owners were experiencing. These particles exacerbate rather than cause the sludge.
- 4. The build-up of sludge causes the Class Vehicles' Cooling Systems to malfunction and fail. Specifically, the Defect causes damage to the heater core and other components of the Cooling System, impairing the Class Vehicles' heating, cooling, and defrost functions.
- 5. Chrysler knew or should have known about the Defect from pre-sale testing of the Class Vehicles before the sale of the first Class Vehicle in late 2011. Moreover, hundreds of publicly-available consumer complaints, as well as Chrysler's own customer complaint records, identifying the large-scale heating and cooling failures, gave Chrysler notice of the pervasiveness of the Defect as early as June 2012.
- 6. Even after learning of the Defect, Chrysler did not disclose it to potential purchasers or lessees through its advertising, marketing materials or through any other communications prior to their purchases. Instead, Chrysler continued to sell Class Vehicles without disclosing the Defect that was present at the point of sale. As a result, Plaintiffs and the Class did not receive the benefit of their bargain in that had they been advised of the Defect at the point of sale, they either would not have purchased their vehicles or would have paid less for them than they did.
- 7. Chrysler did not disclose the Defect to owners or lessees of Class Vehicles after their purchases, even when they brought their Class Vehicles into Chrysler dealerships for repairs that were directly related to the Defect.
- 8. Every Class Vehicle was sold or leased to consumers by Chrysler through its authorized dealerships pursuant to express and implied warranties, including a "New Vehicle

Limited Warranty" that provides "bumper to bumper coverage for three years or 36,000 miles" and a Powertrain Limited Warranty that covers the cost of all parts and labor needed to repair a powertrain component – including the engine – that is defective in workmanship and materials within five years or 100,000 miles, whichever occurs first, calculated from the start date of the New Vehicle Limited Warranty. The New Vehicle Limited Warranty begins on the date a purchaser takes delivery of the vehicle or the date when the vehicle was first put into service, whichever is earlier.

- 9. Plaintiffs and other Class Vehicle owners and lessees similarly situated (the "Class" or "Class Members") have requested that Chrysler or its authorized dealers repair and/or replace any vehicle components damaged by the existence of the Defect, but it refuses to fully cover the costs of parts, labor, and repair. Instead, Chrysler states either that the warranty does not cover the repair because the heater core failure was created by "external factors" such as owner "misuse," or that the warranty period had elapsed.
- 10. Plaintiffs bring this claim against Chrysler for breach of the Illinois Consumer Fraud and Deceptive Business Practices Act. Plaintiffs and the Class seek to recover damages they incurred as a result of Chrysler's failure to inform Plaintiffs and the Class about the Defect, and its failure to repair or replace engine and/or Cooling System components damaged as a result of the Defect. Moreover, Plaintiffs and the Class also seek a declaration that the Defect should be covered under the Powertrain Warranty and/or an extension of the New Vehicle Limited Warranty to cover repair of the components damaged as a result of the Defect.
- 11. Plaintiffs request an injunction ordering Chrysler to inform owners and lessees of the Class Vehicle of the Defect.
- 12. Plaintiffs also seek attorney's fees and costs, pre- and post-judgment interest, and all other remedies and relief as may be permitted by law.

#### THE PARTIES

13. Plaintiff Chris Hanusek, proposed Class representative, is a citizen of the State of Illinois, residing in Monroe County, Illinois.

- 14. Plaintiff Jesse Swafford, proposed Class representative, is a citizen of the State of Illinois, residing in Monroe County, Illinois.
- 15. Defendant FCA US LLC is a Delaware limited liability company with its headquarters in Auburn Hills, Metro Detroit, Michigan.

#### **JURISDICTIONAL ALLEGATIONS**

- 16. United States District Court for the Southern District of Illinois has original subject matter jurisdiction over this matter pursuant to the Class Action Fairness Act, 28 U.S.C. § 1332(d), because the proposed Class exceeds one hundred members, the aggregate amount in controversy (excluding interest and costs) exceeds \$5,000,000.00, there is the requisite degree of diversity of citizenship between the parties, and the matter meets no exceptions under which this Court may or must decline jurisdiction under 28 U.S.C. § 1332(d)(3) or (4).
  - a. <u>Class Size</u>: Chrysler sold at least 1,057,511 total Class Vehicles in the United States between 2012 and 2017.<sup>2</sup> Chrysler does not publicly release the sales figures of Class Vehicles by state; however, it is estimated that 41,538 total Class Vehicles were sold in the State of Illinois between 2012 and 2017.<sup>3</sup> Accordingly, even if Chrysler sold only a small fraction (0.24%) of the estimated 41,538 Class Vehicles in the State of Illinois, the proposed Class would exceed one hundred members.
  - b. Aggregate Amount in Controversy: Plaintiffs allege that the Class Vehicles were defective at the point of sale. The average original sale price of the Class Vehicles ranged from \$19,651 to \$27,064.<sup>4</sup> The estimated aggregate sum of sales for Class Vehicles sold in Illinois between 2012 and 2017 ranges between \$816,263,238.00 and \$1,124,184,432.00. Accordingly, even if Chrysler sold

<sup>&</sup>lt;sup>2</sup> https://www.goodcarbadcar.net/2011/01/jeep-wrangler-sales-figures (last visited Apr. 12, 2019).

<sup>&</sup>lt;sup>3</sup> Based upon recent population data, Illinois represents 3.89% of the total United States population. <a href="https://worldpopulationreview.com/states">https://worldpopulationreview.com/states</a> (last visited Apr. 12, 2019). Accordingly, 41,538 total Class Vehicles represent a total of 3.89% of Chrysler's 1,057,511 total Class Vehicle sales figures during 2012-2017 in the United States.

<sup>&</sup>lt;sup>4</sup> https://www.cargurus.com/Cars/price-trends/Jeep-Wrangler-d494 (last visited Apr. 12, 2019).

- only 255 total Class Vehicles in the State of Illinois—again, a very small fraction of the estimated 41,538 Class Vehicles sold in Illinois—the aggregate amount in controversy for the proposed Class would exceed the required \$5,000,000.00 amount in controversy, exclusive of interest and costs.<sup>5</sup>
- c. However, even if the Court determined that the Defect is reparable and that the cost to permanently repair the Class Vehicles is only \$2,500 per vehicle (which Plaintiffs dispute is sufficient), to meet the required \$5,000,000.00 amount in controversy exclusive of interest and costs, Chrysler would have needed to sell only 2,000 vehicles in the State of Illinois. Two thousand vehicles is equal to less than 5% of the total estimated 41,538 vehicles sold in Illinois.
- d. Based upon the above allegations, the aggregate amount in controversy under the Class Action Fairness Act has been met.
- e. Minimal Diversity: Each of the named Plaintiffs and the entire putative Class are citizens of Illinois. Chrysler is a citizen of both Delaware, where it is incorporated, and Michigan, where it has its principal place of business. 28 U.S.C. § 1332(c)(1). A district court has jurisdiction over a class action so long as any member of a class of plaintiffs is a citizen of a state different from any defendant. 28 U.S.C. § 1332(d)(2)(A).
- f. Exception for Permissive Declination of Jurisdiction. This matter does not meet the requirements for the District Court to permissively decline jurisdiction pursuant to 28 U.S.C. § 1332(d)(3) because no defendant is a citizen of Illinois, the state in which the case was originally filed.
- g. <u>Exception for Mandatory Declination of Jurisdiction</u>. This matter does not meet the requirements under which the District Court must decline jurisdiction

<sup>&</sup>lt;sup>4</sup> This number was calculated by dividing the requisite amount in controversy (\$5,000,000.00) and dividing that by the minimal cost of the Class Vehicles during the given date range. \$5,000,000.00 divided by \$19,651.00 equals 254.44 cars.

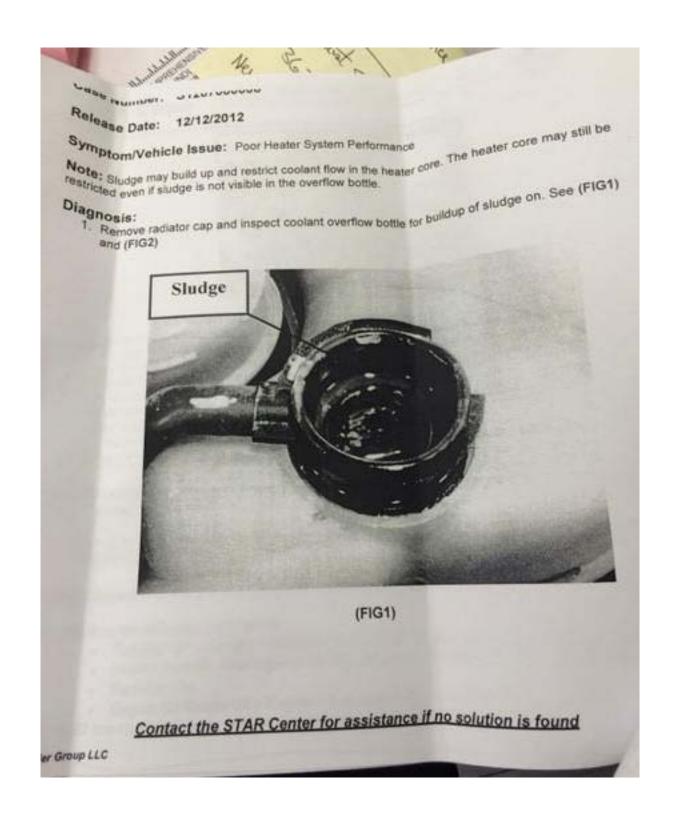
- pursuant to 28 U.S.C. § 1332(d)(4) because no defendant is a citizen of Illinois, the state in which the case was originally filed.
- 17. The United States District Court for the Southern District of Illinois can exercise personal jurisdiction over Chrysler because it has regular and systematic contacts with the State of Illinois, in which it does business and places the Jeeps in the stream of commerce.
- 18. The United States District Court for the Southern District of Illinois is a proper venue for this action, pursuant to 28 U.S.C. § 1391(b)(1), because Chrysler is subject to personal jurisdiction in this District, the sale of one or more of Plaintiffs' Jeeps occurred in this District, and such sale(s) gave rise to this action.

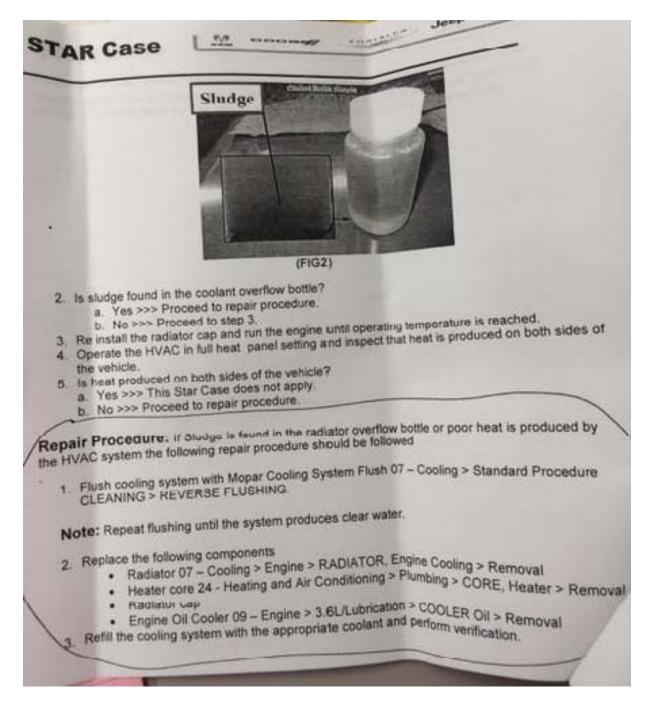
#### **THE DEFECT**

- 19. The power plant in Class Vehicles is a Pentastar V6 3.6 Liter engine (hereinafter "Pentastar"). Pentastar engines contain aluminum components. Beginning in 2011 when the Class Vehicles went into production, Chrysler specified the engine fluids to be used and installed in them, including the type of coolant to be used. Thus, prior to the sale of each Class Vehicle, the fluids chosen and specified by Chrysler were installed. However, for Class Vehicles, a chemical reaction occurs when the factory installed system coolant chosen by Chrysler reacts with the Class Vehicles' aluminum engine and Cooling System components. This reaction is exacerbated when it occurs in the presence flux remaining from the fabrication process of any of the aluminum components. The result of the chemical reaction is the formation of a sludge that damages key components of the Cooling System, including especially the heater core, to fail.
- 20. Plaintiffs and the Class do not learn of the existence of the Defect until their Class Vehicles' heating, cooling, and defrost functions quit working properly or completely fail. Even newer Wranglers—including but not limited to the 2017 model year vehicles—are beginning to experience the manifestation of this Defect.
- 21. The failure of the Cooling System in Class Vehicles compromises the safety of Class Vehicles. In the absence of a properly functioning Cooling System, operators cannot sufficiently defrost their Class Vehicles' windshields, rendering the vehicles difficult or impossible

to drive in cold-weather conditions, like when freezing precipitation occurs when driving. In addition, certain vulnerable drivers and passengers are unsafe when the vehicles' Cooling Systems do not operate properly. Vehicles without sufficient heating cannot safely be used to transport passengers in extremely cold temperatures, and without sufficient air conditioning cannot safely be used to transport people in extreme heat.

- 22. The Defect cannot be cured by normal automotive maintenance because regular engine flushes do not completely remove the sludge from the heater core and other components of the Cooling System. Fouled components must be replaced.
- 23. As early as December 12, 2012, Chrysler issued a STAR Case Report to its dealerships and authorized service centers about the manifestation of the Defect in Class Vehicles, as shown below. This STAR Case report shows that Chrysler knew of the Defect "Poor Heater System Performance"). Chrysler was able to identify the manifestation of the Defect ("Sludge may build up and restrict coolant flow in the heater core."), and Chrysler knew that identification of problem could be difficult ("The heater core may still be restricted even if sludge is not visible in the overflow bottle."). Chrysler identified specific steps to take to temporarily resolve the problem (repeatedly flushing the Cooling System until the water "runs clear."). Finally, the STAR Case Report identifies the parts that must be replaced if the lesser repair efforts were ineffective (replacing the radiator, heater core, radiator cap, and engine oil cooler and coolant). Later STAR Case Reports, including one issued on December 5, 2014, are substantially similar but include an additional step for verification of heat after the repair.





# CHRYSLER ALSO KNEW OR SHOULD HAVE KNOWN ABOUT THE DEFECT, IN PART, BECAUSE CONSUMERS HAVE REPORTED THE DEFECT TO CHRYSLER.

24. Thousands of Jeeps have been manufactured by Chrysler equipped with the Pentastar engine since the 2012 model year. Since that time, there have been widespread complaints regarding the Defect posted on the Internet by absent Class Members, often noting that they also have contacted Chrysler directly:

### #18 Wrangler 3.6 Automatic transmission 26,000 miles

I bought my 2012 Jeep Wrangler used in February 2015 with approximately 11,110 miles. By this winter (2016) I had put approximately 26,000 miles on the vehicle. When I went to turn on the heat the driver's side was blowing cold air and the passenger's side hot. I took it to my local garage and they said I had casting sand built up and suggested I replace my heater core and radiator. They encouraged me to contact Chrysler to see if they would do a "good faith" warranty replacement since this was a known problem. I called Chrysler and they said I needed to take my Jeep to a dealership for an official diagnostic test before they would make a decision. The dealership informed me that my heater core was already replaced in Jan. 2015 and likely needed to be replaced. The part was still under a Mopar warranty thankfully, but Mopar wanted the dealership to flush the heater core before they would authorize replacement of the part. Soooo, my heater core was flushed and now I have heat again. However, if this is a problem that results from casting sand build up (which the dealership mechanic said it was) won't this just happen again? In summary, at 11,000 miles the heater core was replaced. The new heater core needed to be replaced after 26,000 miles, but was flushed instead. I'm thinking of trading in the 2012 model for a newer one if this is a known problem with this year...

http://www.carcomplaints.com/Jeep/Wrangler/2012/AC\_heater/heater\_not\_working.shtml (last visited on April 13, 2019).

## #15 Wrangler Sport 3.6L Automatic transmission 18,000 miles

2012 Wrangler Sport. No heat on the drivers side. After doing some research I learned that this is a common problem with the Wranglers and is likely caused because casting sand had not been sufficiently flushed from the engine block when manufactured. Coolant stirs up the casting sand and it then settles in the bottom of the radiator, heater core and overflow tank. The sediment in the heater core restricts coolant flow causing poor heating of the vehicle.

I checked my overflow tank and found about 3" of sand in the bottom. The service manager at the Jeep dealership said he did not have a recall, campaign or service bulletin on this and it would not be covered by Jeep. He said he'd not heard of the issue, but when he asked fellow service managers they had heard of it in older Wranglers. This is a pretty outrageous issue if you ask me. Nobody but Jeep dealers have serviced the vehicle, so where would significant amounts of sand-like residue come from to get into the cooling system?

Any feedback or help from the community would be appreciated.

http://www.carcomplaints.com/Jeep/Wrangler/2012/AC\_heater/heater\_not\_working.shtml (last visited on April 13, 2019).

#### #21 Wrangler Sahara 3.6L Automatic transmission 46,500 miles

Bought this used 2012 Jeep Wrangler Unlimited Sahara in September, 2016 from a dealer in Cincinnati, Ohio. I test drove the vehicle on a 88 degree day so I couldn't tell if the heater was working properly or not. After getting it home to northern Michigan and turning on the heater on the first cool fall day, I immediately noticed just cool air coming from the heating system on the driver's side. After paying for a heater core flush and a thorough evaluation by the Jeep dealer it was determined that the heater core was plugged. I was informed at that time that there was no recall on the heater core and the repair was not covered by warranty. With winter on the way, I had not choice but to fix it at a cost of \$1,163. It seems based on many other stories like this, Jeep obviously had a supplier problem and should step up to the plate and cover these repairs.

http://www.carcomplaints.com/Jeep/Wrangler/2012/AC\_heater/heater\_not\_working.shtml (last visited on April 13, 2019).



http://www.wranglerforum.com/f202/heater-core-no-drivers-heat-and-casting-sand-388066.html (last visited on April 13, 2019).

#### Heater Core, No Drivers Heat and Casting Sand

I have a 2013 with 14,000 miles. The water pump was replaced in August at 9,600 miles due to the chirp.

I am currently getting blast furnace heat on the passenger side, Luke warm on the drivers side. I took it to the dealer today and they called, said it was fixed and blamed it on a sticky <u>actuator</u> in the duct work. When I arrived to pick it up, the problem was still there.

I explained the casting sand stories I have read on this forum and they said they would go ahead and replace the <u>heater</u> core tomorrow. They are expecting it to take two days because they have to pull the seats, console and dash. The A/C system also has to bled and then refilled.

http://www.wranglerforum.com/f202/heater-core-no-drivers-heat-and-casting-sand-388066.html (last visited on April 13, 2019).

- 25. In addition, numerous complaints have been filed with the National Highway Traffic Safety Administration ("NHSTA"), which Chrysler, like other vehicle manufacturers, monitors regularly. These complaints discuss, among other details, how operators have notified Chrysler of the Defect and the safety issues resulting from it.
- 26. Selected examples of the NHTSA complaints about Jeep Wranglers are included below, unedited. These consumer complaints put Chrysler on notice of the Defect, which renders the Class Vehicles unsafe to operate under certain normal and expected conditions, like extreme cold, heat, or when a properly functioning defrost system is required for visibility.
  - NHSTA Complaint on February 22, 2019 for a 2013 Wrangler-"MY WIFE'S JEEP HAS HAD AN ISSUE WITH THE HEATER FOR THE LAST 2 MONTHS. THE DRIVER SIDE VENTS ARE BLOWING COLD AIR AND THE PASSENGER SIDE VENTS ARE BLOWING WARM AIR ONLY. THIS IS A NEW ISSUE SINCE WE HAVE OWNED THE VEHICLE STARTING IN JUNE 2016."
  - NHSTA Complaint on February 6, 2019 for a 2013 Wrangler-"DRIVER'S SIDE OF WINDSHIELD WOULD NOT DEFROST. AFTER INTERNET REVIEW, I BELIEVE MY HEATER CORE IS PARTIALLY CLOGGED WITH A SLUDGE LIKE SUBSTANCE CIRCULATING IN THE ANTI FREEZE COOLANT AND THIS ONLY ALLOWS HOT AIR TO CIRCULATE ON THE PASSENGER SIDE OF VEHICLE. THE SLUDGE LIKE SUBSTANCE CLOGGING THE HEATER CORE IS BELIEVED BY SOME TO BE CAUSED BY MANUFACTURING REMNANTS STUCK IN THE COOLING SYSTEM. THE ISSUE ONLY BECAME

APPARENT TO ME ON A LONGER THAN NORMAL COMMUTE IN COLD WEATHER. I WAS TRAVELLING ON A HIGHWAY AT NIGHT FOLLOWING A SNOWSTORM AND THE ROADS WERE POORLY PLOWED. I ONLY HAVE 50,000 MILES ON THIS CAR AND HAVE NOT HAD ANY WORK DONE TO THIS CAR'S ENGINE OR HAD ANY DAMAGE TO THE ENGINE COMPARTMENT. THE ANTI FREEZE HAS NOT BEEN CHANGED SINCE MANUFACTURE AND NOT YET REMOVED FROM THE VEHICLE. THE PROBLEM OCCURRED LAST NIGHT. FEBRUARY 5, 2019, BUT MAY HAVE BEEN AN ISSUE PRIOR TO LAST NIGHT, BUT THE PROBLEM WAS NOT AS SEVERE. I WILL ATTEMPT TO CONTACT FCA REGARDING THIS ISSUE. THERE ARE NUMEROUS COMPLAINTS LISTED ON THE INTERNET REGARDING THIS ISSUE."

- NHSTA Complaint on December 12, 2018 for a 2013 Wrangler-"HEATER CORE ISSUE MYSELF AND MANY OTHER JEEP OWNERS HAVE REPORTED ISSUES WITH THE HEATER CORE CLOGGING. THIS IS NOT A NORMAL OCCURANCE IN ANY VEHICLE. THE REPAIRS ARE INVASIVE AND COSTLY (REMOVING STEERING COLUMN, DASH, CENTER CONSOLE, OVER \$1000) OR DESTRUCTIVE IF DONE THE SHORT CUT WAY (CUTTING DASH/GLOVE BOX SUPPORTS TO REMOVE THE HEATER CORE). CHRYSLER CONTINUES TO PRETEND LIKE THIS ISSUE ISNT A RESULT OF SOME DESIGN FLAW. SO WE ARE FACED WITH SPENDING OVER A \$1000, OR CUTTING A DASH SUPPORT OR DRIVING AROUND WITH NO HEAT OR TRADING OUR VEHICLES IN. IT TRULY BECOMES A SAFETY ISSUE WHEN DRIVING IN SNOW OR EXTREMELY COLD WEATHER AND YOUR WINDSHIELD ON THE DRIVER'S SIDE STARTS TO FREEZE UP."
- NHSTA Complaint on November 5, 2018 for a 2014 Wrangler-" THE HEAT DOES NOT WORK ON THE DRIVER SIDE OF MY JEEP. THIS HAS RESULTED IN A VISIBILITY ISSUE DUE TO NOT BEING ABLE TO DEFROST THE WINDSHIELD ON THE DRIVERS SIDE. WE TOOK IT IN TO A MECHANIC TO BE LOOKED AT AND THE HEATER CORE WAS FOUND TO BE CLOGGED WITH A SAND LIKE SUBSTANCE. THE ISSUE WAS NOT COVERED BY THE WARRANTY SO WE HAD TO PAY OUT OF POCKET FOR THIS TO BE FIXED. THE HEATER CORE WAS FLUSHED AND 2 DAYS LATER SAME ISSUE NO HEAT ON DRIVERS SIDE. WE TOOK IT BACK IN AND THE SAME SAND LIKE SUBSTANCE WAS FOUND AGAIN TO BE CLOGGING THE SYSTEM. THIS TIME WE HAD TO REPLACED THE HEATER CORE AND HAVE IT FLUSHED AGAIN NOT COVERED BY WARRANTY. 3 DAYS LATER THE SAME ISSUE SAND LIKE SUBSTANCE CLOGGING THE SYSTEM AGAIN. THE DEALERSHIP STATED THAT IT IS NOT COVERED AND THEY WILL HAVE TO CHARGE US TO LOOK AT IT. I READ ON SEVERAL JEEP FORMS THAT JEEPS

HAVING THE SAME ISSUE AND THE SAND LIKE SUBSTANCE IS FROM THE CASTING AND IT CAN DAMAGE YOUR ENTIRE COOLING SYSTEM. IF SO MANY OTHERS ARE HAVING THIS ISSUE THEN WHY IS IT NOT BEING LOOKED INTO. THE DEALERSHIP TOLD US TO CONTACT CHRYSLER AND THEN CHRYSLER DOES NOT LISTEN TO YOU AND SAYS TAKE IT TO THE DEALERSHIP AFTER WE HAVE ALREADY HAD THE ISSUE DIAGNOSED."

- NHSTA Complaint on September 12, 2018 for a 2012 Wrangler-"HEATER STOPPED WORKING, LEADING TO LACK OF DEFROST AND INABILITY TO CLEAR CONDENSATION FROM WINDSHIELD. ONLY COLD AIR COMES OUT OF THE VENTS. THIS APPEARS TO BE A COMMON AND KNOWN PROBLEM WITH 2012 WRANGLERS CHRYSLER ISSUED A STAR CASE \$1207000008, BUT HAS DONE NOTHING TO OFFER A FIX. THIS IS CLEARLY A SAFETY ISSUE WITH WINTER COMING SOON IN MICHIGAN."
- NHSTA Complaint on May 27, 2018 for a 2012 Wrangler-"MY VEHICLE'S HEAT IS VERY POOR ON THE DRIVER'S SIDE WHICH CAUSES DEFROSTING ISSUES. I HAVE HAD THE HEATER CORE FLUSHED BUT THE ISSUE STILL REMAINS. DURING THE FLUSH I FOUND WHAT APPEARED TO BE CASTING SAND IN THE COOLANT RESERVOIR."
- NHSTA Complaint on January 8, 2018 for a 2016 Wrangler-" CASTING SAND OR SOME OTHER FACTORY SLUDGE IN THE COOLING SYSTEM. KILLED MY HEATER CORE AND MAYBE MORE."
- NHSTA Complaint on January 8, 2018 for a 2015 Wrangler-" IT IS A KNOWN PROBLEM THAT THE JEEP WRANGLER HEATER CORE PREMATURELY CLOGS AND SUBSEQUENTLY FAILS CAUSING LESS HEAT FROM THE DRIVER'S SIDE DEFROSTER VENTS. DURING THIS RECENT COLD SNAP IN MICHIGAN THE DEFROSTER STRUGGLED TO ADEQUATELY CLEAR THE WINDSHIELD OF FROST AND SNOW AND I FELT THIS TO BE A SAFETY ISSUE. I APPROACHED MY JEEP DEALER AND THEY SAID "YEAH THE HEATER CORES GO OUT EARLY" NOTHING WE CAN DO, IT WILL BE \$1500-2000 TO REPAIR AS IT INVOLVES REMOVING THE ENTIRE DASH. I HAVE NEVER HAD A HEATER CORE CLOG WITH LESS THAN 50,000 MILES, THIS IS CLEARLY A MANUFACTURERS DEFECT AND IN COLD WEATHER CLIMATES COLD POSE A SIGNIFICANT SAFETY HAZARD. A BRIEF SEARCH OF THE INTERNET LEADS TO A PENDING CLASS ACTION WEBSITE FURTHER GIVING PROOF TO THE WIDESPREAD THE KNOWLEDGE OF THIS PROBLEM. WEBSITE HTTPS://WWW.CARCOMPLAINTS.COM/NEWS/2017/JEEP-

WRANGLER-HEATER-CORE-REPLACEMENT-LAWSUIT-CHALLENGED.SHTML I WOULD ASK NHTSA TO LOOK INTO THIS FURTHER AS NOT HAVING ADEQUATE DEFROSTING CAPABILITIES COULD HINDER DRIVER VISION OUT OF THE WINDSHIELD AND SIDE FRONT WINDOWS."

- NHSTA Complaint on November 09, 2017 for a 2013 Wrangler-"HEATER DOES NOT PRODUCE WARM AIR ON DRIVER SIDE OF VEHICLE THROUGH FLOOR, VENT, OR DEFROST. DRIVING SPEED DOES NOT AFFECT TEMPERATURE ON DRIVER SIDE. HEAT WILL SOMETIMES GET WARM ON DRIVER SIDE AFTER AN HOUR OF DRIVING. APPEARS TO BE RELATED TO STAR CASE \$12307000008. THIS IS A WIDE SPREAD, KNOWN ISSUE, THAT IS VERY EXPENSIVE TO REPAIR. IT IS DANGEROUS AS WELL DUE TO ICE BUILD UP ON WINDSHIELD BECAUSE THERE IS NO DEFROST HEAT ON DRIVER SIDE"
- NHSTA Complaint on November 13, 2017 for a 2013 Wrangler-"JUST PURCHASED, HEAT NOT WORKING. HAD HEATER CORE FLUSHED, HEAT WORKED FOR ONE WEEK AND NOW BLOWS VERY HOT ON RIGHT SIDE AND LUKE WARM ON LEFT SIDE. THE SAME SYMPTOMS AS THE CASTING SAND PLUGGING THE HEATER CORE. I NOW HAVE TO TAKE BACK TO SHOP TO FLUSH HEATER CORE AGAIN. NOT GOOD."
- NHSTA Complaint on June 06, 2017 for a 2013 Wrangler-"THE VEHICLE HAS STOPPED BLOWING HOT AIR ON THE DRIVERS SIDE AND FEET, BUT WILL BLOW HOT AIR ON PASSENGERS SIDE. THIS LEADS TO ISSUES WITH DEFROSTING AND VISIBILITY."
- NHSTA Complaint on May 01, 2017 for a 2013 Wrangler-"THE VEHICLE HAS STOPPED BLOWING HOT AIR ON THE DRIVERS SIDE AND FEET BUT WILL BLOW HOT AIR ON PASSENGERS SIDE. THIS LEADS TO ISSUES WITH DEFROSTING AND VISIBILITY AS WELL AS THE DRIVER BEING SAFE AND ABLE TO FEEL THEIR FINGERS AND FEET WHILE DRIVING. I TOOK IT TO THE DEALER WHO SAYS THERE IS A STAR REPORT ON THIS ISSUE AND IT IS A WELL KNOWN ISSUE. JEEP HOWEVER SAYS I AM OUT OF WARRANTY SO THEY WILL NOT FIX IT. MY EXTENDED WARRANTY BOUGHT THROUGH THE DEALERSHIP SAYS THEY WILL NOT FIX IT. THE RADIATOR, HEATER CORE OVER FLOW TANK AND ALL OTHER RELATED COMPONENTS ARE THE RECOMMENDED REPAIR."
- NHSTA Complaint on January 03, 2017 for a 2013 Wrangler "TL\* THE CONTACT OWNS A 2013 JEEP WRANGLER. UPON CHECKING THE VEHICLE'S COOLANT, THE CONTACT NOTICED ABNORMAL COLORED COOLANT. THE VEHICLE WAS TAKEN TO THE DEALER

TO GET A COOLANT FLUSH WHERE IT WAS DIAGNOSED THAT THERE WAS CASTING SAND IN THE COOLANT. THE VEHICLE WAS REPAIRED; HOWEVER, UPON RETURNING THE VEHICLE HOME, THE CONTACT INSPECTED THE COOLANT SYSTEM AND NOTICED THAT IT HAD BEEN CONTAMINATED BY SAND PARTICLES. THE MANUFACTURER WAS NOTIFIED OF THE FAILURE. THE FAILURE MILEAGE WAS 28,000....UPDATED 03/08/17 \*BF"

• NHSTA Complaint on January 02, 2017 for a 2012 Wrangler "FROM: CUSTOMER VEHICLE: 2012 JEEP WRANGLER SPORT, PURCHASED NEW IN 2012. REFERENCE: PROBLEMS IN HEATING SYSTEM TO WHOM IT MAY CONCERN, I PURCHASED A NEW 2012 JEEP WRANGLER SPORT FROM HENDRICK CHRYSLER JEEP IN FAYETTEVILLE, NC. FOURTEEN MONTHS LATER, I MOVED TO FLORIDA, WHERE THERE WAS NO NEED TO USE THE HEATER. UPON MY RETURN TO NORTH CAROLINA IN THE WINTER OF 2014, I NOTICED THAT HEATER ON THE DRIVER'S SIDE WAS NOT AS WARM AS THE PASSENGER'S SIDE. THE FOLLOWING WINTER, THE HEAT ON THE DRIVER'S SIDE FADED TO A POINT WHERE IT WAS BARELY WORKING. AFTER RESEARCHING THE ISSUE AND SPEAKING WITH A REPRESENTATIVE AT HENDRICK JEEP SERVICE CENTER, I LEARNED THAT THE HEATER CORE WAS LIKELY THE PROBLEM AND THAT I WOULD NEED TO FLUSH THE HEATER CORE. IN JANUARY 2015, I TOOK MY JEEP TO A PRIVATE MECHANIC TO HAVE THE HEATER CORE FLUSHED, WHICH FIXED THE PROBLEM FOR A SHORT TIME. RESEARCH ONLINE AMONG JEEP OWNERS OF MY MODEL AND YEAR REVEALED THAT THE LONG-TERM SOLUTION IS A NEW RADIATOR AND HEATER CORE (NEITHER OF WHICH ARE UNDER WARRANTY OR UNDER RECALL). THE POOR CLEANING AT THE TIME OF MANUFACTURING HAS CAUSED THE CASTING OF SAND IN THE HEATER CORE AND RADIATOR, RESULTING BUILD UP THAT BLOCKS HEAT. NOW, IN WINTER OF 2016, MY HEATER DOES NOT WORK. I CANNOT FIND A RECALL OR A REBATE FOR THE MORE THAN \$2,400 DEALER ESTIMATE I RECEIVED TO REPLACE MY HEATER CORE AND RADIATOR. I FOUND A CHRYSLER STAR CASE (SEE ATTACHMENT) THAT GIVES STEPS TO FIX THE PROBLEM WITHOUT ACKNOWLEDGING ITS ORIGINS IN MANUFACTURING. I HAVE EMAILED CHRYSLER WITH A REQUEST FOR SUPPORT, TO NO AVAIL. GIVEN THAT THIS PROBLEM IS SO WIDESPREAD AND CONSISTANT AMONG JEEP OWNERS OF MY MODEL AND YEAR, I WANTED TO SHARE THE CASE WITH THE RECALL AGENCY, ALTHOUGH I KNOW THIS IS NOT A DIRECT "SAFETY ISSUE.""

- NHSTA Complaint on December 12, 2016 for a 2011 Wrangler-"THE HEATER IN MY JEEP HAS NEVER WORKED SINCE WE BOUGHT IT! THE DRIVER SIDE ESPECIALLY! WE TOOK IT BACK WHERE WE BOUGHT IT AND THEY SAID THE VENT WAS STUCK AND IT JUST CONTINUES TO GET WORSE NOW ITS FREEZING. ONLINE THE INTERNET IS BLOWING UP W/ PEOPLE W/ THE SAME ISSUES WITH THESE. VEHICLES. WHY IS THERE NOT A RECALL? THIS SHOULD BE A CLASS ACTION LAWSUITE IF YOU DO NOT TAKE CARE OF THIS ASAP!"
- NHSTA Complaint on August 16, 2017 for a 2013 Wrangler HAVING PROBLEMS WITH MY HEATER CORE AND RADIATOR BECOMING CLOGGED I HAVE HAD THEM BOTH FLUSHED BY THE DEALERSHIP SEVERAL TIMES AND THEY STILL CLOG CAUSING HAZARDOUS DRIVING IN THE WINTER TIME WITH NO DEFROSTERS OR HEAT TO SAFELY DRIVE TO WORK
- NHSTA Complaint on August 16, 2017 for a 2013 Wrangler-"TL\* THE CONTACT OWNS A 2012 JEEP WRANGLER. THE CONTACT STATED THAT THE COOLING SYSTEM STOPPED WORKING AND THE CHECK ENGINE LIGHT ILLUMINATED. THE VEHICLE WAS TAKEN TO A LOCAL DEALER WHERE IT WAS DIAGNOSED THAT THERE WAS CASTING SAND IN THE COOLING SYSTEM, WHICH CLOGGED UP THE RADIATOR, THE WATER PUMP, OIL COOLER, HEATER CORE, AND THE COOLING PART OF THE ENGINE. THE DEALER STATED THAT ALL THE CLOGGED PARTS NEEDED TO BE REPLACED. THE MANUFACTURER WAS MADE AWARE OF THE ISSUE AND STATED THAT THE PARTS WERE NOT COVERED BY THE WARRANTY AND THAT THERE WAS NO RECALL. THE VEHICLE WAS NOT REPAIRED. THE FAILURE MILEAGE WAS 62,000."
- NHSTA Complaint on March 03, 2016 for a 2012 Wrangler -"I TOOK MY 2012 JEEP INTO A DEALER SPIRIT DODGE IN SWEDESBORO NJ 08085 SATURDAY 2/27/16 MY COMPLAINT WAS NO HEAT. I WAS TOLD IT NEEDS A HEATER CORE A RADIATOR, AND TRANS COOLER. AND THAT MY EASY CARE EXTENDED WARRANTY DID NOT COVER IT EVEN THOUGH IT SAYS IT COVERS HEAT. MY EASY CARE CONTRACT NUMBER IS EGTK886782. MY JEEP HAS 52000 MILES. THEY SAID IT HAS SLUDGE IN THE SYSTEM. NOW MY SYSTEM IS NOT SCHUELDED TO BE CLEANED FLUSHED TILL 60 MONTH. SO IT FAILED BEFORE THE TIME. I WAS TOLD IT'S A KNOW PROBLEM BUT THEY HAVE NOT RECALLED THEM. I BOUGHT THE JEEP AT VANN DODGE IN VINELAND NJ. SO I REALLY FEEL CHEATED. I HAVE HAD NO HEAT FOR A WHILE BUT I DIDN'T REPORT RIGHT AWAY"

- NHSTA Complaint on May 05, 2015 for a 2012 Wrangler —"I HAVE A 2012 JEEP WRANGLER UNLIMITED WITH 40K MILES. AROUND 15K MILES, I STARTED EXPERIENCING ISSUES WITH THE DRIVER SIDE AND FRONT WINDSHIELD HEATING/DEFROSTING NOT WORKING. HEATING WORKS ON THE PASSENGER SIDE, BUT NOT ON THE DRIVER"'S SIDE SEATING OR WINDSHIELD AREAS. THIS ISSUE CREATES A COMFORT PROBLEM DURING COLD DAYS DUE TO NO HEAT ON THE DRIVER'S SIDE BUT MORE IMPORTANTLY, CREATES A SAFETY ISSUE BECAUSE THE FRONT WINDSHIELD DOES NOT DEFROST PROPERLY WITHOUT SUFFICIENT HEAT, CREATING UNSAFE DRIVING SCENARIOS. THIS ISSUE WAS INTERMITTENT AT FIRST, BUT OVER THE PAST 20K MILES HAS BECOME A FREQUENT COMFORT AND SAFETY ISSUE. THIS DEFECT/ISSUE/DESIGN FLAW IS A KNOWN PROBLEM WITH THE CURRENT WRANGLER UNLIMITED AS A NUMBER OF OTHERS I KNOW WITH THE SAME VEHICLE EXPERIENCE THIS ISSUE AND YOU CAN FIND ENDLESS COMPLAINTS OF THE ISSUE ON LINE. MY DEALER ALSO EXPLAINED THEY RECEIVE FREQUENT COMPLAINTS FOR THIS PROBLEM. I BROUGHT MY JEEP TO THE DEALERSHIP. THEY EXPLAINED I NEED THE HEATING CORE REPLACED, AND DUE TO ITS LOCATION BEHIND THE DASHBOARD WILL COST ME \$1000+ TO REPAIR, PRIMARILY DUE TO THE LABOR REQUIRED TO PULL OFF THE DASHBOARD AND OTHER CAR PARTS TO REACH AND REPLACE THE HEATING CORE. THIS ISSUE SHOULD BE A RECOGNIZED SAFETY RECALL OR SERVICE BULLETIN BY JEEP/CHRYSLER WITH NO OUT OF POCKET REPAIR EXPENSE FOR THE VEHICLE OWNERS WHO EXPECT TO RECEIVE SAFE, HIGH QUALITY, WELL DESIGNED PRODUCTS FROM JEEP/CHRYSLER."
- NHSTA Complaint on February 02, 2015 for a 2012 Wrangler-"VEHICLE HAS NO HEAT ON DRIVER SIDE VENT AND FLOOR VENTS, COLD AIR COMES OUT AS IF THE A/C IS ON. AS TIME HAS PASSED COOL AIR ON FRONT WINDOW DEFROSTER AS WELL AS CENTER AND PASSENGER VENTS. VEHICLE IS WARMED UP WHEN TRYING TO TURN HEAT ON WITH NO POSITIVE RESULTS. ONLINE JEEP FORUMS LIST THIS AS A PROBLEM TO JEEP WRANGLERS. DEALERSHIP STATED THEY ARE UNAWARE OF THIS PROBLEM. THIS IS A SAFETY ISSUE TO DEFROST WINDOWS FOR VISIBILITY, AND SHOULD BE A RECALL. VEHICLE IS ALMOST 3 YEARS OLD. \*TR"
- NHSTA Complaint on October 21, 2015 for a 2012 Wrangler-"MY CAR WAS MANUFACTURED WRONG... MY ENGINE BLOCK IS CASTING SAND INTO MY COOLANT SYSTEM WHICH THEN BLOWS OUT MY HEATER CORE AND RADIATOR. I HAVE SPENT 5 MONTHS UNDER WARRENTY TRYING TO FIX WITH ISSUE BUT THE JEEP DEALER

AND CHRYSLER GIVE ME THE RUN AROUND. I WAS TRYING TO GET THIS FIX UNDER WARRENTY BUT ALL THE RUN AROUND I GOT FROM THE DEALERS HAS CAUSED MY WARRANTY TO EXPIRE WITH NO FIX. I THINK I HAVE BOUGHT A LAMON OF A CAR I ONLY HAVE 14K MILES, MY ISSUE STARTED AT 7K MILES. NOW IT IS WINTER TIME AND IN DRIVING MY CAR WITH NO HEAT. I HAVE A NEW BORN BABY ON THE WAY WHO WILL GET SICK INSIDE MY CAR. JEEP DOES NOT WANT TO COVER THE COST OF MY REPAIRS TO REPLACE THE HEATER CORE AND RADIATOR ALSO A COMPLETE FLUSH OF THIS SAND COMING FROM THE ENGINE. THIS IS A HAZARD FOR ME AND MY BABY TO DRIVE AROUND IN THIS COLD VEHICLE. THIS IS A KNOWN PROBLEM BUT JEEP\CHRYSLER IS TRYING THEIR BEST TO KEEP THIS QUIET. ILL BE TRYING TO CONTACT A LAWYER SOON OR MAYBE A NEWS STATION."

- NHSTA Complaint on April 10, 2015 for a 2012 Wrangler-"AT THE BEGINNING OF WINTER I NOTICE THE DEFROST/HEAT IN THE JEEP WAS NOT PUTTING OUT A LOT OF HEAT. IT WOULD BARELY DEFROST THE WINDSHIELD. WITH THE FRIGID WEATHER WE HAVE HAD, I JUST HAD IT CHECKED. I WAS TOLD THE HEATER CORE, AND THE RADIATOR WOULD NEED CHANGED BECAUSE THEY WERE PLUGGED. I FEEL SORRY FOR ANYONE THAT OWNS A CHRYSLER PRODUCT. THIS STILL DOES NOT RUN RIGHT AFTER THE HEAD WAS CHANGED, NO DUMMY LIGHT COMES ON, SO NONE OF THE MECHANICS WILL BELIEVE ME THAT IT IS NOT RIGHT. AS YOU CAN SEE BY THE MILEAGE IT IS OUT OF WARRANTY, THE ISSUES STARTED RIGHT AFTER I BOUGHT IT. IT IS NOT THE DEALERSHIPS FAULT, IT IS THE COMPANY. DO SOMETHING TO GET THE ISSUES FIXED! \*TR."
- NHSTA Complaint on December 03, 2014 for a 2012 Wrangler-"VEHICLE STOPPED GETTING HEAT FROM ALL VENTS ON DRIVERS SIDE, INCLUDING DEFROSTER AND ONLY LUKE WARM HEAT ON THE PASSENGER SIDE. ALL REGULAR MAINTENANCE HAD BEEN PERFORMED ON THE VEHICLE. DEALER SAYS RADIATOR AND HEATER CORE NEED TO BE REPLACED AS THEY ARE FILLED WITH 'SLUDGE'. A LITTLE RESEARCH ONLINE AND THIS SEEMS TO BE AN ALL TO COMMON ISSUE WITH THESE JEEPS AND CHRYSLER HAS GIVEN NO ANSWER AS TO THE CAUSE. WHILE NOT HAVING HEAT IS INCONVENIENT, NOT BEING ABLE TO DEFROST THE WINDSHIELD IS A SAFETY HAZARD. THEY ARE CURRENTLY FIGHTING ME ON PAYING FOR THIS AS THE VEHICLE IS JUST OUT OF WARRANTY. THIS IS AN ISSUE CHRYSLER IS FULLY AWARE OF AND HAS DONE NOTHING TO FIX! FURTHER INVESTIGATING HAS SHOWN THAT IGNORING

THIS PROBLEM AND NOT REMOVING THIS SLUDGE COULD EVENTUALLY LEAD TO ENGINE FAILURE. \*JS"

NHSTA Complaint on January 24, 2014 for a 2012 Wrangler-"DRIVING & NOTICE THAT WINDOW STARTED TO FROST UP, AT THE SAME TIME NOTICE THAT THE HEAT WAS NOT GETTING WARM AFTER DRIVING FOR OVER 20 MINS. TURNED THE DEFROST ON AND IT STARTED TO FROST MORE, PUT MY HAND TO THE BLOWERS & NOTICE THAT IT WAS BLOWING COOL AIR. DOUBLE CHECKED THAT I HAD THE HEAT ON AND PUT IT TO HIGH AND IT CONTINUED TO BLOW COOL AIR, REACHED OVER TO THE PASSENGER SIDE AND IT WAS BLOWING WARM AIR. MADE AN APPOINTMENT TOOK MY VEHICLE IN AS IT ALREADY HAD A RECALL ON IT FOR SOMETHING ELSE EXPLAIN TO THEM WHAT WAS GOING ON WITH THE HEATER, THEY SAID THAT THE PART FOR MY HEATER WOULD TAKE 2 DAYS TO GET IN & THEY WOULD CALL. ONE WEEK LATER HAD NOT HEARD ANYTHING, WENT BACK TO THE JEEP DEALERSHIP(COLORADO CHRYSLER JEEP) SERVICE & ASKED ABOUT THE PART, WAS TOLD THAT IT WAS NOTHING PUT IN OR SHOWN ABOUT MY COMPLAINT ABOUT MY HEATER.SET R ANOTHER APPOINTMENT TO BRING MY JEEP IN TO HAVE THE HEATER REPAIRED & WAS TOLD IT WOULD TAKE 4 HOURS, AFTER BEING THERE FOR OVER AN HOUR THEY SAID IT WAS GOING TO BE A 2 DAY REPAIR...IT WAS A RECALL BUT NOT A RECALL & THAT THEY WOULD BE REPLACING THE RADIATOR AND HEATER CORE. APPOINTMENT FOR 1/3/14 AND WAS TOLD IT WOULD BE READY ON 1/6/ OR 1/7/14. MY JEEP WAS NOT READY UNTIL 1/22/14 AND WHEN I PICKED IT UP ON 1/23/14 THEY TOLD ME THEY THE FLUSHED HEATER CORE, RADIATOR AND OVERFLOW TANK...FLUSHED ENTIRE SYSTEM FILLED AND BLEED SYSTEM WITH NEW COOLANT AND CHECKED TEMP AT 155 DEGREES. THAT SHOULD FIX IT AND IF IT DID NOT THEN THEY WOULD REPLACE THE RADIATOR AND HEATER CORE. THEN GOT IN THE JEEP LET IT RUN FOR OVER 8 MINS HEATER ON LEFT SIDE WAS STILLING BLOWING COOL AND RIGHT WAS BLOWING WARM. TOOK OVER 18 MINS FOR THE LEFT SIDE TO BLOW WARM BUT WAS NOT AS WARM AS RIGHT SIDE. TAKING JEEP TO DIFFERENT JEEP DEALERSHIP SERVICE DEPARTMENT TOMORROW AS THE SERVICE SIMPLY SHOW THAT THEY DID NOT DO THE JOB THEY SHOULD HAVE. \*TR"

#### CHRYSLER'S EXPRESS WARRANTIES COVER THE DEFECT

27. Chrysler provides warranties for the Class Vehicles that cover the Defect, including (among others), a "New Vehicle Limited Warranty" that provides "bumper to bumper coverage

for 3 years or 36,000 miles"; and a "Powertrain Limited Warranty" that provides coverage for "5 years or 100,000 miles." Under these and other warranties, Chrysler promised to repair or replace engine and other components arising from defects in materials or workmanship, including the Defect, at no cost to Class members. Since the Defect consists of a chemical reaction between coolant utilized by Chrysler and aluminum engine/Cooling System components within the Class Vehicles, the Powertrain Limited Warranty covers the Defect.

28. Chrysler's warranties appear in window labels on the vehicles, in the owner's manuals and brochures, and on the company's websites.

#### **PLAINTIFFS' EXPERIENCES**

#### **Chris Hanusek**

- 29. On or about August 13, 2013, Chris Hanusek purchased a new 2013 Jeep Wrangler Sport, VIN 1C4AJWAG1DL704275, for personal and family use from Royal Gate Dodge Chrysler Jeep & Ram of Columbia, 500 Admiral Weinel Blvd., Columbia, IL 62236. Like all Chrysler vehicles, Mr. Hanusek's Class Vehicle came with Chrysler's Limited Warranty and Powertrain Limited Warranty.
- 30. Prior to purchasing his vehicle, Mr. Hanusek was not informed by Chrysler or its dealerships that the 2013 Jeep Wrangler he sought to purchase contained the Defect, nor could he have reasonably discovered this latent Cooling System defect before purchasing the vehicle.
- 31. After purchasing his Class Vehicle, Mr. Hanusek performed normal and routine maintenance. At no point was Mr. Hanusek ever informed by Chrysler or its dealerships that his Class Vehicle contained the Defect.
- 32. On or about November 19, 2016, with approximately 37,000 miles on the vehicle, Mr. Hanusek attempted to use the heat in his Class Vehicle, only to have it emit cool air from the driver's side of the vehicle despite the heat being set to the warmest setting. While this side continued emitting cool air, the vents on the passenger side of the vehicle emitted slightly warmer air that was insufficient to heat the entire vehicle. This condition continued to occur during the

entire operation of the vehicle on that occasion and others going forward, leaving him without heat during winter months.

- 33. Mr. Hanusek first learned from online Jeep owner forums that the symptoms and problems that he is experiencing with his vehicle are common in Jeep Wranglers. Sludge built up in the heater core of Mr. Hanusek's vehicle, leading to poor heater performance and indicating a manifestation of the Defect. Although he purchased his vehicle new, Chrysler has never informed him of the Defect and has never recalled his vehicle despite its knowledge of the common problem, as shown by Chrysler's Star Case reports.
- 34. Today, Mr. Hanusek's Jeep has approximately 79,754 miles on it and continues to have Cooling System problems that indicate the manifestation of the Defect as describe herein. Mr. Hanusek did not receive the benefit of his bargain in that had he been advised of the Defect at the point of sale, he either would not have purchased the vehicle or would have paid less for it than he did.

#### **Jesse Swafford**

- 35. On March 15, 2017, Jesse Swafford purchased a used 2013 Jeep Wrangler, VIN 1C4GHWDG6DK535184, with approximately 70,740 miles for personal and family use from Auffenberg Ford North, 115 Regency Park, O'Fallon, IL 62269. Mr. Swafford purchased a five (5) year, 100,000-mile extended warranty for his vehicle as the initial Basic Limited Warranty coverage had expired.
- 36. Prior to purchasing his vehicle, Mr. Swafford was not informed that the 2013 Jeep Wrangler he sought to purchase contained the Defect.
- 37. Immediately following the purchase of his vehicle, with approximately 70,895 miles on his vehicle, Mr. Swafford attempted to utilize the heat in his class vehicle. However, his vehicle only emitted warm air from the passenger's side of the vehicle despite the heat being set to the warmest setting. The driver's side vents emitted only cool air.

- 38. On or about November 10, 2017, with approximately 77,103 miles on his vehicle, Mr. Swafford took his class vehicle to Auffenberg Chrysler Dodge Jeep Ram ("Auffenberg Chrysler"), an authorized Jeep dealer, for an inspection and diagnosis regarding his Cooling System problems. He paid \$150.00 for the diagnostic work. The Auffenberg Chrysler service department informed Mr. Swafford that the cause of the problem was that the heater core was clogged and would have to be replaced. Sludge built up in the heater core of Mr. Swafford's vehicle, leading to poor heater performance and indicating a manifestation of the Defect. Despite purchasing an extended warranty with his vehicle just months prior to this diagnosis, he was told by Auffenberg Chrysler that the necessary repairs would not be covered by his warranty.
- 39. Currently, Mr. Swafford has approximately 103,811 miles on his Class Vehicle. Mr. Swafford did not receive the benefit of his bargain in that had he been advised of the Defect at the point of sale, he either would not have purchased the vehicle or would have paid less for it than he did. Further, Swafford will continue to have these problems with the Cooling System of his vehicle until necessary and effective repairs are completed.

#### **CLASS ALLEGATIONS**

- 40. At the time of Plaintiffs' and the Class Members' purchases, Chrysler failed to disclose the consumer complaints, malfunctions, safety hazards, and material facts related to the Class Vehicles' Defect and how it would cause harm to other vehicle components.
- 41. Before Plaintiffs purchased their Class Vehicles, Plaintiffs were never informed of, nor were aware of, the Defect and how it affected Class Vehicles' components. The Defect was present in the Class Vehicles at the time Chrysler placed them into the stream of commerce.
- 42. Chrysler was in a superior position to know the facts surrounding the Defect in the Class Vehicles and that the Defect is and was latent and not easily discoverable. However, instead of disclosing the material Defect to consumers and potential purchasers of the Class Vehicles, Chrysler omitted information about the Defect with the intent of selling its vehicles to unsuspecting consumers. Chrysler was under a continuing duty to consumers including but not limited to Plaintiffs to disclose the facts that it knew about the Defect as a safety hazard, despite the presence

of any applicable warranty available to Plaintiffs. Plaintiffs and the Class relied upon Chrysler's representations about the safety and functionality of its vehicles when purchasing the Class Vehicles.

- 43. Chrysler intentionally concealed the Defect—a material omission—from Plaintiffs, consumers and potential purchasers. Concealment or omission of a material fact in a transaction constitutes fraud, especially when the fact is known to the manufacturer and is not readily ascertainable to consumers despite ordinary diligence and reasonable investigation prior to purchase of a Class Vehicle.
- 44. Chrysler neither discloses the Defect at the point of sale nor later when the Class Vehicles are brought to a dealership or service center when the problems resulting from the Defect are evident (i.e., sludge build-up and poor heater performance). As a result, unwitting consumers are forced to repeatedly pay for ineffective "repairs" including, but not limited to, flushing sludge from the heater core.
- 45. Had Chrysler disclosed the Defect, Plaintiffs would not have purchased the Class Vehicle or would have paid significantly less for it. Plaintiffs were denied information about the Defect that was material to their purchase and willingness to use the Class Vehicle.
- 46. Plaintiffs and Class Members experienced damage from the Defect within the warranty period on their vehicles. Plaintiffs and Class Members reasonably expected that any and all damage that resulted from the Defect would be covered under the warranty and that they would not be charged for such repairs.
- 47. Chrysler has systematically denied warranty coverage with respect to the Defect. As a result of Chrysler's inaction and silence, consumers are unaware that they purchased or leased Class Vehicles that had the Defect at the point of sale and continue to drive them in their defective and unsafe state. In addition, consumers who experience a manifestation of the Defect and bring their vehicles to a dealership for repairs are not told that the "repairs" they pay for are ineffective and will have to be repeated.

- 48. Due to the Defect, the values of the Class Vehicles at the time of purchase or lease were less than the amounts Plaintiffs and Class Members paid.
- 49. The Defect causes the Class Vehicles to lose value, including reducing trade-in and re-sale value.
- 50. The Defect causes Class Members to incur repair costs, lose use and enjoyment of their Class Vehicles, and to suffer a loss of time and suffering the burden of arranging and obtaining repairs.

#### **PROPOSED CLASS**

51. Plaintiffs bring this case as a class action under Fed. R. Civ. P. 23(b)(2) and/or 23(b)(3) on behalf of the following Class:

All persons who purchased or leased a 2012-2017 Chrysler Jeep Wrangler in the State of Illinois.

#### **CLASS CERTIFICATION ALLEGATIONS**

- 52. **Numerosity**. The Class is comprised of hundreds of Class Vehicle owners within Illinois, making joinder difficult if not impossible.
- 53. **Commonality**. Questions of law and fact exist that are common to all Class Members, and predominate over any questions that affect only individual Class Members, including (among others):
  - a. Whether Class Vehicles suffer from the Defect;
  - Whether the Defect causes damage to the heater core and other components of the
     Class Vehicles' Cooling System;
  - c. Whether the Defect existed at the time the Class Vehicles entered the stream of commerce;
  - d. Whether Chrysler knew or should have known about the Defect;
  - e. Whether Chrysler failed to disclose the Defect at the time that Class Members purchased the Class Vehicles or thereafter;

- f. Whether Chrysler violated the Illinois Consumer Fraud and Deceptive Business

  Practices Act by failing to permanently repair or refusing to repair the Defect for

  Class Members;
- g. Whether Chrysler acted or refused to act on grounds generally applicable to the Class, thereby making the award of equitable relief appropriate to the Class as a whole;
- h. Whether the Defect impairs the value of the Class Vehicles.
- 54. **Typicality**. Plaintiffs' claims are typical of the claims of Class Members.
- 55. Adequacy. Plaintiffs are adequate representatives of the proposed classes because their interests do not conflict with the interests of the members of the classes they seek to represent. Plaintiffs retained counsel who are competent and experienced in complex class action litigation and will prosecute vigorously on Class Members' behalf.
- 56. Superiority. A class action is superior to other available means for the fair and efficient adjudication of this dispute. The injury suffered by each Class Member, while meaningful on an individual basis, is not of such magnitude as to make the prosecution of individual actions against Chrysler economically feasible. Even if Class Members themselves could afford individualized litigation, the court system could not. In addition to the burden and expense of managing many actions arising from the Defect, individualized litigation increases the delay and expense to all parties and the court system presented by the legal and factual issues of the case. By contrast, a class action presents far fewer management difficulties and provides the benefits of single adjudication, economy of scale, and comprehensive supervision by a single court.
  - 57. In the alternative, the proposed Class(es) may be certified because:
    - a. the prosecution of separate actions by the individual members of the proposed classes would create a risk of inconsistent adjudications, which could establish incompatible standards of conduct for Chrysler;

- the prosecution of individual actions could result in adjudications that, as a
  practical matter, would be dispositive of the interests of non-party Class
  Members, or which would substantially impair their ability to protect their
  interests; and
- c. Chrysler acted or refused to act on grounds generally applicable to the proposed classes, thereby making appropriate final and injunctive relief with respect to members of the proposed classes as a whole.
- 58. **Predominance**. This class action is appropriate for certification because questions of law and fact common to Class Members predominate over questions affecting only individual members.

#### **TOLLING OF STATUTE OF LIMITATIONS**

- 59. **Active Concealment Tolling.** Any statutes of limitations are tolled by Chrysler's knowing and active omission and concealment that the Class Vehicles suffered from a Defect. Chrysler had a duty to disclose this Defect and its consequent performance and safety problems to Plaintiff and Class Members because Chrysler had superior knowledge of this defect and the defect was neither known to, nor easily discoverable by, Plaintiffs and Class Members.
- 60. Despite its affirmative duty to disclose the nature and existence of this Defect, Chrysler kept Plaintiffs and Class Members ignorant of vital information essential to the pursuit of their claim. Chrysler kept Plaintiffs and Class Members ignorant of vital information essential to the pursuit of their claims, without any fault or lack of diligence on the part of Plaintiffs or Class Members. The details of Chrysler's efforts to omit its above-described unlawful conduct are in its possession, custody, and control, to the exclusion of Plaintiffs and the Class Members. Plaintiffs could not reasonably have discovered the fact that the Class Vehicles suffered from a Defect.
- 61. **Estoppel**. Chrysler was and is under a continuing duty to disclose to Plaintiffs and Class Members the true character, quality, and nature of the Defect. At all relevant times, and

continuing to this day, Chrysler knowingly, affirmatively, and actively misrepresented and omitted the true character, quality, and nature of the problems caused by this Defect. The details of Chrysler's knowledge and omissions are in its possession, custody, and control, to the exclusion of Plaintiffs and Class Members. Plaintiffs and Class Members reasonably relied upon Chrysler's knowing and/or omissions. Based on the foregoing, Chrysler is estopped from relying upon any statutes of limitation in defense of this action.

- 62. **Equitable Tolling**. Chrysler took active steps to omit the fact that it wrongfully, improperly, illegally, and repeatedly manufactured, marketed, distributed, sold, and/or leased the Class Vehicles with the heating and cooling system problems caused by the Defect. The details of Chrysler's efforts to conceal the Defect are in its possession, custody, and control, to the exclusion of Plaintiffs and Class Members. Chrysler's failure to disclose and active concealment of the Defect amounts to bad faith and deception in and of itself. When Plaintiffs learned about this material information, they exercised due diligence by thoroughly investigating the situation, retaining counsel, and pursuing their claims. Should it be necessary, therefore, all applicable statutes of limitation are tolled under the doctrine of equitable tolling.
- 63. Given Chrysler's active and knowing concealment of the Defect, equitable tolling of the statutes of limitations applicable to the causes of action brought in this case is appropriate.
- 64. Plaintiffs and Class Members could not have reasonable discovered the true reasons for the Defect until the recent investigation which led to the filing of this Second Amended Complaint.

#### **CAUSE OF ACTION**

# For Violation of the Illinois Consumer Fraud and Deceptive Business Practices Act, 815 ILCS 505/1, et seq. (On behalf of all Plaintiffs and the proposed Class)

- 65. Plaintiffs, on behalf of the Class, incorporate all of the foregoing allegations into this cause of action.
- 66. The Illinois Consumer Fraud and Deceptive Business Practices Act ("ICFDBPA"), 815 ILCS 505/2 provides the following:

Unfair methods of competition and unfair or deceptive acts or practices, including but not limited to the use or employment of any deception fraud, false pretense, false promise, misrepresentation or the concealment, suppression or omission of any material fact, with intent that others rely upon the concealment, suppression or omission of such material fact, or the use or employment of any practice described in Section 2 of the "Uniform Deceptive Trade Practices Act" [815 ILCS 510/2], approved August 5, 1965, in the conduct of any trade or commerce are hereby declared unlawful whether any person has in fact been misled, deceived or damaged thereby. In construing this section consideration shall be given to the interpretations of the Federal Trade Commission and the federal courts relating to Section 5 (a) of the Federal Trade Commission Act [15 U.S.C. § 45].

- 67. As set forth herein Chrysler engaged in unfair or deceptive acts or practices through the sale of merchandise in trade or commerce.
- 68. Plaintiffs and Class Members purchased the Class Vehicles primarily for personal, family, or household purposes.
- 69. Chrysler violated the ICFDBPA by intentionally representing that the Class Vehicles, including but not limited to their Cooling Systems and related components, were free from defects and were in good, working condition at the point of sale when they were not.
- 70. Chrysler's scheme and concealment of the true characteristics of the Defect were material to the Plaintiffs and Class Members. Had they known the truth, the Plaintiffs and Class Members would not have purchased or leased the Class Vehicle, or—if the Class Vehicles' true nature had been disclosed and mitigated—would have paid significantly less for them.
- 71. The Class Members had no way of discerning that Chrysler's representations were false and misleading, or otherwise learning the material facts that Chrysler concealed or failed to disclose about the Defect. Although the Defect was present at the point of sale, it was latent in nature. Thus, the Defect could not be ascertained by a reasonable person until it has sufficiently manifested through a malfunction in the Cooling System, as described in the Plaintiffs' and Class Members' experiences included herein.
- 72. Chrysler had an ongoing duty to the Plaintiffs and Class Members to refrain from unfair and deceptive practices under the ICFDBPA in the course of their business. Specifically,

Chrysler owed the Plaintiffs and Class Members a duty to disclose all material facts concerning the Defect because Chrysler possessed exclusive knowledge. Chrysler intentionally concealed that knowledge from the Plaintiffs and Class Members, and/or it made misrepresentations that were misleading because they were contradicted by withheld facts.

- 73. Chrysler's concealment, suppression, or omission of material facts as alleged herein constitutes unfair, deceptive, and fraudulent business practices within the meaning of the ICFDBPA.
- 74. Chrysler's violations present a continuing risk to Plaintiffs and Class Members, as well as to the general public. Chrysler's unlawful acts and practices complained of herein affect the public interest.
- 75. As a result of Chrysler's statutory violations, Plaintiffs and Class Members sustained injuries and are entitled to relief under the Act. Plaintiffs and Class Members are entitled to recover their actual damages, attorneys' fees, and injunctive or other equitable relief, pursuant to Illinois law, including but not limited to 815 ILCS 505/10a (a) and (c).

#### PRAYER FOR RELIEF

Therefore, Plaintiffs seek judgment against Chrysler and relief as follows:

- A. An Order certifying this case as a Class Action;
- B. An Order appointing the Plaintiffs as the Class Representatives of the Class;
- C. An Order appointing Plaintiffs' counsel as Class Counsel;
- D. Damages and other relief under statutory or common law;
- E. Attorneys' fees and costs;
- F. Pre- and post-judgment interest;
- G. Declaratory, injunctive, and equitable relief; and
- H. Such other relief as is just and proper.

#### JURY DEMAND

Plaintiffs, on behalf of themselves and the proposed Class, hereby demand a trial by jury as to all matters so triable.

Respectfully submitted, This the 24th of April, 2019.

> s/Gregory F. Coleman By:

Gregory F. Coleman Adam A. Edwards

Mark E. Silvey (pro hac vice) Rachel Soffin (pro hac vice) Justin G. Day (pro hac vice) William A. Ladnier (pro hac vice)

**GREG COLEMAN LAW PC** 

First Tennessee Plaza 800 S. Gay Street, Suite 1100 Knoxville, TN 37929

Tel: 865-247-0080 Fax: 865-522-0049

greg@gregcolemanlaw.com adam@gregcolemanlaw.com mark@gregcolemanlaw.com rachel@gregcolemanlaw.com justin@gregcolemanlaw.com will@gregcolemanlaw.com

**Ted Gianaris** Eric S. Johnson

SIMMONS HANLY CONROY LLC

One Court Street Alton, IL 62002 Tel. 618-259-2222 Fax: 618-259-2251

tgianaris@simmonsfirm.com

ejohnson@simmonsfirm.com

Mitchell M. Breit (pro hac vice) An V. Truong (pro hac vice)

SIMMONS HANLY CONROY LLC

112 Madison Avenue

Tel: 212-784-6400 Fax: 212-213-5949 New York, NY 10016 mbreit@simmonsfirm.com

#### atruong@simmonsfirm.com

Daniel K. Bryson (pro hac vice)
John Hunter Bryson (pro hac vice)
WHITFIELD BRYSON & MASON LLP
900 W. Morgan Street
Raleigh, NC 27603
Tel: 919-600-5000
Fax: 919-600-5035
dan@wbmllp.com
hunter@wbmllp.com

Jack Landskroner (pro hac vice)
LANDSKRONER GRIECO MERRIMAN LLC
1360 West 9th Street, Suite 200
Cleveland, Ohio 44113
Tel: 216-522-9000
Fax: 216-522-9007
jack@lgmlegal.com

Attorneys for Plaintiffs

#### **CERTIFICATE OF SERVICE**

The undersigned certifies that on this 24th day of April, 2019, a copy of foregoing was electronically filed with the Clerk of the Court using the CM/ECF system, which will send notification of such filing to all counsel of record.

s/Gregory F. Coleman
Gregory F. Coleman