

**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF GEORGIA
GAINESVILLE DIVISION**

**BOB SCHLESINGER; ANDREW
SMITH; JASON THOMAS; PACIFIC
MANAGEMENT, LLC, *individually and
on behalf of others similarly situated,***

Plaintiffs,

v.

EATON CORPORATION,

Defendant.

Case No.: 2:23-CV-157-RWS

CLASS ACTION

CLASS ACTION COMPLAINT

Plaintiffs, on behalf of themselves and others similarly situated, bring this action against Defendant Eaton Corporation (“Defendant” or “Eaton”), and allege as follows:

Introduction

1. This is a putative class action alleging damages suffered by business and consumer plaintiffs arising from the operation of defective Arc Fault Circuit Interpreter (“AFCI”) circuit breakers designed, manufactured, and sold by Eaton.

2. Eaton is one of the largest circuit-breaker manufacturers in the United States. Since around 2000, Eaton AFCI circuit breakers have been installed in hundreds of thousands of homes. A defect in those circuit breakers causes them to

mistake ordinary, harmless electrical circuits for dangerous circuits and to needlessly shut down power. Eventually, Eaton's AFCI circuit breakers have to be replaced with circuit breakers that function correctly and prevent electrical fires without otherwise disrupting the power to the home. Eaton has made tens of millions of dollars selling defective AFCI circuit breakers. Eaton's warranty replacement circuit breakers are also defective.

3. Eaton has known about this widespread problem, which it calls "nuisance tripping," for almost two decades. Despite this knowledge, for years Eaton has falsely maintained to homeowners and to electricians that its AFCI circuit breakers were working as designed, that the vast majority of tripping was due to either installation error or legitimate causes, and that the solution was to engage in complicated troubleshooting sessions (which are futile) or to replace faulty Eaton circuit breakers with new ones (which suffer from the same defect).

4. Eaton's defective AFCI circuit breakers and its misleading representations about those breakers caused more than five million dollars in damage to the electricians and homeowners in each putative class.

Factual Background

5. A circuit breaker is a device that is placed in an electrical panel box located in a home to regulate electricity and protect against electrical fires and injuries. An AFCI is a type of circuit breaker.

6. Electrical panel boxes contain many circuit breakers and are typically compatible with only one brand of circuit breaker. An Eaton circuit breaker typically cannot be replaced with a different brand of circuit breaker; rather, the entire electrical panel box (and all of the circuit breakers) must be replaced. This is a costly and time-consuming replacement that is often infeasible and requires homeowners to move out of the home while the work is completed.

7. Eaton's AFCIs have been installed in homes and buildings since the early 2000s.

8. The average cost for a single AFCI circuit breaker is around \$38. A new 2,000-square-foot, four-bedroom home will require about \$300 worth of AFCI circuit breakers to be installed.

9. In 2008, the National Electric Code, which is a set of residential, housing, and electrical standards adopted in many cities and states, began requiring that AFCIs be installed in all new residential construction, resulting in AFCIs becoming frequently used breakers in modern homes.

10. An AFCI is designed to protect a home from dangerous electrical arc faults, where an electrical current travels through an unintended medium (such as the air or a loose connection) instead of through the wires in a circuit. An AFCI monitors the electrical current within the circuit to identify potential signatures of

electrical arcs. Upon detecting a dangerous electrical arc, an AFCI breaker trips to stop the current and prevent the electrical arc from causing a fire.

11. There are also harmless electrical arcs that frequently occur in homes, such as when common household appliances are turned on or stopped and create arcing signatures that do not pose a threat of fire. Devices with electric motors (*e.g.*, vacuums, treadmills, and power tools) produce ordinary, harmless electrical arcs during normal operation.

12. AFCI breakers that are properly designed distinguish between harmless electrical arcs and dangerous electrical arcs so that tripping only occurs in the latter situation.

13. “Nuisance tripping” occurs when an AFCI breaker fails to distinguish between dangerous electrical arcs and harmless electrical arcs and trips in the presence of both. Tripping in the presence of a harmless arc or arcing signature is not a safety feature—it is a defect. Nuisance tripping renders the circuit unusable, causing inconvenience to the user, safety risks, and financial loss due to necessary repairs. For years Eaton failed to update its AFCIs to identify and ignore the harmless arcing signatures caused by household appliances.

14. AFCI devices use algorithms to ignore false-positive sine wave patterns (*i.e.*, harmless arc faults). A primary reason a defective AFCI device cannot

adequately distinguish between dangerous and harmless arc faults is that the algorithm is poorly designed.

15. Eaton designs, manufactures, and sells AFCI circuit breakers. Eaton provides a warranty for its AFCI breakers to United States Customers.

16. Eaton has been in the electrical industry for over a century. Eaton, GE, Schneider Electric, and Siemens are the four major circuit-breaker manufacturers in the U.S.

17. Eaton made, and continues to make, a “Type BR” series AFCI and a “Type CH” series AFCI. Both series are and were defective.

18. Eaton knew, before selling to Plaintiffs and the Class, that its AFCI breakers experienced unusually high rates of nuisance tripping and concealed this information from electricians and consumers.

19. Eaton also knew that its defective AFCI circuit breakers often could not be replaced with circuit breakers from a different manufacturer (because that switch would require a person to replace her entire circuit breaker box). And Eaton exploited that fact and abused the leverage it created over its customers when Eaton continued to sell them defective replacement circuit breakers.

20. Similarly, Eaton knew and exploited the fact that its defective AFCI circuit breakers could not be replaced with non-AFCI circuit breakers because electrical codes required AFCI circuit breakers.

21. Eaton knew that the AFCI technology in its circuit breakers made tripping issues “difficult to resolve,” because it acknowledged that difficulty on its website.

22. On its website, Eaton implicitly acknowledges that the frequency of nuisance tripping of Eaton’s previous iterations was too high when it asserts that its AFCIs have “gone through several iterations to reduce unwanted nuisance tripping.” Further, Eaton’s assertion that the current iteration of its AFCIs is not defective due to nuisance tripping problems is self-serving, misleading, and incorrect.

23. Eaton created a page on its website dedicated to what it called “the great AFCI debate.” Eaton stated that “unwanted tripping” was at the “crux of the debate” whether or not its AFCI device is “doing its job.” Eaton then wrongly characterized its AFCI devices as “unforgiving in detecting circuit problems,” stated that “tripping issues . . . are likely not due to incompatibilities” (i.e., Eaton, the manufacturer) “but rather to problems that must be addressed” by contractors (i.e., “connected loads and installation practices”), and implied that “unwanted tripping” was ultimately “for safety’s sake.” It was wrong, misleading, and fraudulent for Eaton to blame electrical contractors for its faulty devices.

24. Eaton has had, and currently maintains, a dedicated tech support line and encouraged customers to call and report problems with its products. On information and belief, Eaton received a large number of phone calls (and other

communications) from electrical contractors about AFCI circuit breakers tripping with no apparent cause.

25. In February of 2015, an electrician posted a thread on a popular online electrical forum about the defects in Eaton's AFCI circuit breakers. The thread generated dozens of replies, including ones claiming that Eaton, unlike other manufacturers, had not been able to design an AFCI that adequately distinguished between hazardous and harmless arc faults.

26. Eaton is a member of the National Electrical Manufacturers Association (NEMA). Eaton is one of the largest manufacturers in NEMA, and exerts a powerful influence over it.

27. The nuisance-tripping problem with Eaton's AFCI circuit breakers generated so much grassroots attention that NEMA created a webpage dedicated solely to collecting reports of nuisance tripping by home owners and professionals (it is called "Unwanted Tripping Report").¹ The Unwanted Tripping Report form asks users to select the identity of the AFCI product manufacturer, and Eaton is one of six manufacturers that can be selected.

28. NEMA has also attempted to explain away nuisance-tripping problem in its publications.

¹ <https://www.afcisafety.org/home-owners/unwanted-tripping/>

29. For example, in 2020, NEMA published a paper purporting to dispel the “myths” that AFCIs were not compatible with common household appliances and did not last very long. The label “myth” was self-serving and wrong; the point is that Eaton knew about the problem because it was widely discussed.

30. For a second example, in 2017, NEMA published a paper in which it recognized that “[o]pponents” have “raise[d] concern over ‘unwanted’ tripping,” but opined that most nuisance tripping was related to improper installation. Here again, placing the blame on installation was self-serving and wrong; the point is that Eaton knew about the nuisance tripping problem because it was widely discussed and Eaton had been repeatedly informed about it.

31. Eaton has not recalled its defective BR and CH series AFCI circuit breakers.

Parties

32. Plaintiff Bob Schlesinger (“Schlesinger”) is a citizen of Gainesville, Georgia, which is in the Northern District of Georgia. Mr. Schlesinger bought a home in 2019 that was equipped with Eaton AFCI circuit breakers. Those breakers repeatedly experienced nuisance tripping problems, an electrician had to inspect them multiple times, and the breakers had to be replaced multiple times. After Mr. Schlesinger complained to Eaton, Eaton sent him replacement AFCI circuit breakers

that also were defective. He continues to experience nuisance tripping and other issues with his defective Eaton breakers.

33. Plaintiff Jason Thomas (“Thomas”) is a resident of San Diego, California. Mr. Thomas is a home renovator. Mr. Thomas and his company, Pacific Management, LLC, purchased Eaton AFCI circuit breakers, installed them in homes, and had to replace those breakers because they were defective.

34. Plaintiff Pacific Management, LLC (“Pacific”) is a property development company. Mr. Thomas and his spouse are the only members of Pacific. Mr. Thomas and his spouse are citizens of California. Thus, Pacific is a citizen of California for purposes of diversity jurisdiction. Pacific does business in California.

35. Plaintiff Andrew Smith (“Smith”) is a resident of San Diego, CA. Mr. Smith had Eaton’s defective CH series AFCI breakers installed in his house and had to replace those breakers because they were defective.

36. Eaton is an Ohio corporation with its principal place of business in Ohio. *See, e.g.*, Case 1:18-cv-523-MLB, ECF Doc. 1 at 4.

37. Eaton (itself or through its subsidiaries) manufactured, designed, and sold AFCI circuit breakers in the United States.

Jurisdiction and Venue

38. This Court has jurisdiction over this action pursuant to the Class Action Fairness Act (“CAFA”), 28 U.S.C. § 1332(d), because at least one class member is

of diverse citizenship from one defendant, there are more than 100 Class members, and the aggregate amount in controversy exceeds \$5 million, exclusive of interest and costs.

39. This Court also has federal question jurisdiction over this action under 28 U.S.C. § 1331 because this case includes claims arising under federal law.

40. This Court has supplemental jurisdiction over the remaining claims pursuant to 28 U.S.C. §1367(a).

41. This court has personal jurisdiction over Eaton in this action. Eaton is registered to do business in the state of Georgia. Eaton sold many of the devices at issue in this suit in Georgia, including those owned by Plaintiff Schlesinger. Eaton owns real property in Smyrna, Georgia, on which it operates a sales facility. Eaton has been sued in Georgia dozens of times (including many times in the Northern District of Georgia).

42. Venue is proper in the Northern District of Georgia because Eaton resides in this district and a substantial part of the events or omissions give rise to the claims occurred in this district.

Class Action Allegations

43. Plaintiffs bring this action as a putative class action pursuant to Federal Rule of Civil Procedure 23, and propose the following classes (collectively the “Class”):

Consumer Class:

Any person in the United States who purchased (whether directly or through the purchase of a structure containing said breakers) an Eaton BR series or CH series AFCI breaker within the applicable statute of limitations.

Electrician Class:

Any person or business in the United States that, within the applicable statute of limitations (a) installed an Eaton BR series or CH series AFCI breaker or (b) investigated, resolved, or attempted to resolve tripping presented by an Eaton BR series or CH series AFCI breaker.

California Consumer Subclass:

Any person or business who is a California citizen and who purchased (whether directly or through the purchase of a structure containing said breakers) an Eaton BR series or CH series AFCI breaker within the applicable statute of limitations.

Georgia Consumer Subclass:

Any person or business who is a Georgia citizen and who purchased (whether directly or through the purchase of a structure containing said breakers) an Eaton BR series or CH series AFCI breaker within the applicable statute of limitations.

California Electrician Subclass:

Any person or business who is a California citizen that, within the applicable statute of limitations (a) installed an Eaton BR series or CH series AFCI breaker or (b) investigated, resolved, or attempted to resolve tripping presented by an Eaton BR series or CH series AFCI breaker.

Georgia Electrician Subclass:

Any person or business who is a Georgia citizen that, within the applicable statute of limitations (a) installed an Eaton BR series or CH series AFCI

breaker or (b) investigated, resolved, or attempted to resolve tripping presented by an Eaton BR series or CH series AFCI breaker.

Typicality and Numerosity

44. The claims of the named Plaintiffs are typical of the claims of the class.

45. Thousands of people purchased or had installed Eaton AFCI circuit breakers during the time period relevant to this litigation. While the precise number of proposed class members is presently unknown to Plaintiffs, it likely exceeds 10,000. The potential class members are so numerous that joinder of all members of the classes is impracticable.

Commonality and Predominance

46. This action involves questions of fact common to all class members because all class members purchased, owned, or installed defective Eaton AFCI breakers.

47. This action involves questions of law common to all class members including:

- Whether Eaton's AFCI breakers contain an inherent or manufactured defect that causes them to unnecessarily trip in the presence of harmless electrical arcs;
- Whether Eaton misled consumers and electricians about the ability of its AFCI breakers to distinguish between dangerous and harmless electrical arcs;
- Whether consumers were harmed when they purchased defective Eaton AFCI breakers that frequently and unnecessarily tripped;

- Whether electricians were harmed when they incurred costs and lost time investigating the cause of and attempting to resolve nuisance tripping of defective Eaton AFCI breakers;
- Whether Eaton's defective AFCI breakers violated its warranty of merchantability;
- Whether Eaton was unjustly enriched by selling defective AFCI breakers that did not function as represented.

48. The questions of law and fact common to the Class Members, some of which are set out above, predominate over any questions affecting only individual Class Members. Eaton engaged in a common course of conduct that affected class members in the same manner. The amount of damages may differ among class members, but the fact and type of damages is uniform among all class members and flows directly from Eaton's common conduct.

Adequacy

49. Plaintiffs are motivated to pursue their claims and undersigned counsel is experienced in class litigation such that they will fairly and adequately protect the interest of the class.

Superiority

50. Eaton's AFCI circuit breakers cost about \$38 each, and a typical house may have about \$300 worth of circuit breakers. A typical diagnostic inspection of a defective AFCI circuit breaker likely costs less than \$500. Accordingly, the expense of individually litigating a case likely exceed the typical amount of damages to which

an individual class member might be entitled to receive. Class treatment of the claims set forth herein is superior to other methods for resolving class members' claims—indeed, it is likely the only practicable way to adjudicate this controversy.

51. The litigation and trial of Plaintiff's claims is manageable. The defects affecting Eaton's AFCI circuit breakers were common across BR and CH series and years, and Eaton maintains records that make it possible to identify purchasers of those products. The consistent provisions of the relevant laws, and the readily ascertainable identities of the class members demonstrate that there would be no significant manageability problems with prosecuting this lawsuit as a class action.

Causes of Action

COUNT I:

Violation of the Georgia Uniform Deceptive Trade Practices Act ("UDTPA") (O.C.G.A. § 10-1-370) (On Behalf of the Georgia Subclasses)

52. The preceding paragraphs are incorporated in this count by reference.

53. Georgia prohibits unfair and deceptive acts and practices. *See, e.g.*, O.C.G.A. §§ 10-1-370 *et seq.* ("GUDTPA").

54. This count is asserted on behalf of the Georgia Subclass.

55. Plaintiff Schlesinger and the Georgia Subclass purchased or had installed Eaton's AFCI circuit breakers, each of which is an "article" under O.C.G.A. § 10-1-371(1).

56. GUDTPA defines “deceptive” to include: conduct that “creates a likelihood of confusion or misunderstanding”; “[r]epresents that goods or services are of a particular standard, quality, or grade . . . if they are of another”; or “advertises goods . . . with intent not to sell them as advertised.” *Id.* §§ 10-1-372(a)(7), (a)(9), (a)(12). The definition of deceptive is expressly broader than conduct causing “actual confusion or misunderstanding.” *Id.* § 10-1-372(b).

57. Eaton engaged in such deceptive conduct as described in the preceding paragraphs.

58. Plaintiff Schlesinger and the Georgia Subclass justifiably relied on Eaton’s deceptive acts and representations (including Eaton’s misrepresentation that its AFCI products experienced very little nuisance tripping, had been optimized to reduce nuisance tripping, that most tripping had a legitimate source, and that its AFCIs were doing their job).

59. Moreover, Eaton had knowledge that its ACFI breakers were defective because of their inability to properly recognize nuisance tripping, that a reasonable consumer would deem that information important to determine whether to purchase the product, and Plaintiffs did not know about the defect.

60. Plaintiffs and the Georgia Subclass, as “persons” under GUDTPA, have been harmed by Eaton’s deceptive acts because they experienced the hassle and/or

expense of having to troubleshoot and/or replace Eaton's defective AFCI circuit breakers. *Id.* §§ 10-1-371(5), 10-1-373(a).

61. Plaintiffs and the Georgia Subclass demand all relief available to them (including equitable relief, disgorgement, and costs and attorneys' fees) under the GUDPTA.

COUNT II

Breach of Express Warranties (On Behalf of Each Class)

62. The preceding paragraphs are incorporated in this count by reference.

63. All or nearly all states recognize a cause of action for breach of express warranty. For the sake of simplicity, Plaintiffs and each Class plead this count with reference to Georgia and California law.

64. Eaton provided Plaintiffs and each Class with an express warranty for the AFCIs whereby Eaton agreed to replace defective CH AFCIs without a time limitation and to replace defective BR AFCIs for ten years from the initial operation of the breakers.

65. The express warranty became part of the basis of the bargain between Eaton and each Class, including Plaintiffs.

66. Eaton breached its express warranties by failing to replace its defective AFCIs.

67. Plaintiffs provided written notice to Eaton of its breach of express warranties on July 17, 2023.

68. Plaintiffs have complied with all obligations under the warranty, or otherwise have been excused from performance of said obligations as a result of Eaton's conduct described herein.

69. Plaintiffs and each Class are entitled to legal and equitable relief against Eaton, including damages, consequential damages, specific performance, attorney fees, costs of suit, and other relief as appropriate.

COUNT III

Breach of Implied Warranty (On Behalf of Each Class)

70. The preceding paragraphs are incorporated in this count by reference.

71. All or nearly all states recognize a cause of action for breach of implied warranty. For the sake of simplicity, Plaintiffs plead this count with reference to Georgia law, *see, e.g.*, O.C.G.A. § 11-2-314; *see also* U.C.C. § 2-314, and California law, *see* Cal. Civ. Code § 1792 (“the Song Beverly Act”), but this count is asserted on behalf of all class members.

72. Eaton impliedly warranted that its AFCI circuit breakers, which it designed, manufactured, or sold to Plaintiffs and Class Members, were merchantable, fit, reliable, and safe for their ordinary use.

73. Because Eaton's AFCI circuit breakers suffer from excessive nuisance tripping problems, they are unsafe, unfit for use when sold, and not merchantable and reliable.

74. Eaton breached the implied warranty of merchantability in the sale of its AFCI circuit breakers to Plaintiffs and each Class in that those circuit breakers were not fit for their ordinary purpose and are not merchantable.

75. As a direct and proximate result of Eaton's breach of the implied warranty of merchantability, Plaintiffs and each Class suffered damages such as the hassle and expense of diagnosing the defectiveness of AFCI's circuit breakers and replacing them.

76. Plaintiffs and each Class are entitled to legal and equitable relief against Eaton, including damages, consequential damages, specific performance, attorney fees, costs of suit, and other relief as appropriate.

COUNT IV

Unjust Enrichment (On Behalf of Each Class)

77. The preceding paragraphs are incorporated in this count by reference.

78. All or nearly all states recognize a cause of action for unjust enrichment.

For the sake of simplicity, Plaintiffs plead this count with reference to Georgia and California law.

79. Plaintiffs and each Class conferred a benefit on Eaton when they purchased AFCI circuit breakers. Members of the Electrician Class conferred an additional benefit on Eaton when they devoted professional time to troubleshooting Eaton's defective circuit breakers.

80. Eaton has not compensated Plaintiffs nor each Class for those benefits.

81. Eaton's retention of these benefits is inequitable due to its conduct including, but not limited to, manufacturing and selling the defective AFCI breakers, continually failing to disclose the defects, and failing to offer to buy back, recall, or replace the breakers. [REDACTED]

82. Plaintiffs and each Class are entitled to an accounting, restitution, attorneys' fees, costs and interest, and other equitable remedies.

COUNT V

Fraudulent Concealment (On Behalf of Each Class)

83. The preceding paragraphs are incorporated in this count by reference.

84. All or nearly all states recognize a cause of action for fraudulent concealment. For the sake of simplicity, Plaintiffs plead this count with reference to Georgia and California law, but this count is asserted on behalf of all class members.

85. Eaton knew its AFCI breakers were defective because of, among other things, the numerous complaints it received claiming that its AFCI breakers were suffering from repeated and unexplained nuisance tripping; its own research and

testing of AFCI breakers returned as defective; and as a result of its membership in NEMA.

86. Eaton concealed defects in its AFCI breakers that caused the breakers to trip in the presence of harmless arcs and suffer from nuisance tripping. Eaton represented that its products no longer suffered from excessive nuisance tripping, that what people believed to be nuisance tripping was in fact legitimate tripping (either due to user or installation error), and that nuisance tripping was ultimately justified by safety concerns.

87. Eaton further concealed the defects in its AFCI breakers by asserting that most tripping was legitimate (and/or most nuisance tripping was due to user error), that the precise cause of the tripping was difficult to determine (but must be, by an electrician), and providing complicated troubleshooting guides. In reality, Eaton knew that the problem was simple: its AFCI breakers were defective and had to be replaced.

88. The defects Eaton concealed were material. Plaintiffs would not have purchased AFCI breakers that, like Eaton AFCIs, failed to perform their essential purpose and caused them to repeatedly and unnecessarily trip even when no dangerous arcing was occurring in the circuit.

89. Eaton's fraudulent concealment caused Plaintiffs and class members to pay for defective products; to expend time (professional and otherwise) investigating why they continued to trip; and to have to purchase replacement breakers.

90. Plaintiffs and each Class are entitled to legal and equitable relief against Eaton, including damages, consequential damages, punitive damages, attorney fees, costs of suit, and other relief as appropriate.

COUNT VII

VIOLATION OF UNFAIR COMPETITION LAW (Cal. Bus. & Prof Code § 17200 *et seq.*) (On Behalf of the California Subclasses)

88. All allegations and paragraphs in this complaint are incorporated by reference.

89. To the extent necessary, this count is pled in the alternative.

90. California's Unfair Competition Law (Cal. Bus. & Prof. Code § 17200-17210) prohibits engaging in "any unlawful, unfair, or fraudulent business act or practice." Cal Bus. & Prof. Code § 17200. This count is asserted by the California Plaintiffs on behalf of themselves and the California Subclass.

91. Each California putative class member is a "person" as defined in Cal. Bus. & Prof. Code § 17201.

92. Eaton has violated Cal. Bus. & Prof Code § 17200 *et seq.* by engaging in unfair, fraudulent, and unlawful business acts and practices.

A. Unfair Prong.

93. The California Subclass has been harmed by Eaton's unfair conduct. Such conduct includes but is not limited to selling defective AFCIs, concealing their defects and maintaining that nuisance tripping was due to legitimate causes or installation error, and other conduct laid out above.

94. The gravity of the harm caused by Eaton's conduct outweighs its utility. There is no utility to nuisance tripping. Nuisance tripping is not an inherent feature of properly designed and manufactured AFCIs.

95. The injury to Plaintiffs and the California Subclass is substantial. Due to Eaton's unfair conduct, they paid money for products that then had to be investigated and replaced. Plaintiffs and the California Subclass could not themselves have reasonably avoided this harm due to Eaton's representations and because Eaton obscured the fact that its AFCIs were defective. All the while, Eaton profited from AFCI sales.

96. To the extent necessary for Plaintiffs' and the California Subclass's claims regarding Eaton's unfair conduct, Plaintiffs and the California Subclass relied upon Eaton's representations and omissions and they were a substantial factor in purchasing Eaton AFCIs and entering into contracts for buildings with defective AFCIs installed. Plaintiffs and the California Subclass would not have entered into those contracts and would not have paid that money had they known the truth and

had not been subject to Eaton's representations and omissions.

B. Fraudulent Prong.

97. Plaintiffs and the California Subclass have also been harmed by Eaton's fraudulent representations and concealment, as more particularly described in the count for fraudulent suppression.

C. Unlawful Prong.

98. Plaintiffs and the California Subclass were also harmed by Eaton's unlawful conduct. Breach of warranty and unjust enrichment are unlawful under the laws of California.

99. To the extent necessary for Plaintiffs' and the California Subclass's claims regarding Eaton's unlawful conduct, Plaintiffs and the California Subclass relied upon the representations and omissions and they were a substantial factor in purchasing Eaton AFCIs and entering into contracts for buildings with defective AFCIs installed.

100. As a direct result of Eaton's unlawful business practices, Plaintiffs and the California Subclass have been harmed and demand damages as restitution.

COUNT VII

**Violations of California’s Consumer Legal Remedies Act,
Cal. Civ. Code §§ 1750 et seq
(On Behalf of the California Subclasses and Seeking Only Injunctive Relief)**

101. Plaintiffs, individually and for the California Subclass, hereby incorporate all paragraphs above as though fully set forth herein.

102. Defendant’s violations of the CLRA occurred repeatedly in its trade or practice—including design, manufacture, distribution, marketing, and sale of the defective AFCI breakers.

103. Defendant, through its agents, employees, and/or subsidiaries, violated the CLRA by knowingly and intentionally misrepresenting, omitting, concealing, and/or failing to disclose material facts regarding the quality and performance of the AFCI breakers, as detailed above.

104. Defendant had an ongoing duty to Plaintiffs and the California Subclass to refrain from unfair or deceptive practices under the CLRA in the course of its business. Specifically, Defendant owed Plaintiffs and the California Subclass a duty to disclose all the material facts concerning the defective AFCI breakers because:

- a. Given Defendant’s role in the design, manufacture, testing, and sale of the defective AFCI breakers, and its experience and knowledge as experts and long-time veterans of the electrical circuit breaker industry,

Defendant possessed exclusive access to and was in a superior position to know the true facts about the defective AFCI breakers;

- b. Given the AFCI breakers' hidden, latent, and technical nature of the defect, Plaintiffs and the California Subclass lack the sophisticated expertise in breaker technology that would be necessary to discover the AFCI breaker defect on their own before the defect became apparent;
- c. Defendant knew about and investigated the AFCI breaker defect, but did not notify consumers about it or disclose the defect to its authorized resellers, all of which deprived Plaintiffs and the California Subclass of an opportunity that otherwise could have led them to discover the truth about the defective breakers;
- d. Defendant made or conspired to make incomplete representations about the quality of the AFCI breakers, while purposefully withholding material facts about a known breaker defect. Because Defendant volunteered to provide information about the AFCI breakers that it marketed and offered for sale to consumers, Defendant had the duty to disclose the whole truth.

105. By misrepresenting the AFCI breakers as of a particular quality, grade, and standard as detailed above when, in fact, they were not of that quality, grade, or standard, and/or by failing to disclose and actively concealing the defective AFCI

breakers, Defendant engaged in the unfair or deceptive business practice as defined in Cal. Civ Code § 1770(a)(7).

106. By misrepresenting the AFCI breakers have sponsorship, approval, characteristics, ingredients, uses, benefits, or quantities that they do not have or that a person has a sponsorship, approval, status, affiliation, or connection that the person does not have, Defendant engaged in the unfair or deceptive business practice as defined in Cal. Civ Code § 1770(a)(5).

107. By advertising goods or services with intent not to sell them as advertised, Defendant engaged in the unfair or deceptive business practice as defined in Cal. Civ Code § 1770(a)(9).

108. Defendant's unfair or deceptive acts or practices, including its misrepresentations, concealments, omissions, and/or suppressions of material facts, were designed to mislead and had a tendency or capacity to mislead and create a false impression in consumers that the AFCI breakers were of a particular quality, grade, and standard. Indeed, those misrepresentations, concealments, omissions, and suppressions of material facts did in fact deceive reasonable consumers, including Plaintiffs and the California Subclass, about the true quality of the AFCI breakers and the true value of the AFCI breakers.

109. Defendant intended for Plaintiffs and the California Subclass to rely on its misrepresentations, omissions, and concealment—which they did by purchasing

the AFCI breakers at the prices they paid believing that their breakers would operate as promised by Defendant.

110. Defendant's misrepresentations, concealments, omissions, and suppressions of material facts regarding the AFCI breaker defect were material to the decisions of Plaintiffs and California Subclass to purchase the breakers, as Defendant intended. Plaintiffs and the California Subclass were exposed to those misrepresentations, concealments, omissions, and suppressions of material facts, and relied on Defendant's misrepresentations that the breakers were of a particular quality, grade, and standard and free of defect in deciding to purchase the breakers.

111. Plaintiffs' and the California Subclass's reliance was reasonable, as they had no way of discerning that Defendant's representations were false and misleading, or otherwise learning the facts that Defendant had concealed or failed to disclose. Plaintiffs and the California Subclass did not, and could not, unravel Defendant's deception on their own until the defect manifested itself in the AFCI breakers.

112. Had they known the truth about the breaker defect, Plaintiffs and the California Subclass would not have purchased the AFCI breakers, or would have paid significantly less for them.

113. Plaintiffs and the California Subclass seek an order enjoining the above deceptive acts or practices, awarding attorneys' fees, and any other just and proper

relief available under the CLRA against Defendant. At this time, Plaintiffs are not seeking damages under this Count.

COUNT VIII

Violations of the California False Advertising Law (“FAL”), Cal. Bus. & Prof. Code § 17500 et seq. (On Behalf of the California Subclasses)

114. Plaintiffs, individually and for the California Subclass, hereby incorporate the paragraphs above as though fully set forth herein.

115. In the course of its business, Defendant, through its agents, employees, and/or subsidiaries, violated the California FAL by knowingly and intentionally misrepresenting, omitting, concealing, and/or failing to disclose material facts regarding the quality of the AFCI breakers and their defect, as detailed above.

116. Defendant had an ongoing duty to Plaintiffs and the California Subclass to refrain from unfair or deceptive practices under the California FAL in the course of its business. Specifically, Defendant owed Plaintiffs and Class members a duty to disclose all the material facts concerning the AFCI breaker defect:

- a. Given Defendant’s role in the design, manufacture, testing, and sale of the defective AFCI breakers, and its experience and knowledge as experts and long-time veterans of the electrical circuit breaker industry, Defendant possessed exclusive access to and was in a superior position to know the true facts about the defective AFCI breakers;

- b. Given the AFCI breakers' hidden, latent, and technical nature of the defect, Plaintiffs and the California Subclass lack the sophisticated expertise in breaker technology that would be necessary to discover the AFCI breaker defect on their own before the defect became apparent;
- c. Defendant knew about and investigated the AFCI breaker defect, but did not notify consumers about it or disclose the defect to its authorized resellers, all of which deprived Plaintiffs and the California Subclass of an opportunity that otherwise could have led them to discover the truth about the defective breakers;
- d. Defendant made or conspired to make incomplete representations about the quality of the AFCI breakers, while purposefully withholding material facts about a known breaker defect. Because Defendant volunteered to provide information about the AFCI breakers that it marketed and offered for sale to consumers, Defendant had the duty to disclose the whole truth.

117. By misrepresenting the AFCI breakers as a certain quality, grade, and standard, and by failing to disclose and actively concealing the AFCI breaker defect, Defendant engaged in untrue and misleading advertising prohibited by California Bus. & Prof. Code § 17500.

118. Defendant made or caused to be made and disseminated throughout California advertising, marketing, labeling, and other publications containing numerous statements that were untrue or misleading, and which were known, or which by the exercise of reasonable care they should have been known to be untrue and misleading to consumers, including Plaintiffs and California Subclass.

119. Defendant's unfair or deceptive acts and practices, including its misrepresentations, concealments, omissions, and suppressions of material facts, were designed to mislead and had a tendency or capacity to mislead and create a false impression in consumers that the AFCI breakers were of a quality, grade, and standard and not defective. Indeed, those misrepresentations, concealments, omissions, and suppressions of material facts did in fact deceive reasonable consumers, including Plaintiffs and California Subclass, about the quality of the AFCI breakers and the true value of the AFCI breakers.

120. Defendant intended for Plaintiffs and the California Subclass to rely on their misrepresentations, omissions, and concealment—which they did by purchasing breakers at the prices they paid believing that their breakers would be of a certain quality, grade and standard.

121. Defendant's misrepresentations, omissions, and concealment of material facts regarding the AFCI breaker defect were material to the decisions of Plaintiffs and the California Subclass to purchase the AFCI breakers, as Defendant

intended. Plaintiffs and the California Subclass were exposed to those misrepresentations, concealments, omissions, and suppressions of material facts, and relied on Defendant's misrepresentations and omissions that the AFCI breakers were of a quality, grade, and standard in deciding to purchase them.

122. Plaintiffs' and the California Subclass's reliance was reasonable, as they had no way of discerning that those representations were false and misleading, or otherwise learning the facts that Defendant had concealed or failed to disclose. Plaintiffs and the California Subclass did not, and could not, unravel Defendant's deception on their own.

123. Had Plaintiffs and the California Subclass known the truth about the the AFCI breakers, they would not have purchased the AFCI breakers, or would have paid significantly less for them.

124. Plaintiffs and the California Subclass suffered ascertainable losses and actual damages as a direct and proximate result of Defendant's concealment, misrepresentations, and/or failure to disclose material information.

125. Plaintiffs and the California Subclass seek an order enjoining Defendant's false advertising, any such orders or judgments as may be necessary to restore to Plaintiffs and the California Subclass any money acquired by unfair competition, including restitution and/or restitutionary disgorgement, and any other just and proper relief available under the false advertising provisions of the

California FAL.

COUNT IX

Violation of the Magnuson-Moss Warranty Act, 15 U.S.C. §§ 2301, et seq. (On Behalf of Each Class)

126. Plaintiffs, individually and for each Class, hereby incorporate by reference the paragraphs above as though fully restated herein.

127. Defendant issued an express written warranty that covered the AFCI breakers and warranted them to be free of defects in materials and workmanship at the time of delivery.

128. Defendant breached its express warranties by offering for sale and selling defective AFCI breakers, thereby subjecting the purchasers and owners to damages and risks of loss and injury.

129. Plaintiffs and each Class are “consumers” within the meaning of the Magnuson-Moss Act, 15 U.S.C. § 2301(3).

130. Defendant is a “supplier” and “warrantor” within the meaning of the Magnuson-Moss Act, 15 U.S.C. § 2301(4) and (5).

131. The breakers are “consumer products” within the meaning of the Magnuson-Moss Act, 15 U.S.C. § 2301(6).

132. Defendant’s express warranties relate to the future performance of the AFCI breakers because it promised that the AFCI breakers would perform adequately for a specified period of time.

133. Defendant has breached and continues to breach its express warranties of future performance, thereby damaging Plaintiffs and each Class when their AFCI breakers fail to perform as represented due to an undisclosed defect. Defendant failed and refuses to fully cover or pay for necessary inspections, repairs, and/or non-defective AFCI breaker replacements for Plaintiffs and each Class.

134. Plaintiffs, members of each Class, and the public will suffer irreparable harm if Defendant is not ordered to properly repair all of AFCI breakers immediately, offer rescission to each Class by repurchasing their AFCI breakers for their full cost, reimburse the owners of the AFCI breakers the monies they have paid, recall all defective AFCI breakers, and cease and desist from marketing, advertising, selling, and leasing the defective AFCI breakers.

135. Defendant is under a continuing duty to inform its customers of the nature and existence of potential defects in the AFCI breakers sold.

136. Such irreparable harm includes but is not limited to likely damages as a result of the defects with the AFCI breakers.

137. Plaintiffs and each Class seek full compensatory damages allowable by law, attorneys' fees, costs, punitive damages, and appropriate equitable relief including injunctive relief, a declaratory judgment, a court order enjoining Defendant's wrongful acts and practices, restitution, the repair of all defective AFCI breakers, replacement of all defective AFCI breakers, the refund of money paid to

own the AFCI breakers, and any other relief to which Plaintiffs and each Class may be entitled.

COUNTY XI

(Equitable and Injunctive Relief) (On Behalf of Each Class)

138. Plaintiffs, individually and for each Class, hereby incorporate by reference all paragraphs above as though fully restated herein.

139. Plaintiffs, each Class, and the public will suffer irreparable harm if Defendant is not ordered to properly repair all of the AFCI breakers immediately, offer rescission to each Class by repurchasing their AFCI breakers for their full cost, reimburse the owners of the AFCI breakers the monies they have paid, recall all defective AFCI breakers, and cease and desist from marketing, advertising, selling, and leasing the AFCI breakers.

140. Defendant is under a continuing duty to inform its customers of the nature and existence of potential defects in the AFCI breakers sold.

141. Such irreparable harm includes but is not limited to likely damages as a result of the defects with the AFCI breakers.

142. Plaintiffs and each Class seek full compensatory damages allowable by law, attorneys' fees, costs, punitive damages, and appropriate equitable relief including injunctive relief, a declaratory judgment, a court order enjoining Defendant's wrongful acts and practices, restitution, the repair of all AFCI breakers,

replacement of all AFCI breakers, the refund of money paid to own the AFCI breakers, and any other relief to which Plaintiffs and each Class may be entitled.

COUNTY XII

(Strict Products Liability - Design Defect) (On Behalf of Each Class)

143. Plaintiffs, individually and for each Class, hereby incorporate by all paragraphs above as though fully restated herein.

144. Plaintiffs and each Class purchased defective AFCI breakers.

145. At all relevant times, the Defendant designed, manufactured, distributed, and/or sold the AFCI breakers.

146. At all relevant times, the Defendant controlled the design, manufacturing and/ or distribution process for the AFCI breakers.

147. As designed, manufactured, distributed, and/or sold by the Defendant, the AFCI breakers reached the Plaintiff and each Class, and were thereafter used by them without substantial change, in the condition in which they were distributed and sold.

148. As distributed and sold, the AFCI breakers, or “products,” are defective in design in that they do not and did not perform in the manner an ordinary consumer would have expected them to perform when used in an intended or reasonably foreseeable way. The products’ failure to perform as expected was and is a substantial factor in economic harm suffered by Plaintiffs and each Class.

149. As a result of the products' failure to perform as expected, Plaintiffs and each Class have incurred and will incur significant economic loss.

150. As a direct and proximate cause of the products' failure to perform as expected, and the damage to property that occurred due to that failure, Plaintiffs and each Class are entitled to damages to compensate them for their economic loss.

PRAYER FOR RELIEF

Plaintiffs and each Class seek full compensatory damages allowable by law, attorneys' fees, costs, and appropriate equitable relief including injunctive relief, and any other relief to which Plaintiffs and each Class may be entitled.

DEMAND FOR JURY TRIAL

The Plaintiffs and each Class hereby demand trial by a struck jury of all issues triable by right.

Dated: August 11, 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: [Eaton Corporation Hit with Class Action Over Allegedly Defective Arc Fault Circuit Interrupters](#)
