IN THE DISTRICT COURT OF THE UNITED STATES
FOR THE DISTRICT OF SOUTH CAROLINA
FLORENCE DIVISION

JERRY GREEN AND TWALA SCOTT, BOTH INDIVIDUALLY AND ON BEHALF OF ALL OTHERS SIMILARLY SITUATED, Plaintiff, v. LUMBER LIQUIDATORS, INC., a Delaware Corporation, LUMBER LIQUIDATORS LEASING, LLC, a Delaware Limited Liability Corporation, LUMBER LIQUIDATORS HOLDINGS, INC., a Delaware Corporation, LUMBER LIQUIDATORS SERVICES, LLC, a Delaware Limited Liability Corporation, Defendants.	Case No. _____ CLASS ACTION JURY TRIAL DEMANDED

CLASS ACTION COMPLAINT

Plaintiffs, Jerry Green ("Plaintiff" or "Green") and Twala Scott ("Plaintiff" or "Scott"), both individually and on behalf of all others similarly situated (the "Class", as more fully defined below), alleges against Defendant Lumber Liquidators Inc., Defendant Lumber Liquidators Leasing, LLC, Defendant Lumber Liquidators Holding, Inc., and Defendant Lumber Liquidators Services, LLC (collectively "Lumber Liquidators", the "Company", or "Defendants") the following:

INTRODUCTION

1. This is a proposed class action brought by Plaintiffs on behalf of themselves and the below-defined Class against Lumber Liquidators to obtain damages and injunctive relief arising from and relating to their purchase and installation of Lumber Liquidators' Chinese wood flooring material ("Chinese Flooring").

2. This class action arises out of Lumber Liquidators' scheme to import into the United States, and to falsely warrant, advertise, and sell Chinese Flooring that fails to comply with relevant and applicable formaldehyde standards as well as its breaches of express and implied warranties with respect to these products.

3. In particular, in contrast to its direct representations to the contrary, Lumber Liquidators manufactures, sells, and distributes Chinese Flooring which emits and off-gasses excessive levels of formaldehyde, which is categorized as a known human carcinogen by the United States National Toxicology Program and the International Agency for Research on Cancer.

4. Further, contrary to Lumber Liquidators' repeated, detailed representations that its flooring complies with strict formaldehyde standards on its product labels, website, and elsewhere, the toxic formaldehyde emissions from the Company's Chinese Flooring is multiple times the maximum permissible limits set by those standards at the time of purchase.

5. Defendants' illegal behavior with respect to its manufacturing, marketing, and sale of Chinese Flooring has caused Plaintiffs and the other Class members to suffer direct financial harm. Plaintiffs' purchases, by failing to comply with the plain warranties of the Chinese Flooring, are markedly less valuable because of its elevated level of formaldehyde.

6. Plaintiffs would have paid significantly less, if they purchased Chinese Flooring at all, had they known that the products contained elevated levels of the toxin formaldehyde.

7. Plaintiffs assert claims individually and on behalf of the other members of the proposed Class.

PARTIES

8. Plaintiff Jerry Green is a natural person and citizen of South Carolina. Green owns a home in Effingham, Florence County, South Carolina. He purchased Lumber Liquidators' Chinese Flooring and installed it in his home.

9. Plaintiff Twala Scott is a natural person and citizen of South Carolina. Scott resides in Mount Pleasant, Charleston County, South Carolina. She purchased Lumber Liquidators' Chinese Flooring and installed it in her home.

10. Defendant, Lumber Liquidators, Inc., is a Delaware corporation with its principal place of business at 3000 John Deere Road, Toano, Virginia 23168. Lumber Liquidators, Inc. is licensed and doing business in the State of South Carolina.

11. Defendant, Lumber Liquidators Leasing, LLC, is a Delaware Limited Liability Corporation with its principal place of business at 3000 John Deere Road, Toano, Virginia 23168.

12. Defendant, Lumber Liquidators Holding, Inc., is a Delaware corporation with its principal place of business at 3000 John Deere Road, Toano, Virginia 23618.

13. Defendant, Lumber Liquidators Services, LLC, is a Delaware Limited Liability Corporation with its principal place of business at 3000 John Deere Road, Toano, Virginia 23168.

14. All of the above foregoing Defendants act in concert, control each other, and act as agents for each other.

JURISDICTION AND VENUE

15. This Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. § 1332(d)(2) (diversity jurisdiction) and the Class Action Fairness Act, in that (i) there is

complete diversity (Plaintiffs are citizens of South Carolina and Defendants are domiciled and incorporated in another state), (ii) the amount in controversy exceeds $5,000,000.00 (Five Million Dollars) exclusive of interests and costs, and (iii) there are 100 or more members of the proposed Plaintiff's class.

16. Venue is proper in this District under 28 U.S.C. § 1391 because Plaintiff Green resides in this Judicial District and a substantial part of the events or omissions giving rise to Plaintiffs' claims occurred in this Judicial District. In addition, Lumber Liquidators does business and/or transacts business in this Judicial District, and therefore, is subject to personal jurisdiction in this Judicial District and resides here for venue purposes.

FACTUAL ALLEGATIONS

17. Lumber Liquidators have manufactured, labeled and sold, during the Class Period, the toxic Chinese Flooring as being compliant with "CARB regulations in the State of California." CARB is an acronym for the California Air Resources Board, an entity which has promulgated safety standards for the emission of formaldehyde for products sold in California.

18. Lumber Liquidators' Chinese Flooring is not what it purports to be. The Chinese Flooring contains a dangerous level of formaldehyde gas which exceeds the "CARB regulations in the State of California" and the standards promulgated in the Toxic Substances Contract Act, 15 U.S.C. 2601 et. seq. (Title VI – Formaldehyde Standards of Composite Wood Products) and is hazardous to human health.

19. Formaldehyde gas can cause cancer, asthma, chronic respiratory irritation and other ailments including skin and breathing problems. The risk of these health problems is significantly greater for children.

20. Formaldehyde is the sort of toxic substance to which people may be exposed without knowing they are at risk.

21. As such, the Chinese Flooring Lumber Liquidators sold Plaintiffs and other customers poses great health risks.

22. Because the Chinese Flooring emits excessive formaldehyde levels, they violate the South Carolina building code and industry standards, including the applicable Building Codes and CARB standards as well as Lumber Liquidators' express representations and warranties

23. The defects and deficiencies are due to fundamental design, engineering, and manufacturing errors well within Lumber Liquidators' area of expertise.

24. Thus, Lumber Liquidators negligently manufactured, labeled, and sold the Chinese Flooring.

25. Moreover, when selling the Chinese flooring, Lumber Liquidators concealed its knowledge of defects in the Chinese Flooring.

26. Further, Lumber Liquidators' marketing materials for the Chinese Flooring contain false and misleading information relating to compliance with California standards and designed to increase sales of the product at issue.

27. Despite knowing of the defects in the Chinese Flooring, Lumber Liquidators has not notified all purchasers, builders, and/or homeowners with the Chinese Flooring of the defect, nor provided uniform relief.

28. Plaintiffs and Class Members have not received the value for which they or their builder bargained when the Chinese Flooring was purchased. There is a difference in value between the Chinese Flooring as warranted and the Chinese Flooring containing the defect.

29. Plaintiffs and the Class have been damaged by Lumber Liquidators' dangerous and deceptive Chinese Flooring. Plaintiffs and the Class are entitled to a return of the full purchase price paid for the Chinese Flooring and other damages to be proven at trial.

CLASS ACTION ALLEGATIONS

30. Plaintiffs bring this class action pursuant to Fed. R. Civ. P. 23. The requirements of Fed. R. Civ. P. 23(a), (b)(2), (b)(3) and (c)(4) are met with respect to the classes defined below:

> **INJUNCTIVE RELIEF CLASS:**
> **All persons and entities who purchased and installed wood flooring from Lumber Liquidators Holdings either directly or through an agent, that was sourced, processed, or manufactured in China.**
>
> **DAMAGES CLASS:**
> **All persons and entities purchased and installed wood flooring from Lumber Liquidators Holdings either directly or through an agent, that was sourced, processed, or manufactured in China.**
>
> **(ALTERNATIVE) DAMAGES CLASS:**
> **All persons and entities in South Carolina who purchased and installed wood flooring from Lumber Liquidators Holdings either directly or through an agent, that was sourced, processed, or manufactured in China.**

Excluded from the Classes are: (a) any Judge or Magistrate presiding over this action and members of their families; (b) Lumber Liquidators, its affiliates, employees officers and directors, persons or entities that distribute or sell Lumber Liquidators flooring; (c) all persons who properly execute and file a timely request for exclusion from the Classes; and (d) the attorneys of record in this case.

31. *Numerosity:* The Classes are composed of thousands of persons geographically dispersed, the joinder of whom in one action is impractical. Moreover, upon information and belief, the Classes are ascertainable and identifiable from Lumber Liquidator records or documents.

32. *Commonality*: Questions of law and fact common to the Classes exist as to all members of the Classes and predominate over any questions affecting only individual members of the Classes. These common legal and factual issues include, but are not limited to the following:

a. Whether Lumber Liquidators' Chinese Flooring products emit excessive levels of formaldehyde;

b. Whether Lumber Liquidators represented and warranted that its Chinese Flooring products complied with their label descriptions;

c. Whether Lumber Liquidators omitted and concealed material facts from its communications and disclosures to Plaintiff and the other Class members regarding the illegal sourcing of its Chinese Flooring products;

d. Whether Lumber Liquidators breached its express or implied warranties to Plaintiff and the other Class members with respect to its Chinese Flooring products;

e. Whether Lumber Liquidators knew or should have known that its Chinese Flooring did not conform to the label description;

f. Whether, as a result of Lumber Liquidators' conduct, Plaintiff and the other Class members have suffered damages; and if so, the appropriate measure of damages to which they are entitled;

g. Whether, as a result of Lumber Liquidators' conduct, Lumber Liquidators was unjustly enriched; and

h. Whether, as a result of Lumber Liquidators' misconduct, Plaintiff and the other Class members are entitled to equitable relief and/or other relief, and, if so, the nature of such relief.

33. *Typicality:* Plaintiffs' claims are typical of the claims of the other Class members. Plaintiffs and each of the other Class members have been injured by the same wrongful practices of Lumber Liquidators. Plaintiffs' claims arise from the same practices and course of conduct that give rise to the other Class members' claims and are based on the same legal theories.

34. *Adequate Representation:* Plaintiffs will fully and adequately assert and protect the interests of the other Class members. In addition, Plaintiffs have retained class counsel who are

experienced and qualified in prosecuting class action cases similar to this one. Neither Plaintiffs nor their attorneys have any interests contrary to or conflicting with other Class members' interests.

35. *Predominance and Superiority:* This class action is appropriate for certification because questions of law and fact common to the members of the Class predominate over questions affecting only individual members, and a Class action is superior to other available methods for the fair and efficient adjudication of this controversy, since individual joinder of all members of the Class is impracticable. Should individual Class Members be required to bring separate actions, this Court and Courts throughout South Carolina would be confronted with a multiplicity of lawsuits burdening the court system while also creating the risk of inconsistent rulings and contradictory judgments. In contrast to proceeding on a case-by-case basis, in which inconsistent results will magnify the delay and expense to all parties and the court system, this class action presents far fewer management difficulties while providing unitary adjudication, economies of scale and comprehensive supervision by a single Court.

36. Plaintiffs bring this action pursuant to Rules 23(a), 23(b)(2), and 23(b)(3), individually and on behalf of all others similarly situated.

COUNT I
Negligence

37. Plaintiffs on behalf of themselves and all others similarly situated, adopt and incorporate by reference all foregoing allegations as though fully set forth herein.

38. Lumber Liquidators had a duty to Plaintiffs and to members of the Class to manufacture and sell flooring that was free of excessive formaldehyde levels that would cause damage to Plaintiffs' person and property.

39. Lumber Liquidators had a duty to Plaintiffs and to members of the Class to test the Chinese Flooring to ensure safe levels of formaldehyde for a reasonable period of use.

40. Lumber Liquidators had a duty to Plaintiffs and to Class members to ensure that the Chinese Flooring was suitable, either by testing or by verifying third-party test results.

41. Lumber Liquidators had a duty to Plaintiffs and to members of the Class to ensure that the Chinese Flooring complied with industry standards and all applicable building codes throughout South Carolina.

42. Lumber Liquidators failed to exercise ordinary and reasonable care in the purchase and sale of the Chinese Flooring and in determining whether the Chinese Flooring that it sold, and continued to sell, contained a latent defect that would result in dangerous and potentially life threatening levels of formaldehyde emissions.

43. Lumber Liquidators failed to exercise ordinary and reasonable care in the purchase and sale of the Chinese Flooring and breached the foregoing duties.

44. Lumber Liquidators breached its duty to the Plaintiffs and class members to test the Chinese Flooring to ensure safe levels of formaldehyde emissions for a reasonable period of use.

45. Lumber Liquidators breached its duty to Plaintiffs and to class members to ensure that the Chinese Flooring was suitable, either by testing or by verifying third-party test results.

46. Lumber Liquidators breached its duty to Plaintiffs and to members of the class to ensure that the Chinese Flooring complied with industry standards and the applicable building codes.

47. Lumber Liquidators breached its duty to Plaintiffs and to members of the class to forewarn purchasers, installers, and users regarding the known risk of formaldehyde emissions.

48. The negligence of Lumber Liquidators, its agents, servants, and/or employees, include the foregoing, as well as the following acts and/or omissions:

a. processing, distributing, delivering, supplying, inspecting, marketing and/or selling Chinese Flooring without adequately and thoroughly testing them to all applicable standards and building codes;

b. processing, distributing, delivering, supplying, inspecting, marketing and/or selling Chinese Flooring without adequately testing long term performance;

c. negligently failing to ensure that the Chinese Flooring conformed to all applicable standards and building codes; and,

d. concealing information concerning the dangerous level of formaldehyde emissions in the Chinese Flooring from Plaintiff and the Class members, while knowing that Lumber Liquidators' Chinese Flooring was defective and non-conforming with accepted industry standards and building codes.

49. Plaintiffs and the Class Members have been damaged because the Chinese Flooring do not perform their ordinary purpose and emit high levels of formaldehyde gas.

50. Plaintiffs and the Class Members have also been damaged as a direct and proximate result of the negligence, carelessness, recklessness, willfulness, and wantonness of Lumber Liquidators as aforesaid.

51. As Lumber Liquidators' conduct was grossly negligent, reckless, willful, wanton, intentional, fraudulent or the like, Plaintiffs and the Class members are entitled to an award of punitive damages against Lumber Liquidators.

COUNT II
Breach of Express Warranty

52. Plaintiffs, on behalf of themselves and all others similarly situated, adopt and incorporate by reference all foregoing allegations as though fully set forth herein.

53. Lumber Liquidators warranted that its flooring was free of defects when it sold those products to Plaintiffs and the members of the Class as described in this Complaint. Defendants further represented that its flooring products complied with CARB formaldehyde

standards and all applicable laws and regulations. Plaintiffs and members of the Class reasonably relied upon these representations.

54. Lumber Liquidators' warranties became part of the basis of the bargain.

55. Lumber Liquidators breached their warranties by:

a. Manufacturing, selling and/or distributing flooring that exceeds the CARB formaldehyde standards;

b. Manufacturing, importing, selling and/or distributing flooring that fails to comply with all applicable laws and regulations; and

c. Refusing to honor the express warranty by refusing to properly repair or replace the defective flooring.

56. Plaintiffs, on behalf of themselves and the other Class members, provided Lumber Liquidators with timely notice of its breach of warranty. Lumber Liquidators was also on notice regarding the excessively high levels of formaldehyde in its flooring from the complaints and requests for refund it received from Class members, Internet message boards and from published product reviews and media reports.

57. As a direct and proximate result of Lumber Liquidators' misconduct, Plaintiffs and the other Class members have suffered damages and continue to suffer damages, including economic damages at the point of sale. Additionally, Plaintiffs and the other Class members have either incurred or will incur economic damages at the point of repair in the form of the cost of repair and/or the cost of purchasing non-defective flooring to replace the Lumber Liquidators' flooring.

58. Plaintiffs and the other Class members are entitled to legal and equitable relief against Lumber Liquidators, including damages, consequential damages, specific performance, rescission, attorneys' fees, costs of suit, and other relief as appropriate.

59. Limitations in the published warranty should be deemed void as unconscionable, and or reformed.

COUNT III
Breach of Implied Warranties

60. Plaintiffs, on behalf of themselves and all others similarly situated, adopt and incorporate by reference all foregoing allegations as though fully set forth herein.

61. At all times relevant hereto, there was a duty imposed by law which requires that a manufacturer or seller's product be reasonably fit for the purposes for which such products are used and that the product be acceptable in trade for the product description.

62. Defendants breached this duty by selling flooring to Plaintiffs and the other members of the Class that was not merchantable.

63. Defendants were notified that its product was not merchantable within a reasonable time after the defect manifested itself to Plaintiffs and the members of the Class.

64. As a result of the non-merchantability of Lumber Liquidators' flooring described herein, Plaintiffs and other members of the Class sustained a loss or damages.

65. Plaintiffs and class members are entitled to injunctive relief, compensatory damages, equitable and declaratory relief, costs, and reasonable attorneys' fees.

66. Limitations on implied warranties in the published warranty should be deemed void as unconscionable, and or reformed.

COUNT IV
Strict Liability

67. Plaintiffs, on behalf of themselves and all others similarly situated, adopt and incorporate by reference all foregoing allegations as though fully set forth herein.

68. At all times relevant to this Complaint, Lumber Liquidators was in the business of manufacturing, marketing, distributing and/or selling Products and had a statutory duty of care.

69. Lumber Liquidators breached this duty because its Products are defectively designed and manufactured and are unreasonably dangerous in that they emit unsafe levels of formaldehyde resulting in damage to the Plaintiffs' property and person.

70. Lumber Liquidators breached this duty because its Products are defectively designed and manufactured and are unreasonably dangerous in that they emit unsafe levels of formaldehyde and cause damage to the Plaintiffs' property and person. Were the defects known at the time of design and manufacture, a reasonable person would conclude that the utility of the product did not outweigh the risk inherent in marketing a product designed and manufactured in that manner.

71. Feasible alternatives existed to make the Products safer for intended use at the time of design and manufacture. Lumber Liquidator was very knowledgeable about the product and aware or should have been aware that feasible alternatives existed which would maintain the usefulness of the Products and eliminate the harm.

72. The Products reached the Plaintiffs and class members, and were intended to reach the Plaintiffs and class members, without substantial change in the condition in which they were sold.

73. Lumber Liquidators is in violation of South Carolina Code §15-73-10, for having designed, manufactured, marketed, distributed, and sold the Products, which were defective, to the Plaintiffs and class members.

74. As a direct, foreseeable, and proximate result of the sale of the defective Products to the Plaintiffs and class members, the Plaintiffs and class members have suffered significant

physical damage to its properties, other contamination and deterioration, as well as diminution in the value of the properties.

COUNT V
Fraudulent Misrepresentation/Omission

75. Plaintiffs, on behalf of themselves and all others similarly situated, adopt and incorporate by reference all foregoing allegations as though fully set forth herein.

76. Lumber Liquidators falsely and fraudulently represented to Plaintiffs, the Class members, and/or the consuming public in general that Lumber Liquidators' products would be free from defects and fit for their customary and normal use.

77. Lumber Liquidators falsely represented to purchasers, consumer, and building owners that the Chinese Flooring was warranted against defects in material and workmanship when in fact the Limit Warranty was so limited as to prevent and preclude any warranty protection against the known defect in the Chinese Flooring.

78. When said representations were made by Lumber Liquidators, upon information and belief, they knew those representations to be false and they willfully, wantonly, and recklessly disregarded whether the representations were true.

79. These representations were made by Lumber Liquidators with the intent of defrauding and deceiving the Plaintiffs, the Class members and/or the consuming public, all of which evinced reckless, willful, indifference to the safety and welfare of the Plaintiffs and the Class members.

80. At the time the aforesaid representations were made by Lumber Liquidators, Plaintiffs and the Class members were unaware of the falsity of said representations and reasonably believed them to be true.

81. In reliance upon said representations, the Plaintiffs' and Class members' properties were built using Lumber Liquidators' Chinese Flooring, which were installed and used on Plaintiffs' and the Class members' properties thereby sustaining damage and injury and/or being at an increased risk of sustaining damage and injury in the future.

82. Lumber Liquidators knew and was aware, or should have been aware, that Lumber Liquidators' Chinese Flooring was defective and not fit for their customary and normal use.

83. Lumber Liquidators knew, or should have known, that Lumber Liquidators' Chinese Flooring had a potential to, could, and would cause severe damage and injury to property owners.

84. Lumber Liquidators brought its Chinese Flooring to the market and acted fraudulently, wantonly, and maliciously to the detriment of the Plaintiffs and the Class members.

85. By reason of the foregoing, Plaintiffs and the Class members suffered, and continue to suffer, financial damage and injury.

COUNT VI
Negligent Misrepresentation

86. Plaintiffs, on behalf of themselves and all others similarly situated, adopt and incorporate by reference all foregoing allegations as though fully set forth herein.

87. Lumber Liquidators made representations about the Chinese Flooring to Plaintiffs, Class members, and their agents or predecessors, as set forth in this complaint.

88. Those representations were false.

89. When Lumber Liquidators made the representations, it knew they were untrue or it had a reckless disregard for whether they were true, or it should have known they were untrue.

90. Lumber Liquidators knew that Plaintiffs, Class members, and their agents or predecessors, were relying on the representations.

91. In reliance upon the representations, Plaintiffs and Class Members purchased the Chinese Flooring and installed on the Plaintiffs' and Class members' homes.

92. As a direct and proximate result of Lumber Liquidators negligent misrepresentations, Plaintiffs and Class members have been damaged as set forth in this Complaint.

93. As a direct and proximate result of the foregoing, Plaintiffs and the Class Members suffered, and continue to suffer, financial damage and injury, and are entitled to all damages, including punitive damage, in addition to costs, interest and fees, including attorneys' fees, as allowed by law.

COUNT VII
Fraudulent Omission/Concealment

94. Plaintiffs, on behalf of themselves and all others similarly situated, adopt and incorporate by reference all foregoing allegations as though fully set forth herein.

95. Lumber Liquidators knew or should have known that the Chinese Flooring was defective in design, were not fit for their ordinary and intended use, and performed in accordance with neither the advertisements, marketing materials and warranties disseminated by Lumber Liquidators nor the reasonable expectations of ordinary consumers.

96. Lumber Liquidators fraudulently concealed from and/or intentionally failed to disclose to Plaintiffs and the Class that the Chinese Flooring is defective.

97. Lumber Liquidators had exclusive knowledge of the defective nature of the Chinese Flooring at the time of sale. The defect is latent and not something that Plaintiffs or Class members, in the exercise of reasonable diligence, could have discovered independently prior to purchase, because it is not feasible.

98. Lumber Liquidators had the capacity to, and did, deceive Plaintiffs and Class members into believing that they were purchasing flooring free from defects.

99. Lumber Liquidators undertook active and ongoing steps to conceal the defect. Nothing in Lumber Liquidators' advertising, publicity or marketing materials disclosed the truth about the defect, despite Lumber Liquidators' awareness of the problem.

100. The facts concealed and/or not disclosed by Lumber Liquidators to Plaintiffs and the Class members are material facts in that a reasonable person would have considered them important in deciding whether to purchase (or to pay the same price for) the flooring from their builders.

101. Lumber Liquidators intentionally concealed and/or failed to disclose material factors for the purpose of inducing Plaintiffs and the Class to act thereon.

102. Plaintiffs and the Class justifiably acted or relied upon the concealed and/or non-disclosed facts to their detriment, as evidenced by their purchase of the Chinese Flooring.

103. Plaintiffs and Class members suffered a loss of money in an amount to be proven at trial as a result of Lumber Liquidators' fraudulent concealment and nondisclosure because: (a) they would not have purchased the Chinese Flooring on the same terms if the true facts concerning the defective flooring had been known; (b) they paid a price premium due to fact that the flooring would be free from defects; and (c) the flooring did not perform as promised. Plaintiffs also would have initiated this suit earlier had the defect been disclosed to them.

104. By reason of the foregoing, Plaintiffs and the Class members suffered, and continue to suffer, financial damage and injury.

COUNT VIII
Unjust Enrichment

105. Plaintiffs on behalf of themselves and all others similarly situated, adopt and incorporate by reference all foregoing allegations as though fully set forth herein.

106. Plaintiffs and Class members conferred a benefit on Defendants when they purchased the Chinese Flooring.

107. Lumber Liquidators has been unjustly enriched in retaining the revenues derived from Class members' purchases of the Chinese Flooring, the retention of which under these circumstances is unjust and inequitable because Lumber Liquidators' Chinese Flooring is defective in design, were not fit for their ordinary and intended use, and performed in accordance with neither the advertisements, marketing materials and warranties disseminated by Lumber Liquidators nor the reasonable expectations of ordinary consumers and caused the Plaintiffs and Class members to lose money as a result thereof.

108. Plaintiffs and Class members suffered a loss of money as a result of Lumber Liquidators' unjust enrichment because: (a) they would not have purchased the Chinese Flooring on the same terms if the true facts concerning the unsafe Chinese Flooring had been known; (b) they paid a price premium due to the fact the Chinese Flooring would be free from defects; and (c) the Chinese Flooring did not perform as promised.

109. Because Lumber Liquidators' retention of the non-gratuitous benefit conferred on them by Plaintiffs and Class members is unjust and inequitable, Lumber Liquidators must pay restitution to Plaintiffs and the Class members for their unjust enrichment, as ordered by the Court.

110. Plaintiffs and the Class Members are entitled to restitution of, disgorgement of, and/or the imposition of the constructive trust upon, all profits, benefits, and other compensation obtained by the Defendants from their deceptive, misleading, and unlawful conduct.

COUNT IX
Violation of the Magnuson-Moss Warranty Act

111. Plaintiffs, on behalf of themselves and all others similarly situated, adopt and incorporate by reference all foregoing allegations as though fully set forth herein.

112. Plaintiffs and the other Class members are "consumers" within the meaning of the Magnuson-Moss Warranty Act, 15 U.S.C. § 2301(3).

113. Lumber Liquidators is a "supplier" and "warrantor" within the meaning of 15 U.S.C. §§ 2301(4)-(5).

114. Lumber Liquidators flooring purchased separate from the initial construction of the structure constitutes a "consumer product" within the meaning of 15 U.S.C. § 2301(1).

115. Lumber Liquidators' express warranties and written affirmations of fact regarding the nature of the flooring, including that the flooring was free from defects and was in compliance with CARB and EU formaldehyde standards and all other applicable laws and regulations, constitute written warranties within the meaning of 15 U.S.C. § 2301(6).

116. Lumber Liquidators breached their warranties by:

a. Manufacturing, selling and/or distributing flooring that exceeds the CARB formaldehyde standards;

b. Manufacturing, importing, selling and/or distributing flooring that fails to comply with all applicable laws and regulations; and

c. Refusing to honor the express warranty by refusing to properly repair or replace the defective flooring.

117. Lumber Liquidators' breach of its express warranties deprived Plaintiffs and the other Class members of the benefits of their bargains.

118. As a direct and proximate result of Lumber Liquidators' breaches of its written warranties, Plaintiffs and the other Class members sustained damages in an amount to be

determined at trial. Lumber Liquidators' conduct damaged Plaintiffs and the other Class members, who are entitled to recover damages, consequential damages, specific performance, diminution in value, costs, attorneys' fees, rescission, and/or other relief as appropriate.

COUNT X
Declaratory Relief 28 U.S.C. § 2201

119. Plaintiffs, on behalf of themselves and all others similarly situated, adopt and incorporate by reference all foregoing allegations as though fully set forth herein.

120. Lumber Liquidators has acted or refused to act on grounds that apply generally to the Declaratory Relief Class, so that final injunctive relief or corresponding declaratory relief is appropriate respecting the Class as a whole within the meaning of Fed. R. Civ. P. 23(b)(2). Plaintiffs seeks a ruling that:

a. The Chinese Flooring has a defect which results in unsafe levels of formaldehyde emissions. The defect may not be detectable until after the warranty provided by Lumber Liquidators has expired;

b. The Chinese Flooring has a defect in workmanship and material that allows for unsafe levels of formaldehyde emissions. The defect may not be detectable until after the warranty provided by Lumber Liquidators has expired;

c. All persons who own structures containing Chinese Flooring should be provided the best practicable notice of the defect, which cost shall be borne by Lumber Liquidators;

d. Certain provisions of Lumber Liquidators' warranty are void as unconscionable;

e. Lumber Liquidators shall re-audit and reassess all prior warranty claims, including claims previously denied in whole or in part, where the denial was based on warranty or on other grounds, and pay the full cost of repairs and damages; and

f. Lumber Liquidators shall establish an inspection program and protocol, under Court supervision, to be communicated to class members, which will require Lumber Liquidators to inspect, upon request, a class member's structure to determine formaldehyde emissions levels are safe. Any disputes over coverage shall be adjudicated by a Special Master appointed by the Court and/or agreed to by the parties.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs, on behalf of themselves and all other similarly situated, prays for a judgment against Defendants as follows:

a. For an order certifying the Classes, pursuant to Fed. R. Civ. P. Rule 23, appointing Plaintiffs as representative of the Classes, and appointing the law firms representing Plaintiffs as Class Counsel;

b. For compensatory damages sustained by Plaintiffs and the Damages Class;

c. For equitable and/or injunctive relief for the Declaratory Relief Class;

d. For payment of costs of suit herein incurred;

e. For both pre-judgment and post-judgment interest on any amounts awarded;

f. For punitive damages;

g. For payment of reasonable attorneys' fees and expert fees as may be allowable under applicable law; and

h. For such other and further relief as the Court may deem just and proper.

JURY DEMAND

Plaintiffs on behalf of themselves and on behalf of the Class Members, hereby demands a trial by jury as to all issues so triable.

Date: March 9, 2015

Respectfully submitted,

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