

VIRGINIA:

IN THE CIRCUIT COURT OF FAIRFAX COUNTY

KENNETH YOCKEY, NELSON BEAN,)
DANIEL SEBRING, DEBRA)
ALEXANDER, KENNETH ANDERSON,)
CONSTANCE BALDWIN, VICTOR)
BATEH, MOLLY WEIS-BATEH,)
STEPHANIE BEAGLE, PAUL MEFFERD,)
LISA BUTLER, RUBY SARDEN, TONY)
CLARK, NICOLE CLARK, BRANDON)
COLEMAN, DAVID CRUMPTON,)
LINDA CRUMPTON, TIMOTHY)
CUNNINGHAM, TRAVIS DEMERITTE,)
DEANN ELLIS, STEFAN FREEMAN,)
BRAD GLAHN, ROBERT GOLDSTEIN,)
PHILLIP HOOVER, GREG LACY,)
JACQULYN LINTHECOME, ROBERT)
MAGEE, LEONARD MICHAEL,)
RHONDA MITCHELL, EDWARD NAIL,)
JULIAN NAJM, JARED OLDS,)
MICHAEL POTTS, JOAN POTTS,)
RODERICK RUTLEDGE, MICHAEL)
SHABANI, KLETIS SLOAN, FORD)
SMITH, CRISTINA SMITH, JERRY)
TALBERT, EDWARD WESTREICHER,)
AVERY WINDER, ANTHONY AMERI,)
WESLEY BRETON, JOSEPH BROOKS,)
DAN CAULFIELD, ERIC FEINBERG,)
ZACHARY FLYNN, DAWN GOWDER,)
JOE GRAGG, DIANN GRAGG, DYLAN)
HOFFMAN, SHELTON HOLZMAN,)
BILAL JAVED, DENNIS KELLMAN,)
CAROL KLOSTER, SCOTT KRAUS,)
MARK KURIATA, BRADLEY MIZGATE,)
RICHARD MOREHOUSE, FLORENTINA)
MURRAY, ERIC PAN, CHET PHILLIPS,)
SUSAN PHILLIPS, JOHN QUINN,)
RAYMOND QUINTANA, JODY)
QUINTANA, CLYDE ROBISON,)
DONALD SEARCY, ERIC SMITH,)
AARON SULLIVAN-HALL, SALENA)

Case No.: 2018 15767

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CIVIL INTAKE
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JOHN T. FREY
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FAIRFAX, VA

WHITFIELD, JAMES ZIKA, PAMELA)
ZIKA, ERIC ROZENBERG, KIRKE)
DORWEILER, MARY DORWEILER,)
TINA OLSEN, AMIT DESAI, JIGISHA)
DESAI, FELIPE FOSTER, THOMAS)
JONES, DEREK KAPLAN, DAVID)
MCLEOD, TONY MOSLEY, SPENCER)
PEACE, HOANG PHAN, SCHINGTIA)
ROBERTSON, ANOUSHEH SAYAH,)
BEHRANG MAZAHERY, DONALD)
ACCETTA, CATHERINE BAPTISTA,)
PHILLIP CROSS, DAMARIS BERNER,)
KEVIN BUTLER, ALEXANDER CHU,)
PETER CLARK, CHRISTOPHER CRANE,)
JOSEPH DEMARTINO, MICHAEL)
DEVEREAUX, KARL DUGUERRE,)
SWAPNIL GADKARI, PETER GREAVES,)
CRIS INGEMI, NOEL LAZO, DORENE)
LEWEY, CALVIN MCFADDEN,)
JEFFREY MENDES, MANSOUR)
MOHEBAN, DAVID MORIN, KHANG)
NGUYEN, PAVLO OLENCHYK,)
KATHLEEN PITONIAK, MELISSA)
PROCIDA, JOHN QUACKENBUSH,)
GLENN ROGERS, PATRICIA)
STURDEVANT, TAYISH WARDELL,)
SAYRE WARDELL, JOHN COLE,)
MARTHA KUZAK, NAOVARATH)
PHALAVONG, ROGER SKIPPER,)
MELVIN PONNACHEN, DUAN LEE,)
LUNG TAN, SCOTT ENDSLEY,)
MICHAEL FIELDS, KEVIN TAYLOR,)
MELISSA BRADY, GERALD MOSLEY,)
ROBERT MARTINDALE, GWYNETH)
PAULSON, EDDIE BARBER, MICHAEL)
OGNIBENE AND HEIDI OGNIBENE)
)
Plaintiffs,)
)
v.)
)
VOLKSWAGEN GROUP OF AMERICA,)
INC.)

f/k/a VOLKSWAGEN OF AMERICA,)
INC.)
Serve: Corporation Service Company)
Bank of America Center)
1111 East Main St.)
Richmond, VA 23219)
)
VOLKSWAGEN)
AKTIENGESELLSCHAFT)
Serve: Brieffach 1998, D-38436)
Wolfsburg, Germany)
)
AUDI AKTIENGESELLSCHAFT)
Serve: Postfach 10 04 57)
85045 Ingolstadt, Germany.)
)
AUDI OF AMERICA, LLC)
Serve: 2200 Ferdinand Porsche Drive)
Herndon, Virginia 20171.)
)
Defendants.)

COMPLAINT AND JURY TRIAL DEMAND

Plaintiffs listed and set forth herein below file this Original Complaint and Jury Trial Demand complaining of Defendants Volkswagen Group of America, Inc., Volkswagen Aktiengesellschaft, Audi Aktiengesellschaft, and Audi of America, LLC and for cause of action would show:

PARTIES

PLAINTIFFS

The Alaska Plaintiff

1. Plaintiff Kenneth Yockey is a citizen of the State of Alaska who acquired a 2012 Audi A8 in the State of Alaska.

The Alabama Plaintiffs

2. Plaintiff Nelson Bean is a citizen of the State of Alabama who acquired a 2014 Audi A6 in the State of Alabama.

3. Plaintiff Daniel Sebring is a citizen of the State of Pennsylvania who acquired a 2013 Audi A6 in the State of Alabama.

The Georgia Plaintiffs

4. Plaintiff Debra Alexander is a citizen of the State of North Carolina who acquired a 2014 Audi A7 in the State of Georgia.

5. Plaintiff Kenneth Anderson is a citizen of the State of North Carolina who acquired a 2016 Audi A6 in the State of Georgia.

6. Plaintiff Constance Baldwin is a citizen of the State of Alabama who acquired a 2016 Audi A6 in the State Georgia.

7. Plaintiffs Victor Bateh and Molly Weis-Bateh are citizens of the State of Georgia who acquired a 2016 Audi A7 in the State of Georgia.

8. Plaintiffs Stephanie Beagle and Paul Mefferd are citizens of the State of Georgia who acquired a 2015 Audi Q5 in the State of Georgia.

9. Plaintiffs Lisa Butler and Ruby Sarden are citizens of the State of Georgia who acquired a 2012 Audi A8 in the State of Georgia.

10. Plaintiff Tony Clark and Nicole Clark are citizens of the State of Mississippi who acquired a 2013 Audi A8 in the State of Georgia.

11. Plaintiff Brandon Coleman is a citizen of the State of Virginia who acquired a 2016 Audi A6 in the State of Georgia.

12. Plaintiffs David Crumpton and Linda Crumpton are citizens of the State of Georgia who acquired a 2016 Audi A6 in the State of Georgia.

13. Plaintiff Timothy Cunningham is a citizen of the State of Alabama who acquired a 2013 Audi A8 in the State of Georgia.

14. Plaintiff Travis Demeritte is a citizen of the State of Georgia who acquired a 2013 Audi A8 in the State of Georgia.

15. Plaintiff DeAnn Ellis is a citizen of the State of Georgia who acquired a 2016 Audi A6 in the State of Georgia.

16. Plaintiff Stefan Freeman is a citizen of the State of Georgia who acquired a 2016 Audi A6 in the State of Georgia.

17. Plaintiff Brad Glahn is a citizen of the State of Georgia who acquired a 2013 Audi A7 in the State of Georgia.

18. Plaintiff Robert Goldstein is a citizen of the State of Georgia who acquired a 2014 Audi A8 in the State of Georgia.

19. Plaintiffs Phillip Hoover and Edward Westreicher are citizens of the State of Georgia who acquired a 2016 Audi A6 in the State of Georgia.

20. Plaintiff Greg Lacy is a citizen of the State of Georgia who acquired a 2012 Audi A6 in the State of Georgia.

21. Plaintiff Jacquelyn Linthecome is a citizen of the State of Georgia who acquired a 2012 Audi A7 in the State of Georgia.

22. Plaintiff Robert Magee is a citizen of the State of Mississippi who acquired a 2014 Audi A6 in the State of Georgia.

23. Plaintiff Leonard Michael is a citizen of the State of Georgia who acquired a 2014 Audi A6 in the State of Georgia.

24. Plaintiff Rhonda Mitchell is a citizen of the State of Georgia who acquired a 2012 Audi A6 in the State of Georgia.

25. Plaintiff Edward Nail is a citizen of the State of Georgia who acquired a 2016 Audi A6 in the State of Georgia.

26. Plaintiff Julian Najm is a citizen of the State of Georgia who acquired a 2015 Audi A6 in the State of Georgia.

27. Plaintiff Jared Olds is a citizen of the State of Florida who acquired a 2013 Audi A7 in the State of Georgia.

28. Plaintiff Michael Potts and Joan Potts are citizens of the State of Wisconsin who acquired a 2012 Audi A7 in the State of Georgia.

29. Plaintiff Roderick Rutledge is a citizen of the State of Alabama who acquired a 2012 Audi A8 in the State of Georgia.

30. Plaintiff Michael Shabani is a citizen of the State of Alabama who acquired a 2013 Audi Q5 in the State of Georgia.

31. Plaintiff Kletis Sloan is a citizen of the State of Georgia who acquired a 2012 Audi A7 in the State of Georgia.

32. Plaintiffs Ford Smith and Cristina Smith are citizens of the State of Georgia who acquired a 2012 Audi A6 in the State of Georgia.

33. Plaintiff Jerry Talbert is a citizen of the State of Georgia who acquired a 2012 Audi A6 in the State of Georgia.

34. Plaintiff Avery Winder is a citizen of the State of North Carolina who acquired a 2013 Audi A8 in the State of Georgia.

The Illinois Plaintiffs

35. Plaintiff Anthony Ameri is a citizen of the State of Illinois who acquired a 2012 Audi A6 in the State of Illinois.

36. Plaintiff Wesley Breton is a citizen of the State of Illinois who acquired a 2012 Audi A8 in the State of Illinois.

37. Plaintiff Joseph Brooks is a citizen of the State of Illinois who acquired a 2012 Audi A6 in the State of Illinois.

38. Plaintiff Dan Caulfield is a citizen of the State of Illinois who acquired a 2015 Audi Q5 in the State of Illinois.

39. Plaintiff Eric Feinberg is a citizen of the State of Illinois who acquired a 2016 Audi A6 in the State of Illinois.

40. Plaintiff Zachary Flynn is a citizen of the State of Pennsylvania who acquired a 2013 Audi A7 in the State of Illinois.

41. Plaintiff Dawn Gowder is a citizen of the State of Illinois who acquired a 2013 Audi A7 in the State of Illinois.

42. Plaintiff Joe Gragg and Diann Gragg are citizens of the State of Illinois who acquired a 2012 Audi A6 in the State of Illinois.

43. Plaintiff Dylan Hoffman is citizen of the State Illinois who acquired a 2013 Audi A6 in the State of Illinois.

44. Plaintiff Sheldon Holzman is a citizen of the State of Illinois who acquired a 2012 Audi A6 in the State of Illinois.

45. Plaintiff Bilal Javed is a citizen of the State of Texas who acquired a 2016 Audi A8 in the State of Illinois.

46. Plaintiff Dennis Kellman is a citizen of the State of Tennessee who acquired a 2012 Audi A8 in the State of Illinois.

47. Plaintiff Carol Kloster is a citizen of the State of Illinois who acquired a 2013 Audi A7 in the State of Illinois.

48. Plaintiff Scott Kraus is a citizen of the State of Iowa who acquired a 2012 Audi A7 in the State of Illinois.

49. Plaintiff Mark Kuriata is a citizen of the State of Michigan who acquired a 2013 Audi A8 in the State of Illinois.

50. Plaintiff Bradley Mizgate is a citizen of the State of Indiana who acquired a 2014 Audi A7 in the State of Illinois.

51. Plaintiff Richard Morehouse is a citizen of the State of Illinois who acquired a 2012 Audi A6 in the State of Illinois.

52. Plaintiff Florentina Murray is a citizen of the State of Illinois who acquired a 2015 Audi Q5 in the State of Illinois.

53. Plaintiffs Michael Ognibene and Heidi Ognibene are citizens of the State of Illinois who acquired a 2013 Audi A8 in the State of Illinois.

54. Plaintiff Eric Pan is a citizen of the State of Illinois who acquired a 2013 Audi A8 in the State of Illinois.

55. Plaintiffs Chet Phillips and Susan Phillips are citizens of the State of Illinois who acquired a 2013 Audi A6 in the State of Illinois.

56. Plaintiff John Quinn is a citizen of the State of Illinois who acquired a 2014 Audi A8 in the State of Illinois.

57. Plaintiffs Raymond Quintana and Jody Quintana are citizens of the State of Illinois who acquired a 2015 Audi A8 in the State of Illinois.

58. Plaintiff Clyde Robison is a citizen of the State of Illinois who acquired a 2014 Audi A7 in the State of Illinois.

59. Plaintiff Donald Searcy is a citizen of the State of Illinois who acquired a 2012 Audi A8 in the State of Illinois.

60. Plaintiff Eric Smith is a citizen of the State of Virginia who acquired a 2013 Audi A8 in the State of Illinois.

61. Plaintiff Aaron Sullivan-Hall is a citizen of the State of Wisconsin who acquired a 2014 Audi Q5 in the State of Illinois.

62. Plaintiff Salena Whitfield is a citizen of the State of Illinois who acquired a 2013 Audi A6 in the State of Illinois.

63. Plaintiffs James Zika and Pamela Zika are citizens of the State of Illinois who acquired a 2015 Audi Q5 in the State of Illinois.

The Indiana Plaintiff

64. Plaintiff Eric Rozenberg is a citizen of the State of Indiana who acquired a 2013 Audi Q5 in the State of Indiana.

The Iowa Plaintiffs

65. Plaintiff Kirke Dorweiler and Mary Dorweiler is a citizen of the State of Arizona who acquired a 2013 Audi A6 in the State of Iowa.

66. Plaintiff Tina Olsen is a citizen of the State of Iowa who acquired a 2012 Audi A6 in the State of Iowa.

The Maryland Plaintiffs

67. Plaintiffs Amit Desai and Jigisha Desai are citizens of the State of Maryland who acquired a 2012 Audi A8 in the State of Maryland.

68. Plaintiff Felipe Foster is a citizen of the State of Maryland who acquired a 2012 Audi A6 in the State of Maryland.

69. Plaintiff Thomas Jones is a citizen of the State of Maryland who acquired a 2015 Audi A6 in the State of Maryland.

70. Plaintiff Derek Kaplan is a citizen of the State of Maryland who acquired a 2012 Audi A6 in the State of Maryland.

71. Plaintiff David McLeod is a citizen of the State of Pennsylvania who acquired a 2016 Audi A6 in the State of Maryland.

72. Plaintiff Tony Mosley is a citizen of the State of Maryland who acquired a 2012 Audi A8 in the State of Maryland.

73. Plaintiff Spencer Peace is a citizen of the State of Maryland who acquired a 2012 Audi A8 in the State of Maryland.

74. Plaintiff Hoang Phan is a citizen of the State of Virginia who acquired a 2013 Audi Q5 in the State of Maryland.

75. Plaintiff Schingtia Robertson is a citizen of the State of Maryland who acquired a 2012 Audi A6 in the State of Maryland.

76. Plaintiffs Anousheh Sayah and Behrang Mazahery are citizens of the State of Virginia who acquired a 2012 Audi A6 in the State of Maryland.

The Massachusetts Plaintiffs

77. Plaintiff Donald Accetta is a citizen of the State of Massachusetts who acquired a 2012 Audi A6 in the State of Massachusetts.

78. Plaintiffs Catherine Baptista and Phillip Cross are citizens of the State of Massachusetts who acquired a 2012 Audi A6 in the State of Massachusetts.

79. Plaintiff Damaris Berner is a citizen of the State of Massachusetts who acquired a 2015 Audi Q5 in the State of Massachusetts.

80. Plaintiff Kevin Butler is a citizen of the State of Massachusetts who acquired a 2013 Audi Q5 in the State of Massachusetts.

81. Plaintiff Alexander Chu is a citizen of the State of Massachusetts who acquired a 2013 Audi A6 in the State of Massachusetts.

82. Plaintiff Peter Clark is a citizen of the State of New Hampshire who acquired a 2013 Audi Q5 in the State of Massachusetts.

83. Plaintiff Christopher Crane is a citizen of the State of Maine who acquired a 2014 Audi Q5 and a 2014 Audi A7 in the State of Massachusetts.

84. Plaintiff Joseph Demartino is a citizen of the State of Massachusetts who acquired a 2013 Audi Q5 in the State of Massachusetts.

85. Plaintiff Michael Devereaux is a citizen of the State of Massachusetts who acquired a 2013 Audi Q5 in the State of Massachusetts.

86. Plaintiff Karl Duguerre is a citizen of the State of Massachusetts who acquired a 2012 Audi A7 in the State of Massachusetts.

87. Plaintiff Swapnil Gadkari is a citizen of the State of Massachusetts who acquired a 2012 Audi A6 in the State of Massachusetts.

88. Plaintiff Peter Greaves is a citizen of the State of Massachusetts who acquired a 2013 Audi A6 in the State of Massachusetts.

89. Plaintiff Cris Ingemi is a citizen of the State of Massachusetts who acquired a 2012 Audi A7 in the State of Massachusetts.

90. Plaintiff Noel Lazo is a citizen of the State of Massachusetts who acquired a 2014 Audi Q5 in the State of Massachusetts.

91. Plaintiff Dorene Lewey is a citizen of the State of Massachusetts who acquired a 2013 Audi Q5 in the State of Massachusetts.

92. Plaintiff Calvin McFadden is a citizen of the State of Massachusetts who acquired a 2013 Audi A8 in the State of Massachusetts.

93. Plaintiff Jeffrey Mendes is a citizen of the State of Massachusetts who acquired a 2012 Audi A7 in the State of Massachusetts.

94. Plaintiff Mansour Moheban is a citizen of the State of Massachusetts who acquired a 2014 Audi A6 in the State of Massachusetts.

95. Plaintiff David Morin is a citizen of the State of New Hampshire who acquired a 2013 Audi A6 in the State of Massachusetts.

96. Plaintiff Khang Nguyen is a citizen of the State of Massachusetts who acquired a 2015 Audi A6 in the State of Massachusetts.

97. Plaintiff Pavlo Olenchyk is a citizen of the State of New Jersey who acquired a 2014 Audi A6 in the State of Massachusetts.

98. Plaintiff Kathleen Pitoniak is a citizen of the State of Massachusetts who acquired a 2016 Audi Q5 in the State of Massachusetts.

99. Plaintiff Melissa Procida is a citizen of the State of Maine who acquired a 2016 Audi SQ5 in the State of Massachusetts.

100. Plaintiff John Quackenbush is a citizen of the State of Massachusetts who acquired a 2014 Audi SQ5 in the State of Massachusetts.

101. Plaintiff Glenn Rogers is a citizen of the State of Massachusetts who acquired a 2013 Audi A6 in the State of Massachusetts.

102. Plaintiff Patricia Sturdevant is a citizen of the State of Massachusetts who acquired a 2016 Audi A6 in the State of Massachusetts.

103. Plaintiffs Tavish Wardell and Sayre Wardell are citizens of the State of Vermont who acquired a 2014 Audi A6 in the State of Massachusetts.

The Michigan Plaintiffs

104. Plaintiff John Cole is a citizen of the State of Michigan who acquired a 2012 Audi A7 in the State of Michigan.

105. Plaintiff Martha Kuzak is a citizen of the State of Michigan who acquired a 2013 Audi Q5 in the State of Michigan.

106. Plaintiffs Naovarath Phalavong and Roger Skipper are citizens of the State of Michigan who acquired a 2013 Audi A8 in the State of Michigan.

107. Plaintiff Melvin Ponnachen is a citizen of the State of Michigan who acquired a 2013 Audi A8 in the State of Michigan.

The Missouri Plaintiffs

108. Plaintiff Duan Lee is a citizen of the State of Missouri who acquired a 2013 Audi A6 in the State of Missouri.

109. Plaintiff Lung Tan is a citizen of the State of Missouri who acquired a 2014 Audi A8 in the State of Missouri.

The Ohio Plaintiffs

110. Plaintiff Scott Endsley is a citizen of the State of Ohio who acquired a 2016 Audi A6 in the State of Ohio.

111. Plaintiff Michael Fields is a citizen of the State of Ohio who acquired a 2013 Audi A8 in the State of Ohio.

112. Plaintiff Kevin Taylor is a citizen of the State of Ohio who acquired a 2012 Audi A6 in the State of Ohio.

The Oregon Plaintiffs

113. Plaintiff Melissa Brady is a citizen of the State of Oregon who acquired a 2016 Audi SQ5 in the State of Oregon.

114. Plaintiff Gerald Mosley is a citizen of the State of Oregon who acquired a 2013 Audi Q5 in the State of Oregon.

115. Plaintiffs Robert Martindale and Gwyneth Paulson are citizens of the State of Oregon who acquired a 2013 Audi Q5 in the State of Oregon.

The Utah Plaintiff

116. Plaintiff Eddie Barber is a citizen of the State of Utah who acquired a 2014 Audi A6 in the State of Utah.

DEFENDANTS

117. Volkswagen Aktiengesellschaft ("VW AG") is a German corporation with its principal place of business at Berliner Ring 2, 38440 Wolfsburg, Germany. VW AG may be served with process through its wholly owned U.S. subsidiary, Volkswagen Group of America, Inc., 2200

Ferdinand Porsche Dr., Herndon, VA 20171. VW AG may be served with process either by serving any officer or director of Volkswagen Group of America, Inc., at 2200 Ferdinand Porsche Dr., Herndon, VA 20171 or by serving Volkswagen Group of America, Inc. through its registered agent for service of process, Corporation Service Company d/b/a CSC-Lawyers Incorporating Service, 2710 Gateway Oaks Dr., Ste. 150N, Sacramento, CA 95833.

118. Volkswagen Group of America, Inc. (“VW America”) is a New Jersey corporation with its principal place of business located at 2200 Ferdinand Porsche Drive, Herndon, Virginia 20171. VW America may be served with process by serving its registered agent, Corporation Service Company, Bank of America Center, 1111 East Main St., Richmond, VA 23219. VW America is a wholly-owned subsidiary of VW AG, and it engages in business, including the advertising, marketing and sale of Volkswagen automobiles, in all 50 states.

119. Audi Aktiengesellschaft (“Audi AG”) is a German corporation with its principal place of business at Auto-Union-Straße 1, 85045 Ingolstadt, Germany. Audi AG may be served with process either by serving any officer or director of Volkswagen Group of America, Inc., at 2200 Ferdinand Porsche Dr., Herndon, VA 20171 or by serving Volkswagen Group of America, Inc. through its registered agent for service of process, Corporation Service Company d/b/a CSC-Lawyers Incorporating Service, 2710 Gateway Oaks Dr., Ste. 150N, Sacramento, CA 95833.

120. Audi of America, LLC (“Audi America”) is a Delaware limited liability company with its principal place of business located at 2200 Ferdinand Porsche Drive, Herndon, Virginia 20171. Audi America may be served with process at 2200 Ferdinand Porsche Dr., Herndon, VA 20171. Audi America is a wholly-owned U.S. subsidiary of Audi AG, and it engages in business, including the advertising, marketing and sale of Audi automobiles, in all 50 states.

AGENCY

121. At all relevant times to the allegations in this lawsuit, VW America, Audi AG, and Audi America were the agents of VW AG and all misrepresentations at issue in this lawsuit and described below in more detail were made with knowledge and intent by VW AG, VW America, Audi AG, and Audi America that the misrepresentations would be repeated to third-parties, like Plaintiffs, and that such third-parties would rely on them.

122. For purposes of this Complaint, VW AG, VW America, Audi AG, and Audi America shall collectively be referred to as “Defendants,” the “Audi Gasoline Defendants,” or “Audi.”

JURISDICTION AND VENUE

Personal Jurisdiction over VW America and Audi America

123. Personal jurisdiction over VW America and Audi America is proper in Virginia because both entities are corporate citizens of Virginia, having registered to do business with the Virginia State Corporation Commission, and because they maintain their principal places of business in Fairfax County, Virginia.

Personal Jurisdiction over Volkswagen AG

124. Personal jurisdiction over Volkswagen AG is proper because Volkswagen AG acted both directly and indirectly to (1) transact business in Virginia; (2) supply services or things in Virginia; (3) cause tortious injury by an act or omission in Virginia; and (4) cause tortious injury in Virginia by an act or omission outside Virginia and regularly does or solicits business, engages in a persistent course of conduct, and derives substantial revenue from goods used or consumed or services rendered in Virginia. *See* Va. Code Ann. 8.01-328.1.

125. Personal jurisdiction over Volkswagen AG is proper because of Volkswagen AG’s own direct contacts with the state of Virginia concerning the fraud that forms the basis of this

lawsuit. Personal jurisdiction over Volkswagen AG is further proper because the Virginia contacts of Volkswagen America, Audi America, and Audi AG concerning the fraud that forms the basis of this lawsuit can be imputed to Volkswagen AG pursuant to the agency relationship between and among the parties, alter ego, conspiracy theory, and joint venture.

126. As set forth below, Volkswagen America, Audi AG, and Audi America are the agents, both actual and implied, of Volkswagen AG and were Volkswagen AG's agents as to the marketing, promotion, sale, and distribution of the Fraudulent Vehicles in the United States and in Virginia. Volkswagen America, Audi AG, and Audi America carried out the marketing, promotion, sale, and distribution of the Fraudulent Vehicles in Virginia as Volkswagen AG's agent. Volkswagen America's, Audi AG's, and Audi America's actions in, and contacts with, Virginia can be imputed to Volkswagen AG because of the agency relationship between and among those parties.

127. As set forth below, Volkswagen America, Audi AG, and Audi America are the alter egos of Volkswagen AG because there is (1) a unity of interest and ownership; and (2) Volkswagen AG used Volkswagen America, Audi AG, and Audi America to evade a personal obligation in Virginia, to perpetrate fraud or a crime in Virginia, and to commit an injustice in Virginia, and to gain an unfair advantage in Virginia. Volkswagen AG used Volkswagen America, Audi AG, and Audi America in Virginia as its alter egos for the marketing, promotion, sale and distribution of the Fraudulent Vehicles in the United States and in Virginia. Volkswagen of America, a wholly owned subsidiary of Volkswagen AG and located in Virginia exists solely to promote the sale and distribution of Volkswagen AG and Audi AG products, including the Fraudulent Vehicles, in the United States and Virginia. Volkswagen America's, Audi AG's, and Audi America's actions in, and contacts with, Virginia can be imputed to Volkswagen AG pursuant to an alter ego theory.

128. At all relevant times herein, Volkswagen AG, Audi AG, Volkswagen America, and Audi America operated a joint venture (the “Joint Venture” or “Volkswagen”) in Virginia having agreed to assist each other in designing, importing, distributing, marketing and selling certain motor vehicles in the United States, including the Fraudulent Vehicles at issue in this lawsuit. At the critical stages in the foregoing activities, Defendants acted as agents for each other in Virginia in pursuing their common goal of selling the Fraudulent Vehicles in the United States and Virginia. Each Defendant maintained a voice in the control and management of the Joint Venture in Virginia, and each shared in the profits and losses of the Joint Venture in Virginia. The Joint Venture arose in Virginia and is centered in Virginia, and therefore, Virginia law controls the rights and liabilities of the Joint Venture vis-à-vis third parties. Under Virginia law, the Joint Venture is treated as a partnership, and under applicable Virginia partnership law, each partner is jointly and severally liable for the tortious acts of the partnership committed in furtherance of the enterprise. Va. Code § 50-73.96. Given the foregoing, Defendants are jointly and severally liable for tortious acts of each other relating to the business of the Joint Venture. Volkswagen America’s, Audi AG’s, and Audi America’s actions in, and jurisdictional contacts with, Virginia are imputed to Volkswagen AG by virtue of the Joint Venture.

129. Even if there was no parent-subsidary relationship between Volkswagen AG and Volkswagen America, personal jurisdiction would still be proper over Volkswagen AG because of Volkswagen AG’s own contacts with Virginia with regard to the fraud that forms the basis of this lawsuit. Volkswagen AG sold to Volkswagen America, a Virginia-based corporation, both directly and indirectly (through Audi AG), the Fraudulent Vehicles with the knowledge and intent that Volkswagen America would resell and distribute them to Plaintiffs and throughout the United States. Further, Volkswagen AG worked with and directed Volkswagen America in Virginia to

advertise and market the Fraudulent Vehicles to Plaintiffs. Volkswagen AG used its own employees and directed Volkswagen America to formulate and disseminate false information about the Fraudulent Vehicles from Virginia. Volkswagen AG not only directed Volkswagen America and Audi America employees in Fairfax County, Virginia to carry out the fraud, but Volkswagen AG sent its own employees to Virginia to carry out and perpetrate the fraud that forms the basis of this lawsuit. Volkswagen AG and Audi AG required Volkswagen America to use false information about the Fraudulent Vehicles in marketing campaigns developed in Fairfax County, Virginia. Volkswagen AG and Audi AG employees came to Virginia to develop and promote these campaigns.

130. The Fraudulent Vehicles were marketed through Volkswagen America, which agreed to serve as the sales agent for Volkswagen AG and Audi AG in Virginia. Volkswagen America set up a nationwide distribution network that was certain to bring the Fraudulent Vehicles into Virginia. That distribution network specifically targeted Plaintiffs, all of whom purchased their Fraudulent Vehicles in Virginia.

131. Volkswagen AG's relationship with Volkswagen America goes far beyond that of a mere parent-subsidiary relationship. Volkswagen AG exercises significant and total control over Volkswagen America's day to day operations in Virginia, and exercised total control over Volkswagen America in Virginia in directing and carrying out the fraud that forms the basis of this lawsuit. Indeed, Volkswagen AG's control is so persistent and total that numerous courts across the country have found that Volkswagen America is the proper agent for service of process for Volkswagen AG.

132. Volkswagen AG is also the parent company of Audi AG. Volkswagen AG exercises significant control over Audi AG's day-to-day operations. Audi AG exercises significant control over Volkswagen America with respect to the Fraudulent Vehicles.

133. In order to sell the Fraudulent Vehicles in the United States and Virginia, Volkswagen AG appointed its wholly-owned Virginia-based subsidiary, Volkswagen America, to transact and manage the business affairs of importing, distributing, marketing and the sale of Volkswagen AG vehicles, including the Fraudulent Vehicles in the United States. Volkswagen AG further caused Audi AG, one of its German subsidiaries, to appoint Volkswagen America to transact and manage the business affairs of importing, distributing, marketing and the sale of Audi AG vehicles, including the Fraudulent Vehicles in the United States. Both Volkswagen America and Audi America carried out these activities from their corporate headquarters in Fairfax County, Virginia. Pursuant to these agreements, Volkswagen AG and Audi AG sold the Fraudulent Vehicles, along with hundreds of thousands of other vehicles to Volkswagen America, a Virginia-based corporation, for distribution throughout the United States and Virginia. Among those vehicles were the Fraudulent Vehicles owned by Plaintiffs herein. All of this was accomplished, and the Fraudulent Vehicles were sold to Plaintiffs, pursuant to two Importer Agreements, one of which was between Volkswagen AG and Volkswagen America (the "Volkswagen Importer Agreement") and the other of which was between Audi AG and Volkswagen America (the "Audi Importer Agreement"). These Importer Agreements were not arms-length transactions. Volkswagen AG required Audi AG and Volkswagen America to enter into these agreements.

134. Though the Audi Importer Agreement is between Volkswagen America and Audi AG, Volkswagen AG exercises such extensive and pervasive control over both parties that it should be considered a party to the Audi Importer Agreement. In practical terms, Volkswagen AG

exercises all of the powers and authorities provided to Audi AG pursuant to the Audi Importer Agreement and thus indirectly controls Volkswagen America through the Audi Importer Agreement. Volkswagen AG exercised its powers through the Audi Importer Agreement and the Volkswagen Importer Agreement to carry out in Virginia the fraud that forms the basis of this lawsuit.

135. The Importer Agreements appoint Volkswagen America as the sole authorized U.S. importer and distributor of vehicles manufactured by Volkswagen AG and Audi AG. Volkswagen America agreed to assume responsibility for the importation, distribution, marketing and sale of Volkswagen and Audi vehicles, including the Fraudulent Vehicles. Volkswagen America was the sole authorized U.S. importer and distributor of the Fraudulent Vehicles, as well as other vehicles manufactured by Volkswagen AG and Audi AG, and Volkswagen America obtained the Certificates of Conformity that allowed Volkswagen AG and Audi AG to sell the Fraudulent Vehicles, and all their vehicles, in the United States. With regard to the Fraudulent Vehicles, Volkswagen America carried out its duties and responsibilities to Volkswagen AG and Audi AG under the Importer Agreements in Fairfax County, Virginia at the direction of Volkswagen AG and Audi AG, and with their direct participation in Fairfax County, Virginia.

136. The Importer Agreements divide functions and promote the common purpose of selling Volkswagen and Audi vehicles, including the Fraudulent Vehicles, throughout the United States. Pursuant to these agreements, Volkswagen AG had the right and power to control the means and methods by which Volkswagen America performed its work in marketing, sales, promotion and public relations and did in fact exercise such power and control over Volkswagen America in Fairfax County, Virginia. Volkswagen AG oversaw and controlled all of the details

of Volkswagen America's marketing, sales, promotion and public relations concerning the Fraudulent Vehicles, which occurred in Virginia.

137. The Importer Agreements required Volkswagen America to establish a dealer network based on Volkswagen AG's and Audi AG's schedule and conditions. It was this extensive dealer network that allowed Volkswagen AG to sell the Fraudulent Vehicles to Plaintiffs and other consumers throughout the U.S., including Virginia. Volkswagen America established this dealer network from its headquarters in Fairfax County, Virginia at the direction, and with the direct participation, of Volkswagen AG and Audi AG in Fairfax County, Virginia.

138. Volkswagen AG appointed Volkswagen America to transact and manage the business affairs of importing, distributing, marketing and the sale of the Fraudulent Vehicles, as well as other Volkswagen and Audi vehicles. This activity was carried out by Volkswagen America in Fairfax County, Virginia. Volkswagen AG, Audi AG, Volkswagen America, and Audi America divided functions and worked together in Virginia for the common purpose of selling Volkswagen and Audi vehicles, including the Fraudulent Vehicles. Pursuant to their agreements, Volkswagen AG had the right and power to control the means and methods by which Volkswagen America performed its work in the marketing, sales, promotion and public relations concerning the Fraudulent Vehicles. Volkswagen AG could not conduct business in the United States or Virginia, either directly or indirectly through Audi AG, without the assistance of Volkswagen America. Volkswagen AG controls the methods and details of Volkswagen America's work in Virginia to such an extent that Volkswagen America is the agent of Volkswagen AG in Virginia.

139. The following additional facts further demonstrate the total control Volkswagen AG exercises over Volkswagen America, either directly or indirectly through Audi AG, in Virginia making the subsidiary nothing more than a Virginia corporate division of Volkswagen AG

- Volkswagen AG owns 100% of the outstanding stock of Volkswagen America;
- Volkswagen AG elects and controls the board of directors and the chairman of the board of directors of Volkswagen America in Virginia ;
- Volkswagen America is the sole authorized U.S. importer and distributor of vehicles manufactured by Volkswagen AG and Audi AG and imported and distributed from Virginia the Fraudulent Vehicles both in the United States and in Virginia;
- From the corporate headquarters in Virginia, Volkswagen America officials participated in the obtaining of the Certificates of Conformity that allowed Volkswagen AG and Audi AG to sell their vehicles, including the Fraudulent Vehicles, in the United States and Virginia;
- Volkswagen America is required to, and does in fact, promote the image and good reputation of Volkswagen AG and Audi AG, which occurs from its corporate headquarters in Virginia and which was done in furtherance of the fraud that forms the basis for this lawsuit;
- Volkswagen America is prohibited by Volkswagen AG and Audi AG from modifying any of Volkswagen AG's or Audi AG's vehicles, including the Fraudulent Vehicles, without their prior written approval;
- Volkswagen AG is authorized, both directly and indirectly through Audi AG, by Volkswagen America to control the means and methods by which Volkswagen America marketed and sold Volkswagen AG's and Audi AG's vehicles, including the Fraudulent Vehicles. Volkswagen AG exercises this control at and through Volkswagen America's corporate headquarters in Virginia. A significant portion of the false and misleading representations about the Fraudulent Vehicles were developed in, and disseminated from, Fairfax County, Virginia;
- Volkswagen America is prohibited by Volkswagen AG and Audi AG from selling, marketing or promoting vehicles manufactured by companies other than Volkswagen AG and Audi AG;
- Volkswagen America is required by Volkswagen AG and Audi AG to sell and service used cars at its U.S. dealerships and to take used cars in trade;
- Volkswagen AG determines, both directly and indirectly through Audi AG, the warranty offered on the cars sold by Volkswagen America, including the warranty offered on the Fraudulent Vehicles;
- Volkswagen America is required by Volkswagen AG to lease cars, including Fraudulent Vehicles that were leased to Plaintiffs;

- Volkswagen America is required to establish marketing and public relations objectives and strategies within the guidelines established by Volkswagen AG. These objectives and strategies using false information to market the Fraudulent Vehicles were established at Volkswagen America's corporate headquarters in Virginia;
- Volkswagen AG controls Volkswagen America's advertising content as well as how much money it spends on advertising, including advertising concerning the Fraudulent Vehicles. Such advertising content for the Fraudulent Vehicles was developed at Volkswagen America's corporate headquarters in Virginia;
- Volkswagen America is required by Volkswagen AG and Audi AG to make warranty repairs on all Volkswagen AG and Audi AG vehicles, including the Fraudulent Vehicles, in accordance with Volkswagen AG's guidelines and procedures;
- Volkswagen America is required by Volkswagen AG to use the workshop tools and equipment specified by Volkswagen AG and Audi AG to service vehicles, including the Fraudulent Vehicles;
- Volkswagen America is required by Volkswagen AG to perform all repairs and maintenance work in accordance with Volkswagen AG's and Audi AG's guidelines and procedures;
- Volkswagen America is required to perform its pre-delivery inspections of Volkswagen AG's and Audi AG's vehicles, including the Fraudulent Vehicles, according to Volkswagen AG's and Audi AG's instructions and guidelines;
- Volkswagen America is required to ensure that its standardized data processing and communications programs are compatible with Volkswagen AG's and Audi AG's standardized data processing and communications programs;
- Volkswagen America is required to maintain a modern computer communications system for processing warranty claims that is compatible with Volkswagen AG's system to enable Volkswagen AG and Audi AG to track warranty cost projections;
- Volkswagen America is required to submit to Volkswagen AG and Audi AG on a regular basis information requested by Volkswagen AG and Audi AG concerning business data, warranty and warranty related matters, enactments or changes of any relevant laws and regulations, including taxes and customs and any other matters which may affect any aspect of their import agreement;

- Volkswagen America is required to inform Volkswagen AG and Audi AG of any modification of U.S. laws which may affect the manufacturing of vehicles and regulations governing the use thereof including safety requirements;
- Volkswagen America provides regular reports to Volkswagen AG and Audi AG on the development of the market generally and its business activities in the U.S., including reports on the Fraudulent Vehicles. Volkswagen America provides such information to Volkswagen AG and Audi AG from its headquarters in Virginia;
- Volkswagen America and Volkswagen AG determine the profit margin Volkswagen America received on the sale of the Fraudulent Vehicles, as well as on its sale of other Volkswagen cars; and
- Volkswagen America cannot, without written approval of Volkswagen AG, enter into any agreements or arrangements to promote the sale of goods or services from its business premises unless such activities do not affect in any regard Volkswagen AG's business interests.

140. One of the many ways that Volkswagen AG directly managed and controlled Volkswagen America's affairs in Virginia, including the fraud that forms the basis for this lawsuit, is through an expatriate program wherein Volkswagen AG and Audi AG officers and employees were assigned to work for Volkswagen America at Volkswagen America's corporate headquarters in Fairfax County, Virginia. Volkswagen AG and Audi AG employees came to Volkswagen America's corporate headquarters in Virginia and directed, controlled, and participated in the fraud that forms the basis of this lawsuit in Virginia. Volkswagen AG's expatriate officers and employees in Virginia oversaw Volkswagen America's operations, including its marketing, promotion, and distribution of the Fraudulent Vehicles. For example, Volkswagen AG used the expatriate program to appoint Michael Horn as Volkswagen America's CEO. Volkswagen AG used Michael Horn and other German expatriates to manage and control Volkswagen America's operations in Virginia, including the distribution of the Fraudulent Vehicles to Plaintiffs and the marketing and advertising of the Fraudulent Vehicles to Plaintiffs.

141. Further, Volkswagen AG trains and assigns Volkswagen America employees to work in Fairfax, Virginia. Volkswagen AG further uses Volkswagen America's headquarters in Fairfax County, Virginia to further its business interests including the marketing, sale, and distribution of the Fraudulent Vehicles to Plaintiffs.

Personal Jurisdiction over Audi AG

142. Personal jurisdiction over Audi AG is proper because Audi AG acted both directly and indirectly to (1) transact business in Virginia; (2) supply services or things in Virginia; (3) cause tortious injury by an act or omission in Virginia; and (4) cause tortious injury in Virginia by an act or omission outside Virginia and regularly does or solicits business, engages in a persistent course of conduct, and derives substantial revenue from goods used or consumed or services rendered in Virginia. *See* Va. Code Ann. 8.01-328.1.

143. Personal jurisdiction over Audi AG is proper because of Audi AG's own direct contacts with the state of Virginia concerning the fraud that forms the basis of this lawsuit. Personal jurisdiction over Audi AG is further proper because the Virginia contacts of Volkswagen America, Audi America, and Volkswagen AG concerning the fraud that forms the basis of this lawsuit can be imputed to Audi AG pursuant to the agency relationship between and among the parties, alter ego, conspiracy theory, and joint venture.

144. As set forth below, Volkswagen America and Audi America are the agents, both actual and implied, of Audi AG and were Audi AG's agents as to the marketing, promotion, sale and distribution of the Fraudulent Vehicles in the United States and in Virginia. Volkswagen America and Audi America carried out the marketing, promotion, sale, and distribution of the Fraudulent Vehicles in Virginia as Audi AG's agent. Volkswagen America's and Audi America's

actions in, and contacts with, Virginia can be imputed to Audi AG because of the agency relationship between and among those parties.

145. As set forth below, Volkswagen America is the alter ego of Audi AG because there is (1) a unity of interest and ownership between Audi AG and Volkswagen America; and (2) Audi AG used Volkswagen America to evade a personal obligation in Virginia, to perpetrate fraud or a crime in Virginia, and to commit an injustice in Virginia, and to gain an unfair advantage in Virginia. Audi AG used Volkswagen America as its alter ego for the marketing, promotion, sale, and distribution of the Fraudulent Vehicles in the United States and in Virginia. Volkswagen America, a wholly owned subsidiary of the parent company of Audi AG and located in Virginia, exists solely to promote the sale and distribution of Volkswagen AG and Audi AG products, including the Fraudulent Vehicles, in the United States and Virginia. Volkswagen America's actions in, and contacts with, Virginia can be imputed to Audi AG pursuant to an alter ego theory.

146. At all relevant times herein, Volkswagen AG, Audi AG, Volkswagen America, and Audi America operated a joint venture (the "Joint Venture" or "Volkswagen") in Virginia having agreed to assist each other in designing, importing, distributing, marketing and selling certain motor vehicles in the United States, including the Fraudulent Vehicles at issue in this lawsuit. At the critical stages in the foregoing activities, Defendants acted as agents for each other in Virginia in pursuing their common goal of selling the Fraudulent Vehicles in the United States and Virginia. Each Defendant maintained a voice in the control and management of the Joint Venture in Virginia, and each shared in the profits and losses of the Joint Venture in Virginia. The Joint Venture arose in Virginia and is centered in Virginia, and therefore, Virginia law controls the rights and liabilities of the Joint Venture vis-à-vis third parties. Under Virginia law, the Joint Venture is treated as a partnership, and under applicable Virginia partnership law, each partner is jointly and severally

liable for the tortious acts of the partnership committed in furtherance of the enterprise. Va. Code § 50-73.96. Given the foregoing, Defendants are jointly and severally liable for tortious acts of each other relating to the business of the Joint Venture. Volkswagen America's, Volkswagen AG's, and Audi America's actions in and jurisdictional contacts with Virginia are imputed to Audi AG by virtue of the Joint Venture.

147. Even without attributing the contacts of Volkswagen America, Volkswagen AG, and Audi America, personal jurisdiction would still be proper over Audi AG because of Audi AG's own contacts with Virginia. Audi AG sold to Volkswagen America, a Virginia-based corporation, the Fraudulent Vehicles, along with hundreds of thousands of Audi-branded automobiles, with the knowledge and intent that Volkswagen America would resell and distribute them to Plaintiffs and throughout the United States. Further, Audi AG worked with and directed Volkswagen America in Virginia to advertise and the market the Fraudulent Vehicles to Plaintiffs. Audi AG used its own employees and directed Volkswagen America and Audi America to formulate and disseminate false information about the Fraudulent Vehicles from Virginia. Audi AG not only directed Volkswagen America and Audi America employees in Fairfax County, Virginia to carry out the fraud, but Audi AG sent its own employees to Virginia to carry out and perpetrate the fraud that forms the basis of this lawsuit. Audi AG required Volkswagen America to use false information about the Fraudulent Vehicles in marketing campaigns developed in Fairfax County, Virginia. Volkswagen AG and Audi AG employees came to Fairfax County, Virginia to develop these campaigns. Audi AG exercises significant control over Volkswagen America's day to day operations in Virginia with respect to the Fraudulent Vehicles and exercised control over Volkswagen America and Audi America in Virginia in directing and carrying out the fraud that forms the basis of this lawsuit.

148. In order to sell the Fraudulent Vehicles in the United States and Virginia, Audi AG appointed Volkswagen America to transact and manage the business affairs of importing, distributing, marketing and the sale of Audi AG vehicles in the United States, including the Fraudulent Vehicles. Pursuant to this agreement, Audi AG sold hundreds of thousands of vehicles to Volkswagen America, a Virginia-based corporation, for dissemination throughout the United States and Virginia. Among those vehicles were the Fraudulent Vehicles owned by Plaintiffs herein. This was accomplished pursuant to an Importer Agreement between Audi AG and Volkswagen America, which appointed Volkswagen America as the sole authorized U.S. importer and distributor of vehicles manufactured by Audi AG, including the Fraudulent Vehicles. Volkswagen America agreed to assume responsibility for the importation, distribution, marketing and sale of Audi AG's vehicles, including the Fraudulent Vehicles. Volkswagen America was the sole authorized U.S. importer and distributor of vehicles manufactured by Audi AG. From their corporate headquarters in Virginia, Volkswagen America and Audi America officials participated in obtaining the Certificates of Conformity that allowed Audi AG to sell the Fraudulent Vehicles, and all of their vehicles in the United States. With regard to the Fraudulent Vehicles, Volkswagen America carried out its duties and responsibilities to Audi AG under the Audi Importer Agreement in Fairfax County, Virginia at the direction of Audi AG, and with its direct participation in Fairfax County, Virginia.

149. By agreement, Audi AG and Volkswagen America divided functions and worked together for the common purpose of selling the Fraudulent Vehicles, as well as Audi vehicles throughout the United States. Pursuant to their agreement, Audi AG had the right and power to control the means and methods by which Volkswagen America performed its work in marketing, sales, promotion and public relations and did in fact exercise such power and control and control

over Volkswagen America in Fairfax County, Virginia. Audi AG oversaw and controlled all of the details of Volkswagen's America's marketing, sales, promotion and public relations concerning the Fraudulent Vehicles, which occurred in Virginia.

150. The Importer Agreement between Audi AG and Volkswagen America required Volkswagen America to establish a dealer network based on Audi AG's schedule and conditions. It was this extensive dealer network that allowed Audi AG to sell the Fraudulent Vehicles to Plaintiffs and other consumers throughout the U.S., including Virginia. Volkswagen America established this dealer network from its headquarters in Fairfax County, Virginia at the direction, and with the direct participation, of Audi AG in Fairfax County, Virginia.

151. Audi AG appointed Volkswagen America to transact and manage the business affairs of importing, distributing, marketing and the sale of the Fraudulent Vehicles, as well as other Audi AG vehicles. This activity was carried out by Volkswagen America in Fairfax County, Virginia. Audi AG and Volkswagen America divided functions and worked together in Virginia for the common purpose of selling Volkswagen vehicles, including the Fraudulent Vehicles. Pursuant to their agreements, Audi AG had the right and power to control the means and methods by which Volkswagen America performed its work in marketing, sales, promotion and public relations concerning the Fraudulent Vehicles. Audi AG could not conduct business in the United States or Virginia without the assistance of Volkswagen America. Audi AG controls the methods and details of Volkswagen America's work in Virginia to such an extent that Volkswagen America is the agent of Audi AG in Virginia.

152. The following additional facts further demonstrate the control Audi AG exercises over Volkswagen America in Virginia, making the subsidiary nothing more than a Virginia corporate division of Audi AG.

- Audi AG appoints, oversees, and controls officers and managers of directors of Volkswagen America responsible for the distribution of Audi AG vehicles in Virginia;
- Volkswagen America is the sole authorized U.S. importer and distributor of vehicles manufactured by Audi AG and imported and distributed from Virginia the Fraudulent Vehicles both in the United States and in Virginia;
- From the corporate headquarters in Virginia, Volkswagen America officials participated in the obtaining of the Certificates of Conformity that allowed Audi AG to sell its vehicles, including the Fraudulent Vehicles, in the United States and Virginia;
- Volkswagen America is required to, and does in fact, promote the image and good reputation of Audi AG, which occurs from its corporate headquarters in Virginia and was done in furtherance of the fraud that forms the basis for this lawsuit;;
- Volkswagen America is prohibited by Audi AG from modifying any of Audi AG's vehicles, including the Fraudulent Vehicles, without its prior written approval;
- Audi AG is authorized by Volkswagen America to control the means and methods by which Volkswagen America marketed and sold Audi AG's vehicles, including the Fraudulent Vehicles. Audi AG exercises this control at and through Volkswagen America's corporate headquarters in Virginia. A significant portion of the false and misleading representations about the Fraudulent Vehicles were developed in, and disseminated from, Fairfax County, Virginia;
- Volkswagen America is prohibited by Audi AG from selling, marketing or promoting vehicles manufactured by companies other than Audi AG;
- Volkswagen America is required by Audi AG to sell and service used cars at its U.S. dealerships and to take used cars in trade;
- Audi AG determines the warranty offered on the cars sold by Volkswagen America, including the warranty offered on the Fraudulent Vehicles;
- Volkswagen America is required by Audi AG to lease cars, including Fraudulent Vehicles that were leased to Plaintiffs;
- Volkswagen America is required to establish marketing and public relations objectives and strategies within the guidelines established by Audi AG. These objectives and strategies using false information to market the Fraudulent Vehicles were established at Volkswagen America's corporate headquarters in Virginia;

- Audi AG controls Volkswagen America's advertising content as well as how much money it spends on advertising, including advertising concerning the Fraudulent Vehicles. Such advertising content for the Fraudulent Vehicles was developed at Volkswagen America's corporate headquarters in Virginia;
- Volkswagen America is required by Audi AG to make warranty repairs on all Audi AG vehicles, including the Fraudulent Vehicles, in accordance with Audi AG's guidelines and procedures;
- Volkswagen America is required by Audi AG to use the workshop tools and equipment specified by Audi AG to service vehicles, including the Fraudulent Vehicles;
- Volkswagen America is required by Audi AG to perform all repairs and maintenance work in accordance with Audi AG's guidelines and procedures;
- Volkswagen America is required to perform its pre-delivery inspections of Audi AG's vehicles, including the Fraudulent Vehicles, according to Audi AG's instructions and guidelines;
- Volkswagen America is required to ensure that its standardized data processing and communications programs are compatible with Audi AG's standardized data processing and communications programs;
- Volkswagen America is required to maintain a modern computer communications system for processing warranty claims that is compatible with Audi AG's system to enable Audi AG to track warranty cost projections;
- Volkswagen America is required to submit to Audi AG on a regular basis information requested by Audi AG concerning business data, warranty and warranty related matters, enactments or changes of any relevant laws and regulations, including taxes and customs and any other matters which may affect any aspect of their import agreement;
- Volkswagen America is required to inform Audi AG of any modification of U.S. laws which may affect the manufacturing of vehicles and regulations governing the use thereof including safety requirements;
- Volkswagen America provides regular reports to Volkswagen AG and Audi AG on the development of the market generally and its business activities in the U.S., including reports on the Fraudulent Vehicles. Volkswagen America provides such information to Audi AG from its headquarters in Virginia,;

- Volkswagen America and Audi AG determine the profit margin Volkswagen America received on the sale of the Fraudulent Vehicles, as well on its sale of other Audi cars; and
- Volkswagen America cannot, without written approval of Audi AG, enter into any agreements or arrangements to promote the sale of goods or services from its business premises unless such activities do not affect in any regard Audi AG's business interests.

153. One of the many ways that Audi AG managed and controlled Volkswagen America's affairs in Virginia, including the fraud that forms the basis of this lawsuit, is having officers and employees of Volkswagen America report to officials at Audi AG.

154. Audi AG exercised direct supervisory control over Volkswagen America in Virginia.

155. One of the many ways that Audi AG directly managed and controlled Volkswagen America's affairs in Virginia, including the fraud that forms the basis of this lawsuit, is through an expatriate program wherein Audi AG officers and employees were assigned to work for Volkswagen America at Volkswagen America's corporate headquarters in Fairfax County, Virginia. Audi AG employees came to Volkswagen America's corporate headquarters in Virginia and directed, controlled, and participated in the fraud that forms the basis of this lawsuit in Virginia. Audi AG's expatriate officers and employees in Virginia oversaw Volkswagen America's operations, including its marketing, promotion, and distribution of the Fraudulent Vehicles. Audi AG used German expatriates to manage and control Volkswagen America's operations in Virginia, including the dissemination of the Fraudulent Vehicles to Plaintiffs and the marketing and advertising of the Fraudulent Vehicles to Plaintiffs.

156. Further, Audi AG trains and assigns Volkswagen America employees to work in Fairfax, Virginia. Audi AG further uses Volkswagen America's headquarters in Fairfax County,

Virginia to further its business interests, including the marketing, sale, and distribution of the Fraudulent Vehicles to Plaintiffs.

157. Venue is proper in the Circuit Court of Fairfax County for the claims asserted herein. The cause of action, or part thereof, arose in Fairfax County.

JURY TRIAL DEMAND

158. Plaintiffs request a jury trial of this matter.

FACTUAL BACKGROUND

The Basics

159. This lawsuit is about a fraudulent deceptive scheme to deliberately lie, cheat and intentionally deceive consumers about the characteristics, benefits and value of certain automotive vehicles (referred to herein as the “Deceptive Emissions Scheme”). The Deceptive Emissions Scheme involved a number of Audi gasoline vehicles (collectively referred to as the “Fraudulent Vehicles”), including those acquired by Plaintiffs and described above. The Fraudulent Vehicles include, without limitation, the following Audi gasoline vehicles: (1) Audi A6 2012-2016; (2) Audi A7 2012-2016; (3) Audi A8 and A8L 2012-2016; and (4) Audi Q5 2013-2016.

160. The centerpiece of the Deceptive Emissions Scheme was the use of, in the Fraudulent Vehicles, a secretly embedded software algorithm that was designed and installed to cheat emission tests (herein referred to as the “Cheat Device”), thereby tricking and defrauding consumers into buying and/or leasing more than a hundred thousand Fraudulent Vehicles.

161. The Cheat Device detects when the engines in the Fraudulent Vehicles are being tested in a laboratory or smog station and trigger performance-sapping controls to simulate compliance with the CO2 levels that the Audi Gasoline Defendants represented under testing conditions. But when the test ends, and the driver returns to the road under normal operation and

use, the performance—and the higher levels of CO₂ emissions—return. In short, the Audi Gasoline Defendants figured out a computer-driven methodology and technique to cheat the emissions system—simply run the vehicle in an eco-friendly compliant mode when being tested and in normal dirty mode when it was out on the road ways being driven by consumers. Plain and simple: it was an intentional plan, scheme and design to lie and cheat consumers, including Plaintiffs in this lawsuit.

162. For years, the defendants got away with Deceptive Emissions Scheme, including the Cheat Device, without detection as Fraudulent Vehicles were sold in large numbers into the stream of commerce. Once out of the testing facilities and on the roads, these cars emit harmful levels of Carbon Dioxide (CO₂) emissions into the air. When being driven on the road, they also emit more NO_x and carbon monoxide than the levels reported by emission testing and advertised by the Audi Gasoline Defendants. When being driven on the road, they also achieve less fuel economy than represented and advertised by the Audi Gasoline Defendants.

163. CO₂ is a significant greenhouse gas, and the excessive emission of carbon dioxide is a major cause of global warming and ocean acidification. For this reason, it was important to consumers and the public that Fraudulent Vehicles conform to the representations that the Audi Gasoline Defendants made about the CO₂ emissions of the vehicles.

164. Because of the Audi Gasoline Defendants' actions, the Fraudulent Vehicles that were sold to Plaintiffs are not what the Audi Gasoline Defendants promised. During normal operation, these vehicles pollute the atmosphere with much higher levels of pollutants and greenhouse gases than the artificially-manipulated test results disclose. Meanwhile, when the engine and transmission are operated in a manner that actually limits pollution as represented and

advertised, the vehicles cannot deliver the performance that the Audi Gasoline Defendants promised and advertised.

165. The Audi Gasoline defendants used the Cheat Device to fraudulently conceal the fact that the Fraudulent Vehicles had much higher CO₂ emissions that represented and advertised. The Audi Gasoline Defendants acted solely in the name of profit and greed and the reprehensibility of cheating and stealing from their own consumers was of no consideration.

166. Plaintiffs in this lawsuit were duped – plain and simple. They got sucked in by the Defendants’ lies and fraudulent scheme and acquired their Fraudulent Vehicles based on the patently false representations that the vehicles had low emissions, got good gas mileage, and complied with federal, state, and local emissions laws and regulations.

167. All of the defendants in this lawsuit played a role and participated in the Deceptive Emissions Scheme, including the creation, use, and deception related to the Cheat Device.

168. All of the plaintiffs in this lawsuit acquired one of the Fraudulent Vehicles without knowledge of Deceptive Emissions Scheme or the Cheat Device.

169. The Deceptive Emissions Scheme, including the Cheat Device, was dastardly.

170. The Deceptive Emissions Scheme, including the Cheat Device, violated Virginia law.

171. The Deceptive Emissions Scheme, including the Cheat Device, was intentionally designed to defraud and cheat consumers, including Plaintiffs – which it did.

Defendants’ Scheme to Install Defeat Devices

172. The history of the Audi Gasoline Defendants’ development of the gasoline Cheat Device is not as publicly known as the history of their now-infamous diesel defeat device that became known as the “Dieselgate” scandal. From what is known now, though, it appears the Audi

Gasoline Defendants developed the Cheat Device at issue in this lawsuit concurrently with their diesel cheat device as part of an overall fraudulent scheme to deal with emissions engineering problems through cheating and deception.

173. Since 2011, CO2 emissions standards have been increasing, putting increasing pressure on automobile manufacturers, like the Audi Gasoline Defendants, to design and development more environmentally friendly vehicles.

174. The Audi Gasoline Defendants were aware that emissions and fuel consumption are decisive factors for customers making vehicle purchase decisions. To that end the Audi Gasoline Defendants began to mislead consumers by representing their vehicles as consuming less fuel and emitting less CO2 and other pollutants than they actually do in normal driving conditions.

175. The Audi Gasoline Defendants were able to disguise this deception by programming the Fraudulent Vehicles with the ability to engage different modes, one of which used significantly less fuel and emitted significantly less pollutants, but also delivered significantly less power. The Audi Gasoline Defendants deceptively labeled this the “warm-up” strategy, a mode that activates when the Fraudulent Vehicles are started. As long as the “warm-up” function remains activated, the automatic transmission remains in a “switching program” that produces a low engine speed, consumes less fuel, and produces less CO2 and other pollutants. However, this “warm up” mode remains active only until the steering wheel is turned 15 degrees or more, at which point the engine management computer switches the transmission into normal mode, wherein the transmission shifts at normal, higher RPM, offering higher performance, lower fuel economy, and significantly greater carbon dioxide and other pollutant emissions.

176. During emissions testing, which typically takes place on a dynamometer, the car remains in “warm-up” mode indefinitely, because the steering wheel is not turned. Meanwhile, in

normal driving conditions, any turn that requires the steering wheel to be rotated more than 15 degrees, and the car switches to its normal shifting program, resulting in lower fuel economy, and significantly greater carbon dioxide emissions and other pollutants.

177. In February 2013, the Audi Gasoline Defendants tested their cars in the “SummerFahrt,” or Summer Drive, in South Africa. The final report reflected that the shift quality and issues at the start were noticeable. It was in this report that Audi engineer Axel Eiser made his now-notorious comment that the cycle-optimized “shifting program” was to be set to operate 100% when being tested, and be noticeable only .01% of the time when driven normally.

178. The defeat device software is embedded in the Transmission Control Module (“TCM”). The TCM’s primary function is to establish shift logic by reacting to signals from sensors monitoring coolant temperature, exhaust temperature, ignition timing, crankshaft and camshaft positioning, fuel mixture and air flow volumes. The TCM and engine control unit (“ECU”) work in tandem to execute the actual cheat function. The engineers embedded the cheat software in the TCM unit, intentionally making its detection less probable

179. Volkswagen and Audi engineers figured out how to activate this low fuel, low emissions, low power “warm-up” mode during emissions tests. They discovered that only time the Fraudulent Vehicles would run continuously with no steering wheel input would be when the vehicles were undergoing examination in a lab, on a dynamometer. When sensors detect these lab conditions, the vehicles’ TCM set “shift points”—the engine speeds at which the transmission shifts up to the next gear—that allow the vehicles to produce compliant emission results under those conditions (known by Audi as the “dyno calibration” mode). Thus, on a dynamometer, where the steering wheel is never turned, the Cheat Device enables the Fraudulent Vehicles to operate in this low power mode.

180. At all other times—that is, when the Fraudulent Vehicles are actually driving under normal conditions—the transmission computer switches to “road calibration” mode, which offers full power to the driver, and which results in increased fuel consumption and greater emissions. Indeed, the road calibration mode activates once the driver turns the steering wheel 15 degrees, something that happens almost immediately under nearly all normal driving conditions.

181. This Deceptive Emission Scheme allowed the Audi Gasoline Defendants to deceive Plaintiffs and the public about the Fraudulent Vehicles’ fuel consumption and emissions levels.

182. A vehicle’s advertised fuel economy, which is listed on the “Monroney sticker,” or window sticker, is determined by driving a vehicle over five standardized driving patterns (or drive cycles), all of which are performed in a laboratory on a dynamometer where the conditions for all tests can be controlled. During each of the drive cycles, the Fraudulent Vehicles were assessed under a low power, low emissions, low fuel consumption mode. Based on the way the Monroney sticker is calculated, as the amount of CO₂ produced increases, the gasoline used increases and the fuel economy decreases. Therefore, if a vehicle produces less CO₂ during laboratory testing, but higher CO₂ when driven on road, the vehicle would have better estimated fuel economy represented on the Monroney sticker than the vehicle would actually achieve on the road. That is exactly what happened here with regard to the Fraudulent Vehicles. The Cheat Device essentially tricked the Monroney testing into giving the false impression that the Fraudulent Vehicles had better mileage and lower emissions levels than they did.

183. There is no question that the Audi Gasoline Defendants knew what they were doing. Indeed, they commissioned their own study at one point and found that certain Fraudulent Vehicles’ fuel consumption on the road increased by 8.5 percent after the wheel was turned.

184. The Audi Gasoline Defendants’ developed the Cheat Device because they could not deliver all that they promised Plaintiffs with the Fraudulent Vehicles. By improving fuel economy and complying with the promised CO2 emissions levels, the Audi Gasoline Defendants found that the resulting driving experience was unacceptable in light of its advertised emphasis on performance. The Audi Gasoline Defendants decided to conceal the low-power mode from the consumer, including Plaintiffs, and make it active, in effect, only when the vehicles were undergoing emissions testing—when the steering wheel is not turned. Audi executives were aware of the risk that consumers would complain about the discrepancy between advertised fuel economy achieved during certification testing and what they would experience in the real world but nonetheless elected to conceal the “low-power” mode from consumers.

The Discovery of the Cheat Device

185. In late 2015 or early 2016, German authorities—namely, the German Motor Transportation Authority (“KBA”)—detected irregularities and increased CO2 emissions in Audi vehicles and questioned Audi about these results. The Audi Gasoline Defendants lied to the KBA, however, telling them that their vehicles would not contain software allowing them to detect dynamometer testing and alter the vehicles’ performance as a result. The Audi Gasoline Defendants instead pointed to a number of factors that could have distorted the measurement results.

186. German authorities continued to press forward, however, and renewed their investigations.

187. Audi executives were on notice of the potential for CO2 emissions manipulation well before the Audi CO2 defeat device was publicized. Following the public revelation of the diesel defeat device in the “Clean Diesel” vehicles in September 2015 by CARB and EPA, another

investigation began to unfold, this one relating to CO2. In November 2015, new Volkswagen CEO Matthias Müller announced that internal investigations had identified irregularities in CO2 levels, and that around 800,000 Group vehicles could be affected. A Volkswagen announcement did not specifically identify the vehicles, but stated in relevant part: "...during the course of internal investigations irregularities were found when determining type approval CO2 levels. Based on present knowledge around 800,000 vehicles from the Volkswagen Group could be affected. An initial estimate puts the economic risks at approximately two billion euros. The Board of Management of AG will immediately start a dialogue with the responsible type approval agencies regarding the consequences of these findings."

188. In December 2015, in a statement to investors, Mueller changed course, reporting that the Audi Gasoline Defendants had in fact made a mistake and that there was no such scandal. It was announced that "[t]he suspicion that fuel consumption figures of current production vehicles had been unlawfully changed was not confirmed...These cars can be offered for sale by dealers without any reservations."

189. More than half a year later, European officials again questioned Defendants about carbon emissions. Even then, Defendants continued to deny a problem. At no point in time did the Audi Gasoline Defendants inform the public or Plaintiffs that they had obtained the COCs and EOs through the use of a CO2 defeat device, or that its emissions and fuel efficiency representations for the Fraudulent Vehicles were false.

190. Since at least 2013 at Audi and Volkswagen executives were aware and concerned about the CO2 defeat device—including the fact that the software constituted a defeat device—and the risk of investigations. Moreover, Volkswagen's now-former CEO, Martin Winterkorn, knew about the defeat device scheme well before the scandal broke. Indeed, prosecutors in

Germany, are investigating Winterkorn for fraud, believing he had sufficient knowledge of the scheme.

191. Following the revelations regarding the CO2 defeat device, Audi reportedly suspended several unidentified “responsible engineers.” However, Axel Eiser remains Head of Powertrain Development of the Volkswagen Group. Defendants have even relied on Eiser to interface with regulators.

Publicly Revealed Testing Confirms the Existence of the Cheat Device

192. Recently, testing of Fraudulent Vehicles by private parties has been made public in court filings. This testing confirms the existence and functionality of the Cheat Device.

193. Testing was conducted to determine whether there was a difference in fuel economy for certain Fraudulent Vehicles when tested using the federal certification tests, with and without turning the vehicle wheels more than 15 degrees prior to testing. Test results showed that in certain Fraudulent Vehicles, fuel economy was higher with no wheel movement before testing than in testing that followed moving the steering wheel fully to the right and left after engine start and just prior to the drive cycle starting, indicating that steering input triggers a switch between modes. The difference in fuel economy was as high as nine percent between the two modes.

194. Further testing shows the existence of a defeat device that increases fuel economy (reducing carbon dioxide production) when the steering wheel is not turned, and that it does so by instructing the transmission to shift at lower engine speed, operating at a lower average RPM.

195. There has also been testing of Fraudulent Vehicles that have been “reflashed” with a software update as part of an emissions recall that received regulatory approval on September 16, 2016. Further, experts have conducted on-road testing on several 3.0L Fraudulent Vehicles

using portable emissions measurement systems (“PEMS”). These tests support conclusion that the Fraudulent Vehicles are equipped with Cheat Devices.

Defendants’ False Advertising

196. In addition to directly falsely advertising to Plaintiffs emissions compliance and fuel economy regarding the Fraudulent Vehicles, the Audi Gasoline Defendants advertised their concern for the environment even while selling vehicles equipped with Defeat Devices that polluted at levels far greater than legal limits. For example, on the “Environment” page of its website, Volkswagen Group of America, Inc., stated as late as September 2015 that it takes “environmental responsibility very seriously. When it comes to making our cars as green as possible, Volkswagen has an integrated strategy focused on reducing fuel consumption and emissions, building the world’s cleanest diesel engines and developing totally new power systems, which utilize new fuel alternatives.” That “integrated strategy” for reducing emissions seems to have consisted only of cheating emissions testing so that Volkswagen and Audi vehicles only appeared to offer reduced emissions, while continuing to pollute.

197. Long after Defendants became aware that many of their vehicles were deliberately designed to cheat emissions tests, and even after EPA and CARB issued Notices of Violation for their diesel vehicles, Defendants continued to mislead consumers. While sales of new diesel vehicles equipped with the diesel defeat device ceased in late 2015, news reports indicate that Audi did not stop producing gasoline vehicles equipped with the Cheat Device until May 2016, a full eight months after the 2015 diesel scandal broke.

198. Audi television advertisements use the tagline “Truth in Engineering” as their motto. Unfortunately for consumers who bought the Fraudulent Vehicles, the Audi Gasoline Defendants’ engineering was far from “truthful,” and their professed commitment to

environmental consciousness was illusory. They have designed and sold cars that emit pollutants at breath-taking levels, and they disguised it by engineering them to detect and then cheat on state and federal environmental testing.

Defendants Intentionally Hid the Excessive Pollution Emitted By the Fraudulent Vehicles.

199. Defendants' Defeat Devices are part of a computerized engine control system that monitors sensors throughout the cars' engine, transmission, and exhaust systems and controls operation of the cars' systems to ensure optimal performance. Here, the Audi Gasoline Defendants programmed the engine control computers in the Fraudulent Vehicles with software that effectively detects when the vehicle is undergoing emissions testing by turning off a low-emitting gear-shifting program only once the steering wheel is turned more than fifteen degrees. This ensures that the engine never revs above a certain, unrealistically low engine speed during emissions testing, resulting in less fuel burnt and less carbon dioxide emitted than under normal driving conditions. When the car is not being emissions tested—that is, under the vast majority of normal operating conditions—the engine control systems operate the engine and transmission in a manner that does not comply with EPA or CARB emissions requirements.

200. In short, this software allows the Fraudulent Vehicles to meet emissions standards in labs or state testing stations while permitting the vehicles to emit carbon dioxide at levels far above the levels represented and advertised by the Audi Gasoline Defendants during normal operation.

201. The Audi Gasoline Defendants have a history of cheating on emissions. The "Dieselgate" Scandal was not the first time that the Audi Gasoline Defendants allegedly engineered vehicles to cheat emission standards. Volkswagen paid a \$120,000 fine to the EPA in

1974 in order to settle charges that “it gamed pollution control systems in four models by changing carburetor settings and shutting off an emissions-control system at low temperatures.”

202. Moreover, Defendants were warned as long ago as 2007 by suppliers and their own employees not to cheat on emissions tests. In 2007, supplier Bosch warned the Defendants not to use cheat software during regular operation. Also, in 2011, a technician raised concerns about fraudulent practices in connection with emissions levels.

203. Despite those warnings, the Audi Gasoline Defendants manufactured, marketed, and sold cars with Defeat Devices designed to allow higher levels of pollutant emissions than those allowed by state and federal law, thus defrauding their customers, including Plaintiffs.

The Deceptive Emissions Scheme Caused Extensive Harm to Plaintiffs.

204. The Deceptive Emissions Scheme duped Plaintiffs and consumers into acquiring Fraudulent Vehicles that never should have left the factory, let alone been sold.

205. In addition, a premium was charged for the Fraudulent Vehicles, as compared to non-luxury, high performance vehicles.

206. Plaintiffs acquired their Fraudulent Vehicles based on Defendants’ fraudulent representations about the vehicles’ CO2 emissions and their use of Cheat Devices to conceal those emissions levels from Plaintiffs. Plaintiffs also acquired their vehicles based on Defendant’s false representations and advertisements regarding performance and fuel economy. Plaintiffs acquired the Fraudulent Vehicles based on these claims, and were harmed as a result.

207. Defendants’ deceptive actions have caused Plaintiffs significant harm. Even if Defendants were to repair the Fraudulent Vehicles so that they comply with emissions requirements, the repair would not compensate Plaintiffs for the significant harm Defendants’ deception has caused. First, any repairs performed as part of the recall are likely to significantly

diminish the performance (and thus the value) of the Fraudulent Vehicles. Specifically, any software “repair” that reprograms the Fraudulent Vehicles to operate within legal emissions limits at all times (and not just during testing) will cause the performance of the Fraudulent Vehicles to suffer, and they will not perform as they were represented, advertised, and marketed to Plaintiffs.

208. Second, even if a more functional repair is possible (and to date none has been suggested), it could not compensate for the financial damages Plaintiffs have suffered, including the premiums Plaintiffs paid to own high-performing, luxurious Audi-branded vehicles that complied with emissions requirements and comported with Audi’s advertised commitment to the environment and the inevitable reduction in resale value caused by any recall to repair the vehicles and any resulting diminished performance.

209. Third, Plaintiffs are already experiencing reputational harm as they are unwilling accomplices to Defendants’ pollution-producing scheme.

210. For those reasons, as a result of Defendants’ unfair, deceptive, and fraudulent business practices, and their failure to disclose that the Fraudulent Vehicles utilize a Cheat Device to cheat emissions tests, owners and/or lessees of the Fraudulent Vehicles, including Plaintiffs, have suffered losses in money and property.

211. Had Plaintiffs known of the Cheat Device at the time they acquired their Fraudulent Vehicles, they would not have purchased or leased those vehicles, or would have paid substantially less for the vehicles than they did.

212. Plaintiffs have suffered damages as a result their purchases of the Vehicles, including but not limited to (i) overpayment for a vehicle that is incapable of performing as represented, (ii) future additional fuel costs, (iii) loss of performance from future repairs, and (iv) diminution of vehicle value.

213. In sum, Defendants' deliberate strategy to value profit over the truth, human health, and the environment, has caused serious harm to consumers nationwide.

TOLLING OF THE STATUTES OF LIMITATIONS

Discovery Rule

214. The tolling doctrine was made for cases of fraudulent concealment like this one. Plaintiffs did not discover, and could not have discovered through the exercise of reasonable diligence, that the defendants had conspired to install software that would evade emissions tests, and that the defendants were concealing and misrepresenting the true emissions levels of their vehicles.

215. The fraud, as set forth herein, was elaborate and well concealed.

216. Any statutes of limitation otherwise-applicable to any claims asserted herein have thus been tolled by the discovery rule.

217. Plaintiffs could not have reasonably discovered, and did not know of facts that would have caused a reasonable person to suspect, that Defendants intentionally failed to disclose information within their knowledge to consumers, dealerships, or others.

218. Likewise, a reasonable and diligent investigation could not have disclosed that Defendants had information in their possession about the existence of their sophisticated emissions deception and that they concealed that information, which was only discovered by Plaintiffs immediately before this action was filed.

Fraudulent Concealment

219. All applicable statutes of limitation have been tolled by Defendants' knowing and active fraudulent concealment and denial of the facts alleged in this Complaint.

220. Upon information and belief, prior to the date of this Complaint and before any Plaintiff acquired his or her Fraudulent Vehicle, if not earlier, the Audi Gasoline Defendants knew of the Cheat Device in the Fraudulent Vehicles, but continued to distribute, sell, and/or lease the Fraudulent Vehicles to Plaintiffs. In doing so, Defendants concealed and expressly denied the existence of problem with CO2 emissions, and/or failed to notify Plaintiffs about the true nature of the vehicles.

221. Defendants failed to disclose their deception, or that the emissions from the Fraudulent Vehicles were far worse than represented.

222. Any otherwise-applicable statutes of limitation have therefore been tolled by Defendants' exclusive knowledge active concealment of the facts alleged herein.

Estoppel

223. Defendants were and are under a continuous duty to disclose to Plaintiffs the true character, quality, and nature of the Fraudulent Vehicles, including the fact that the vehicles used Cheat Devices to hide the fact that the vehicles had far higher CO2 emissions than Defendants represented and advertised.

224. Although Defendants had the duty throughout the relevant period to disclose to Plaintiffs that they had engaged in the deception described in this Complaint, Defendants chose to actively concealed the true character, quality, and nature of the Fraudulent Vehicles, and knowingly made misrepresentations about the quality, reliability, characteristics, and/or performance of the Vehicles.

American Pipe Tolling

225. Under the U.S. Supreme Court's decision in *American Pipe & Construction Co. v. Utah*, 414 U.S. 538 (1974) and its progeny, any applicable statutes of limitation were tolled by

the filing of the federal class action complaint in In re: Volkswagen "Clean Diesel" Marketing, Sales Practices, and Products Liability Litigation, 3:15-md-02672-CRB (N.D. Cal.).

226. Based on the foregoing, the Audi Gasoline Defendants are estopped and precluded from relying on any statute of limitations in defense of this action.

CLAIMS FOR RELIEF

ALASKA

227. Plaintiff Kenneth Yockey (the "Alaska Plaintiff") acquired his Fraudulent Vehicle while in the State of Alaska. As such, he brings the following causes of action against all defendants.

ALASKA COUNT 1- FRAUD (On behalf of the Alaska Plaintiff)

228. The Alaska Plaintiff incorporates by reference each preceding paragraph as though fully set forth herein.

229. As alleged extensively above, the Audi Gasoline Defendants intentionally concealed and suppressed material facts concerning the illegality and quality of the Fraudulent Vehicles in order to defraud and mislead the Alaska Plaintiff about the true nature of the Fraudulent Vehicles. Defendants accomplished their scheme (and the concealment thereof) by installing, aiding in the installation of, and/or failing to disclose the Cheat Devices in the Fraudulent Vehicles that caused the vehicles to operate in a low-emission test mode only during testing. During normal operation and use, the Fraudulent Vehicles emitted grossly larger quantities of noxious pollutants and contaminants and achieved less fuel economy that was advertised and represented. The result was precisely what the Audi Gasoline Defendants had intended—the Fraudulent Vehicles were able to "pass" emission testing by way of deliberately-induced false readings and thus successfully imported and sold and/or leased to unwitting American consumers.

230. The Audi Gasoline Defendants valued their profits over the trust that the Alaska Plaintiff entrusted to them. The Alaska Plaintiff acquired his car from the Audi Gasoline Defendants based on their representations regarding compliance with emissions standards, performance, and fuel economy.

231. Necessarily, the Audi Gasoline Defendants also took steps to ensure that their employees did not reveal the details of their scheme to regulators or consumers, including the Alaska Plaintiff. Defendants did so to falsely assure purchasers and lessors of their vehicles, including previously-owned vehicles, that they are reputable manufacturers that comply with applicable law, including federal and state clean air laws and emission regulations, and that their vehicles likewise comply with applicable laws and regulations.

232. Defendants' false representations and omissions were material to the Alaska Plaintiff, as they concerned both the legality and core marketing features of the Fraudulent Vehicles. As Defendants well knew, the Alaska Plaintiff highly valued that the vehicle he was acquiring was high performance, fuel efficient, and had low emissions, and he paid a premium accordingly.

233. The Alaska Plaintiff reasonably relied on Defendants' deception, and Defendants intended that they would so rely. The Alaska Plaintiff had no way of discerning that Defendants were, in fact, deceiving him because the Cheat Device was extremely sophisticated technology and could not be discerned by regulators, much less consumers. The Alaska Plaintiff did not, and could not, unravel Defendants' scheme on his own.

234. Defendants' devious scheme to design and install the Cheat Device in the Fraudulent Vehicles for the specific purpose of falsely representing to the Alaska Plaintiff and U.S. consumers that the Fraudulent Vehicles complied with emissions laws, were high

performance, and had excellent fuel economy, and then concealing their fraudulent scheme through numerous model years, reveals a corporate culture that emphasizes sales and profits over integrity. Further, it demonstrates a callous disregard for not only the rule of law but also the Audi Gasoline Defendants' customers, including the Alaska Plaintiff.

235. Defendants had a duty to disclose the Cheat Device to the Alaska Plaintiff.

236. The Audi Gasoline Defendants hatched the deceptive scheme and knew that their customers, including the Alaska Plaintiff, did not know about (and could not reasonably discover) its scheme.

237. The Audi Gasoline Defendants not only concealed the illegal Cheat Device, which posed a safety harm, but went further to make numerous affirmative misrepresentations about the quality and characteristics of the Fraudulent Vehicles. The Audi Gasoline Defendants did so through their advertising, statements by corporate executives, and their website, among other sources. The Audi Gasoline Defendants' fraudulent statements regarding the Fraudulent Vehicles' performance, characteristics, fitness, and legal compliance are expressly contained in documents prepared, issued and provided by the Audi Gasoline Defendants such as the "window sticker," vehicle brochure, and other documents and advertisements provided to or otherwise made available to the Alaska Plaintiff.

238. Each of these misrepresentations, at the time they were made, concerned either a past or then-existing material fact, and were made intentionally and knowingly, with an intent to mislead. Having "opened their mouth" to claim the Fraudulent Vehicles complied with legal emissions requirements, had a certain fuel economy, and were high performance, the Audi Gasoline Defendants had the duty to come clean about their Cheat Device – but they failed to do so.

239. The Audi Gasoline Defendants actively concealed the Cheat Device and actual emission levels, fuel economy, and performance of the Fraudulent Vehicles to pad their profits and avoid the perception that the Fraudulent Vehicles did not comply with federal and state laws governing clean air and emissions. The Audi Gasoline Defendants engaged in this fraudulent concealment at the expense of the Alaska Plaintiff.

240. The Alaska Plaintiff reasonably relied upon the misrepresentations detailed herein, including the fraudulent concealment of the Cheat Device, in acquiring his Fraudulent Vehicle.

241. The Alaska Plaintiff was not aware of the concealed and misrepresented material facts referenced above, and he would not have acted as he did had regulators or the driving public known the truth—the Audi Gasoline Defendants would not have been able to obtain COCs or EOs for the sale of the Fraudulent Vehicles and as a consequence the Alaska Plaintiff would never have acquired the Fraudulent Vehicle in the first place.

242. As a direct and proximate result of Defendants' fraudulent scheme, the Alaska Plaintiff sustained damages. He acquired a Fraudulent Vehicle that is non-compliant and severely diminished in value as compared to the vehicles that were advertised and marketed. Moreover, the Fraudulent Vehicle either cannot be repaired to comply with applicable emissions standards, or if it can be made compliant, its performance, fuel efficiency, and longevity will be compromised.

243. Defendants are liable to the Alaska Plaintiff for damages, including economic and non-economic damages (including, without limitation, damages for embarrassment, humiliation, inconvenience, mental anguish and emotional distress) in an amount to be proven at trial, for which the Alaska Plaintiff hereby sues Defendants. Defendants acted in a manner that was an extreme deviation from reasonable standards of conduct, and the acts were performed with an understanding of or disregard for their likely consequences. Defendants acted with knowledge,

intent, malice, oppression, fraud, gross negligence, wantonness, willfulness and deliberation. Defendants' conduct thus warrants the award of substantial punitive damages in an amount to be determined at trial, for which the Alaska Plaintiff hereby sues Defendants.

**ALASKA COUNT 2-
VIOLATIONS OF THE ALASKA UNFAIR TRADE
PRACTICES AND CONSUMER PROTECTION ACT
(Alaska Stat. § 45.50.471, et seq.)
(On behalf of the Alaska Plaintiff)**

244. The Alaska Plaintiff incorporates by reference each preceding paragraph as though fully set forth herein.

245. The Alaska Plaintiff has complied with all applicable, pre-suit notice letter provisions, if any.

246. The Alaska Unfair Trade Practices And Consumer Protection Act ("Alaska CPA") declares unfair methods of competition and unfair or deceptive acts or practices in the conduct of trade or commerce unlawful, including: "(4) representing that goods or services 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;" "(6) representing that goods or services are of a particular standard, quality, or grade, or that goods are of a particular style or model, if they are of another;" "(8) advertising goods or services with intent not to sell them as advertised;" or "(12) using or employing deception, fraud, false pretense, false promise, misrepresentation, or knowingly concealing, suppressing, or omitting a material fact with intent that others rely upon the concealment, suppression or omission in connection with the sale or advertisement of goods or services whether or not a person has in fact been misled, deceived or damaged." Alaska Stat. § 45.50.471.

247. In the course of their business, the Audi Gasoline Defendants intentionally or negligently concealed and suppressed material facts concerning the true emissions produced by Fraudulent Vehicles. Defendants accomplished this by installing illegal defeat device software in the Fraudulent Vehicles that caused the vehicles to operate in a low emission, low fuel economy test mode only during emissions testing. During normal operations, the Fraudulent Vehicles would emit grossly larger quantities of noxious contaminants and have reduced fuel economy. The result was what the Audi Gasoline Defendants intended—the Fraudulent Vehicles passed emissions testing by way of deliberately induced false readings. The Alaska Plaintiff had no way of discerning that the Audi Gasoline Defendants' representations were false and misleading because the Audi Gasoline Defendants' defeat device software was extremely sophisticated technology.

248. Defendants engaged in misleading, false, unfair and deceptive acts or practices that violated the Alaska CPA by installing, failing to disclose and/or actively concealing the Cheat Device and the true cleanliness and performance of the engine system, by marketing their vehicles as legal, reliable, environmentally clean, efficient, and of high quality, by mispresenting fuel economy and performance, and by presenting themselves as reputable manufacturers that valued environmental cleanliness and efficiency, and that stood behind their vehicles after they were sold.

249. The Audi Gasoline Defendants compounded the deception by repeatedly asserting that the Fraudulent Vehicles were safe, reliable, environmentally clean, efficient, and of high quality, and by claiming to be reputable manufacturers that valued safety, environmental cleanliness, and efficiency, and stood behind its vehicles after they were sold.

250. The Audi Gasoline Defendants knew they had installed the Cheat Device in the Fraudulent Vehicles, but concealed all of that information. The Audi Gasoline Defendants also knew that they valued profits over environmental cleanliness, efficiency, and compliance with the

law, and that they were manufacturing, selling, and distributing vehicles throughout the United States that did not comply with EPA regulations, but they concealed this information as well.

251. The Audi Gasoline Defendants intentionally and knowingly misrepresented material facts regarding the Fraudulent Vehicles with intent to mislead the Alaska Plaintiff.

252. Defendants' fraudulent use of the Cheat Device and their concealment of the true characteristics of the Fraudulent Vehicles' fuel consumption, performance, and CO2 emissions were material to Plaintiffs.

253. The Audi Gasoline Defendants knew or should have known that their conduct violated the Alaska CPA.

254. Defendants owed the Alaska Plaintiff a duty to disclose truthfully all the facts concerning the cleanliness, efficiency and reliability of the Fraudulent Vehicles because they:

- a. possessed exclusive knowledge that they were manufacturing, selling, and distributing vehicles throughout the United States that did not comply with EPA regulations;
- b. intentionally concealed the foregoing from the Alaska Plaintiff; and/or
- c. made incomplete or negligent representations about the environmental cleanliness and efficiency of the Fraudulent Vehicles generally, and the use of the defeat device in particular, while purposefully withholding material facts from the Alaska Plaintiff that contradicted these representations.

255. Defendants concealed the illegal defeat device and the true emissions, efficiency and performance of the Fraudulent Vehicles, resulting in a raft of negative publicity once Defendants' fraud was exposed. The value of the Fraudulent Vehicles has therefore plummeted. In light of the stigma Defendants' misconduct attached to the Fraudulent Vehicles, the Fraudulent Vehicles are now worth less than they otherwise would be worth.

256. Defendants' supply and use of the Cheat Device and concealment of the true characteristics of the engine system were material to the Alaska Plaintiff. A vehicle made by a

reputable manufacturer of environmentally friendly vehicles is worth more than an otherwise comparable vehicle made by a disreputable manufacturer of environmentally dirty vehicles that conceals its polluting engines rather than promptly remedying them.

257. Defendants' unfair or deceptive acts or practices were likely to and did in fact deceive regulators and reasonable consumers, including the Alaska Plaintiff, about the true environmental cleanliness, performance and fuel efficiency of Audi-branded vehicles, the quality of the Audi brand, the devaluing of environmental cleanliness and integrity at Audi, and the true value of the Fraudulent Vehicles.

258. The Alaska Plaintiff suffered ascertainable loss and actual damages, including economic and non-economic damages (including, without limitation, damages for embarrassment, humiliation, inconvenience, mental anguish and emotional distress) as a direct and proximate result of Defendants' misrepresentations and their concealment of and failure to disclose material information. The Alaska Plaintiff would not have the Fraudulent Vehicle at all and/or—if the Fraudulent Vehicle's true nature had been disclosed and mitigated, and the Fraudulent Vehicle rendered legal to sell—would have paid significantly less for it. The Alaska Plaintiff also suffered diminished value of his vehicle, as well as lost or diminished use.

259. Defendants had an ongoing duty to all customers to refrain from unfair and deceptive practices under the Alaska CPA in the course of their business.

260. Defendants' violations present a continuing risk to the Alaska Plaintiff as well as to the general public. Defendants' unlawful acts and practices complained of herein affect the public interest.

261. Pursuant to the Alaska CPA, the Alaska Plaintiff sues for actual damages, including economic and non-economic damages (including, without limitation, damages for

embarrassment, humiliation, inconvenience, mental anguish and emotional distress) in an amount to be determined at trial. The Alaska Plaintiff further sues for monetary relief against Defendants measured as the greater of (a) three times the actual damages in an amount to be determined at trial or (b) \$500. The Alaska Plaintiff further sues Defendants for attorneys' fees and costs plus any other just and proper relief available under the Alaska CPA.

ALABAMA

262. Plaintiffs Nelson Bean and Daniel Sebring (collectively, the "Alabama Plaintiffs") acquired their Fraudulent Vehicles while in the State of Alabama. As such, they bring the following causes of action against all defendants.

ALABAMA COUNT 1- FRAUD (On behalf of the Alabama Plaintiffs)

263. The Alabama Plaintiffs incorporate by reference each preceding paragraph as though fully set forth herein.

264. As alleged extensively above, the Audi Gasoline Defendants intentionally concealed and suppressed material facts concerning the illegality and quality of the Fraudulent Vehicles in order to defraud and mislead the Alabama Plaintiffs about the true nature of the Fraudulent Vehicles. Defendants accomplished their scheme (and the concealment thereof) by installing, aiding in the installation of, and/or failing to disclose the Cheat Devices in the Fraudulent Vehicles that caused the vehicles to operate in a low-emission test mode only during testing. During normal operation and use, the Fraudulent Vehicles emitted grossly larger quantities of noxious pollutants and contaminants and achieved less fuel economy that was advertised and represented. The result was precisely what the Audi Gasoline Defendants had intended—the Fraudulent Vehicles were able to "pass" emission testing by way of deliberately-induced false readings and thus successfully imported and sold and/or leased to unwitting American consumers.

265. The Audi Gasoline Defendants valued their profits over the trust that the Alabama Plaintiffs entrusted to them. The Alabama Plaintiffs bought their cars from the Audi Gasoline Defendants based on their representations regarding compliance with emissions standards, performance, and fuel economy.

266. Necessarily, the Audi Gasoline Defendants also took steps to ensure that their employees did not reveal the details of their scheme to regulators or consumers, including the Alabama Plaintiffs. Defendants did so to falsely assure purchasers and lessors of their vehicles, including previously-owned vehicles, that they are reputable manufacturers that comply with applicable law, including federal and state clean air laws and emission regulations, and that their vehicles likewise comply with applicable laws and regulations.

267. Defendants' false representations and omissions were material to the Alabama Plaintiffs, as they concerned both the legality and core marketing features of the Fraudulent Vehicles. As Defendants well knew, the Alabama Plaintiffs highly valued that the vehicles they were acquiring were high performance, fuel efficient, and had low emissions, and they paid a premium accordingly.

268. The Alabama Plaintiffs reasonably relied on Defendants' deception, and Defendants intended that they would so rely. The Alabama Plaintiffs had no way of discerning that Defendants were, in fact, deceiving them because the Cheat Device was extremely sophisticated technology and could not be discerned by regulators, much less consumers. The Alabama Plaintiffs did not, and could not, unravel Defendants' scheme on their own.

269. Defendants' devious scheme to design and install the Cheat Device in the Fraudulent Vehicles for the specific purpose of falsely representing to the Alabama Plaintiffs and U.S. consumers that the Fraudulent Vehicles complied with emissions laws, were high

performance, and had excellent fuel economy, and then concealing their fraudulent scheme through numerous model years, reveals a corporate culture that emphasizes sales and profits over integrity. Further, it demonstrates a callous disregard for not only the rule of law but also the Audi Gasoline Defendants' customers, including the Alabama Plaintiffs.

270. Defendants had a duty to disclose the Cheat Device to the Alabama Plaintiffs.

271. The Audi Gasoline Defendants hatched the deceptive scheme and knew that their customers, including the Alabama Plaintiffs, did not know about (and could not reasonably discover) its scheme.

272. The Audi Gasoline Defendants not only concealed the illegal Cheat Device, which posed a safety harm, but went further to make numerous affirmative misrepresentations about the quality and characteristics of the Fraudulent Vehicles. The Audi Gasoline Defendants did so through their advertising, statements by corporate executives, and their website, among other sources. The Audi Gasoline Defendants' fraudulent statements regarding the Fraudulent Vehicles' performance, characteristics, fitness, and legal compliance are expressly contained in documents prepared, issued and provided by the Audi Gasoline Defendants such as the "window sticker," vehicle brochure, and other documents and advertisements provided to or otherwise made available to the Alabama Plaintiffs.

273. Each of these misrepresentations, at the time they were made, concerned either a past or then-existing material fact, and were made intentionally and knowingly, with an intent to mislead. Having "opened their mouth" to claim the Fraudulent Vehicles complied with legal emissions requirements, had a certain fuel economy, and were high performance, the Audi Gasoline Defendants had the duty to come clean about their Cheat Device – but they failed to do so.

274. The Audi Gasoline Defendants actively concealed the Cheat Device and actual emission levels, fuel economy, and performance of the Fraudulent Vehicles to pad their profits and avoid the perception that the Fraudulent Vehicles did not comply with federal and state laws governing clean air and emissions. The Audi Gasoline Defendants engaged in this fraudulent concealment at the expense of the Alabama Plaintiffs.

275. The Alabama Plaintiffs reasonably relied upon the misrepresentations detailed herein, including the fraudulent concealment of the Cheat Device, in acquiring their Fraudulent Vehicles.

276. The Alabama Plaintiffs were not aware of the concealed and misrepresented material facts referenced above, and they would not have acted as they did had regulators or the driving public known the truth—the Audi Gasoline Defendants would not have been able to obtain COCs or EOs for the sale of the Fraudulent Vehicles and as a consequence the Alabama Plaintiffs would never have acquired the Fraudulent Vehicles in the first place.

277. As a direct and proximate result of Defendants' fraudulent scheme, the Alabama Plaintiffs sustained damages. They acquired Fraudulent Vehicles that are non-compliant and severely diminished in value as compared to the vehicles that were advertised and marketed. Moreover, the Fraudulent Vehicles either cannot be repaired to comply with applicable emissions standards, or if they can be made compliant, their performance, fuel efficiency, and longevity will be compromised.

278. The Alabama Plaintiffs hereby sue Defendants for damages, including economic and non-economic damages (including, without limitation, damages for embarrassment, humiliation, inconvenience, mental anguish and emotional distress) in an amount to be proven at trial. Defendants engaged in fraud that was malicious, oppressive, or gross and the statements

were made recklessly without regard to their truth and without caring or knowing if they were true or not. Defendants' conduct thus warrants substantial exemplary damages in an amount to be determined at trial, which the Alabama Plaintiffs hereby sue for.

**ALABAMA COUNT 2-
VIOLATIONS OF ALABAMA DECEPTIVE TRADE PRACTICES ACT
(Ala. Code § 8-19-1, et seq.)
(On behalf of the Alabama Plaintiffs)**

279. The Alabama Plaintiffs incorporate by reference each preceding paragraph as though fully set forth herein.

280. The Alabama Plaintiffs have complied with all applicable pre-suit notice letter provisions, if any, including those of the Alabama Deceptive Trade Practices Act.

281. The Alabama Plaintiffs are "consumers" within the meaning of Ala. Code § 8-19-3(2).

282. The Alabama Plaintiffs and Defendants are "persons" within the meaning of Ala. Code § 8-19-3(5).

283. The Fraudulent Vehicles are "goods" within the meaning of Ala. Code § 8-19-3(3).

284. Defendants were and are engaged in "trade or commerce" within the meaning of Ala. Code § 8-19-3(8).

285. The Alabama Deceptive Trade Practices Act ("Alabama DTPA") declares several specific actions to be unlawful, including: "(2) Causing confusion or misunderstanding as to the source, sponsorship, approval, or certification of goods or services; (5) Representing that goods or services have sponsorship, approval, characteristics, ingredients, uses, benefits, or qualities that they do not have," "(7) Representing that goods or services are of a particular standard, quality, or grade, or that goods are of a particular style or model, if they are of another," and "(27) Engaging in any other unconscionable, false, misleading, or deceptive act or practice in the conduct of trade

or commerce.” Ala. Code § 8-19-5. Defendants violated the aforementioned provisions of the Alabama DTPA.

286. In the course of their business, the Audi Gasoline Defendants intentionally or negligently concealed and suppressed material facts concerning the true emissions produced by Fraudulent Vehicles. Defendants accomplished this by installing illegal defeat device software in the Fraudulent Vehicles that caused the vehicles to operate in a low emission, low fuel economy test mode only during emissions testing. During normal operations, the Fraudulent Vehicles would emit grossly larger quantities of noxious contaminants and have reduced fuel economy. The result was what the Audi Gasoline Defendants intended—the Fraudulent Vehicles passed emissions testing by way of deliberately induced false readings. The Alabama Plaintiffs had no way of discerning that the Audi Gasoline Defendants’ representations were false and misleading because the Audi Gasoline Defendants’ defeat device software was extremely sophisticated technology.

287. Defendants engaged in misleading, false, unfair and deceptive acts or practices that violated the Alabama DTPA by installing, failing to disclose and/or actively concealing the Cheat Device and the true cleanliness and performance of the engine system, by marketing their vehicles as legal, reliable, environmentally clean, efficient, and of high quality, by mispresenting fuel economy and performance, and by presenting themselves as reputable manufacturers that valued environmental cleanliness and efficiency, and that stood behind their vehicles after they were sold.

288. The Audi Gasoline Defendants compounded the deception by repeatedly asserting that the Fraudulent Vehicles were safe, reliable, environmentally clean, efficient, and of high quality, and by claiming to be a reputable manufacturer that valued safety, environmental cleanliness, and efficiency, and stood behind its vehicles after they were sold.

289. The Audi Gasoline Defendants knew they had installed the Cheat Device in the Fraudulent Vehicles, but concealed all of that information. The Audi Gasoline Defendants also knew that they valued profits over environmental cleanliness, efficiency, and compliance with the law, and that they were manufacturing, selling, and distributing vehicles throughout the United States that did not comply with EPA regulations, but they concealed this information as well.

290. The Audi Gasoline Defendants intentionally and knowingly misrepresented material facts regarding the Fraudulent Vehicles with intent to mislead the Alabama Plaintiffs.

291. Defendants' fraudulent use of the Cheat Device and their concealment of the true characteristics of the Fraudulent Vehicles' fuel consumption, performance, and CO2 emissions were material to Plaintiffs.

292. The Audi Gasoline Defendants knew or should have known that their conduct violated the Alabama DTPA.

293. Defendants owed the Alabama Plaintiffs a duty to disclose truthfully all the facts concerning the cleanliness, efficiency and reliability of the Fraudulent Vehicles because they:

- a. possessed exclusive knowledge that they were manufacturing, selling, and distributing vehicles throughout the United States that did not comply with EPA regulations;
- b. intentionally concealed the foregoing from the Alabama Plaintiffs; and/or
- c. made incomplete or negligent representations about the environmental cleanliness and efficiency of the Fraudulent Vehicles generally, and the use of the defeat device in particular, while purposefully withholding material facts from the Alabama Plaintiffs that contradicted these representations.

294. Defendants concealed the illegal defeat device and the true emissions, efficiency and performance of the Fraudulent Vehicles, resulting in a raft of negative publicity once Defendants' fraud was exposed. The value of the Fraudulent Vehicles has therefore plummeted.

In light of the stigma Defendants' misconduct attached to the Fraudulent Vehicles, the Fraudulent Vehicles are now worth less than they otherwise would be worth.

295. Defendants' supply and use of the Cheat Device and concealment of the true characteristics of the engine system were material to the Alabama Plaintiffs. A vehicle made by a reputable manufacturer of environmentally friendly vehicles is worth more than an otherwise comparable vehicle made by a disreputable manufacturer of environmentally dirty vehicles that conceals its polluting engines rather than promptly remedying them.

296. Defendants' unfair or deceptive acts or practices were likely to and did in fact deceive regulators and reasonable consumers, including the Alabama Plaintiffs, about the true environmental cleanliness, performance and fuel efficiency of Audi-branded vehicles, the quality of the Audi brand, the devaluing of environmental cleanliness and integrity at Audi, and the true value of the Fraudulent Vehicles.

297. The Alabama Plaintiffs suffered ascertainable loss and actual damages, including economic and non-economic damages (including, without limitation, damages for embarrassment, humiliation, inconvenience, mental anguish and emotional distress) as a direct and proximate result of Defendants' misrepresentations and their concealment of and failure to disclose material information. The Alabama Plaintiffs who acquired the Fraudulent Vehicles would not have purchased or leased them at all and/or—if the Fraudulent Vehicles' true nature had been disclosed and mitigated, and the Fraudulent Vehicles rendered legal to sell—would have paid significantly less for them. The Alabama Plaintiffs also suffered diminished value of their vehicles, as well as lost or diminished use.

298. Defendants had an ongoing duty to all customers to refrain from unfair and deceptive practices under the Alabama DTPA in the course of their business.

299. Defendants' violations present a continuing risk to the Alabama Plaintiffs as well as to the general public. Defendants' unlawful acts and practices complained of herein affect the public interest.

300. Pursuant to Ala. Code § 8-19-10, the Alabama Plaintiffs hereby sue Defendants for actual damages, including economic and non-economic damages (including, without limitation, damages for embarrassment, humiliation, inconvenience, mental anguish and emotional distress) in an amount to be determined at trial. The Alabama Plaintiffs also hereby sue Defendants for three times the amount of actual damages plus attorneys' fees and costs per Ala. Code § 8-19-10 plus any other just and proper relief available under the Ala. Code § 8-19-1, et seq.

GEORGIA

301. Plaintiffs Debra Alexander, Kenneth Anderson, Constance Baldwin, Victor Bateh, Molly Weis-Bateh, Stephanie Beagle, Paul Mefferd, Lisa Butler, Ruby Sarden, Tony Clark, Nicole Clark, Brandon Coleman, David Crumpton, Linda Crumpton, Timothy Cunningham, Travis Demeritte, DeAnn Ellis, Stefan Freeman, Brad Glahn, Robert Goldstein, Phillip Hoover, Greg Lacy, Jacquelyn Linthecome, Robert Magee, Leonard Michael, Rhonda Mitchell, Edward Nail, Julian Najm, Jared Olds, Michael Potts, Joan Potts, Roderick Rutledge, Michael Shabani, Kletis Sloan, Ford Smith, Cristina Smith, Jerry Talbert, Edward Westreicher, and Avery Winder (collectively, the "Georgia Plaintiffs") acquired their Fraudulent Vehicles while in the State of Georgia. As such, they bring the following causes of action against all defendants.

GEORGIA COUNT 1- FRAUD (On behalf of the Georgia Plaintiffs)

302. The Georgia Plaintiffs incorporate by reference each preceding paragraph as though fully set forth herein.

303. As alleged extensively above, the Audi Gasoline Defendants intentionally concealed and suppressed material facts concerning the illegality and quality of the Fraudulent Vehicles in order to defraud and mislead the Georgia Plaintiffs about the true nature of the Fraudulent Vehicles. Defendants accomplished their scheme (and the concealment thereof) by installing, aiding in the installation of, and/or failing to disclose the Cheat Devices in the Fraudulent Vehicles that caused the vehicles to operate in a low-emission test mode only during testing. During normal operation and use, the Fraudulent Vehicles emitted grossly larger quantities of noxious pollutants and contaminants and achieved less fuel economy that was advertised and represented. The result was precisely what the Audi Gasoline Defendants had intended—the Fraudulent Vehicles were able to “pass” emission testing by way of deliberately-induced false readings and thus successfully imported and sold and/or leased to unwitting American consumers.

304. The Audi Gasoline Defendants valued their profits over the trust that the Georgia Plaintiffs entrusted to them. The Georgia Plaintiffs bought their cars from the Audi Gasoline Defendants based on their representations regarding compliance with emissions standards, performance, and fuel economy.

305. Necessarily, the Audi Gasoline Defendants also took steps to ensure that their employees did not reveal the details of their scheme to regulators or consumers, including the Georgia Plaintiffs. Defendants did so to falsely assure purchasers and lessors of their vehicles, including previously-owned vehicles, that they are reputable manufacturers that comply with applicable law, including federal and state clean air laws and emission regulations, and that their vehicles likewise comply with applicable laws and regulations.

306. Defendants’ false representations and omissions were material to the Georgia Plaintiffs, as they concerned both the legality and core marketing features of the Fraudulent

Vehicles. As Defendants well knew, the Georgia Plaintiffs highly valued that the vehicles they were acquiring were high performance, fuel efficient, and had low emissions, and they paid a premium accordingly.

307. The Georgia Plaintiffs reasonably relied on Defendants' deception, and Defendants intended that they would so rely. The Georgia Plaintiffs had no way of discerning that Defendants were, in fact, deceiving them because the Cheat Device was extremely sophisticated technology and could not be discerned by regulators, much less consumers. The Georgia Plaintiffs did not, and could not, unravel Defendants' scheme on their own.

308. Defendants' devious scheme to design and install the Cheat Device in the Fraudulent Vehicles for the specific purpose of falsely representing to the Georgia Plaintiffs and U.S. consumers that the Fraudulent Vehicles complied with emissions laws, were high performance, and had excellent fuel economy, and then concealing their fraudulent scheme through numerous model years, reveals a corporate culture that emphasizes sales and profits over integrity. Further, it demonstrates a callous disregard for not only the rule of law but also the Audi Gasoline Defendants' customers, including the Georgia Plaintiffs.

309. Defendants had a duty to disclose the Cheat Device to the Georgia Plaintiffs.

310. The Audi Gasoline Defendants hatched the deceptive scheme and knew that their customers, including the Georgia Plaintiffs, did not know about (and could not reasonably discover) its scheme.

311. The Audi Gasoline Defendants not only concealed the illegal Cheat Device, which posed a safety harm, but went further to make numerous affirmative misrepresentations about the quality and characteristics of the Fraudulent Vehicles. The Audi Gasoline Defendants did so through their advertising, statements by corporate executives, and their website, among other

sources. The Audi Gasoline Defendants' fraudulent statements regarding the Fraudulent Vehicles' performance, characteristics, fitness, and legal compliance are expressly contained in documents prepared, issued and provided by the Audi Gasoline Defendants such as the "window sticker," vehicle brochure, and other documents and advertisements provided to or otherwise made available to the Georgia Plaintiffs.

312. Each of these misrepresentations, at the time they were made, concerned either a past or then-existing material fact, and were made intentionally and knowingly, with an intent to mislead. Having "opened their mouth" to claim the Fraudulent Vehicles complied with legal emissions requirements, had a certain fuel economy, and were high performance, the Audi Gasoline Defendants had the duty to come clean about their Cheat Device – but they failed to do so.

313. The Audi Gasoline Defendants actively concealed the Cheat Device and actual emission levels, fuel economy, and performance of the Fraudulent Vehicles to pad their profits and avoid the perception that the Fraudulent Vehicles did not comply with federal and state laws governing clean air and emissions. The Audi Gasoline Defendants engaged in this fraudulent concealment at the expense of the Georgia Plaintiffs.

314. The Georgia Plaintiffs reasonably relied upon the misrepresentations detailed herein, including the fraudulent concealment of the Cheat Device, in acquiring their Fraudulent Vehicles.

315. The Georgia Plaintiffs were not aware of the concealed and misrepresented material facts referenced above, and they would not have acted as they did had regulators or the driving public known the truth—the Audi Gasoline Defendants would not have been able to obtain COCs

or EOs for the sale of the Fraudulent Vehicles and as a consequence the Georgia Plaintiffs would never have acquired the Fraudulent Vehicles in the first place.

316. As a direct and proximate result of Defendants' fraudulent scheme, the Georgia Plaintiffs sustained damages. They acquired Fraudulent Vehicles that are non-compliant and severely diminished in value as compared to the vehicles that were advertised and marketed. Moreover, the Fraudulent Vehicles either cannot be repaired to comply with applicable emissions standards, or if they can be made compliant, their performance, fuel efficiency, and longevity will be compromised.

317. Defendants are liable to the Georgia Plaintiffs for damages, including economic and non-economic damages (including, without limitation, damages for embarrassment, humiliation, inconvenience, mental anguish and emotional distress) in an amount to be proven at trial, for which the Georgia Plaintiffs hereby sue Defendants. Defendants' actions showed willful misconduct, malice, fraud, wantonness, oppression, or that entire want of care that would raise the presumption of conscious indifference to consequences. Defendants' conduct thus warrants the award of substantial punitive damages in an amount to be determined at trial, for which the Georgia Plaintiffs hereby sue Defendants.

**GEORGIA COUNT 2-
VIOLATIONS OF GEORGIA'S FAIR BUSINESS PRACTICES ACT
(Ga. Code Ann. § 10-1-390, et seq.)
(On behalf of the Georgia Plaintiffs)**

318. The Georgia Plaintiffs incorporate by reference each preceding paragraph as though fully set forth herein.

319. The Georgia Plaintiffs have complied with all applicable, pre-suit notice letter provisions, if any, including those of the Georgia Fair Business Practices Act.

320. The Georgia Fair Business Practices Act (“Georgia FBPA”) declares “[u]nfair or deceptive acts or practices in the conduct of consumer transactions and consumer acts or practices in trade or commerce” to be unlawful, Ga. Code. Ann. § 10-1-393(a), including but not limited to “representing that goods or services have sponsorship, approval, characteristics, ingredients, uses, benefits, or quantities that they do not have,” “[r]epresenting that goods or services are of a particular standard, quality, or grade ... if they are of another,” and “[a]dvertising goods or services with intent not to sell them as advertised,” Ga. Code. Ann. § 10-1-393(b). Volkswagen intentionally violated the aforementioned provisions of the Georgia FBPA.

321. In the course of their business, the Audi Gasoline Defendants intentionally or negligently concealed and suppressed material facts concerning the true emissions produced by Fraudulent Vehicles. Defendants accomplished this by installing illegal defeat device software in the Fraudulent Vehicles that caused the vehicles to operate in a low emission, low fuel economy test mode only during emissions testing. During normal operations, the Fraudulent Vehicles would emit grossly larger quantities of noxious contaminants and have reduced fuel economy. The result was what the Audi Gasoline Defendants intended—the Fraudulent Vehicles passed emissions testing by way of deliberately induced false readings. The Georgia Plaintiffs had no way of discerning that the Audi Gasoline Defendants’ representations were false and misleading because the Audi Gasoline Defendants’ defeat device software was extremely sophisticated technology.

322. Defendants engaged in misleading, false, unfair and deceptive acts or practices that violated the Georgia FBPA by installing, failing to disclose and/or actively concealing the Cheat Device and the true cleanliness and performance of the engine system, by marketing their vehicles as legal, reliable, environmentally clean, efficient, and of high quality, by misrepresenting fuel

economy and performance, and by presenting themselves as reputable manufacturers that valued environmental cleanliness and efficiency, and that stood behind their vehicles after they were sold.

323. The Audi Gasoline Defendants compounded the deception by repeatedly asserting that the Fraudulent Vehicles were safe, reliable, environmentally clean, efficient, and of high quality, and by claiming to be a reputable manufacturer that valued safety, environmental cleanliness, and efficiency, and stood behind its vehicles after they were sold.

324. The Audi Gasoline Defendants knew they had installed the Cheat Device in the Fraudulent Vehicles, but concealed all of that information. The Audi Gasoline Defendants also knew that they valued profits over environmental cleanliness, efficiency, and compliance with the law, and that they were manufacturing, selling, and distributing vehicles throughout the United States that did not comply with EPA regulations, but they concealed this information as well.

325. The Audi Gasoline Defendants intentionally and knowingly misrepresented material facts regarding the Fraudulent Vehicles with intent to mislead the Georgia Plaintiffs.

326. Defendants' fraudulent use of the Cheat Device and their concealment of the true characteristics of the Fraudulent Vehicles' fuel consumption, performance, and CO2 emissions were material to Plaintiffs.

327. The Audi Gasoline Defendants knew or should have known that their conduct violated the Georgia FBPA.

328. Defendants owed the Georgia Plaintiffs a duty to disclose truthfully all the facts concerning the cleanliness, efficiency and reliability of the Fraudulent Vehicles because they:

- a. possessed exclusive knowledge that they were manufacturing, selling, and distributing vehicles throughout the United States that did not comply with EPA regulations;
- b. intentionally concealed the foregoing from the Georgia Plaintiffs; and/or

- c. made incomplete or negligent representations about the environmental cleanliness and efficiency of the Fraudulent Vehicles generally, and the use of the defeat device in particular, while purposefully withholding material facts from the Georgia Plaintiffs that contradicted these representations.

329. Defendants concealed the illegal defeat device and the true emissions, efficiency and performance of the Fraudulent Vehicles, resulting in a raft of negative publicity once Defendants' fraud was exposed. The value of the Fraudulent Vehicles has therefore plummeted. In light of the stigma Defendants' misconduct attached to the Fraudulent Vehicles, the Fraudulent Vehicles are now worth less than they otherwise would be worth.

330. Defendants' supply and use of the Cheat Device and concealment of the true characteristics of the engine system were material to the Georgia Plaintiffs. A vehicle made by a reputable manufacturer of environmentally friendly vehicles is worth more than an otherwise comparable vehicle made by a disreputable manufacturer of environmentally dirty vehicles that conceals its polluting engines rather than promptly remedying them.

331. Defendants' unfair or deceptive acts or practices were likely to and did in fact deceive regulators and reasonable consumers, including the Georgia Plaintiffs, about the true environmental cleanliness, performance and fuel efficiency of Audi-branded vehicles, the quality of the Audi brand, the devaluing of environmental cleanliness and integrity at Audi, and the true value of the Fraudulent Vehicles.

332. The Georgia Plaintiffs suffered ascertainable loss and actual damages, including economic and non-economic damages (including, without limitation, damages for embarrassment, humiliation, inconvenience, mental anguish and emotional distress) as a direct and proximate result of Defendants' misrepresentations and their concealment of and failure to disclose material information. The Georgia Plaintiffs who acquired the Fraudulent Vehicles would not have purchased or leased them at all and/or—if the Fraudulent Vehicles' true nature had been disclosed

and mitigated, and the Fraudulent Vehicles rendered legal to sell—would have paid significantly less for them. The Georgia Plaintiffs also suffered diminished value of their vehicles, as well as lost or diminished use.

333. Defendants had an ongoing duty to all customers to refrain from unfair and deceptive practices under the Georgia FBPA in the course of their business.

334. Defendants' violations present a continuing risk to the Georgia Plaintiffs as well as to the general public. Defendants' unlawful acts and practices complained of herein affect the public interest.

335. The Georgia Plaintiffs are entitled to recover, and hereby sue Defendants for, actual damages, including economic and non-economic damages (including, without limitation, damages for embarrassment, humiliation, inconvenience, mental anguish and emotional distress) plus attorney's fees and expenses of litigation per Ga. Code Ann. § 10-1-399(d) plus exemplary damages (for intentional violations) per Ga. Code. Ann. § 10-1-399(a). The Georgia Plaintiffs also sue Defendants for any other just and proper relief available under the Georgia FBPA per Ga. Code. Ann. § 10-1-399.

ILLINOIS

336. Plaintiffs Anthony Ameri, Wesley Breton, Joseph Brooks, Dan Caulfield, Eric Feinberg, Zachary Flynn, Dawn Gowder, Joe Gragg, Diann Gragg, Dylan Hoffman, Shelton Holzman, Bilal Javed, Dennis Kellman, Carol Kloster, Scott Kraus, Mark Kuriata, Bradley Mizgate, Richard Morehouse, Florentina Murray, Michael Ognibene, Heidi Ognibene, Eric Pan, Chet Phillips, Susan Phillips, John Quinn, Raymond Quintana, Jody Quintana, Clyde Robison, Donald Searcy, Eric Smith, Aaron Sullivan-Hall, Salena Whitfield, James Zika, and Pamela Zika

(collectively, the “Illinois Plaintiffs”) acquired their Fraudulent Vehicles while in the State of Illinois. As such, they bring the following causes of action against all defendants.

ILLINOIS COUNT 1- FRAUD
(On behalf of the Illinois Plaintiffs)

337. The Illinois Plaintiffs incorporate by reference each preceding paragraph as though fully set forth herein.

338. As alleged extensively above, the Audi Gasoline Defendants intentionally concealed and suppressed material facts concerning the illegality and quality of the Fraudulent Vehicles in order to defraud and mislead the Illinois Plaintiffs about the true nature of the Fraudulent Vehicles. Defendants accomplished their scheme (and the concealment thereof) by installing, aiding in the installation of, and/or failing to disclose the Cheat Devices in the Fraudulent Vehicles that caused the vehicles to operate in a low-emission test mode only during testing. During normal operation and use, the Fraudulent Vehicles emitted grossly larger quantities of noxious pollutants and contaminants and achieved less fuel economy that was advertised and represented. The result was precisely what the Audi Gasoline Defendants had intended—the Fraudulent Vehicles were able to “pass” emission testing by way of deliberately-induced false readings and thus successfully imported and sold and/or leased to unwitting American consumers.

339. The Audi Gasoline Defendants valued their profits over the trust that the Illinois Plaintiffs entrusted to them. The Illinois Plaintiffs bought their cars from the Audi Gasoline Defendants based on their representations regarding compliance with emissions standards, performance, and fuel economy.

340. Necessarily, the Audi Gasoline Defendants also took steps to ensure that their employees did not reveal the details of their scheme to regulators or consumers, including the Illinois Plaintiffs. Defendants did so to falsely assure purchasers and lessors of their vehicles,

including previously-owned vehicles, that they are reputable manufacturers that comply with applicable law, including federal and state clean air laws and emission regulations, and that their vehicles likewise comply with applicable laws and regulations.

341. Defendants' false representations and omissions were material to the Illinois Plaintiffs, as they concerned both the legality and core marketing features of the Fraudulent Vehicles. As Defendants well knew, the Illinois Plaintiffs highly valued that the vehicles they were acquiring were high performance, fuel efficient, and had low emissions, and they paid a premium accordingly.

342. The Illinois Plaintiffs reasonably relied on Defendants' deception, and Defendants intended that they would so rely. The Illinois Plaintiffs had no way of discerning that Defendants were, in fact, deceiving them because the Cheat Device was extremely sophisticated technology and could not be discerned by regulators, much less consumers. The Illinois Plaintiffs did not, and could not, unravel Defendants' scheme on their own.

343. Defendants' devious scheme to design and install the Cheat Device in the Fraudulent Vehicles for the specific purpose of falsely representing to the Illinois Plaintiffs and U.S. consumers that the Fraudulent Vehicles complied with emissions laws, were high performance, and had excellent fuel economy, and then concealing their fraudulent scheme through numerous model years, reveals a corporate culture that emphasizes sales and profits over integrity. Further, it demonstrates a callous disregard for not only the rule of law but also the Audi Gasoline Defendants' customers, including the Illinois Plaintiffs.

344. Defendants had a duty to disclose the Cheat Device to the Illinois Plaintiffs.

345. The Audi Gasoline Defendants hatched the deceptive scheme and knew that their customers, including the Illinois Plaintiffs, did not know about (and could not reasonably discover) its scheme.

346. The Audi Gasoline Defendants not only concealed the illegal Cheat Device, which posed a safety harm, but went further to make numerous affirmative misrepresentations about the quality and characteristics of the Fraudulent Vehicles. The Audi Gasoline Defendants did so through their advertising, statements by corporate executives, and their website, among other sources. The Audi Gasoline Defendants' fraudulent statements regarding the Fraudulent Vehicles' performance, characteristics, fitness, and legal compliance are expressly contained in documents prepared, issued and provided by the Audi Gasoline Defendants such as the "window sticker," vehicle brochure, and other documents and advertisements provided to or otherwise made available to the Illinois Plaintiffs.

347. Each of these misrepresentations, at the time they were made, concerned either a past or then-existing material fact, and were made intentionally and knowingly, with an intent to mislead. Having "opened their mouth" to claim the Fraudulent Vehicles complied with legal emissions requirements, had a certain fuel economy, and were high performance, the Audi Gasoline Defendants had the duty to come clean about their Cheat Device – but they failed to do so.

348. The Audi Gasoline Defendants actively concealed the Cheat Device and actual emission levels, fuel economy, and performance of the Fraudulent Vehicles to pad their profits and avoid the perception that the Fraudulent Vehicles did not comply with federal and state laws governing clean air and emissions. The Audi Gasoline Defendants engaged in this fraudulent concealment at the expense of the Illinois Plaintiffs.

349. The Illinois Plaintiffs reasonably relied upon the misrepresentations detailed herein, including the fraudulent concealment of the Cheat Device, in acquiring their Fraudulent Vehicles.

350. The Illinois Plaintiffs were not aware of the concealed and misrepresented material facts referenced above, and they would not have acted as they did had regulators or the driving public known the truth—the Audi Gasoline Defendants would not have been able to obtain COCs or EOs for the sale of the Fraudulent Vehicles and as a consequence the Illinois Plaintiffs would never have acquired the Fraudulent Vehicles in the first place.

351. As a direct and proximate result of Defendants' fraudulent scheme, the Illinois Plaintiffs sustained damages. They acquired Fraudulent Vehicles that are non-compliant and severely diminished in value as compared to the vehicles that were advertised and marketed. Moreover, the Fraudulent Vehicles either cannot be repaired to comply with applicable emissions standards, or if they can be made compliant, their performance, fuel efficiency, and longevity will be compromised.

352. Defendants are liable to the Illinois Plaintiffs for damages, including economic and non-economic damages (including, without limitation, damages for embarrassment, humiliation, inconvenience, mental anguish and emotional distress) in an amount to be proven at trial. Defendants' conduct was fraudulent, intentional, willful and wanton and proximately caused damage to the Illinois Plaintiffs. Further, justice and the public good require that the Illinois Plaintiffs be awarded an amount of money which will punish Defendants and discourage Defendants and others from similar conduct. Defendants' conduct thus warrants the award of substantial punitive and exemplary damages in an amount to be determined at trial.

**ILLINOIS COUNT 2-
VIOLATIONS OF ILLINOIS CONSUMER FRAUD AND
DECEPTIVE BUSINESS PRACTICES ACT
(815 ILCS 505/1, et seq. and 720 ILCS 295/1a)**

(On behalf of the Illinois Plaintiffs)

353. The Illinois Plaintiffs incorporate by reference each preceding paragraph as though fully set forth herein.

354. The Illinois Plaintiffs have complied with all applicable, pre-suit notice letter provisions, if any, including those of the Illinois Consumer Fraud and Deceptive Business Practices Act. Specifically, the Illinois Plaintiffs have served a notice and demand upon named defendants at least 30 days prior to the filing of this action.

355. Defendants are “person[s]” as that term is defined in 815 ILCS 505/1(c).

356. The Illinois Consumer Fraud and Deceptive Business Practices Act (“Illinois CFA”) prohibits “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 ... in the conduct of trade or commerce ... whether any person has in fact been misled, deceived or damaged thereby.” 815 ILCS 505/2. Defendants intentionally violated the Illinois CFA.

357. In the course of their business, the Audi Gasoline Defendants intentionally or negligently concealed and suppressed material facts concerning the true emissions produced by Fraudulent Vehicles. Defendants accomplished this by installing illegal defeat device software in the Fraudulent Vehicles that caused the vehicles to operate in a low emission, low fuel economy test mode only during emissions testing. During normal operations, the Fraudulent Vehicles would emit grossly larger quantities of noxious contaminants and have reduced fuel economy. The result was what the Audi Gasoline Defendants intended—the Fraudulent Vehicles passed emissions testing by way of deliberately induced false readings. The Illinois Plaintiffs had no way of

discerning that the Audi Gasoline Defendants' representations were false and misleading because the Audi Gasoline Defendants' defeat device software was extremely sophisticated technology.

358. Defendants engaged in misleading, false, unfair and deceptive acts or practices that violated the Illinois CFA by installing, failing to disclose and/or actively concealing the Cheat Device and the true cleanliness and performance of the engine system, by marketing their vehicles as legal, reliable, environmentally clean, efficient, and of high quality, by misrepresenting fuel economy and performance, and by presenting themselves as reputable manufacturers that valued environmental cleanliness and efficiency, and that stood behind their vehicles after they were sold.

359. The Audi Gasoline Defendants compounded the deception by repeatedly asserting that the Fraudulent Vehicles were safe, reliable, environmentally clean, efficient, and of high quality, and by claiming to be a reputable manufacturer that valued safety, environmental cleanliness, and efficiency, and stood behind its vehicles after they were sold.

360. The Audi Gasoline Defendants knew they had installed the Cheat Device in the Fraudulent Vehicles, but concealed all of that information. The Audi Gasoline Defendants also knew that they valued profits over environmental cleanliness, efficiency, and compliance with the law, and that they were manufacturing, selling, and distributing vehicles throughout the United States that did not comply with EPA regulations, but they concealed this information as well.

361. The Audi Gasoline Defendants intentionally and knowingly misrepresented material facts regarding the Fraudulent Vehicles with intent to mislead the Illinois Plaintiffs.

362. Defendants' fraudulent use of the Cheat Device and their concealment of the true characteristics of the Fraudulent Vehicles' fuel consumption, performance, and CO2 emissions were material to Plaintiffs.

363. The Audi Gasoline Defendants knew or should have known that their conduct violated the Illinois CFA.

364. Defendants owed the Illinois Plaintiffs a duty to disclose truthfully all the facts concerning the cleanliness, efficiency and reliability of the Fraudulent Vehicles because they:

- a. possessed exclusive knowledge that they were manufacturing, selling, and distributing vehicles throughout the United States that did not comply with EPA regulations;
- b. intentionally concealed the foregoing from the Illinois Plaintiffs; and/or
- c. made incomplete or negligent representations about the environmental cleanliness and efficiency of the Fraudulent Vehicles generally, and the use of the defeat device in particular, while purposefully withholding material facts from the Illinois Plaintiffs that contradicted these representations.

365. Defendants concealed the illegal defeat device and the true emissions, efficiency and performance of the Fraudulent Vehicles, resulting in a raft of negative publicity once Defendants' fraud was exposed. The value of the Fraudulent Vehicles has therefore plummeted. In light of the stigma Defendants' misconduct attached to the Fraudulent Vehicles, the Fraudulent Vehicles are now worth less than they otherwise would be worth.

366. Defendants' supply and use of the Cheat Device and concealment of the true characteristics of the engine system were material to the Illinois Plaintiffs. A vehicle made by a reputable manufacturer of environmentally friendly vehicles is worth more than an otherwise comparable vehicle made by a disreputable manufacturer of environmentally dirty vehicles that conceals its polluting engines rather than promptly remedying them.

367. Defendants' unfair or deceptive acts or practices were likely to and did in fact deceive regulators and reasonable consumers, including the Illinois Plaintiffs, about the true environmental cleanliness, performance and fuel efficiency of Audi-branded vehicles, the quality

of the Audi brand, the devaluing of environmental cleanliness and integrity at Audi, and the true value of the Fraudulent Vehicles.

368. The Illinois Plaintiffs suffered ascertainable loss and actual damages, including economic and non-economic damages (including, without limitation, damages for embarrassment, humiliation, inconvenience, mental anguish and emotional distress) as a direct and proximate result of Defendants' misrepresentations and their concealment of and failure to disclose material information. The Illinois Plaintiffs who acquired the Fraudulent Vehicles would not have purchased or leased them at all and/or—if the Fraudulent Vehicles' true nature had been disclosed and mitigated, and the Fraudulent Vehicles rendered legal to sell—would have paid significantly less for them. The Illinois Plaintiffs also suffered diminished value of their vehicles, as well as lost or diminished use.

369. Defendants had an ongoing duty to all customers to refrain from unfair and deceptive practices under the Illinois CFA in the course of their business.

370. Defendants' violations present a continuing risk to the Illinois Plaintiffs as well as to the general public. Defendants' unlawful acts and practices complained of herein affect the public interest.

371. Pursuant to 815 ILCS 505/10a(a), the Illinois Plaintiffs sue Defendants for actual damages, including economic and non-economic damages (including, without limitation, damages for embarrassment, humiliation, inconvenience, mental anguish and emotional distress) plus punitive damages because Defendants acted with fraud and/or malice and/or was grossly negligent and their conduct was willful or intentional and done with evil motive or reckless indifference to the rights of others. Defendants' conduct resulted in public injury constituted a pattern or an effect

on consumers and the public interest. The Illinois Plaintiffs also seek attorney's fees and costs per 815 ILCS § 505/10a(c) plus any other just and proper relief available under the Illinois CFA.

INDIANA

372. Plaintiff Eric Rozenberg (the "Indiana Plaintiff") acquired his Fraudulent Vehicle while in the State of Indiana. As such, he brings the following causes of action against all defendants.

INDIANA COUNT 1- FRAUD (On behalf of the Indiana Plaintiff)

373. The Indiana Plaintiff incorporates by reference each preceding paragraph as though fully set forth herein.

374. As alleged extensively above, the Audi Gasoline Defendants intentionally concealed and suppressed material facts concerning the illegality and quality of the Fraudulent Vehicles in order to defraud and mislead the Indiana Plaintiff about the true nature of the Fraudulent Vehicles. Defendants accomplished their scheme (and the concealment thereof) by installing, aiding in the installation of, and/or failing to disclose the Cheat Devices in the Fraudulent Vehicles that caused the vehicles to operate in a low-emission test mode only during testing. During normal operation and use, the Fraudulent Vehicles emitted grossly larger quantities of noxious pollutants and contaminants and achieved less fuel economy that was advertised and represented. The result was precisely what the Audi Gasoline Defendants had intended—the Fraudulent Vehicles were able to "pass" emission testing by way of deliberately-induced false readings and thus successfully imported and sold and/or leased to unwitting American consumers.

375. The Audi Gasoline Defendants valued their profits over the trust that the Indiana Plaintiff entrusted to them. The Indiana Plaintiff bought his car from the Audi Gasoline Defendants

based on their representations regarding compliance with emissions standards, performance, and fuel economy.

376. Necessarily, the Audi Gasoline Defendants also took steps to ensure that their employees did not reveal the details of their scheme to regulators or consumers, including the Indiana Plaintiff. Defendants did so to falsely assure purchasers and lessors of their vehicles, including previously-owned vehicles, that they are reputable manufacturers that comply with applicable law, including federal and state clean air laws and emission regulations, and that their vehicles likewise comply with applicable laws and regulations.

377. Defendants' false representations and omissions were material to the Indiana Plaintiff, as they concerned both the legality and core marketing features of the Fraudulent Vehicles. As Defendants well knew, the Indiana Plaintiff highly valued that the vehicles they were acquiring were high performance, fuel efficient, and had low emissions, and they paid a premium accordingly.

378. The Indiana Plaintiff reasonably relied on Defendants' deception, and Defendants intended that they would so rely. The Indiana Plaintiff had no way of discerning that Defendants were, in fact, deceiving them because the Cheat Device was extremely sophisticated technology and could not be discerned by regulators, much less consumers. The Indiana Plaintiff did not, and could not, unravel Defendants' scheme on his own.

379. Defendants' devious scheme to design and install the Cheat Device in the Fraudulent Vehicles for the specific purpose of falsely representing to the Indiana Plaintiff and U.S. consumers that the Fraudulent Vehicles complied with emissions laws, were high performance, and had excellent fuel economy, and then concealing their fraudulent scheme through numerous model years, reveals a corporate culture that emphasizes sales and profits over

integrity. Further, it demonstrates a callous disregard for not only the rule of law but also the Audi Gasoline Defendants' customers, including the Indiana Plaintiff.

380. Defendants had a duty to disclose the Cheat Device to the Indiana Plaintiff.

381. The Audi Gasoline Defendants hatched the deceptive scheme and knew that their customers, including the Indiana Plaintiff, did not know about (and could not reasonably discover) its scheme.

382. The Audi Gasoline Defendants not only concealed the illegal Cheat Device, which posed a safety harm, but went further to make numerous affirmative misrepresentations about the quality and characteristics of the Fraudulent Vehicles. The Audi Gasoline Defendants did so through their advertising, statements by corporate executives, and their website, among other sources. The Audi Gasoline Defendants' fraudulent statements regarding the Fraudulent Vehicles' performance, characteristics, fitness, and legal compliance are expressly contained in documents prepared, issued and provided by the Audi Gasoline Defendants such as the "window sticker," vehicle brochure, and other documents and advertisements provided to or otherwise made available to the Indiana Plaintiff.

383. Each of these misrepresentations, at the time they were made, concerned either a past or then-existing material fact, and were made intentionally and knowingly, with an intent to mislead. Having "opened their mouth" to claim the Fraudulent Vehicles complied with legal emissions requirements, had a certain fuel economy, and were high performance, the Audi Gasoline Defendants had the duty to come clean about their Cheat Device – but they failed to do so.

384. The Audi Gasoline Defendants actively concealed the Cheat Device and actual emission levels, fuel economy, and performance of the Fraudulent Vehicles to pad their profits

and avoid the perception that the Fraudulent Vehicles did not comply with federal and state laws governing clean air and emissions. The Audi Gasoline Defendants engaged in this fraudulent concealment at the expense of the Indiana Plaintiff.

385. The Indiana Plaintiff reasonably relied upon the misrepresentations detailed herein, including the fraudulent concealment of the Cheat Device, in acquiring their Fraudulent Vehicles.

386. The Indiana Plaintiff was not aware of the concealed and misrepresented material facts referenced above, and he would not have acted as he did had regulators or the driving public known the truth—the Audi Gasoline Defendants would not have been able to obtain COCs or EOs for the sale of the Fraudulent Vehicles and as a consequence the Indiana Plaintiff would never have acquired the Fraudulent Vehicles in the first place.

387. As a direct and proximate result of Defendants' fraudulent scheme, the Indiana Plaintiff sustained damages. He acquired a Fraudulent Vehicle that is non-compliant and severely diminished in value as compared to the vehicles that were advertised and marketed. Moreover, the Fraudulent Vehicle either cannot be repaired to comply with applicable emissions standards, or if it can be made compliant, its performance, fuel efficiency, and longevity will be compromised.

388. Defendants are liable to the Indiana Plaintiff for damages, including economic and non-economic damages (including, without limitation, damages for embarrassment, humiliation, inconvenience, mental anguish and emotional distress) in an amount to be proven at trial. Defendants' actions amounted to willful and wanton misconduct. Further Defendants acted maliciously, fraudulently, oppressively, and with gross negligence. Defendants' conduct thus warrants the award of substantial punitive and exemplary damages in an amount to be determined at trial.

**INDIANA COUNT 2-
VIOLATIONS OF THE INDIANA DECEPTIVE CONSUMER SALES ACT**

(Ind. Code § 24-5-0.5-3)
(On behalf of the Indiana Plaintiff)

389. The Indiana Plaintiff incorporates by reference each preceding paragraph as though fully set forth herein.

390. The Indiana Plaintiff has complied with all applicable, pre-suit notice letter provisions, if any, including those of Indiana's Deceptive Consumer Sales Act.

391. Defendants are "person[s]" within the meaning of Ind. Code § 24-5-0.5-2(2) and a "supplier" within the meaning of Ind. Code § 24-5-.05-2(a)(3).

392. The Indiana Plaintiff's purchases and leases of the Fraudulent Vehicles are "consumer transactions" within the meaning of Ind. Code § 24-5-.05-2(a)(1).

393. Indiana's Deceptive Consumer Sales Act ("Indiana DCSA") prohibits a person from engaging in a "deceptive act," which includes representing: "(1) That such subject of a consumer transaction has sponsorship, approval, performance, characteristics, accessories, uses, or benefits that they do not have, or that a person has a sponsorship, approval, status, affiliation, or connection it does not have; (2) That such subject of a consumer transaction is of a particular standard, quality, grade, style or model, if it is not and if the supplier knows or should reasonably know that it is not; ... (7) That the supplier has a sponsorship, approval or affiliation in such consumer transaction that the supplier does not have, and which the supplier knows or should reasonably know that the supplier does not have; ... (c) Any representations on or within a product or its packaging or in advertising or promotional materials which would constitute a deceptive act shall be the deceptive act both of the supplier who places such a representation thereon or therein, or who authored such materials, and such suppliers who shall state orally or in writing that such representation is true if such other supplier shall know or have reason to know that such

representation was false.” Ind. Code § 24-5-0.5-3. Defendants intentionally violated these provisions of the Indiana DCSA.

394. In the course of their business, the Audi Gasoline Defendants intentionally or negligently concealed and suppressed material facts concerning the true emissions produced by Fraudulent Vehicles. Defendants accomplished this by installing illegal defeat device software in the Fraudulent Vehicles that caused the vehicles to operate in a low emission, low fuel economy test mode only during emissions testing. During normal operations, the Fraudulent Vehicles would emit grossly larger quantities of noxious contaminants and have reduced fuel economy. The result was what the Audi Gasoline Defendants intended—the Fraudulent Vehicles passed emissions testing by way of deliberately induced false readings. The Indiana Plaintiff had no way of discerning that the Audi Gasoline Defendants’ representations were false and misleading because the Audi Gasoline Defendants’ defeat device software was extremely sophisticated technology.

395. Defendants engaged in misleading, false, unfair and deceptive acts or practices that violated the Indiana DCSA by installing, failing to disclose and/or actively concealing the Cheat Device and the true cleanliness and performance of the engine system, by marketing their vehicles as legal, reliable, environmentally clean, efficient, and of high quality, by misrepresenting fuel economy and performance, and by presenting themselves as reputable manufacturers that valued environmental cleanliness and efficiency, and that stood behind their vehicles after they were sold.

396. The Audi Gasoline Defendants compounded the deception by repeatedly asserting that the Fraudulent Vehicles were safe, reliable, environmentally clean, efficient, and of high quality, and by claiming to be a reputable manufacturer that valued safety, environmental cleanliness, and efficiency, and stood behind its vehicles after they were sold.

397. The Audi Gasoline Defendants knew they had installed the Cheat Device in the Fraudulent Vehicles, but concealed all of that information. The Audi Gasoline Defendants also knew that they valued profits over environmental cleanliness, efficiency, and compliance with the law, and that they were manufacturing, selling, and distributing vehicles throughout the United States that did not comply with EPA regulations, but they concealed this information as well.

398. The Audi Gasoline Defendants intentionally and knowingly misrepresented material facts regarding the Fraudulent Vehicles with intent to mislead the Indiana Plaintiff.

399. Defendants' fraudulent use of the Cheat Device and their concealment of the true characteristics of the Fraudulent Vehicles' fuel consumption, performance, and CO2 emissions were material to Plaintiffs.

400. The Audi Gasoline Defendants knew or should have known that their conduct violated the Indiana DCSA.

401. Defendants owed the Indiana Plaintiff a duty to disclose truthfully all the facts concerning the cleanliness, efficiency and reliability of the Fraudulent Vehicles because they:

- a. possessed exclusive knowledge that they were manufacturing, selling, and distributing vehicles throughout the United States that did not comply with EPA regulations;
- b. intentionally concealed the foregoing from the Indiana Plaintiff; and/or
- c. made incomplete or negligent representations about the environmental cleanliness and efficiency of the Fraudulent Vehicles generally, and the use of the defeat device in particular, while purposefully withholding material facts from the Indiana Plaintiff that contradicted these representations.

402. Defendants concealed the illegal defeat device and the true emissions, efficiency and performance of the Fraudulent Vehicles, resulting in a raft of negative publicity once Defendants' fraud was exposed. The value of the Fraudulent Vehicles has therefore plummeted.

In light of the stigma Defendants' misconduct attached to the Fraudulent Vehicles, the Fraudulent Vehicles are now worth less than they otherwise would be worth.

403. Defendants' supply and use of the Cheat Device and concealment of the true characteristics of the engine system were material to the Indiana Plaintiff. A vehicle made by a reputable manufacturer of environmentally friendly vehicles is worth more than an otherwise comparable vehicle made by a disreputable manufacturer of environmentally dirty vehicles that conceals its polluting engines rather than promptly remedying them.

404. Defendants' unfair or deceptive acts or practices were likely to and did in fact deceive regulators and reasonable consumers, including the Indiana Plaintiff, about the true environmental cleanliness, performance and fuel efficiency of Audi-branded vehicles, the quality of the Audi brand, the devaluing of environmental cleanliness and integrity at Audi, and the true value of the Fraudulent Vehicles.

405. The Indiana Plaintiff suffered ascertainable loss and actual damages, including economic and non-economic damages (including, without limitation, damages for embarrassment, humiliation, inconvenience, mental anguish and emotional distress) as a direct and proximate result of Defendants' misrepresentations and their concealment of and failure to disclose material information. The Indiana Plaintiff who acquired the Fraudulent Vehicles would not have purchased or leased them at all and/or—if the Fraudulent Vehicles' true nature had been disclosed and mitigated, and the Fraudulent Vehicles rendered legal to sell—would have paid significantly less for them. The Indiana Plaintiff also suffered diminished value of their vehicles, as well as lost or diminished use.

406. Defendants had an ongoing duty to all customers to refrain from unfair and deceptive practices under the Indiana DCSA in the course of their business.

407. Defendants' violations present a continuing risk to the Indiana Plaintiff as well as to the general public. Defendants' unlawful acts and practices complained of herein affect the public interest.

408. Pursuant to Ind. Code § 24-5-0.5-4, the Indiana Plaintiff sues Defendants for actual damages, including economic and non-economic damages (including, without limitation, damages for embarrassment, humiliation, inconvenience, mental anguish and emotional distress) in an amount to be determined at trial and statutory damages in the amount of \$500 for each Plaintiff, including treble damages up to \$1,000 for Defendants' willfully deceptive acts. Plaintiff further seeks reasonable attorney fees and costs per Ind. Code § 24-5-0.5-4. The Indiana Plaintiff further seeks punitive damages under Indiana law based on the outrageousness and recklessness of the Defendants' conduct and Defendants' high net worth.

IOWA

409. Plaintiffs Kirke Dorweiler, Mary Dorweiler, and Tina Olsen (collectively, the "Iowa Plaintiffs") acquired their Fraudulent Vehicles while in the State of Iowa. As such, they bring the following causes of action against all defendants.

IOWA COUNT 1- FRAUD (On behalf of the Iowa Plaintiffs)

410. The Iowa Plaintiffs incorporate by reference each preceding paragraph as though fully set forth herein.

411. As alleged extensively above, the Audi Gasoline Defendants intentionally concealed and suppressed material facts concerning the illegality and quality of the Fraudulent Vehicles in order to defraud and mislead the Iowa Plaintiffs about the true nature of the Fraudulent Vehicles. Defendants accomplished their scheme (and the concealment thereof) by installing, aiding in the installation of, and/or failing to disclose the Cheat Devices in the Fraudulent Vehicles

that caused the vehicles to operate in a low-emission test mode only during testing. During normal operation and use, the Fraudulent Vehicles emitted grossly larger quantities of noxious pollutants and contaminants and achieved less fuel economy that was advertised and represented. The result was precisely what the Audi Gasoline Defendants had intended—the Fraudulent Vehicles were able to “pass” emission testing by way of deliberately-induced false readings and thus successfully imported and sold and/or leased to unwitting American consumers.

412. The Audi Gasoline Defendants valued their profits over the trust that the Iowa Plaintiffs entrusted to them. The Iowa Plaintiffs bought their cars from the Audi Gasoline Defendants based on their representations regarding compliance with emissions standards, performance, and fuel economy.

413. Necessarily, the Audi Gasoline Defendants also took steps to ensure that their employees did not reveal the details of their scheme to regulators or consumers, including the Iowa Plaintiffs. Defendants did so to falsely assure purchasers and lessors of their vehicles, including previously-owned vehicles, that they are reputable manufacturers that comply with applicable law, including federal and state clean air laws and emission regulations, and that their vehicles likewise comply with applicable laws and regulations.

414. Defendants’ false representations and omissions were material to the Iowa Plaintiffs, as they concerned both the legality and core marketing features of the Fraudulent Vehicles. As Defendants well knew, the Iowa Plaintiffs highly valued that the vehicles they were acquiring were high performance, fuel efficient, and had low emissions, and they paid a premium accordingly.

415. The Iowa Plaintiffs reasonably relied on Defendants’ deception, and Defendants intended that they would so rely. The Iowa Plaintiffs had no way of discerning that Defendants

were, in fact, deceiving them because the Cheat Device was extremely sophisticated technology and could not be discerned by regulators, much less consumers. The Iowa Plaintiffs did not, and could not, unravel Defendants' scheme on their own.

416. Defendants' devious scheme to design and install the Cheat Device in the Fraudulent Vehicles for the specific purpose of falsely representing to the Iowa Plaintiffs and U.S. consumers that the Fraudulent Vehicles complied with emissions laws, were high performance, and had excellent fuel economy, and then concealing their fraudulent scheme through numerous model years, reveals a corporate culture that emphasizes sales and profits over integrity. Further, it demonstrates a callous disregard for not only the rule of law but also the Audi Gasoline Defendants' customers, including the Iowa Plaintiffs.

417. Defendants had a duty to disclose the Cheat Device to the Iowa Plaintiffs.

418. The Audi Gasoline Defendants hatched the deceptive scheme and knew that their customers, including the Iowa Plaintiffs, did not know about (and could not reasonably discover) its scheme.

419. The Audi Gasoline Defendants not only concealed the illegal Cheat Device, which posed a safety harm, but went further to make numerous affirmative misrepresentations about the quality and characteristics of the Fraudulent Vehicles. The Audi Gasoline Defendants did so through their advertising, statements by corporate executives, and their website, among other sources. The Audi Gasoline Defendants' fraudulent statements regarding the Fraudulent Vehicles' performance, characteristics, fitness, and legal compliance are expressly contained in documents prepared, issued and provided by the Audi Gasoline Defendants such as the "window sticker," vehicle brochure, and other documents and advertisements provided to or otherwise made available to the Iowa Plaintiffs.

420. Each of these misrepresentations, at the time they were made, concerned either a past or then-existing material fact, and were made intentionally and knowingly, with an intent to mislead. Having “opened their mouth” to claim the Fraudulent Vehicles complied with legal emissions requirements, had a certain fuel economy, and were high performance, the Audi Gasoline Defendants had the duty to come clean about their Cheat Device – but they failed to do so.

421. The Audi Gasoline Defendants actively concealed the Cheat Device and actual emission levels, fuel economy, and performance of the Fraudulent Vehicles to pad their profits and avoid the perception that the Fraudulent Vehicles did not comply with federal and state laws governing clean air and emissions. The Audi Gasoline Defendants engaged in this fraudulent concealment at the expense of the Iowa Plaintiffs.

422. The Iowa Plaintiffs reasonably relied upon the misrepresentations detailed herein, including the fraudulent concealment of the Cheat Device, in acquiring their Fraudulent Vehicles.

423. The Iowa Plaintiffs were not aware of the concealed and misrepresented material facts referenced above, and they would not have acted as they did had regulators or the driving public known the truth—the Audi Gasoline Defendants would not have been able to obtain COCs or EOs for the sale of the Fraudulent Vehicles and as a consequence the Iowa Plaintiffs would never have acquired the Fraudulent Vehicles in the first place.

424. As a direct and proximate result of Defendants’ fraudulent scheme, the Iowa Plaintiffs sustained damages. They acquired Fraudulent Vehicles that are non-compliant and severely diminished in value as compared to the vehicles that were advertised and marketed. Moreover, the Fraudulent Vehicles either cannot be repaired to comply with applicable emissions

standards, or if they can be made compliant, their performance, fuel efficiency, and longevity will be compromised.

425. Defendants are liable to the Iowa Plaintiffs for damages, including economic and non-economic damages (including, without limitation, damages for embarrassment, humiliation, inconvenience, mental anguish and emotional distress) in an amount to be proven at trial, and the Iowa Plaintiffs hereby sue Defendants for such damages. Defendant acted toward the Iowa Plaintiffs with knowledge, intent, willful conduct, wanton conduct, fraud and malice. Defendants' conduct thus warrants the award of substantial punitive and exemplary damages in an amount to be determined at trial, for which the Iowa Plaintiffs hereby sue Defendants.

**IOWA COUNT 2-
VIOLATIONS OF THE KANSAS CONSUMER PROTECTION ACT
(On behalf of the Iowa Plaintiffs)**

426. The Iowa Plaintiffs incorporate by reference each preceding paragraph as though fully set forth herein.

427. The Iowa Plaintiffs have complied with all applicable, pre-suit notice letter provisions, if any.

428. Each Defendant is a "person" under Iowa Code § 714H.2(7).

429. The Iowa Plaintiffs are "consumers," as defined by Iowa Code § 714H.2(3).

430. The Iowa Private Right of Action for Consumer Frauds Act ("Iowa CFA") prohibits any "practice or act the person knows or reasonably should know is an unfair practice, deception, fraud, false pretense, or false promise, or the misrepresentation, concealment, suppression, or omission of a material fact, with the intent that others rely upon the unfair practice, deception, fraud, false pretense, false promise, misrepresentation, concealment, suppression, or

omission in connection with the advertisement, sale, or lease of consumer merchandise.” Iowa Code § 714H.3.

431. In the course of their business, the Audi Gasoline Defendants intentionally or negligently concealed and suppressed material facts concerning the true emissions produced by Fraudulent Vehicles. Defendants accomplished this by installing illegal defeat device software in the Fraudulent Vehicles that caused the vehicles to operate in a low emission, low fuel economy test mode only during emissions testing. During normal operations, the Fraudulent Vehicles would emit grossly larger quantities of noxious contaminants and have reduced fuel economy. The result was what the Audi Gasoline Defendants intended—the Fraudulent Vehicles passed emissions testing by way of deliberately induced false readings. The Iowa Plaintiffs had no way of discerning that the Audi Gasoline Defendants’ representations were false and misleading because the Audi Gasoline Defendants’ defeat device software was extremely sophisticated technology.

432. Defendants engaged in misleading, false, unfair and deceptive acts or practices that violated the Iowa CFA by installing, failing to disclose and/or actively concealing the Cheat Device and the true cleanliness and performance of the engine system, by marketing their vehicles as legal, reliable, environmentally clean, efficient, and of high quality, by mispresenting fuel economy and performance, and by presenting itself as a reputable manufacturer that valued environmental cleanliness and efficiency, and that stood behind their vehicles after they were sold.

433. The Audi Gasoline Defendants compounded the deception by repeatedly asserting that the Fraudulent Vehicles were safe, reliable, environmentally clean, efficient, and of high quality, and by claiming to be a reputable manufacturer that valued safety, environmental cleanliness, and efficiency, and stood behind its vehicles after they were sold.

434. The Audi Gasoline Defendants knew they had installed the Cheat Device in the Fraudulent Vehicles, but concealed all of that information. The Audi Gasoline Defendants also knew that they valued profits over environmental cleanliness, efficiency, and compliance with the law, and that they were manufacturing, selling, and distributing vehicles throughout the United States that did not comply with EPA regulations, but they concealed this information as well.

435. The Audi Gasoline Defendants intentionally and knowingly misrepresented material facts regarding the Fraudulent Vehicles with intent to mislead the Iowa Plaintiffs.

436. Defendants' fraudulent use of the Cheat Device and their concealment of the true characteristics of the Fraudulent Vehicles' fuel consumption, performance, and CO2 emissions were material to Plaintiffs.

437. The Audi Gasoline Defendants knew or should have known that their conduct violated the Iowa CFA.

438. Defendants owed the Iowa Plaintiffs a duty to disclose truthfully all the facts concerning the cleanliness, efficiency and reliability of the Fraudulent Vehicles because they:

- a. possessed exclusive knowledge that they were manufacturing, selling, and distributing vehicles throughout the United States that did not comply with EPA regulations;
- b. intentionally concealed the foregoing from the Iowa Plaintiffs; and/or
- c. made incomplete or negligent representations about the environmental cleanliness and efficiency of the Fraudulent Vehicles generally, and the use of the defeat device in particular, while purposefully withholding material facts from the Iowa Plaintiffs that contradicted these representations.

439. Defendants concealed the illegal defeat device and the true emissions, efficiency and performance of the Fraudulent Vehicles, resulting in a raft of negative publicity once Defendants' fraud was exposed. The value of the Fraudulent Vehicles has therefore plummeted.

In light of the stigma Defendants' misconduct attached to the Fraudulent Vehicles, the Fraudulent Vehicles are now worth less than they otherwise would be worth.

440. Defendants' supply and use of the Cheat Device and concealment of the true characteristics of the engine system were material to the Iowa Plaintiffs. A vehicle made by a reputable manufacturer of environmentally friendly vehicles is worth more than an otherwise comparable vehicle made by a disreputable manufacturer of environmentally dirty vehicles that conceals its polluting engines rather than promptly remedying them.

441. Defendants' unfair or deceptive acts or practices were likely to and did in fact deceive regulators and reasonable consumers, including the Iowa Plaintiffs, about the true environmental cleanliness, performance and fuel efficiency of Audi-branded vehicles, the quality of the Audi brand, the devaluing of environmental cleanliness and integrity at Audi, and the true value of the Fraudulent Vehicles.

442. The Iowa Plaintiffs suffered ascertainable loss and actual damages, including economic and non-economic damages (including, without limitation, damages for embarrassment, humiliation, inconvenience, mental anguish and emotional distress) as a direct and proximate result of Defendants' misrepresentations and their concealment of and failure to disclose material information. The Iowa Plaintiffs who acquired the Fraudulent Vehicles would not have purchased or leased them at all and/or—if the Fraudulent Vehicles' true nature had been disclosed and mitigated, and the Fraudulent Vehicles rendered legal to sell—would have paid significantly less for them. The Iowa Plaintiffs also suffered diminished value of their vehicles, as well as lost or diminished use.

443. Defendants had an ongoing duty to all customers to refrain from unfair and deceptive practices under the Iowa CFA in the course of their business.

444. Defendants' violations present a continuing risk to the Iowa Plaintiffs as well as to the general public. Defendants' unlawful acts and practices complained of herein affect the public interest.

445. Pursuant to Iowa Code § 714H.5, the Iowa Plaintiffs sue for actual damages, including economic and non-economic damages (including, without limitation, damages for embarrassment, humiliation, inconvenience, mental anguish and emotional distress) in an amount to be determined at trial and statutory damages up to three times the amount of actual damages awarded as a result of Defendants' willful and wanton disregard for the rights or safety of others. The Iowa Plaintiffs further seek attorneys' fees and costs plus any other just and proper relief available under the Iowa CFA.

MARYLAND

446. Plaintiffs Amit Desai, Jigisha Desai, Felipe Foster, Thomas Jones, Derek Kaplan, David McLeod, Tony Mosley, Spencer Peace, Hoang Phan, Schingtia Robertson, Anousheh Sayah and Behrang Mazahery (collectively, the "Maryland Plaintiffs") acquired their Fraudulent Vehicles while in the State of Maryland. As such, they bring the following causes of action against all defendants.

MARYLAND COUNT 1- FRAUD (On behalf of the Maryland Plaintiffs)

447. The Maryland Plaintiffs incorporate by reference each preceding paragraph as though fully set forth herein.

448. As alleged extensively above, the Audi Gasoline Defendants intentionally concealed and suppressed material facts concerning the illegality and quality of the Fraudulent Vehicles in order to defraud and mislead the Maryland Plaintiffs about the true nature of the Fraudulent Vehicles. Defendants accomplished their scheme (and the concealment thereof) by

installing, aiding in the installation of, and/or failing to disclose the Cheat Devices in the Fraudulent Vehicles that caused the vehicles to operate in a low-emission test mode only during testing. During normal operation and use, the Fraudulent Vehicles emitted grossly larger quantities of noxious pollutants and contaminants and achieved less fuel economy that was advertised and represented. The result was precisely what the Audi Gasoline Defendants had intended—the Fraudulent Vehicles were able to “pass” emission testing by way of deliberately-induced false readings and thus successfully imported and sold and/or leased to unwitting American consumers.

449. The Audi Gasoline Defendants valued their profits over the trust that the Maryland Plaintiffs entrusted to them. The Maryland Plaintiffs bought their cars from the Audi Gasoline Defendants based on their representations regarding compliance with emissions standards, performance, and fuel economy.

450. Necessarily, the Audi Gasoline Defendants also took steps to ensure that their employees did not reveal the details of their scheme to regulators or consumers, including the Maryland Plaintiffs. Defendants did so to falsely assure purchasers and lessors of their vehicles, including previously-owned vehicles, that they are reputable manufacturers that comply with applicable law, including federal and state clean air laws and emission regulations, and that their vehicles likewise comply with applicable laws and regulations.

451. Defendants’ false representations and omissions were material to the Maryland Plaintiffs, as they concerned both the legality and core marketing features of the Fraudulent Vehicles. As Defendants well knew, the Maryland Plaintiffs highly valued that the vehicles they were acquiring were high performance, fuel efficient, and had low emissions, and they paid a premium accordingly.

452. The Maryland Plaintiffs reasonably relied on Defendants' deception, and Defendants intended that they would so rely. The Maryland Plaintiffs had no way of discerning that Defendants were, in fact, deceiving them because the Cheat Device was extremely sophisticated technology and could not be discerned by regulators, much less consumers. The Maryland Plaintiffs did not, and could not, unravel Defendants' scheme on their own.

453. Defendants' devious scheme to design and install the Cheat Device in the Fraudulent Vehicles for the specific purpose of falsely representing to the Maryland Plaintiffs and U.S. consumers that the Fraudulent Vehicles complied with emissions laws, were high performance, and had excellent fuel economy, and then concealing their fraudulent scheme through numerous model years, reveals a corporate culture that emphasizes sales and profits over integrity. Further, it demonstrates a callous disregard for not only the rule of law but also the Audi Gasoline Defendants' customers, including the Maryland Plaintiffs.

454. Defendants had a duty to disclose the Cheat Device to the Maryland Plaintiffs.

455. The Audi Gasoline Defendants hatched the deceptive scheme and knew that their customers, including the Maryland Plaintiffs, did not know about (and could not reasonably discover) its scheme.

456. The Audi Gasoline Defendants not only concealed the illegal Cheat Device, which posed a safety harm, but went further to make numerous affirmative misrepresentations about the quality and characteristics of the Fraudulent Vehicles. The Audi Gasoline Defendants did so through their advertising, statements by corporate executives, and their website, among other sources. The Audi Gasoline Defendants' fraudulent statements regarding the Fraudulent Vehicles' performance, characteristics, fitness, and legal compliance are expressly contained in documents prepared, issued and provided by the Audi Gasoline Defendants such as the "window sticker,"

vehicle brochure, and other documents and advertisements provided to or otherwise made available to the Maryland Plaintiffs.

457. Each of these misrepresentations, at the time they were made, concerned either a past or then-existing material fact, and were made intentionally and knowingly, with an intent to mislead. Having “opened their mouth” to claim the Fraudulent Vehicles complied with legal emissions requirements, had a certain fuel economy, and were high performance, the Audi Gasoline Defendants had the duty to come clean about their Cheat Device – but they failed to do so.

458. The Audi Gasoline Defendants actively concealed the Cheat Device and actual emission levels, fuel economy, and performance of the Fraudulent Vehicles to pad their profits and avoid the perception that the Fraudulent Vehicles did not comply with federal and state laws governing clean air and emissions. The Audi Gasoline Defendants engaged in this fraudulent concealment at the expense of the Maryland Plaintiffs.

459. The Maryland Plaintiffs reasonably relied upon the misrepresentations detailed herein, including the fraudulent concealment of the Cheat Device, in acquiring their Fraudulent Vehicles.

460. The Maryland Plaintiffs were not aware of the concealed and misrepresented material facts referenced above, and they would not have acted as they did had regulators or the driving public known the truth—the Audi Gasoline Defendants would not have been able to obtain COCs or EOs for the sale of the Fraudulent Vehicles and as a consequence the Maryland Plaintiffs would never have acquired the Fraudulent Vehicles in the first place.

461. As a direct and proximate result of Defendants’ fraudulent scheme, the Maryland Plaintiffs sustained damages. They acquired Fraudulent Vehicles that are non-compliant and

severely diminished in value as compared to the vehicles that were advertised and marketed. Moreover, the Fraudulent Vehicles either cannot be repaired to comply with applicable emissions standards, or if they can be made compliant, their performance, fuel efficiency, and longevity will be compromised.

462. Defendants are liable to the Maryland Plaintiffs for damages, including economic and non-economic damages (including, without limitation, damages for embarrassment, humiliation, inconvenience, mental anguish and emotional distress) in an amount to be proven at trial, for which the Maryland Plaintiffs hereby sue. Defendant acted toward the Maryland Plaintiffs with actual malice, fraud, evil intent and oppression. Defendants' conduct thus warrants the award of substantial punitive and exemplary damages law in an amount to be determined at trial, for which the Maryland Plaintiffs hereby sue.

**MARYLAND COUNT 2-
VIOLATIONS OF THE MARYLAND CONSUMER PROTECTION ACT
(Md. Code Com. Law § 13-101, et seq.)
(On behalf of the Maryland Plaintiffs)**

463. The Maryland Plaintiffs incorporate by reference each preceding paragraph as though fully set forth herein.

464. The Maryland Plaintiffs have complied with all applicable, pre-suit notice letter provisions, if any.

465. Defendants and the Maryland Plaintiffs are "persons" within the meaning of Md. Code Com. Law § 13-101(h). The Maryland Plaintiffs are "consumers" within the meaning of Md. Code Com. Law § 13-101(c). Defendants are "merchants" within the meaning of Md. Code Com. Law § 13-101(g).

466. The Maryland Consumer Protection Act ("Maryland CPA") provides that a person may not engage in any unfair or deceptive trade practice in the sale of any consumer good. Md.

Code Com. Law § 13-303. The Maryland CPA defines “unfair or deceptive trade practices” as including the following: “(2) Representation that: (i) Consumer goods, consumer realty, or consumer services have a sponsorship, approval, accessory, (iv) Consumer goods, consumer realty, or consumer services are of a particular standard, quality, grade, style, or model which they are not .. (3) Failure to state a material fact if the failure deceives or tends to deceive. . . (5) Advertisement or offer of consumer goods, consumer realty, or consumer services (i) Without intent to sell, lease, or rent them as advertised or offered...(9) Deception, fraud, false pretense, false premise, misrepresentation, or knowing concealment, suppression, or omission of any material fact with the intent that a consumer rely on the same in connection with: (i) The promotion or sale of any consumer goods, consumer realty, or consumer service...”. MD. Code Com. Law § 13-301. Defendants participated in misleading, false, or deceptive acts that violated the Maryland CPA.

467. In the course of their business, the Audi Gasoline Defendants intentionally or negligently concealed and suppressed material facts concerning the true emissions produced by Fraudulent Vehicles. Defendants accomplished this by installing illegal defeat device software in the Fraudulent Vehicles that caused the vehicles to operate in a low emission, low fuel economy test mode only during emissions testing. During normal operations, the Fraudulent Vehicles would emit grossly larger quantities of noxious contaminants and have reduced fuel economy. The result was what the Audi Gasoline Defendants intended—the Fraudulent Vehicles passed emissions testing by way of deliberately induced false readings. The Maryland Plaintiffs had no way of discerning that the Audi Gasoline Defendants’ representations were false and misleading because the Audi Gasoline Defendants’ defeat device software was extremely sophisticated technology.

468. Defendants engaged in misleading, false, unfair and deceptive acts or practices that violated the Maryland CPA by installing, failing to disclose and/or actively concealing the Cheat Device and the true cleanliness and performance of the engine system, by marketing their vehicles as legal, reliable, environmentally clean, efficient, and of high quality, by misrepresenting fuel economy and performance, and by presenting themselves as reputable manufacturers that valued environmental cleanliness and efficiency, and that stood behind their vehicles after they were sold.

469. The Audi Gasoline Defendants compounded the deception by repeatedly asserting that the Fraudulent Vehicles were safe, reliable, environmentally clean, efficient, and of high quality, and by claiming to be a reputable manufacturer that valued safety, environmental cleanliness, and efficiency, and stood behind its vehicles after they were sold.

470. The Audi Gasoline Defendants knew they had installed the Cheat Device in the Fraudulent Vehicles, but concealed all of that information. The Audi Gasoline Defendants also knew that they valued profits over environmental cleanliness, efficiency, and compliance with the law, and that they were manufacturing, selling, and distributing vehicles throughout the United States that did not comply with EPA regulations, but they concealed this information as well.

471. The Audi Gasoline Defendants intentionally and knowingly misrepresented material facts regarding the Fraudulent Vehicles with intent to mislead the Maryland Plaintiffs.

472. Defendants' fraudulent use of the Cheat Device and their concealment of the true characteristics of the Fraudulent Vehicles' fuel consumption, performance, and CO2 emissions were material to Plaintiffs.

473. The Audi Gasoline Defendants knew or should have known that their conduct violated the Maryland CPA.

474. Defendants owed the Maryland Plaintiffs a duty to disclose truthfully all the facts concerning the cleanliness, efficiency and reliability of the Fraudulent Vehicles because they:

- a. possessed exclusive knowledge that they were manufacturing, selling, and distributing vehicles throughout the United States that did not comply with EPA regulations;
- b. intentionally concealed the foregoing from the Maryland Plaintiffs; and/or
- c. made incomplete or negligent representations about the environmental cleanliness and efficiency of the Fraudulent Vehicles generally, and the use of the defeat device in particular, while purposefully withholding material facts from the Maryland Plaintiffs that contradicted these representations.

475. Defendants concealed the illegal defeat device and the true emissions, efficiency and performance of the Fraudulent Vehicles, resulting in a raft of negative publicity once Defendants' fraud was exposed. The value of the Fraudulent Vehicles has therefore plummeted. In light of the stigma Defendants' misconduct attached to the Fraudulent Vehicles, the Fraudulent Vehicles are now worth less than they otherwise would be worth.

476. Defendants' supply and use of the Cheat Device and concealment of the true characteristics of the engine system were material to the Maryland Plaintiffs. A vehicle made by a reputable manufacturer of environmentally friendly vehicles is worth more than an otherwise comparable vehicle made by a disreputable manufacturer of environmentally dirty vehicles that conceals its polluting engines rather than promptly remedying them.

477. Defendants' unfair or deceptive acts or practices were likely to and did in fact deceive regulators and reasonable consumers, including the Maryland Plaintiffs, about the true environmental cleanliness, performance and fuel efficiency of Audi-branded vehicles, the quality of the Audi brand, the devaluing of environmental cleanliness and integrity at Audi, and the true value of the Fraudulent Vehicles.

478. The Maryland Plaintiffs suffered ascertainable loss and actual damages, including economic and non-economic damages (including, without limitation, damages for embarrassment, humiliation, inconvenience, mental anguish and emotional distress) as a direct and proximate result of Defendants' misrepresentations and their concealment of and failure to disclose material information. The Maryland Plaintiffs who acquired the Fraudulent Vehicles would not have purchased or leased them at all and/or—if the Fraudulent Vehicles' true nature had been disclosed and mitigated, and the Fraudulent Vehicles rendered legal to sell—would have paid significantly less for them. The Maryland Plaintiffs also suffered diminished value of their vehicles, as well as lost or diminished use.

479. Defendants had an ongoing duty to all customers to refrain from unfair and deceptive practices under the Maryland CPA in the course of their business.

480. Defendants' violations present a continuing risk to the Maryland Plaintiffs as well as to the general public. Defendants' unlawful acts and practices complained of herein affect the public interest.

481. Pursuant to Md. Code Com. Law § 13-408, the Maryland Plaintiffs hereby sue Defendants for actual damages, including economic and non-economic damages (including, without limitation, damages for embarrassment, humiliation, inconvenience, mental anguish and emotional distress) plus punitive damages plus attorneys' fees and costs per Md. Code Com. Law § 13-408 plus any other just and proper relief available under the Maryland CPA.

MASSACHUSETTS

482. Plaintiffs Donald Accetta, Catherine Baptista, Phillip Cross, Damaris Berner, Kevin Butler, Alexander Chu, Peter Clark, Christopher Crane, Joseph Demartino, Michael Devereaux, Karl Duguerre, Swapnil Gadkari, Peter Greaves, Cris Ingemi, Noel Lazo, Dorene Lewey, Calvin McFadden, Jeffrey Mendes, Mansour Moheban, David Morin, Khang Nguyen, Pavlo Olenchuk, Kathleen Pitoniak, Melissa Procida, John Quackenbush, Glenn Rogers, Patricia Sturdevant, Tayish Wardell and Sayre Wardell. (collectively, the “Massachusetts Plaintiffs”) acquired their Fraudulent Vehicles while in the State of Massachusetts. As such, they bring the following causes of action against all defendants.

**MASSACHUSETTS COUNT 1- FRAUD
(On behalf of the Massachusetts Plaintiffs)**

483. The Massachusetts Plaintiffs incorporate by reference each preceding paragraph as though fully set forth herein.

484. As alleged extensively above, the Audi Gasoline Defendants intentionally concealed and suppressed material facts concerning the illegality and quality of the Fraudulent Vehicles in order to defraud and mislead the Massachusetts Plaintiffs about the true nature of the Fraudulent Vehicles. Defendants accomplished their scheme (and the concealment thereof) by installing, aiding in the installation of, and/or failing to disclose the Cheat Devices in the Fraudulent Vehicles that caused the vehicles to operate in a low-emission test mode only during testing. During normal operation and use, the Fraudulent Vehicles emitted grossly larger quantities of noxious pollutants and contaminants and achieved less fuel economy that was advertised and represented. The result was precisely what the Audi Gasoline Defendants had intended—the Fraudulent Vehicles were able to “pass” emission testing by way of deliberately-induced false readings and thus successfully imported and sold and/or leased to unwitting American consumers.

485. The Audi Gasoline Defendants valued their profits over the trust that the Massachusetts Plaintiffs entrusted to them. The Massachusetts Plaintiffs bought their cars from the Audi Gasoline Defendants based on their representations regarding compliance with emissions standards, performance, and fuel economy.

486. Necessarily, the Audi Gasoline Defendants also took steps to ensure that their employees did not reveal the details of their scheme to regulators or consumers, including the Massachusetts Plaintiffs. Defendants did so to falsely assure purchasers and lessors of their vehicles, including previously-owned vehicles, that they are reputable manufacturers that comply with applicable law, including federal and state clean air laws and emission regulations, and that their vehicles likewise comply with applicable laws and regulations.

487. Defendants' false representations and omissions were material to the Massachusetts Plaintiffs, as they concerned both the legality and core marketing features of the Fraudulent Vehicles. As Defendants well knew, the Massachusetts Plaintiffs highly valued that the vehicles they were acquiring were high performance, fuel efficient, and had low emissions, and they paid a premium accordingly.

488. The Massachusetts Plaintiffs reasonably relied on Defendants' deception, and Defendants intended that they would so rely. The Massachusetts Plaintiffs had no way of discerning that Defendants were, in fact, deceiving them because the Cheat Device was extremely sophisticated technology and could not be discerned by regulators, much less consumers. The Massachusetts Plaintiffs did not, and could not, unravel Defendants' scheme on their own.

489. Defendants' devious scheme to design and install the Cheat Device in the Fraudulent Vehicles for the specific purpose of falsely representing to the Massachusetts Plaintiffs and U.S. consumers that the Fraudulent Vehicles complied with emissions laws, were high

performance, and had excellent fuel economy, and then concealing their fraudulent scheme through numerous model years, reveals a corporate culture that emphasizes sales and profits over integrity. Further, it demonstrates a callous disregard for not only the rule of law but also the Audi Gasoline Defendants' customers, including the Massachusetts Plaintiffs.

490. Defendants had a duty to disclose the Cheat Device to the Massachusetts Plaintiffs.

491. The Audi Gasoline Defendants hatched the deceptive scheme and knew that their customers, including the Massachusetts Plaintiffs, did not know about (and could not reasonably discover) its scheme.

492. The Audi Gasoline Defendants not only concealed the illegal Cheat Device, which posed a safety harm, but went further to make numerous affirmative misrepresentations about the quality and characteristics of the Fraudulent Vehicles. The Audi Gasoline Defendants did so through their advertising, statements by corporate executives, and their website, among other sources. The Audi Gasoline Defendants' fraudulent statements regarding the Fraudulent Vehicles' performance, characteristics, fitness, and legal compliance are expressly contained in documents prepared, issued and provided by the Audi Gasoline Defendants such as the "window sticker," vehicle brochure, and other documents and advertisements provided to or otherwise made available to the Massachusetts Plaintiffs.

493. Each of these misrepresentations, at the time they were made, concerned either a past or then-existing material fact, and were made intentionally and knowingly, with an intent to mislead. Having "opened their mouth" to claim the Fraudulent Vehicles complied with legal emissions requirements, had a certain fuel economy, and were high performance, the Audi Gasoline Defendants had the duty to come clean about their Cheat Device – but they failed to do so.

494. The Audi Gasoline Defendants actively concealed the Cheat Device and actual emission levels, fuel economy, and performance of the Fraudulent Vehicles to pad their profits and avoid the perception that the Fraudulent Vehicles did not comply with federal and state laws governing clean air and emissions. The Audi Gasoline Defendants engaged in this fraudulent concealment at the expense of the Massachusetts Plaintiffs.

495. The Massachusetts Plaintiffs reasonably relied upon the misrepresentations detailed herein, including the fraudulent concealment of the Cheat Device, in acquiring their Fraudulent Vehicles.

496. The Massachusetts Plaintiffs were not aware of the concealed and misrepresented material facts referenced above, and they would not have acted as they did had regulators or the driving public known the truth—the Audi Gasoline Defendants would not have been able to obtain COCs or EOs for the sale of the Fraudulent Vehicles and as a consequence the Massachusetts Plaintiffs would never have acquired the Fraudulent Vehicles in the first place.

497. As a direct and proximate result of Defendants' fraudulent scheme, the Massachusetts Plaintiffs sustained damages. They acquired Fraudulent Vehicles that are non-compliant and severely diminished in value as compared to the vehicles that were advertised and marketed. Moreover, the Fraudulent Vehicles either cannot be repaired to comply with applicable emissions standards, or if they can be made compliant, their performance, fuel efficiency, and longevity will be compromised.

498. Defendants are liable to the Massachusetts Plaintiffs for damages, including economic and non-economic damages (including, without limitation, damages for embarrassment, humiliation, inconvenience, mental anguish and emotional distress) in an amount to be proven at trial, and the Massachusetts Plaintiffs hereby sue Defendants for such damages, for which the

Massachusetts Plaintiffs hereby sue. Defendants' conduct was willful, intentional, fraudulent, wanton and reckless, and such conduct threatened the public safety. Defendants' conduct thus warrants the award of substantial punitive damages in an amount to be determined at trial, which the Massachusetts Defendants hereby sue for.

**MASSACHUSETTS COUNT 2-
DECEPTIVE ACTS OR PRACTICES PROHIBITED
BY MASSACHUSETTS LAW
(Mass. Gen. Laws Ch. 93A, § 1, et seq.)
(On behalf of the Massachusetts Plaintiffs)**

499. The Massachusetts Plaintiffs incorporate by reference each preceding paragraph as though fully set forth herein.

500. The Massachusetts Plaintiffs have complied with all applicable, pre-suit notice letter provisions, if any, including those of the Massachusetts Act, as defined below.

501. Defendants and the Massachusetts Plaintiffs are "persons" within the meaning of Mass. Gen. Laws ch. 93A, § 1(a).

502. Defendants engaged in "trade" or "commerce" within the meaning of Mass. Gen. Laws ch. 93A, § 1(b).

503. Massachusetts law (the "Massachusetts Act") prohibits "unfair or deceptive acts or practices in the conduct of any trade or commerce." Mass. Gen. Laws ch. 93A, § 2. Defendants participated in misleading, false, or deceptive acts that violated the Massachusetts Act.

504. In the course of their business, the Audi Gasoline Defendants intentionally or negligently concealed and suppressed material facts concerning the true emissions produced by Fraudulent Vehicles. Defendants accomplished this by installing illegal defeat device software in the Fraudulent Vehicles that caused the vehicles to operate in a low emission, low fuel economy test mode only during emissions testing. During normal operations, the Fraudulent Vehicles would

emit grossly larger quantities of noxious contaminants and have reduced fuel economy. The result was what the Audi Gasoline Defendants intended—the Fraudulent Vehicles passed emissions testing by way of deliberately induced false readings. The Massachusetts Plaintiffs had no way of discerning that the Audi Gasoline Defendants’ representations were false and misleading because the Audi Gasoline Defendants’ defeat device software was extremely sophisticated technology.

505. Defendants engaged in misleading, false, unfair and deceptive acts or practices that violated the Massachusetts Act by installing, failing to disclose and/or actively concealing the Cheat Device and the true cleanliness and performance of the engine system, by marketing their vehicles as legal, reliable, environmentally clean, efficient, and of high quality, by mispresenting fuel economy and performance, and by presenting themselves as reputable manufacturers that valued environmental cleanliness and efficiency, and that stood behind their vehicles after they were sold.

506. The Audi Gasoline Defendants compounded the deception by repeatedly asserting that the Fraudulent Vehicles were safe, reliable, environmentally clean, efficient, and of high quality, and by claiming to be a reputable manufacturer that valued safety, environmental cleanliness, and efficiency, and stood behind its vehicles after they were sold.

507. The Audi Gasoline Defendants knew they had installed the Cheat Device in the Fraudulent Vehicles, but concealed all of that information. The Audi Gasoline Defendants also knew that they valued profits over environmental cleanliness, efficiency, and compliance with the law, and that they were manufacturing, selling, and distributing vehicles throughout the United States that did not comply with EPA regulations, but they concealed this information as well.

508. The Audi Gasoline Defendants intentionally and knowingly misrepresented material facts regarding the Fraudulent Vehicles with intent to mislead the Massachusetts Plaintiffs.

509. Defendants' fraudulent use of the Cheat Device and their concealment of the true characteristics of the Fraudulent Vehicles' fuel consumption, performance, and CO2 emissions were material to Plaintiffs.

510. The Audi Gasoline Defendants knew or should have known that their conduct violated the Massachusetts Act.

511. Defendants owed the Massachusetts Plaintiffs a duty to disclose truthfully all the facts concerning the cleanliness, efficiency and reliability of the Fraudulent Vehicles because they:

- a. possessed exclusive knowledge that they were manufacturing, selling, and distributing vehicles throughout the United States that did not comply with EPA regulations;
- b. intentionally concealed the foregoing from the Massachusetts Plaintiffs; and/or
- c. made incomplete or negligent representations about the environmental cleanliness and efficiency of the Fraudulent Vehicles generally, and the use of the defeat device in particular, while purposefully withholding material facts from the Massachusetts Plaintiffs that contradicted these representations.

512. Defendants concealed the illegal defeat device and the true emissions, efficiency and performance of the Fraudulent Vehicles, resulting in a raft of negative publicity once Defendants' fraud was exposed. The value of the Fraudulent Vehicles has therefore plummeted. In light of the stigma Defendants' misconduct attached to the Fraudulent Vehicles, the Fraudulent Vehicles are now worth less than they otherwise would be worth.

513. Defendants' supply and use of the Cheat Device and concealment of the true characteristics of the engine system were material to the Massachusetts Plaintiffs. A vehicle made by a reputable manufacturer of environmentally friendly vehicles is worth more than an otherwise

comparable vehicle made by a disreputable manufacturer of environmentally dirty vehicles that conceals its polluting engines rather than promptly remedying them.

514. Defendants' unfair or deceptive acts or practices were likely to and did in fact deceive regulators and reasonable consumers, including the Massachusetts Plaintiffs, about the true environmental cleanliness, performance and fuel efficiency of Audi-branded vehicles, the quality of the Audi brand, the devaluing of environmental cleanliness and integrity at Audi, and the true value of the Fraudulent Vehicles.

515. The Massachusetts Plaintiffs suffered ascertainable loss and actual damages, including economic and non-economic damages (including, without limitation, damages for embarrassment, humiliation, inconvenience, mental anguish and emotional distress) as a direct and proximate result of Defendants' misrepresentations and their concealment of and failure to disclose material information. The Massachusetts Plaintiffs who acquired the Fraudulent Vehicles would not have purchased or leased them at all and/or—if the Fraudulent Vehicles' true nature had been disclosed and mitigated, and the Fraudulent Vehicles rendered legal to sell—would have paid significantly less for them. The Massachusetts Plaintiffs also suffered diminished value of their vehicles, as well as lost or diminished use.

516. Defendants had an ongoing duty to all customers to refrain from unfair and deceptive practices under the Massachusetts Act in the course of their business.

517. Defendants' violations present a continuing risk to the Massachusetts Plaintiffs as well as to the general public. Defendants' unlawful acts and practices complained of herein affect the public interest.

518. Pursuant to Mass. Gen. Laws ch. 93A, § 9, the Massachusetts Plaintiffs sue Defendants for actual damages, including economic and non-economic damages (including,

without limitation, damages for embarrassment, humiliation, inconvenience, mental anguish and emotional distress) in an amount to be determined at trial. Because Defendants' conduct was committed willfully and knowingly, the Massachusetts Plaintiffs are entitled to recover for each Plaintiff, and hereby sue Defendants for, up to three times actual damages, but no less than two times actual damages. The Massachusetts Plaintiffs further sue Defendants for reasonable attorney's fees and costs per Mass. Gen. Laws ch. 93A, § 9 plus any other relief available under the Massachusetts Act.

MICHIGAN

519. Plaintiffs John Cole, Martha Kuzak, Maovarath Phalavong, and Melvin Ponnachen (collectively, the "Michigan Plaintiffs") acquired their Fraudulent Vehicles while in the State of Michigan. As such, they bring the following causes of action against all defendants.

MICHIGAN COUNT 1- FRAUD (On behalf of the Michigan Plaintiffs)

520. The Michigan Plaintiffs incorporate by reference each preceding paragraph as though fully set forth herein.

521. As alleged extensively above, the Audi Gasoline Defendants intentionally concealed and suppressed material facts concerning the illegality and quality of the Fraudulent Vehicles in order to defraud and mislead the Michigan Plaintiffs about the true nature of the Fraudulent Vehicles. Defendants accomplished their scheme (and the concealment thereof) by installing, aiding in the installation of, and/or failing to disclose the Cheat Devices in the Fraudulent Vehicles that caused the vehicles to operate in a low-emission test mode only during testing. During normal operation and use, the Fraudulent Vehicles emitted grossly larger quantities of noxious pollutants and contaminants and achieved less fuel economy that was advertised and represented. The result was precisely what the Audi Gasoline Defendants had intended—the

Fraudulent Vehicles were able to “pass” emission testing by way of deliberately-induced false readings and thus successfully imported and sold and/or leased to unwitting American consumers.

522. The Audi Gasoline Defendants valued their profits over the trust that the Michigan Plaintiffs entrusted to them. The Michigan Plaintiffs bought their cars from the Audi Gasoline Defendants based on their representations regarding compliance with emissions standards, performance, and fuel economy.

523. Necessarily, the Audi Gasoline Defendants also took steps to ensure that their employees did not reveal the details of their scheme to regulators or consumers, including the Michigan Plaintiffs. Defendants did so to falsely assure purchasers and lessors of their vehicles, including previously-owned vehicles, that they are reputable manufacturers that comply with applicable law, including federal and state clean air laws and emission regulations, and that their vehicles likewise comply with applicable laws and regulations.

524. Defendants’ false representations and omissions were material to the Michigan Plaintiffs, as they concerned both the legality and core marketing features of the Fraudulent Vehicles. As Defendants well knew, the Michigan Plaintiffs highly valued that the vehicles they were acquiring were high performance, fuel efficient, and had low emissions, and they paid a premium accordingly.

525. The Michigan Plaintiffs reasonably relied on Defendants’ deception, and Defendants intended that they would so rely. The Michigan Plaintiffs had no way of discerning that Defendants were, in fact, deceiving them because the Cheat Device was extremely sophisticated technology and could not be discerned by regulators, much less consumers. The Michigan Plaintiffs did not, and could not, unravel Defendants’ scheme on their own.

526. Defendants' devious scheme to design and install the Cheat Device in the Fraudulent Vehicles for the specific purpose of falsely representing to the Michigan Plaintiffs and U.S. consumers that the Fraudulent Vehicles complied with emissions laws, were high performance, and had excellent fuel economy, and then concealing their fraudulent scheme through numerous model years, reveals a corporate culture that emphasizes sales and profits over integrity. Further, it demonstrates a callous disregard for not only the rule of law but also the Audi Gasoline Defendants' customers, including the Michigan Plaintiffs.

527. Defendants had a duty to disclose the Cheat Device to the Michigan Plaintiffs.

528. The Audi Gasoline Defendants hatched the deceptive scheme and knew that their customers, including the Michigan Plaintiffs, did not know about (and could not reasonably discover) its scheme.

529. The Audi Gasoline Defendants not only concealed the illegal Cheat Device, which posed a safety harm, but went further to make numerous affirmative misrepresentations about the quality and characteristics of the Fraudulent Vehicles. The Audi Gasoline Defendants did so through their advertising, statements by corporate executives, and their website, among other sources. The Audi Gasoline Defendants' fraudulent statements regarding the Fraudulent Vehicles' performance, characteristics, fitness, and legal compliance are expressly contained in documents prepared, issued and provided by the Audi Gasoline Defendants such as the "window sticker," vehicle brochure, and other documents and advertisements provided to or otherwise made available to the Michigan Plaintiffs.

530. Each of these misrepresentations, at the time they were made, concerned either a past or then-existing material fact, and were made intentionally and knowingly, with an intent to mislead. Having "opened their mouth" to claim the Fraudulent Vehicles complied with legal

emissions requirements, had a certain fuel economy, and were high performance, the Audi Gasoline Defendants had the duty to come clean about their Cheat Device – but they failed to do so.

531. The Audi Gasoline Defendants actively concealed the Cheat Device and actual emission levels, fuel economy, and performance of the Fraudulent Vehicles to pad their profits and avoid the perception that the Fraudulent Vehicles did not comply with federal and state laws governing clean air and emissions. The Audi Gasoline Defendants engaged in this fraudulent concealment at the expense of the Michigan Plaintiffs.

532. The Michigan Plaintiffs reasonably relied upon the misrepresentations detailed herein, including the fraudulent concealment of the Cheat Device, in acquiring their Fraudulent Vehicles.

533. The Michigan Plaintiffs were not aware of the concealed and misrepresented material facts referenced above, and they would not have acted as they did had regulators or the driving public known the truth—the Audi Gasoline Defendants would not have been able to obtain COCs or EOs for the sale of the Fraudulent Vehicles and as a consequence the Michigan Plaintiffs would never have acquired the Fraudulent Vehicles in the first place.

534. As a direct and proximate result of Defendants' fraudulent scheme, the Michigan Plaintiffs sustained damages. They acquired Fraudulent Vehicles that are non-compliant and severely diminished in value as compared to the vehicles that were advertised and marketed. Moreover, the Fraudulent Vehicles either cannot be repaired to comply with applicable emissions standards, or if they can be made compliant, their performance, fuel efficiency, and longevity will be compromised.

535. Defendants are liable to the Michigan Plaintiffs for damages, including economic

and non-economic damages (including, without limitation, damages for embarrassment, humiliation, inconvenience, mental anguish and emotional distress) in an amount to be proven at trial, for which the Michigan Plaintiffs hereby sue. Defendants' conduct was fraudulent, intentional, willful and wanton and proximately caused damage to the Michigan Plaintiffs. Further, justice and the public good require that the Michigan Plaintiffs be awarded an amount of money which will punish Defendants and discourage Defendants and others from similar conduct. Defendants' conduct thus warrants the award of substantial punitive and exemplary damages in an amount to be determined at trial, for which the Michigan Plaintiffs hereby sue.

**MICHIGAN COUNT 2-
VIOLATIONS OF THE MICHIGAN CONSUMER PROTECTION ACT
(Mich. Comp. Laws § 445.903, et seq.)
(On behalf of the Michigan Plaintiffs)**

536. The Michigan Plaintiffs incorporate by reference each preceding paragraph as though fully set forth herein.

537. The Michigan Plaintiffs have complied with all applicable, pre-suit notice letter provisions, if any.

538. The Michigan Plaintiffs are "person[s]" within the meaning of the Mich. Comp. Laws § 445.902(1)(d).

539. At all relevant times, Defendants were "persons" engaged in "trade or commerce" within the meaning of the Mich. Comp. Laws § 445.902(1)(d) and (g).

540. The Michigan Consumer Protection Act ("Michigan CPA") prohibits "[u]nfair, unconscionable, or deceptive methods, acts, or practices in the conduct of trade or commerce" Mich. Comp. Laws § 445.903(1). Defendants engaged in unfair, unconscionable, or deceptive methods, acts or practices prohibited by the Michigan CPA, including: "(c) Representing that goods or services have ... characteristics ... that they do not have," "(e) Representing that

goods or services are of a particular standard ... if they are of another;” “(i) Making false or misleading statements of fact concerning the reasons for, existence of, or amounts of price reductions;” “(s) Failing to reveal a material fact, the omission of which tends to mislead or deceive the consumer, and which fact could not reasonably be known by the consumer;” “(bb) Making a representation of fact or statement of fact material to the transaction such that a person reasonably believes the represented or suggested state of affairs to be other than it actually is;” and “(cc) Failing to reveal facts that are material to the transaction in light of representations of fact made in a positive manner.” Mich. Comp. Laws § 445.903(1).

541. In the course of their business, the Audi Gasoline Defendants intentionally or negligently concealed and suppressed material facts concerning the true emissions produced by Fraudulent Vehicles. Defendants accomplished this by installing illegal defeat device software in the Fraudulent Vehicles that caused the vehicles to operate in a low emission, low fuel economy test mode only during emissions testing. During normal operations, the Fraudulent Vehicles would emit grossly larger quantities of noxious contaminants and have reduced fuel economy. The result was what the Audi Gasoline Defendants intended—the Fraudulent Vehicles passed emissions testing by way of deliberately induced false readings. The Michigan Plaintiffs had no way of discerning that the Audi Gasoline Defendants’ representations were false and misleading because the Audi Gasoline Defendants’ defeat device software was extremely sophisticated technology.

542. Defendants engaged in misleading, false, unfair and deceptive acts or practices that violated the Michigan CPA by installing, failing to disclose and/or actively concealing the Cheat Device and the true cleanliness and performance of the engine system, by marketing their vehicles as legal, reliable, environmentally clean, efficient, and of high quality, by misrepresenting fuel economy and performance, and by presenting themselves as reputable manufacturers that

valued environmental cleanliness and efficiency, and that stood behind their vehicles after they were sold.

543. The Audi Gasoline Defendants compounded the deception by repeatedly asserting that the Fraudulent Vehicles were safe, reliable, environmentally clean, efficient, and of high quality, and by claiming to be a reputable manufacturer that valued safety, environmental cleanliness, and efficiency, and stood behind its vehicles after they were sold.

544. The Audi Gasoline Defendants knew they had installed the Cheat Device in the Fraudulent Vehicles, but concealed all of that information. The Audi Gasoline Defendants also knew that they valued profits over environmental cleanliness, efficiency, and compliance with the law, and that they were manufacturing, selling, and distributing vehicles throughout the United States that did not comply with EPA regulations, but they concealed this information as well.

545. The Audi Gasoline Defendants intentionally and knowingly misrepresented material facts regarding the Fraudulent Vehicles with intent to mislead the Michigan Plaintiffs.

546. Defendants' fraudulent use of the Cheat Device and their concealment of the true characteristics of the Fraudulent Vehicles' fuel consumption, performance, and CO2 emissions were material to Plaintiffs.

547. The Audi Gasoline Defendants knew or should have known that their conduct violated the Michigan Act.

548. Defendants owed the Michigan Plaintiffs a duty to disclose truthfully all the facts concerning the cleanliness, efficiency and reliability of the Fraudulent Vehicles because they:

- a. possessed exclusive knowledge that they were manufacturing, selling, and distributing vehicles throughout the United States that did not comply with EPA regulations;
- b. intentionally concealed the foregoing from the Michigan Plaintiffs; and/or

- c. made incomplete or negligent representations about the environmental cleanliness and efficiency of the Fraudulent Vehicles generally, and the use of the defeat device in particular, while purposefully withholding material facts from the Michigan Plaintiffs that contradicted these representations.

549. Defendants concealed the illegal defeat device and the true emissions, efficiency and performance of the Fraudulent Vehicles, resulting in a raft of negative publicity once Defendants' fraud was exposed. The value of the Fraudulent Vehicles has therefore plummeted. In light of the stigma Defendants' misconduct attached to the Fraudulent Vehicles, the Fraudulent Vehicles are now worth less than they otherwise would be worth.

550. Defendants' supply and use of the Cheat Device and concealment of the true characteristics of the engine system were material to the Michigan Plaintiffs. A vehicle made by a reputable manufacturer of environmentally friendly vehicles is worth more than an otherwise comparable vehicle made by a disreputable manufacturer of environmentally dirty vehicles that conceals its polluting engines rather than promptly remedying them.

551. Defendants' unfair or deceptive acts or practices were likely to and did in fact deceive regulators and reasonable consumers, including the Michigan Plaintiffs, about the true environmental cleanliness, performance and fuel efficiency of Audi-branded vehicles, the quality of the Audi brand, the devaluing of environmental cleanliness and integrity at Audi, and the true value of the Fraudulent Vehicles.

552. The Michigan Plaintiffs suffered ascertainable loss and actual damages, including economic and non-economic damages (including, without limitation, damages for embarrassment, humiliation, inconvenience, mental anguish and emotional distress) as a direct and proximate result of Defendants' misrepresentations and their concealment of and failure to disclose material information. The Michigan Plaintiffs who acquired the Fraudulent Vehicles would not have purchased or leased them at all and/or—if the Fraudulent Vehicles' true nature had been disclosed

and mitigated, and the Fraudulent Vehicles rendered legal to sell—would have paid significantly less for them. The Michigan Plaintiffs also suffered diminished value of their vehicles, as well as lost or diminished use.

553. Defendants had an ongoing duty to all customers to refrain from unfair and deceptive practices under the Michigan CPA in the course of their business.

554. Defendants' violations present a continuing risk to the Michigan Plaintiffs as well as to the general public. Defendants' unlawful acts and practices complained of herein affect the public interest.

555. The Michigan Plaintiffs sue Defendants for actual damages, including economic and non-economic damages (including, without limitation, damages for embarrassment, humiliation, inconvenience, mental anguish and emotional distress) in an amount to be determined at trial plus reasonable attorneys' fees and costs per Mich. Comp. Laws § 445.911 plus any other just and proper relief available under Mich. Comp. Laws § 445.911. The Michigan Plaintiffs also sue Defendants for punitive damages because they carried out despicable conduct with willful and conscious disregard of the rights and safety of others. Defendants intentionally and willfully misrepresented the safety and reliability of the Fraudulent Vehicles, concealed material facts that only they knew, and repeatedly promised the Michigan Plaintiffs that all vehicles were safe—all to avoid the expense and public relations nightmare of correcting a noxious flaw in the Fraudulent Vehicles. Defendants' unlawful conduct constitutes malice, oppression, and fraud warranting punitive damages.

MISSOURI

556. Plaintiffs Duan Lee, and Lung Tan (collectively, the “Missouri Plaintiffs”) acquired their Fraudulent Vehicles while in the State of Missouri. As such, they bring the following causes of action against all defendants.

**MISSOURI COUNT 1- FRAUD
(On behalf of the Missouri Plaintiffs)**

557. The Missouri Plaintiffs incorporate by reference each preceding paragraph as though fully set forth herein.

558. As alleged extensively above, the Audi Gasoline Defendants intentionally concealed and suppressed material facts concerning the illegality and quality of the Fraudulent Vehicles in order to defraud and mislead the Missouri Plaintiffs about the true nature of the Fraudulent Vehicles. Defendants accomplished their scheme (and the concealment thereof) by installing, aiding in the installation of, and/or failing to disclose the Cheat Devices in the Fraudulent Vehicles that caused the vehicles to operate in a low-emission test mode only during testing. During normal operation and use, the Fraudulent Vehicles emitted grossly larger quantities of noxious pollutants and contaminants and achieved less fuel economy that was advertised and represented. The result was precisely what the Audi Gasoline Defendants had intended—the Fraudulent Vehicles were able to “pass” emission testing by way of deliberately-induced false readings and thus successfully imported and sold and/or leased to unwitting American consumers.

559. The Audi Gasoline Defendants valued their profits over the trust that the Missouri Plaintiffs entrusted to them. The Missouri Plaintiffs bought their cars from the Audi Gasoline Defendants based on their representations regarding compliance with emissions standards, performance, and fuel economy.

560. Necessarily, the Audi Gasoline Defendants also took steps to ensure that their employees did not reveal the details of their scheme to regulators or consumers, including the Missouri Plaintiffs. Defendants did so to falsely assure purchasers and lessors of their vehicles, including previously-owned vehicles, that they are reputable manufacturers that comply with applicable law, including federal and state clean air laws and emission regulations, and that their vehicles likewise comply with applicable laws and regulations.

561. Defendants' false representations and omissions were material to the Missouri Plaintiffs, as they concerned both the legality and core marketing features of the Fraudulent Vehicles. As Defendants well knew, the Missouri Plaintiffs highly valued that the vehicles they were acquiring were high performance, fuel efficient, and had low emissions, and they paid a premium accordingly.

562. The Missouri Plaintiffs reasonably relied on Defendants' deception, and Defendants intended that they would so rely. The Missouri Plaintiffs had no way of discerning that Defendants were, in fact, deceiving them because the Cheat Device was extremely sophisticated technology and could not be discerned by regulators, much less consumers. The Missouri Plaintiffs did not, and could not, unravel Defendants' scheme on their own.

563. Defendants' devious scheme to design and install the Cheat Device in the Fraudulent Vehicles for the specific purpose of falsely representing to the Missouri Plaintiffs and U.S. consumers that the Fraudulent Vehicles complied with emissions laws, were high performance, and had excellent fuel economy, and then concealing their fraudulent scheme through numerous model years, reveals a corporate culture that emphasizes sales and profits over integrity. Further, it demonstrates a callous disregard for not only the rule of law but also the Audi Gasoline Defendants' customers, including the Missouri Plaintiffs.

564. Defendants had a duty to disclose the Cheat Device to the Missouri Plaintiffs.

565. The Audi Gasoline Defendants hatched the deceptive scheme and knew that their customers, including the Missouri Plaintiffs, did not know about (and could not reasonably discover) its scheme.

566. The Audi Gasoline Defendants not only concealed the illegal Cheat Device, which posed a safety harm, but went further to make numerous affirmative misrepresentations about the quality and characteristics of the Fraudulent Vehicles. The Audi Gasoline Defendants did so through their advertising, statements by corporate executives, and their website, among other sources. The Audi Gasoline Defendants' fraudulent statements regarding the Fraudulent Vehicles' performance, characteristics, fitness, and legal compliance are expressly contained in documents prepared, issued and provided by the Audi Gasoline Defendants such as the "window sticker," vehicle brochure, and other documents and advertisements provided to or otherwise made available to the Missouri Plaintiffs.

567. Each of these misrepresentations, at the time they were made, concerned either a past or then-existing material fact, and were made intentionally and knowingly, with an intent to mislead. Having "opened their mouth" to claim the Fraudulent Vehicles complied with legal emissions requirements, had a certain fuel economy, and were high performance, the Audi Gasoline Defendants had the duty to come clean about their Cheat Device – but they failed to do so.

568. The Audi Gasoline Defendants actively concealed the Cheat Device and actual emission levels, fuel economy, and performance of the Fraudulent Vehicles to pad their profits and avoid the perception that the Fraudulent Vehicles did not comply with federal and state laws

governing clean air and emissions. The Audi Gasoline Defendants engaged in this fraudulent concealment at the expense of the Missouri Plaintiffs.

569. The Missouri Plaintiffs reasonably relied upon the misrepresentations detailed herein, including the fraudulent concealment of the Cheat Device, in acquiring their Fraudulent Vehicles.

570. The Missouri Plaintiffs were not aware of the concealed and misrepresented material facts referenced above, and they would not have acted as they did had regulators or the driving public known the truth—the Audi Gasoline Defendants would not have been able to obtain COCs or EOs for the sale of the Fraudulent Vehicles and as a consequence the Missouri Plaintiffs would never have acquired the Fraudulent Vehicles in the first place.

571. As a direct and proximate result of Defendants' fraudulent scheme, the Missouri Plaintiffs sustained damages. They acquired Fraudulent Vehicles that are non-compliant and severely diminished in value as compared to the vehicles that were advertised and marketed. Moreover, the Fraudulent Vehicles either cannot be repaired to comply with applicable emissions standards, or if they can be made compliant, their performance, fuel efficiency, and longevity will be compromised.

572. Defendants are liable to the Missouri Plaintiffs for damages, including economic and non-economic damages (including, without limitation, damages for embarrassment, humiliation, inconvenience, mental anguish and emotional distress) in an amount to be proven at trial, for which the Missouri Plaintiffs hereby sue. Defendants' conduct was outrageous because of Defendants' evil motive or reckless indifference to the rights of others. Defendants' conduct thus warrants the award of substantial punitive and exemplary damages in an amount to be determined at trial, for which the Missouri Plaintiffs hereby sue.

**MISSOURI COUNT 2-
VIOLATIONS OF MISSOURI MERCHANDISING PRACTICES ACT
(Mo. Rev. Stat. § 407.010, et seq.)
(On behalf of the Missouri Plaintiffs)**

573. The Missouri Plaintiffs incorporate by reference each preceding paragraph as though fully set forth herein.

574. The Missouri Plaintiffs have complied with all applicable, pre-suit notice letter provisions, if any.

575. Defendants and the Missouri Plaintiffs are “persons” within the meaning of MO. REV. STAT. § 407.010(5).

576. Defendants engaged in “trade” or “commerce” in the State of Missouri within the meaning of Mo. Rev. Stat. § 407.010(7).

577. The Missouri Merchandising Practices Act (“Missouri MPA”) makes unlawful the “act, use or employment by any person of any deception, fraud, false pretense, misrepresentation, unfair practice, or the concealment, suppression, or omission of any material fact in connection with the sale or advertisement of any merchandise.” Mo. Rev. Stat. § 407.020. Defendants intentionally violated the Missouri MPA.

578. In the course of their business, the Audi Gasoline Defendants intentionally or negligently concealed and suppressed material facts concerning the true emissions produced by Fraudulent Vehicles. Defendants accomplished this by installing illegal defeat device software in the Fraudulent Vehicles that caused the vehicles to operate in a low emission, low fuel economy test mode only during emissions testing. During normal operations, the Fraudulent Vehicles would emit grossly larger quantities of noxious contaminants and have reduced fuel economy. The result was what the Audi Gasoline Defendants intended—the Fraudulent Vehicles passed emissions testing by way of deliberately induced false readings. The Missouri Plaintiffs had no way of

discerning that the Audi Gasoline Defendants' representations were false and misleading because the Audi Gasoline Defendants' defeat device software was extremely sophisticated technology.

579. Defendants engaged in misleading, false, unfair and deceptive acts or practices that violated the Missouri MPA by installing, failing to disclose and/or actively concealing the Cheat Device and the true cleanliness and performance of the engine system, by marketing their vehicles as legal, reliable, environmentally clean, efficient, and of high quality, by mispresenting fuel economy and performance, and by presenting themselves as reputable manufacturers that valued environmental cleanliness and efficiency, and that stood behind their vehicles after they were sold.

580. The Audi Gasoline Defendants compounded the deception by repeatedly asserting that the Fraudulent Vehicles were safe, reliable, environmentally clean, efficient, and of high quality, and by claiming to be a reputable manufacturer that valued safety, environmental cleanliness, and efficiency, and stood behind its vehicles after they were sold.

581. The Audi Gasoline Defendants knew they had installed the Cheat Device in the Fraudulent Vehicles, but concealed all of that information. The Audi Gasoline Defendants also knew that they valued profits over environmental cleanliness, efficiency, and compliance with the law, and that they were manufacturing, selling, and distributing vehicles throughout the United States that did not comply with EPA regulations, but they concealed this information as well.

582. The Audi Gasoline Defendants intentionally and knowingly misrepresented material facts regarding the Fraudulent Vehicles with intent to mislead the Missouri Plaintiffs.

583. Defendants' fraudulent use of the Cheat Device and their concealment of the true characteristics of the Fraudulent Vehicles' fuel consumption, performance, and CO2 emissions were material to Plaintiffs.

584. The Audi Gasoline Defendants knew or should have known that their conduct violated the Missouri MPA.

585. Defendants owed the Missouri Plaintiffs a duty to disclose truthfully all the facts concerning the cleanliness, efficiency and reliability of the Fraudulent Vehicles because they:

- a. possessed exclusive knowledge that they were manufacturing, selling, and distributing vehicles throughout the United States that did not comply with EPA regulations;
- b. intentionally concealed the foregoing from the Missouri Plaintiffs; and/or
- c. made incomplete or negligent representations about the environmental cleanliness and efficiency of the Fraudulent Vehicles generally, and the use of the defeat device in particular, while purposefully withholding material facts from the Missouri Plaintiffs that contradicted these representations.

586. Defendants concealed the illegal defeat device and the true emissions, efficiency and performance of the Fraudulent Vehicles, resulting in a raft of negative publicity once Defendants' fraud was exposed. The value of the Fraudulent Vehicles has therefore plummeted. In light of the stigma Defendants' misconduct attached to the Fraudulent Vehicles, the Fraudulent Vehicles are now worth less than they otherwise would be worth.

587. Defendants' supply and use of the Cheat Device and concealment of the true characteristics of the engine system were material to the Missouri Plaintiffs. A vehicle made by a reputable manufacturer of environmentally friendly vehicles is worth more than an otherwise comparable vehicle made by a disreputable manufacturer of environmentally dirty vehicles that conceals its polluting engines rather than promptly remedying them.

588. Defendants' unfair or deceptive acts or practices were likely to and did in fact deceive regulators and reasonable consumers, including the Missouri Plaintiffs, about the true environmental cleanliness, performance and fuel efficiency of Audi-branded vehicles, the quality

of the Audi brand, the devaluing of environmental cleanliness and integrity at Audi, and the true value of the Fraudulent Vehicles.

589. The Missouri Plaintiffs suffered ascertainable loss and actual damages, including economic and non-economic damages (including, without limitation, damages for embarrassment, humiliation, inconvenience, mental anguish and emotional distress) as a direct and proximate result of Defendants' misrepresentations and their concealment of and failure to disclose material information. The Missouri Plaintiffs who acquired the Fraudulent Vehicles would not have purchased or leased them at all and/or—if the Fraudulent Vehicles' true nature had been disclosed and mitigated, and the Fraudulent Vehicles rendered legal to sell—would have paid significantly less for them. The Missouri Plaintiffs also suffered diminished value of their vehicles, as well as lost or diminished use.

590. Defendants had an ongoing duty to all customers to refrain from unfair and deceptive practices under the Missouri MPA in the course of their business.

591. Defendants' violations present a continuing risk to the Missouri Plaintiffs as well as to the general public. Defendants' unlawful acts and practices complained of herein affect the public interest.

592. Defendants are liable, and the Missouri Plaintiffs hereby sue, for actual damages, including economic and non-economic damages (including, without limitation, damages for embarrassment, humiliation, inconvenience, mental anguish and emotional distress) in amounts to be proven at trial plus attorneys' fees and costs per Mo. Rev. Stat. § 407.025(1) plus punitive damages plus any other just and proper relief under Mo. Rev. Stat. § 407.025.

OHIO

593. Plaintiffs Scott Endsley, Michael Fields, and Kevin Taylor (collectively, the “Ohio Plaintiffs”) acquired their Fraudulent Vehicles while in the State of Ohio. As such, they bring the following causes of action against all defendants.

**OHIO COUNT 1- FRAUD
(On behalf of the Ohio Plaintiffs)**

594. The Ohio Plaintiffs incorporate by reference each preceding paragraph as though fully set forth herein.

595. As alleged extensively above, the Audi Gasoline Defendants intentionally concealed and suppressed material facts concerning the illegality and quality of the Fraudulent Vehicles in order to defraud and mislead the Ohio Plaintiffs about the true nature of the Fraudulent Vehicles. Defendants accomplished their scheme (and the concealment thereof) by installing, aiding in the installation of, and/or failing to disclose the Cheat Devices in the Fraudulent Vehicles that caused the vehicles to operate in a low-emission test mode only during testing. During normal operation and use, the Fraudulent Vehicles emitted grossly larger quantities of noxious pollutants and contaminants and achieved less fuel economy that was advertised and represented. The result was precisely what the Audi Gasoline Defendants had intended—the Fraudulent Vehicles were able to “pass” emission testing by way of deliberately-induced false readings and thus successfully imported and sold and/or leased to unwitting American consumers.

596. The Audi Gasoline Defendants valued their profits over the trust that the Ohio Plaintiffs entrusted to them. The Ohio Plaintiffs bought their cars from the Audi Gasoline Defendants based on their representations regarding compliance with emissions standards, performance, and fuel economy.

597. Necessarily, the Audi Gasoline Defendants also took steps to ensure that their employees did not reveal the details of their scheme to regulators or consumers, including the Ohio Plaintiffs. Defendants did so to falsely assure purchasers and lessors of their vehicles, including previously-owned vehicles, that they are reputable manufacturers that comply with applicable law, including federal and state clean air laws and emission regulations, and that their vehicles likewise comply with applicable laws and regulations.

598. Defendants' false representations and omissions were material to the Ohio Plaintiffs, as they concerned both the legality and core marketing features of the Fraudulent Vehicles. As Defendants well knew, the Ohio Plaintiffs highly valued that the vehicles they were acquiring were high performance, fuel efficient, and had low emissions, and they paid a premium accordingly.

599. The Ohio Plaintiffs reasonably relied on Defendants' deception, and Defendants intended that they would so rely. The Ohio Plaintiffs had no way of discerning that Defendants were, in fact, deceiving them because the Cheat Device was extremely sophisticated technology and could not be discerned by regulators, much less consumers. The Ohio Plaintiffs did not, and could not, unravel Defendants' scheme on their own.

600. Defendants' devious scheme to design and install the Cheat Device in the Fraudulent Vehicles for the specific purpose of falsely representing to the Ohio Plaintiffs and U.S. consumers that the Fraudulent Vehicles complied with emissions laws, were high performance, and had excellent fuel economy, and then concealing their fraudulent scheme through numerous model years, reveals a corporate culture that emphasizes sales and profits over integrity. Further, it demonstrates a callous disregard for not only the rule of law but also the Audi Gasoline Defendants' customers, including the Ohio Plaintiffs.

601. Defendants had a duty to disclose the Cheat Device to the Ohio Plaintiffs.

602. The Audi Gasoline Defendants hatched the deceptive scheme and knew that their customers, including the Ohio Plaintiffs, did not know about (and could not reasonably discover) its scheme.

603. The Audi Gasoline Defendants not only concealed the illegal Cheat Device, which posed a safety harm, but went further to make numerous affirmative misrepresentations about the quality and characteristics of the Fraudulent Vehicles. The Audi Gasoline Defendants did so through their advertising, statements by corporate executives, and their website, among other sources. The Audi Gasoline Defendants' fraudulent statements regarding the Fraudulent Vehicles' performance, characteristics, fitness, and legal compliance are expressly contained in documents prepared, issued and provided by the Audi Gasoline Defendants such as the "window sticker," vehicle brochure, and other documents and advertisements provided to or otherwise made available to the Ohio Plaintiffs.

604. Each of these misrepresentations, at the time they were made, concerned either a past or then-existing material fact, and were made intentionally and knowingly, with an intent to mislead. Having "opened their mouth" to claim the Fraudulent Vehicles complied with legal emissions requirements, had a certain fuel economy, and were high performance, the Audi Gasoline Defendants had the duty to come clean about their Cheat Device – but they failed to do so.

605. The Audi Gasoline Defendants actively concealed the Cheat Device and actual emission levels, fuel economy, and performance of the Fraudulent Vehicles to pad their profits and avoid the perception that the Fraudulent Vehicles did not comply with federal and state laws

governing clean air and emissions. The Audi Gasoline Defendants engaged in this fraudulent concealment at the expense of the Ohio Plaintiffs.

606. The Ohio Plaintiffs reasonably relied upon the misrepresentations detailed herein, including the fraudulent concealment of the Cheat Device, in acquiring their Fraudulent Vehicles.

607. The Ohio Plaintiffs were not aware of the concealed and misrepresented material facts referenced above, and they would not have acted as they did had regulators or the driving public known the truth—the Audi Gasoline Defendants would not have been able to obtain COCs or EOs for the sale of the Fraudulent Vehicles and as a consequence the Ohio Plaintiffs would never have acquired the Fraudulent Vehicles in the first place.

608. As a direct and proximate result of Defendants' fraudulent scheme, the Ohio Plaintiffs sustained damages. They acquired Fraudulent Vehicles that are non-compliant and severely diminished in value as compared to the vehicles that were advertised and marketed. Moreover, the Fraudulent Vehicles either cannot be repaired to comply with applicable emissions standards, or if they can be made compliant, their performance, fuel efficiency, and longevity will be compromised.

609. Defendants are liable to the Ohio Plaintiffs for damages, including economic and non-economic damages (including, without limitation, damages for embarrassment, humiliation, inconvenience, mental anguish and emotional distress) in an amount to be proven at trial, for which the Ohio Plaintiffs sue Defendants. Defendants acted with willfulness, fraud, malice, and wantonness. Further, Defendants have acted with express and actual malice, legal and implied. Defendants' conduct thus warrants the award of substantial punitive damages in an amount to be determined at trial, for which the Ohio Plaintiffs sue Defendants.

**OHIO COUNT 2-
VIOLATIONS OF THE OHIO CONSUMER SALES PRACTICES ACT
(Ohio Rev. Code §§ 1345.01, et seq.)
(On behalf of the Ohio Plaintiffs)**

610. The Ohio Plaintiffs incorporate by reference each preceding paragraph as though fully set forth herein.

611. The Ohio Plaintiffs have complied with all applicable, pre-suit notice letter provisions, if any.

612. Defendants and the Ohio Plaintiffs are “persons” within the meaning of Ohio Rev. Code § 1345.01(B).

613. Defendants are a “suppliers” as defined by Ohio Rev. Code § 1345.01(C).

614. The Ohio Plaintiffs are “consumers” as that term is defined in Ohio Rev. Code § 1345.01(D), and their purchase and leases of the Fraudulent Vehicles installed in them are “consumer transactions” within the meaning of Ohio Rev. Code § 1345.01(A).

615. Ohio Rev. Code § 1345.02, prohibits unfair or deceptive acts or practices in connection with a consumer transaction. Ohio CSPA prohibits a supplier from (i) representing that goods have characteristics, uses or benefits which the goods do not have; (ii) representing that their goods are of a particular quality or grade that the product is not; and (iii) representing that the subject of a consumer transaction has been supplied in accordance with a previous representation, if it has not. Defendants knowingly violated the Ohio CSPA.

616. In the course of their business, the Audi Gasoline Defendants intentionally or negligently concealed and suppressed material facts concerning the true emissions produced by Fraudulent Vehicles. Defendants accomplished this by installing illegal defeat device software in the Fraudulent Vehicles that caused the vehicles to operate in a low emission, low fuel economy test mode only during emissions testing. During normal operations, the Fraudulent Vehicles would

emit grossly larger quantities of noxious contaminants and have reduced fuel economy. The result was what the Audi Gasoline Defendants intended—the Fraudulent Vehicles passed emissions testing by way of deliberately induced false readings. The Ohio Plaintiffs had no way of discerning that the Audi Gasoline Defendants’ representations were false and misleading because the Audi Gasoline Defendants’ defeat device software was extremely sophisticated technology.

617. Defendants engaged in misleading, false, unfair and deceptive acts or practices that violated the Ohio CSPA by installing, failing to disclose and/or actively concealing the Cheat Device and the true cleanliness and performance of the engine system, by marketing their vehicles as legal, reliable, environmentally clean, efficient, and of high quality, by misrepresenting fuel economy and performance, and by presenting themselves as reputable manufacturers that valued environmental cleanliness and efficiency, and that stood behind their vehicles after they were sold.

618. The Audi Gasoline Defendants compounded the deception by repeatedly asserting that the Fraudulent Vehicles were safe, reliable, environmentally clean, efficient, and of high quality, and by claiming to be a reputable manufacturer that valued safety, environmental cleanliness, and efficiency, and stood behind its vehicles after they were sold.

619. The Audi Gasoline Defendants knew they had installed the Cheat Device in the Fraudulent Vehicles, but concealed all of that information. The Audi Gasoline Defendants also knew that they valued profits over environmental cleanliness, efficiency, and compliance with the law, and that they were manufacturing, selling, and distributing vehicles throughout the United States that did not comply with EPA regulations, but they concealed this information as well.

620. The Audi Gasoline Defendants intentionally and knowingly misrepresented material facts regarding the Fraudulent Vehicles with intent to mislead the Ohio Plaintiffs.

621. Defendants' fraudulent use of the Cheat Device and their concealment of the true characteristics of the Fraudulent Vehicles' fuel consumption, performance, and CO2 emissions were material to Plaintiffs.

622. The Audi Gasoline Defendants knew or should have known that their conduct violated the Ohio CSPA.

623. Defendants owed the Ohio Plaintiffs a duty to disclose truthfully all the facts concerning the cleanliness, efficiency and reliability of the Fraudulent Vehicles because they:

- a. possessed exclusive knowledge that they were manufacturing, selling, and distributing vehicles throughout the United States that did not comply with EPA regulations;
- b. intentionally concealed the foregoing from the Ohio Plaintiffs; and/or
- c. made incomplete or negligent representations about the environmental cleanliness and efficiency of the Fraudulent Vehicles generally, and the use of the defeat device in particular, while purposefully withholding material facts from the Ohio Plaintiffs that contradicted these representations.

624. Defendants concealed the illegal defeat device and the true emissions, efficiency and performance of the Fraudulent Vehicles, resulting in a raft of negative publicity once Defendants' fraud was exposed. The value of the Fraudulent Vehicles has therefore plummeted. In light of the stigma Defendants' misconduct attached to the Fraudulent Vehicles, the Fraudulent Vehicles are now worth less than they otherwise would be worth.

625. Defendants' supply and use of the Cheat Device and concealment of the true characteristics of the engine system were material to the Ohio Plaintiffs. A vehicle made by a reputable manufacturer of environmentally friendly vehicles is worth more than an otherwise comparable vehicle made by a disreputable manufacturer of environmentally dirty vehicles that conceals its polluting engines rather than promptly remedying them.

626. Defendants' unfair or deceptive acts or practices were likely to and did in fact deceive regulators and reasonable consumers, including the Ohio Plaintiffs, about the true environmental cleanliness, performance and fuel efficiency of Audi-branded vehicles, the quality of the Audi brand, the devaluing of environmental cleanliness and integrity at Audi, and the true value of the Fraudulent Vehicles.

627. The Ohio Plaintiffs suffered ascertainable loss and actual damages, including economic and non-economic damages (including, without limitation, damages for embarrassment, humiliation, inconvenience, mental anguish and emotional distress) as a direct and proximate result of Defendants' misrepresentations and their concealment of and failure to disclose material information. The Ohio Plaintiffs who acquired the Fraudulent Vehicles would not have purchased or leased them at all and/or—if the Fraudulent Vehicles' true nature had been disclosed and mitigated, and the Fraudulent Vehicles rendered legal to sell—would have paid significantly less for them. The Ohio Plaintiffs also suffered diminished value of their vehicles, as well as lost or diminished use.

628. Defendants had an ongoing duty to all customers to refrain from unfair and deceptive practices under the Ohio CSPA in the course of their business.

629. Defendants' violations present a continuing risk to the Ohio Plaintiffs as well as to the general public. Defendants' unlawful acts and practices complained of herein affect the public interest.

630. Pursuant to Ohio Rev. Code § 1345.09, the Ohio Plaintiffs hereby sue Defendants for actual damages, including economic and non-economic damages (including, without limitation, damages for embarrassment, humiliation, inconvenience, mental anguish and emotional distress) plus treble damages plus attorneys' fees and costs per Ohio Rev. Code § 1345.09 plus

non-economic damages plus any other just and proper relief, to the extent available under the Ohio CSPA.

OREGON

631. Plaintiffs Melissa Brady, Gerald Mosley, Robert Martindale, and Gwyneth Paulson (collectively, the “Oregon Plaintiffs”) acquired their Fraudulent Vehicles while in the State of Oregon. As such, they bring the following causes of action against all defendants.

OREGON COUNT 1- FRAUD (On behalf of the Oregon Plaintiffs)

632. The Oregon Plaintiffs incorporate by reference each preceding paragraph as though fully set forth herein.

633. As alleged extensively above, the Audi Gasoline Defendants intentionally concealed and suppressed material facts concerning the illegality and quality of the Fraudulent Vehicles in order to defraud and mislead the Oregon Plaintiffs about the true nature of the Fraudulent Vehicles. Defendants accomplished their scheme (and the concealment thereof) by installing, aiding in the installation of, and/or failing to disclose the Cheat Devices in the Fraudulent Vehicles that caused the vehicles to operate in a low-emission test mode only during testing. During normal operation and use, the Fraudulent Vehicles emitted grossly larger quantities of noxious pollutants and contaminants and achieved less fuel economy that was advertised and represented. The result was precisely what the Audi Gasoline Defendants had intended—the Fraudulent Vehicles were able to “pass” emission testing by way of deliberately-induced false readings and thus successfully imported and sold and/or leased to unwitting American consumers.

634. The Audi Gasoline Defendants valued their profits over the trust that the Oregon Plaintiffs entrusted to them. The Oregon Plaintiffs bought their cars from the Audi Gasoline

Defendants based on their representations regarding compliance with emissions standards, performance, and fuel economy.

635. Necessarily, the Audi Gasoline Defendants also took steps to ensure that their employees did not reveal the details of their scheme to regulators or consumers, including the Oregon Plaintiffs. Defendants did so to falsely assure purchasers and lessors of their vehicles, including previously-owned vehicles, that they are reputable manufacturers that comply with applicable law, including federal and state clean air laws and emission regulations, and that their vehicles likewise comply with applicable laws and regulations.

636. Defendants' false representations and omissions were material to the Oregon Plaintiffs, as they concerned both the legality and core marketing features of the Fraudulent Vehicles. As Defendants well knew, the Oregon Plaintiffs highly valued that the vehicles they were acquiring were high performance, fuel efficient, and had low emissions, and they paid a premium accordingly.

637. The Oregon Plaintiffs reasonably relied on Defendants' deception, and Defendants intended that they would so rely. The Oregon Plaintiffs had no way of discerning that Defendants were, in fact, deceiving them because the Cheat Device was extremely sophisticated technology and could not be discerned by regulators, much less consumers. The Oregon Plaintiffs did not, and could not, unravel Defendants' scheme on their own.

638. Defendants' devious scheme to design and install the Cheat Device in the Fraudulent Vehicles for the specific purpose of falsely representing to the Oregon Plaintiffs and U.S. consumers that the Fraudulent Vehicles complied with emissions laws, were high performance, and had excellent fuel economy, and then concealing their fraudulent scheme through numerous model years, reveals a corporate culture that emphasizes sales and profits over

integrity. Further, it demonstrates a callous disregard for not only the rule of law but also the Audi Gasoline Defendants' customers, including the Oregon Plaintiffs.

639. Defendants had a duty to disclose the Cheat Device to the Oregon Plaintiffs.

640. The Audi Gasoline Defendants hatched the deceptive scheme and knew that their customers, including the Oregon Plaintiffs, did not know about (and could not reasonably discover) its scheme.

641. The Audi Gasoline Defendants not only concealed the illegal Cheat Device, which posed a safety harm, but went further to make numerous affirmative misrepresentations about the quality and characteristics of the Fraudulent Vehicles. The Audi Gasoline Defendants did so through their advertising, statements by corporate executives, and their website, among other sources. The Audi Gasoline Defendants' fraudulent statements regarding the Fraudulent Vehicles' performance, characteristics, fitness, and legal compliance are expressly contained in documents prepared, issued and provided by the Audi Gasoline Defendants such as the "window sticker," vehicle brochure, and other documents and advertisements provided to or otherwise made available to the Oregon Plaintiffs.

642. Each of these misrepresentations, at the time they were made, concerned either a past or then-existing material fact, and were made intentionally and knowingly, with an intent to mislead. Having "opened their mouth" to claim the Fraudulent Vehicles complied with legal emissions requirements, had a certain fuel economy, and were high performance, the Audi Gasoline Defendants had the duty to come clean about their Cheat Device – but they failed to do so.

643. The Audi Gasoline Defendants actively concealed the Cheat Device and actual emission levels, fuel economy, and performance of the Fraudulent Vehicles to pad their profits

and avoid the perception that the Fraudulent Vehicles did not comply with federal and state laws governing clean air and emissions. The Audi Gasoline Defendants engaged in this fraudulent concealment at the expense of the Oregon Plaintiffs.

644. The Oregon Plaintiffs reasonably relied upon the misrepresentations detailed herein, including the fraudulent concealment of the Cheat Device, in acquiring their Fraudulent Vehicles.

645. The Oregon Plaintiffs were not aware of the concealed and misrepresented material facts referenced above, and they would not have acted as they did had regulators or the driving public known the truth—the Audi Gasoline Defendants would not have been able to obtain COCs or EOs for the sale of the Fraudulent Vehicles and as a consequence the Oregon Plaintiffs would never have acquired the Fraudulent Vehicles in the first place.

646. As a direct and proximate result of Defendants' fraudulent scheme, the Oregon Plaintiffs sustained damages. They acquired Fraudulent Vehicles that are non-compliant and severely diminished in value as compared to the vehicles that were advertised and marketed. Moreover, the Fraudulent Vehicles either cannot be repaired to comply with applicable emissions standards, or if they can be made compliant, their performance, fuel efficiency, and longevity will be compromised.

647. Defendants are liable to the Oregon Plaintiffs for damages, including economic and non-economic damages (including, without limitation, damages for embarrassment, humiliation, inconvenience, mental anguish and emotional distress) in an amount to be proven at trial, for which the Oregon Plaintiffs sue Defendants. Defendants' conduct has shown a reckless and outrageous indifference to a highly unreasonable risk of harm and has acted with a conscious indifference to the health, safety, and welfare of others. Further, Defendants have acted with malice. Defendants'

conduct thus warrants the award of substantial punitive damages in an amount to be determined at trial, for which the Oregon Plaintiffs sue Defendants.

**OREGON COUNT 2-
VIOLATIONS OF THE OREGON UNLAWFUL TRADE PRACTICES ACT
(Or. Rev. Stat. §§ 646.605, et seq.)
(On behalf of the Oregon Plaintiffs)**

648. The Oregon Plaintiffs incorporate by reference each preceding paragraph as though fully set forth herein.

649. The Oregon Plaintiffs have complied with all applicable, pre-suit notice letter provisions, if any.

650. Defendants and the Oregon Plaintiffs are “persons” within the meaning of Or. Rev. Stat. § 646.605(4).

651. Defendants are engaged in “trade” or “commerce” within the meaning of Or. Rev. Stat. § 646.605(8).

652. The Oregon Unfair Trade Practices Act (“Oregon UTPA”) prohibits “unfair or deceptive acts conduct in trade or commerce” Or. Rev. Stat. § 646.608(1). Defendants violated the Oregon UTPA because, among other reasons, they (1) “[r]epresented that . . . goods . . . have sponsorship, approval, characteristics, ingredients, uses, benefits, quantities or qualities that the . . . goods or . . . do not have;” (2) “[r]epresented that ... goods ... are of a particular standard, quality, or grade, [when] the goods ... were of another;” (3) “advertise[d] goods with intent not to provide ... goods as advertised;” (4) “[c]oncurrent with tender or delivery of. . . , goods . . . fail[ed] to disclose any known material defect or material nonconformity;” (5) [e]ngaged in . . . unfair or deceptive conduct in trade or commerce. Or. Rev. Stat. § 646.608(1)(e), (g), (i), (t), (u).

653. In the course of their business, the Audi Gasoline Defendants intentionally or negligently concealed and suppressed material facts concerning the true emissions produced by Fraudulent Vehicles. Defendants accomplished this by installing illegal defeat device software in the Fraudulent Vehicles that caused the vehicles to operate in a low emission, low fuel economy test mode only during emissions testing. During normal operations, the Fraudulent Vehicles would emit grossly larger quantities of noxious contaminants and have reduced fuel economy. The result was what the Audi Gasoline Defendants intended—the Fraudulent Vehicles passed emissions testing by way of deliberately induced false readings. The Oregon Plaintiffs had no way of discerning that the Audi Gasoline Defendants' representations were false and misleading because the Audi Gasoline Defendants' defeat device software was extremely sophisticated technology.

654. Defendants engaged in misleading, false, unfair and deceptive acts or practices that violated the Oregon UTPA by installing, failing to disclose and/or actively concealing the Cheat Device and the true cleanliness and performance of the engine system, by marketing their vehicles as legal, reliable, environmentally clean, efficient, and of high quality, by mispresenting fuel economy and performance, and by presenting themselves as reputable manufacturers that valued environmental cleanliness and efficiency, and that stood behind their vehicles after they were sold.

655. The Audi Gasoline Defendants compounded the deception by repeatedly asserting that the Fraudulent Vehicles were safe, reliable, environmentally clean, efficient, and of high quality, and by claiming to be a reputable manufacturer that valued safety, environmental cleanliness, and efficiency, and stood behind its vehicles after they were sold.

656. The Audi Gasoline Defendants knew they had installed the Cheat Device in the Fraudulent Vehicles, but concealed all of that information. The Audi Gasoline Defendants also knew that they valued profits over environmental cleanliness, efficiency, and compliance with the

law, and that they were manufacturing, selling, and distributing vehicles throughout the United States that did not comply with EPA regulations, but they concealed this information as well.

657. The Audi Gasoline Defendants intentionally and knowingly misrepresented material facts regarding the Fraudulent Vehicles with intent to mislead the Oregon Plaintiffs.

658. Defendants' fraudulent use of the Cheat Device and their concealment of the true characteristics of the Fraudulent Vehicles' fuel consumption, performance, and CO2 emissions were material to Plaintiffs.

659. The Audi Gasoline Defendants knew or should have known that their conduct violated the Oregon UTPA.

660. Defendants owed the Oregon Plaintiffs a duty to disclose truthfully all the facts concerning the cleanliness, efficiency and reliability of the Fraudulent Vehicles because they:

- a. possessed exclusive knowledge that they were manufacturing, selling, and distributing vehicles throughout the United States that did not comply with EPA regulations;
- b. intentionally concealed the foregoing from the Oregon Plaintiffs; and/or
- c. made incomplete or negligent representations about the environmental cleanliness and efficiency of the Fraudulent Vehicles generally, and the use of the defeat device in particular, while purposefully withholding material facts from the Oregon Plaintiffs that contradicted these representations.

661. Defendants concealed the illegal defeat device and the true emissions, efficiency and performance of the Fraudulent Vehicles, resulting in a raft of negative publicity once Defendants' fraud was exposed. The value of the Fraudulent Vehicles has therefore plummeted. In light of the stigma Defendants' misconduct attached to the Fraudulent Vehicles, the Fraudulent Vehicles are now worth less than they otherwise would be worth.

662. Defendants' supply and use of the Cheat Device and concealment of the true characteristics of the engine system were material to the Oregon Plaintiffs. A vehicle made by a

reputable manufacturer of environmentally friendly vehicles is worth more than an otherwise comparable vehicle made by a disreputable manufacturer of environmentally dirty vehicles that conceals its polluting engines rather than promptly remedying them.

663. Defendants' unfair or deceptive acts or practices were likely to and did in fact deceive regulators and reasonable consumers, including the Oregon Plaintiffs, about the true environmental cleanliness, performance and fuel efficiency of Audi-branded vehicles, the quality of the Audi brand, the devaluing of environmental cleanliness and integrity at Audi, and the true value of the Fraudulent Vehicles.

664. The Oregon Plaintiffs suffered ascertainable loss and actual damages, including economic and non-economic damages (including, without limitation, damages for embarrassment, humiliation, inconvenience, mental anguish and emotional distress) as a direct and proximate result of Defendants' misrepresentations and their concealment of and failure to disclose material information. The Oregon Plaintiffs who acquired the Fraudulent Vehicles would not have purchased or leased them at all and/or—if the Fraudulent Vehicles' true nature had been disclosed and mitigated, and the Fraudulent Vehicles rendered legal to sell—would have paid significantly less for them. The Oregon Plaintiffs also suffered diminished value of their vehicles, as well as lost or diminished use.

665. Defendants had an ongoing duty to all customers to refrain from unfair and deceptive practices under the Oregon UTPA in the course of their business.

666. Defendants' violations present a continuing risk to the Oregon Plaintiffs as well as to the general public. Defendants' unlawful acts and practices complained of herein affect the public interest.

667. Pursuant to Or. Rev. Stat. § 646.638, the Oregon Plaintiffs hereby sue Defendants for actual damages, including economic and non-economic damages (including, without limitation, damages for embarrassment, humiliation, inconvenience, mental anguish and emotional distress) plus punitive damages plus attorneys' fees and costs per Or. Rev. Stat. § 646.638(3) plus any other just and proper relief available under the Oregon UTPA.

UTAH

668. Plaintiff Eddie Barber (the "Utah Plaintiff") acquired his Fraudulent Vehicle while in the State of Utah. As such, he brings the following causes of action against all defendants.

UTAH COUNT 1- FRAUD (On behalf of the Utah Plaintiff)

669. The Utah Plaintiff incorporates by reference each preceding paragraph as though fully set forth herein.

670. As alleged extensively above, the Audi Gasoline Defendants intentionally concealed and suppressed material facts concerning the illegality and quality of the Fraudulent Vehicles in order to defraud and mislead the Utah Plaintiff about the true nature of the Fraudulent Vehicles. Defendants accomplished their scheme (and the concealment thereof) by installing, aiding in the installation of, and/or failing to disclose the Cheat Devices in the Fraudulent Vehicles that caused the vehicles to operate in a low-emission test mode only during testing. During normal operation and use, the Fraudulent Vehicles emitted grossly larger quantities of noxious pollutants and contaminants and achieved less fuel economy that was advertised and represented. The result was precisely what the Audi Gasoline Defendants had intended—the Fraudulent Vehicles were able to "pass" emission testing by way of deliberately-induced false readings and thus successfully imported and sold and/or leased to unwitting American consumers.

671. The Audi Gasoline Defendants valued their profits over the trust that the Utah Plaintiff entrusted to them. The Utah Plaintiff bought his car from the Audi Gasoline Defendants based on their representations regarding compliance with emissions standards, performance, and fuel economy.

672. Necessarily, the Audi Gasoline Defendants also took steps to ensure that their employees did not reveal the details of their scheme to regulators or consumers, including the Utah Plaintiff. Defendants did so to falsely assure purchasers and lessors of their vehicles, including previously-owned vehicles, that they are reputable manufacturers that comply with applicable law, including federal and state clean air laws and emission regulations, and that their vehicles likewise comply with applicable laws and regulations.

673. Defendants' false representations and omissions were material to the Utah Plaintiff, as they concerned both the legality and core marketing features of the Fraudulent Vehicles. As Defendants well knew, the Utah Plaintiff highly valued that the vehicles they were acquiring were high performance, fuel efficient, and had low emissions, and they paid a premium accordingly.

674. The Utah Plaintiff reasonably relied on Defendants' deception, and Defendants intended that they would so rely. The Utah Plaintiff had no way of discerning that Defendants were, in fact, deceiving them because the Cheat Device was extremely sophisticated technology and could not be discerned by regulators, much less consumers. The Utah Plaintiff did not, and could not, unravel Defendants' scheme on his own.

675. Defendants' devious scheme to design and install the Cheat Device in the Fraudulent Vehicles for the specific purpose of falsely representing to the Utah Plaintiff and U.S. consumers that the Fraudulent Vehicles complied with emissions laws, were high performance, and had excellent fuel economy, and then concealing their fraudulent scheme through numerous

model years, reveals a corporate culture that emphasizes sales and profits over integrity. Further, it demonstrates a callous disregard for not only the rule of law but also the Audi Gasoline Defendants' customers, including the Utah Plaintiff.

676. Defendants had a duty to disclose the Cheat Device to the Utah Plaintiff.

677. The Audi Gasoline Defendants hatched the deceptive scheme and knew that their customers, including the Utah Plaintiff, did not know about (and could not reasonably discover) its scheme.

678. The Audi Gasoline Defendants not only concealed the illegal Cheat Device, which posed a safety harm, but went further to make numerous affirmative misrepresentations about the quality and characteristics of the Fraudulent Vehicles. The Audi Gasoline Defendants did so through their advertising, statements by corporate executives, and their website, among other sources. The Audi Gasoline Defendants' fraudulent statements regarding the Fraudulent Vehicles' performance, characteristics, fitness, and legal compliance are expressly contained in documents prepared, issued and provided by the Audi Gasoline Defendants such as the "window sticker," vehicle brochure, and other documents and advertisements provided to or otherwise made available to the Utah Plaintiff.

679. Each of these misrepresentations, at the time they were made, concerned either a past or then-existing material fact, and were made intentionally and knowingly, with an intent to mislead. Having "opened their mouth" to claim the Fraudulent Vehicles complied with legal emissions requirements, had a certain fuel economy, and were high performance, the Audi Gasoline Defendants had the duty to come clean about their Cheat Device – but they failed to do so.

680. The Audi Gasoline Defendants actively concealed the Cheat Device and actual emission levels, fuel economy, and performance of the Fraudulent Vehicles to pad their profits and avoid the perception that the Fraudulent Vehicles did not comply with federal and state laws governing clean air and emissions. The Audi Gasoline Defendants engaged in this fraudulent concealment at the expense of the Utah Plaintiff.

681. The Utah Plaintiff reasonably relied upon the misrepresentations detailed herein, including the fraudulent concealment of the Cheat Device, in acquiring their Fraudulent Vehicles.

682. The Utah Plaintiff were not aware of the concealed and misrepresented material facts referenced above, and they would not have acted as they did had regulators or the driving public known the truth—the Audi Gasoline Defendants would not have been able to obtain COCs or EOs for the sale of the Fraudulent Vehicles and as a consequence the Utah Plaintiff would never have acquired the Fraudulent Vehicles in the first place.

683. As a direct and proximate result of Defendants' fraudulent scheme, the Utah Plaintiff sustained damages. They acquired Fraudulent Vehicles that are non-compliant and severely diminished in value as compared to the vehicles that were advertised and marketed. Moreover, the Fraudulent Vehicles either cannot be repaired to comply with applicable emissions standards, or if they can be made compliant, their performance, fuel efficiency, and longevity will be compromised.

684. Defendants are liable to the Utah Plaintiff for damages, including economic and non-economic damages (including, without limitation, damages for embarrassment, humiliation, inconvenience, mental anguish and emotional distress) in an amount to be proven at trial, for which the Utah Plaintiff sues Defendants. Defendants have acted with actual/malice in fact and legal malice, that is, conduct that manifests a reckless disregard or indifference to the rights and safety

of others. Defendants' conduct thus warrants the award of substantial punitive damages in an amount to be determined at trial, for which the Utah Plaintiff sues Defendants.

**UTAH COUNT 2-
VIOLATIONS OF UTAH CONSUMER SALES PRACTICES ACT
(Utah Code Ann. § 13-11-1, et seq.)
(On behalf of the Utah Plaintiff)**

685. The Utah Plaintiff incorporates by reference each preceding paragraph as though fully set forth herein.

686. The Utah Plaintiff has complied with all applicable, pre-suit notice letter provisions, if any.

687. The Utah Plaintiff is a "person" under the Utah Consumer Sales Practices Act ("Utah CSPA"), Utah Code § 13-11-3(5).

688. The sales and leases of the Fraudulent Vehicles to the Utah Plaintiff were "consumer transactions" within the meaning of Utah Code § 13-11-3(2).

689. Defendants are "suppliers" within the meaning of Utah Code § 13-11-3(6).

690. The Utah CSPA makes unlawful any "deceptive act or practice by a supplier in connection with a consumer transaction." Specifically, "a supplier commits a deceptive act or practice if the supplier knowingly or intentionally: (a) indicates that the subject of a consumer transaction has sponsorship, approval, performance characteristics, accessories, uses, or benefits, if it has not" or "(b) indicates that the subject of a consumer transaction is of a particular standard, quality, grade, style, or model, if it is not." Utah Code § 13-11-4. "An unconscionable act or practice by a supplier in connection with a consumer transaction" also violates the Utah CSPA. Utah Code § 13-11-5.

691. In the course of their business, the Audi Gasoline Defendants intentionally or negligently concealed and suppressed material facts concerning the true emissions produced by

Fraudulent Vehicles. Defendants accomplished this by installing illegal defeat device software in the Fraudulent Vehicles that caused the vehicles to operate in a low emission, low fuel economy test mode only during emissions testing. During normal operations, the Fraudulent Vehicles would emit grossly larger quantities of noxious contaminants and have reduced fuel economy. The result was what the Audi Gasoline Defendants intended—the Fraudulent Vehicles passed emissions testing by way of deliberately induced false readings. The Utah Plaintiff had no way of discerning that the Audi Gasoline Defendants’ representations were false and misleading because the Audi Gasoline Defendants’ defeat device software was extremely sophisticated technology.

692. Defendants engaged in misleading, false, unfair and deceptive acts or practices that violated the Utah CSPA by installing, failing to disclose and/or actively concealing the Cheat Device and the true cleanliness and performance of the engine system, by marketing their vehicles as legal, reliable, environmentally clean, efficient, and of high quality, by misrepresenting fuel economy and performance, and by presenting themselves as reputable manufacturers that valued environmental cleanliness and efficiency, and that stood behind their vehicles after they were sold.

693. The Audi Gasoline Defendants compounded the deception by repeatedly asserting that the Fraudulent Vehicles were safe, reliable, environmentally clean, efficient, and of high quality, and by claiming to be a reputable manufacturer that valued safety, environmental cleanliness, and efficiency, and stood behind its vehicles after they were sold.

694. The Audi Gasoline Defendants knew they had installed the Cheat Device in the Fraudulent Vehicles, but concealed all of that information. The Audi Gasoline Defendants also knew that they valued profits over environmental cleanliness, efficiency, and compliance with the law, and that they were manufacturing, selling, and distributing vehicles throughout the United States that did not comply with EPA regulations, but they concealed this information as well.

695. The Audi Gasoline Defendants intentionally and knowingly misrepresented material facts regarding the Fraudulent Vehicles with intent to mislead the Utah Plaintiff.

696. Defendants' fraudulent use of the Cheat Device and their concealment of the true characteristics of the Fraudulent Vehicles' fuel consumption, performance, and CO2 emissions were material to Plaintiffs.

697. The Audi Gasoline Defendants knew or should have known that their conduct violated the Utah CSPA.

698. Defendants owed the Utah Plaintiff a duty to disclose truthfully all the facts concerning the cleanliness, efficiency and reliability of the Fraudulent Vehicles because they:

- a. possessed exclusive knowledge that they were manufacturing, selling, and distributing vehicles throughout the United States that did not comply with EPA regulations;
- b. intentionally concealed the foregoing from the Utah Plaintiff; and/or
- c. made incomplete or negligent representations about the environmental cleanliness and efficiency of the Fraudulent Vehicles generally, and the use of the defeat device in particular, while purposefully withholding material facts from the Utah Plaintiff that contradicted these representations.

699. Defendants concealed the illegal defeat device and the true emissions, efficiency and performance of the Fraudulent Vehicles, resulting in a raft of negative publicity once Defendants' fraud was exposed. The value of the Fraudulent Vehicles has therefore plummeted. In light of the stigma Defendants' misconduct attached to the Fraudulent Vehicles, the Fraudulent Vehicles are now worth less than they otherwise would be worth.

700. Defendants' supply and use of the Cheat Device and concealment of the true characteristics of the engine system were material to the Utah Plaintiff. A vehicle made by a reputable manufacturer of environmentally friendly vehicles is worth more than an otherwise

comparable vehicle made by a disreputable manufacturer of environmentally dirty vehicles that conceals its polluting engines rather than promptly remedying them.

701. Defendants' unfair or deceptive acts or practices were likely to and did in fact deceive regulators and reasonable consumers, including the Utah Plaintiff, about the true environmental cleanliness, performance and fuel efficiency of Audi-branded vehicles, the quality of the Audi brand, the devaluing of environmental cleanliness and integrity at Audi, and the true value of the Fraudulent Vehicles.

702. The Utah Plaintiff suffered ascertainable loss and actual damages, including economic and non-economic damages (including, without limitation, damages for embarrassment, humiliation, inconvenience, mental anguish and emotional distress) as a direct and proximate result of Defendants' misrepresentations and their concealment of and failure to disclose material information. The Utah Plaintiff who acquired the Fraudulent Vehicles would not have purchased or leased them at all and/or—if the Fraudulent Vehicles' true nature had been disclosed and mitigated, and the Fraudulent Vehicles rendered legal to sell—would have paid significantly less for them. The Utah Plaintiff also suffered diminished value of their vehicles, as well as lost or diminished use.

703. Defendants had an ongoing duty to all customers to refrain from unfair and deceptive practices under the Utah CSPA in the course of their business.

704. Defendants' violations present a continuing risk to the Utah Plaintiff as well as to the general public. Defendants' unlawful acts and practices complained of herein affect the public interest.

705. Pursuant to the Utah CSPA, the Utah Plaintiff hereby sues Defendants for actual damages, including economic and non-economic damages (including, without limitation, damages

for embarrassment, humiliation, inconvenience, mental anguish and emotional distress). The Utah Plaintiff further sues Defendants for punitive damages plus attorneys' fees and court costs per Utah Code § 13-11-19 plus any other just and proper relief to the extent available under the Utah CPSA.

AD DAMNUM CLAUSE

706. Each plaintiff hereby seeks \$725,000 in damages for each affected vehicle.

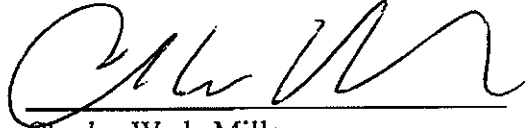
707. Plaintiffs collectively seek damages in excess of \$5 million.

WHEREFORE, Plaintiffs respectfully request that the Court enter judgment in Plaintiffs' favor and against Defendants, as follows:

- A. Actual damages;
- B. Treble damages;
- C. Punitive and exemplary damages;
- D. An order requiring Defendants to pay both pre- and post-judgment interest on any amounts awarded;
- E. An award of litigation expenses, costs and attorneys' fees; and
- F. Such other or further relief as may be appropriate.

DATED: November 2, 2018

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Charles Wade Miller', written over a horizontal line.

Charles Wade Miller

VSb No. 92647

Attorney for Plaintiffs

HEYGOOD, ORR & PEARSON

6363 North State Highway 161, Suite 450

Irving, Texas 75038

Tel: (214) 237-9001

Fax: (214) 237-9002

charles@hop-law.com

Attorney for Plaintiffs

Pro Hac Vice Admission to be sought for

Eric D. Pearson

eric@hop-law.com

HEYGOOD, ORR & PEARSON

6363 North State Highway 161, Suite 450

Irving, Texas 75038

Tel: (214) 237-9001

Fax: (214) 237-9002

Attorneys for Plaintiffs